

Tell UC: We can't afford cuts to already below-market pay, or to lose retirement savings

Last month's regents' meeting made it official: UC intends to deny pay raises (unless, perhaps, you are one of the lucky UC executives), and employees' existing 2% retirement savings will be redirected to pay for the UCRP pension fund. And on top of that, some benefits costs will increase in 2009.

Those who are not represented by a union have no choice. For those who do have union representation, UC must bargain. But UPTE-CWA's researcher and tech (RX/TX) bargaining team is finding that the university is taking a hard line against cost-of-living adjustments and against longevity step increases for campus-based employees.

Members at many campuses, including San Diego, Berkeley, Los Angeles and others, have held demonstrations aimed at convincing chancellors and other administrators to support UPTE's demand for a fair pay increase. Nevertheless, the university still proposes no wage increases.

Pension contributions, joint governance at issue

In addition, last month the regents quietly voted that UC employees would be expected to take a 2% cut from retirement contributions in order to prop up the UC pension fund.

"This surprised many employees," said Paul Brooks, an UPTE member at Berkeley who works as a spectroscopist. "The pension fund was



Giuseppina Cappella, photo

Members of UPTE's bargaining team taking a break from attending a support rally. From left to right, Ron Greene (Los Angeles), Juliana Emerit (San Diego), Edgardo Vasquez (Davis), Mercedes Garcia-Mohr (San Diego) and Kevin Rooney (San Francisco).

UPTE opposes employee contributions to the UCRP pension fund at this time because:

- ★ **UC has been diverting money intended for the pension plan for 20 years.** UC stopped making any contributions to the pension fund in 1989, but nevertheless kept collecting the money from the state and other sources. That money was diverted to other expenses. UC should have been planning for the future and saving this money for this very scenario.
- ★ **The pension is healthy and requires no immediate contribution.** The pension fund is more than 100% funded, and even UC's actuaries state that it would not be a problem if such a robust and large fund occasionally dipped to as low as 85% funded.
- ★ **UC has been unfairly prioritizing executive compensation, including giving special pension perks.** We object to UC's priorities, such as doubling the UC president's pay and offering more than standard pension compensation to some executives. UC has also more than doubled the number of executives who make more than \$200,000.
- ★ **UC workers will have no say over the money.** Despite legislative resolutions and the fact that every other public pension plan has employee representatives on the governing board, UC refuses to give those who make the contributions and count on the pension at retirement any say in how the fund is run and invested. We want joint governance.

If UC believes contributions to the pension fund are so urgently needed, it is welcome to resume payments into it.

"When you add it all up, the true effect is a de facto pay cut," said UPTE's chief bargainer, Kevin Rooney, an EH&S tech at UC San Francisco.

UC continues to insist that wages be made contingent on state funding, even though it admits that fewer than 10% of UPTE's RX/TX unit members are paid on state funds. Two key legislators have written UC protesting its position.

Hundreds of UPTE mem-

bers last evaluated as over-funded, at 106%, and has been so strong that the university has not contributed to it in nearly two decades," he added.

While the official amount and start date have not been set, UC is targeting July 1, 2009.

For the first year, UC is demanding that employees forfeit their 2% retirement savings that currently go into the DCP (Defined Contribu-

tion Plan), with further deductions in subsequent years. UC recently told the California Nurses Association that it needs total contributions (employer plus employee) of 12% in 2009, 17% in 2010, and 22% in 2011 to keep the pension plan 100% funded.

"Unnecessarily tying our wages to the state budget and freezing pay rates means inflation will continue to erode our wages," said Jelger Kalmijn, UPTE's systemwide president. He also noted that some of UC's health benefits plans will have cost increases beginning January 2009, resulting in an additional pay cut, and that the redirection from DCP to UCRP means that if employees want to continue their 2% DCP contribution, that too will have to come out of their own paychecks.

Sharing the pain?

"There was no shortage of funds in March when the regents offered new UC President Mark Yudof a 'supplemental benefit' to give him a pension of \$350,000 a year," said Tanya Smith, an editor at the Berkeley campus and president of her UPTE local. "Or in April this year, when UC bent its own rules to give Berkeley police chief Victoria Harrison a \$2.1 million retirement payout and then, by the way, rehired her, at a higher price, to continue on the same job," added Smith.

"Of course we recognize the importance of a secure and well-funded pension plan," said Brooks. "After 18 years of UC's 'contribution holiday' where it did not contribute anything to the fund, if the plan needs contributions to resume, much of those should come from UC." And, he added, meaningful reform to the pension governance system is needed so that

Time to get active!

Mobilizing for a fair contract

"While the final results of bargaining are still not known, one thing is clear: a fair contract is not going to happen on its own. It's up to us," said UPTE-CWA's mobilizing co-coordinator, Caroline DeVan, a laboratory assistant at UC Riverside.

She reminded UPTE members to participate in an e-picket that sends an automatic email detailing pension concerns to the regents. If you have not already done so, go to www.upte.org/e-picket to send your email.

Mark your calendar for statewide actions at the next regents' meeting

On November 18-20, the UC regents meet in San Francisco, and may take a vote on the amount of proposed employee contributions to the pension plan.

UPTE members will rally at the meeting and hold solidarity actions around the state. Stay in touch with your campus mobilizing committee and watch for calls to action to add your voice.

Striking: how, why and when

UPTE will continue to use many different kinds of actions, from pickets to legislative initiatives, to pressure UC to respond to workers' concerns. "In the end," said UPTE's president, Jelger Kalmijn, "our members may have to decide to strike in order to get fair pay and protect our benefits and pensions."

Any UPTE strike is likely to be short and for a defined number of days, not indefinite. Broad participation is necessary to send a message to UC that UPTE members will not accept a pay cut.

A strike must be authorized by the membership in a vote. "We can legally strike if UC continues to bargain in bad faith or we reach the end of the bargaining process," explains Kalmijn. The actual time for a strike, if one is authorized by the members, is set by the leadership of the union and would be coordinated with what happens at the bargaining table.

Working together in coalition for contract improvements

Tens of thousands of other UC employees – service workers, nurses, patient care technical workers, librarians, lecturers and clerical workers – are facing the same deadlock from the university that UPTE is experiencing in bargaining.

Each union has begun a campaign to pressure UC. A union coalition is coordinating future actions to make sure that the unions' collective strength is focused on getting fair contracts for all.

"Two years ago our joint union pension bargaining held off proposed cuts to our retirement savings when UC tried to force workers to fund the pension plan," said Kevin Rooney, UPTE's chief bargainer. "Now our coordination is even more important."

Activists at each campus and at a systemwide level are meeting to make plans for coalition actions and mutual solidarity. "We encourage all our members to stay informed about progress at every one of these UC bargaining tables, and to provide support to other unions' events and actions," said DeVan.

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Santa Cruz union members turn out at a coalition rally to support UPTE's bargaining team in September.

Amy Newell, photo

Pensions and paychecks

CONTINUED FROM FRONT

employees have a voice at the table.

UPTE and other UC unions want to make sure there is public accountability for how funds are managed, and have proposed that faculty, staff and the regents jointly govern the UCRP plan, just as at the California state universities.

"Right now," said Brooks, "we are concerned that UC is using the pension fund to provide excessive perks to executives, and we won't take a cut from our paychecks to pay for those."

The unions are starting to collect signatures to qualify a future ballot measure to set up a 13-member board of directors to share governance with employees and state officials.

UPTE's president Jelger Kalmijn worried that in the context of the ongoing financial crisis, UC employees could not afford to simply sign off and trust that the university knows best. "We need to be part of the decisions," he said.

Bad faith bargaining 101

UPTE submits proposals, UC has yet to respond

In 6 months of bargaining, UPTE bargainers have worked hard to put comprehensive contract proposals on the table, but to date UC has not responded with a single counter-proposal. In addition, UC has cancelled all or part of four bargaining sessions and has failed to respond fully to critical information requests.

"In short, UC's engagement in the legally obligated bargaining process has been pro forma at best," said Kevin Rooney, UPTE's chief bargainer and an EH&S tech at UC San Francisco. "In order to advance the bargaining process, UC cannot just spend hours at every bargaining session critiquing UPTE's proposals; it must make substantive counter-proposals," he said.

Many of UPTE's proposals, including those about travel time and the grievance procedure, remain without any UC counter offer.

Protecting rank and filers' rights

"UC also has to take meaningful steps to allow low rank-and-file members to actually participate in bargaining," said Cliff Fried, UPTE's executive vice president and a retired UCLA researcher.

UPTE has demanded that UC establish a separate bargaining fund to avoid what happened to UPTE's Berkeley bargaining representative, Paul Haller. His department, claiming "economic hardship" caused by his time away at bargaining, laid him off.

This action is a clear violation of the law, and UPTE is currently prosecuting the case through the state labor board. Although UPTE pressure led to Haller being rehired, his new position is not in the tech bargaining unit, leaving Berkeley members currently without a representative at the bargaining table.

Multi-year agreement not a good deal

UC is demanding that UPTE agree to a multi-year contract that ties our raises to the state budget. UPTE bargainers have resisted, believing that with a state budget likely to be bad for several years, such an agreement could give UC the unilateral ability to refuse wage increases, increase benefits premiums, and make further changes to the pension fund.

The vast majority of funding for RX/TX workers doesn't come from the state anyway. "Less than eighteen percent of the University of California's budget comes from the state's general fund," wrote

State Senator Leland Yee (D-San Francisco) to the UC regents in late August, "yet the UC system continues to inappropriately use that allocation as an excuse to limit the wages and wage increases of some of the system's most valuable employees." Yee's entire letter is posted at www.upte.org/RX/yeeletter.html.

Make a difference

"UC must step up to the plate and stop its foot-dragging," said Fried. "We can't keep submitting our proposals into the UC void. That's not going to make the bargaining process work."

He added that UPTE members are invited to observe the next bargaining sessions and urge UC negotiators to stop wasting taxpayer money and begin bargaining in good faith. Upcoming sessions are scheduled at Davis (October 15-17), Los Angeles (November 5-7), San Francisco (November 19-21) and San Diego (December 3-5).

UPTE-CWA's versus UC's contract proposals

ISSUES	UPTE's PROPOSALS	UC's PROPOSALS
Market wages	Equity increases for titles below market	No raises
Cost of living and step increases	Across-the-board increases to keep pace with cost of living	No raises
Increased steps	Additional steps for "topped out" employees" with narrow wage ranges	No additional steps
Pension governance	Shared governance of pension fund by workers, retirees and UC trustees	UC makes decisions unilaterally
Pension protection	After its 18-year "contribution holiday," if necessary, UC start making contributions	2% of employee pay which now goes to the DCP will disappear from retirement accounts to fund the UCRP plan
Health care protections	Any employee contribution rates guaranteed for life of contract	UC can set employee contribution rates at whatever it wants

How to contact your bargaining team

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Bargainer needed for this campus.
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