

**The State of the Union for Graduate Employees  
at the University of Iowa**

**Financial Insecurity for Graduate Students  
Contributes to Debt and Poverty**

Paper 1

August 29, 2014



Campaign to Organize Graduate Students  
20 E. Market St., Ste. 210, Iowa City, IA 52245  
319.337.5074 || 319.337.7136  
cogs.org || cogs@cogs.org



## **Why COGS is Asking the University to “Pay it Back”**

- About 33% of University of Iowa graduate employees have part time poverty level appointments.
- Quarter-time appointments pay \$9,040 per year, well below the Federal poverty level of \$11,670 per year for a single adult.
- Fees have risen 500% in the past 14 years.
- Other Universities – such as University of Michigan, Michigan State, Oregon State and The University of California -- have waived or significantly reduced graduate employee fees.
- Poverty conditions and increasing costs of fees have driven many University of Iowa graduate students deep into debt.
- Graduate students are forced to leverage their futures in order to receive their education at the University of Iowa, thus making them less competitive on the job market where they graduate.

## **National Profile of Student Debt**

Recent data from the Department of Education shows that 40% of the total student debt load is held by graduate students. There is a growing realization that the one trillion dollar student debt load has a negative impact on the future of graduate students’ ability to prosper in careers as well as a destructive impact on the economy as a whole. One in five U.S. households was burdened by student debt and 40% of all households headed by someone under the age of 35 are carrying student debt according to the Pew Charitable Trust. (Pew Social Trends, February 26, 2012)

Going to graduate school today bears very little resemblance to the conditions that graduate students faced in the 1980s and 1990s when many University administrators and faculty were pursuing their own educations. Many administrators are not aware of these differences and fail to understand why graduate students are so deeply concerned about the imposition of tuition and fees. Graduate student debt is at a record high, the National Science Foundation data indicates that the average debt for doctoral degree students has increased 70% in the last decade. The debt burden for two-thirds of graduate students averages \$60,000. (Chronicle of Higher Education, March 21, 2014) Multiple economic and political factors have coalesced to make graduate students lives more precarious and difficult:

- Dramatic Decreases in Full Time Faculty Hiring within Higher Education

- Increasing Costs of Receiving Graduate School Education
- Insecurity about Sustained Funding throughout the Course of Graduate School Education
- Increased Debt Costs
- Restricted Access to Government Support Programs for Graduate Students Mired in Poverty

This brief report will only begin to examine the impact of this crisis affecting graduate students. COGS will be releasing additional white papers throughout the year in order to provide a comprehensive view of the increasing financial insecurity graduate students face.

## **Universities Shifting to Temporary Employment Creates Insecurity for Graduate Students**

Life for people with doctoral degrees is becoming increasingly precarious. The number of people with PhD's who were on government assistance rose from 9,776 in 2007 to 33,655 in 2010, (Chronicle of Higher Education, May 6, 2012). This corresponds with the shrinking job market for tenured faculty positions. 70% of all faculty positions were non-tenure track in 2009 and that process has continued to escalate, (Trusteeship, The Association of Governing Boards of Universities and College, May 2013). This directly impacts graduate students in two ways: one is greater financial insecurity about the future job market and the second is that graduate teaching positions are being eliminated in favor of cheaper and more insecure adjunct positions.

Here at the University of Iowa, the Board of Regents' "Annual Governance Report on Faculty Tenure" reported that in 2014 non-tenure track positions make up 47% of all faculty positions.

This increasingly competitive environment means that graduate students are under pressure to go to more conferences, present and publish more papers, engage in unpaid research projects. These all involve significant personal expenses.

## **Increasing Costs of Graduate School Education**

Shrinking allocations to public universities from state legislatures throughout the country have meant that Universities are under pressure to offload administrative costs, and they do this directly to graduate and undergraduate students through the imposition of fees.

Here at the University of Iowa in 2014-2015, graduate employees enrolled in full course loads will be forced to pay \$966.00 in mandatory fees for the

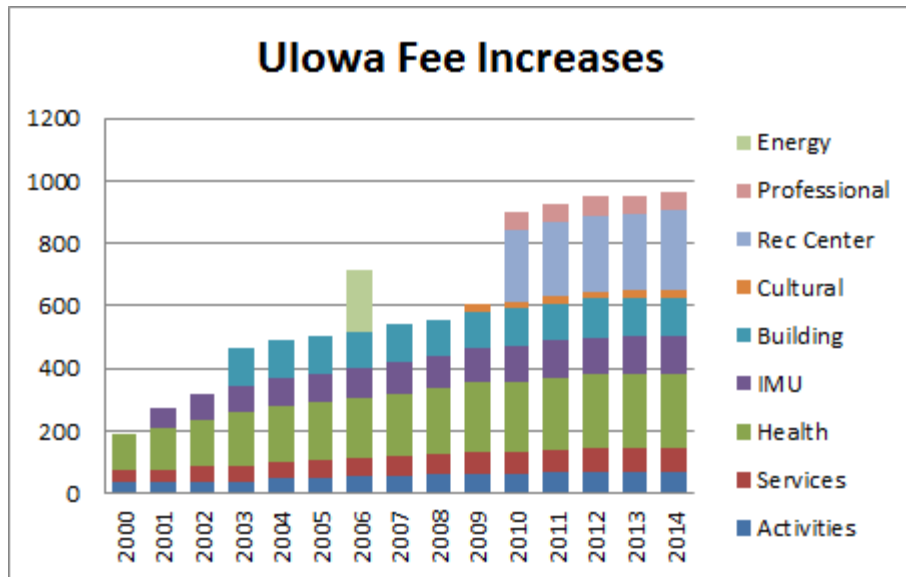
academic year. \$966.00 is more than an entire month's gross paycheck for graduate employees with 25% appointments.

## University of Iowa Increased Fees Nearly 500% in the Past 14 Years

Back in 2000-2001, graduate employees were charged for just three mandatory fees, a student activities fee of \$35.00 per year, a student services fee of \$41.00 per year, and a student health fee of \$112.00 per year for a total of \$188.00 per year.

Graduate students are paying five completely new mandatory fees for administrative costs and capital projects since 2000-2001. The University has not provided detailed information about how specifically the monies collected from these fees are used.

- Student Union Fee added in 2001-2002 (\$58)
- Building Fee added in 2003-2004 (\$119)
- Energy & Environmental Fee Surcharge in 2006-2007 (\$200)
- Arts & Cultural Fee added in 2009-2010 (\$24)
- **Recreation Center Fee added in 2010-2011 (\$225)**
- Professional Enhancement Fee added in 2010-2011 (\$60)



## **University of Iowa Loses Competitive Edge by Imposing Fees**

Graduate employees at multiple competing universities outside of Iowa are not required to pay exorbitant fees. At University of Michigan, the union contract for teaching assistants states that they will pay no fees other than student assembly, school and college government, and a registration fee of no more than \$80.00.

At Michigan State, the University waives all fees for graduate employees with the exception of taxes instituted by a vote of the student body, currently \$18.75 per semester.

Graduate employees at Oregon State have negotiated to have mandatory fees in the amount of \$430 per year remitted by the University along with the matriculation fee and the international student orientation fee.

At the University of California, the graduate employee union has negotiated fees remission including remission of the University-wide student services fee which is comparable to mandatory fees at Iowa.

## **Why are Graduate Employees at the University of Iowa Living in Poverty?**

About 33% of graduate employees at the University of Iowa have poverty level appointments. The main reason that graduate students at the University of Iowa have been pushed below the poverty level is lack of adequate funding in quarter and third time appointments.

Graduate assistants with 25% appointments, or just 10 hours of work per week, make only \$9,040.00 per year, well below the Federal poverty line of \$11,670 per year for a single adult.

Graduate students in multiple departments throughout the University are offered ONLY quarter time appointments. It is not possible for graduate students to seriously pursue their academic work while being kept in a state of poverty.

Graduate assistants with 33% appointments make \$11,932.80, but they may also fall below the poverty line when forced to pay \$966.00 in mandatory fees to the University.

There are two options open to graduate students in this position - one is to take out massive amounts of student debt and the second is to work long hours at low wage jobs thus compromising their ability to succeed in graduate school. Many COGS members do both.

## **COGS Does Not Think that Graduate Employees should Pay to Work**

UE Local 896 COGS represents approximately 2,400 graduate teaching and research assistants at the University of Iowa. Graduate employees are critical to the quality of undergraduate education and research. We provide two-thirds of all the undergraduate classroom instruction time and conduct much of the cutting edge research at the University of Iowa.

We believe all graduate students should receive adequate funding throughout their course of study at the University of Iowa and not be driven into a cycle of poverty and debt. Instead of being forced to pay administrative fees, we believe the University of Iowa should make a clear commitment to supporting graduate students and Pay It Back.