

RESEARCH FOUNDATION

RF-CUNY needs to come clean

By NANCY ROMER

No CUNY researcher likes it when overhead fees are taken out of our grants by the Research Foundation. Depending on the grant, whether it's a service project or basic research grant, anywhere between 8% and 54% can be taken out of the bottom line. While we sometimes wonder if the percentages are really justified, we understand that there are real overhead expenses that must be met. No one questions the fact that it costs money to provide heat and electricity for the space we use, or to handle a payroll for grant-based employees.

However, the CUNY Research Foundation (RF) is spending our hard-won grant money on another type of "overhead" that is unnecessary and wasteful – and which could ultimately interfere with our ability to conduct research and do our work. A few million dollars of money taken from our grants has been spent on the services of Nixon Peabody, a union-busting law firm. This law firm is not working in the interests of our grants.

While the Research Foundation has its own in-house Office of Legal Affairs, Nixon Peabody provides a different kind of expertise: its experience in fighting unions. As the firm's website explains, Nixon Peabody offers "union-avoidance training," and strategic advice on how to defeat union organizing tactics. "Our attorneys have successfully helped employers of all sizes resist unionization efforts," the site declares.

HOW MUCH?

The CUNY Research Foundation has spent well over \$2 million on Nixon Peabody's anti-union services, at an annual cost that has run between \$300,000 and \$600,000. These figures are based on the RF's annual federal Form 990 – but that data does not include any spending since June 2008. The RF refuses to disclose how much it has paid Nixon Peabody since that time – even though it will eventually have to make these figures public, as required by federal law.

The RF's secretive attitude about this spending is at odds with the values that should guide the work of a university. The Foundation owes it to CUNY faculty and staff to act in a more transparent manner – after all, this money was taken from grants that we secured. I am sure that many of the principal investigators would like the RF to disclose its current spending on Nixon Peabody's services, and how much the firm has been paid over the last year and a half.

I, for one, would like to know where our "overhead" money is going.

WASTEFUL

More fundamentally, the Foundation should rethink its current approach to labor relations.

Hiring Nixon Peabody for advice on how to fight the union has been wasteful. RF management has now been in contract bargaining with employees at its Central Office, who are members of the PSC, for more than a year. The Foundation won't say how much it has paid Nixon Peabody during this time – but in the past the RF has paid the firm up to \$609,000 annually, with recent years averaging more than \$400,000. A 4% raise for

RF Central Office staff would cost just \$160,000 per year; 4% per year for three years would be \$480,000.

What, then, is the value added by Nixon Peabody's services?

Hiring anti-union legal consultants is not only wasteful, it is counter-productive. CUNY researchers need our grants administered as effectively as possible, and if a problem arises we need it resolved quickly. We need the RF to retain its most experienced staff, who come to know our grants in detail over time. That requires paying good wages and providing good benefits.

SHORT-SIGHTED

From my own experience as a principal investigator working with large grants over many years, I know the difference it can make to work with experienced staff on grant administration. Fighting to keep RF wages and benefits low is a classic example of "penny wise, pound foolish." We want to keep our best people continuously working on our grants and we want to create the positive working conditions for them to stay.

But this policy is counter-productive in a deeper way as well. It creates an atmosphere of conflict and mistrust where employees feel their efforts are not valued. Spending money from our grants on an anti-union law firm has only made contract talks slower and more contentious – and that doesn't help get any research or grant work done.

So who does benefit from the RF taking a hard-line in labor relations? A few years ago there was a cartoon reproduced in a publication of the Institute for Southern Studies. It was crudely drawn, reproduced from a local union leaflet that showed a sharp-eyed lawyer pushing a list of anti-union demands across the negotiating table. His thought balloon says, "Ha ha! Now the union and company will fight, while I make \$300 per hour!"

CUI BONO?

The cartoon is coarse, but it makes a useful point. A strong anti-union stance by the RF may not be in the interest of CUNY researchers, or of the University as a whole. But it is clearly in the interest of Nixon Peabody's billable hours.

Our grant money wasted on union busters.

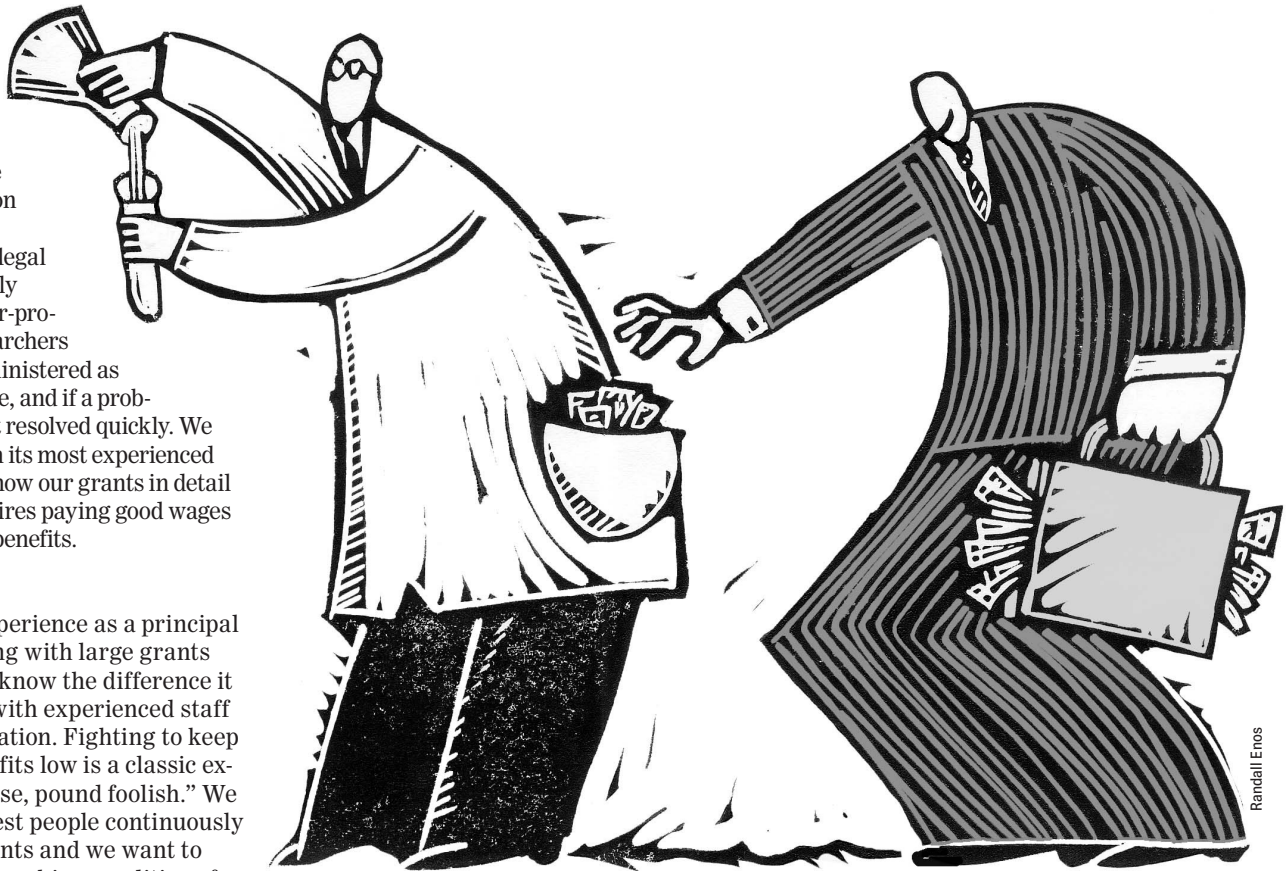
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annual increases of 0% to 1.0%, and it has increased that offer slowly, in small increments only when put under pressure by employee organizing. (See page 8.)

Frustrated by this stubborn foot-dragging in talks that have now lasted more than a year, RF Central Office employees voted in mid-September to authorize their negotiating team to call a strike. But no strike date has yet been set, and there is still time to avoid such a confrontation.

A CHOICE

Top administrators at the CUNY Research Foundation now face a choice. They can continue to court conflict and risk a work stoppage that would disrupt our research, or they can make a smart, cost-effective decision to stop wasting our grant money on anti-union consultants, increase their contract offer, and quickly conclude a fair settlement.

It is clear which choice would make more money for Nixon Peabody. And it is clear which choice would be better for CUNY-based research and grant-funded projects.

Nancy Romer is professor of psychology at Brooklyn College. She has served as a principal investigator of grants totaling over \$5 million and was on the PSC Executive Council for nine years.