Legislators angry as regents give execs new raises

Union members voice opposition to proposed changes to retirement and benefits, executive perks

July’s regents’ meeting was filled with UC employees upset over the university’s plans to make precipitous changes to the retirement plan and once again, to give raises to already highly-paid executives.

Row after row of union members showed up to confront the regents over what appears to be an attempt to shift costs to employees without proper study or evidence that the retirement plan is in any danger. They spoke out, too, on the regents’ move approving $770,000 in pay raises for 71 executives – “equity” increases for these highly-paid “behind market” positions.

“This is a public institution not a corporation,” said UPTE President Jelger Kalmijn. “You wouldn’t know it from the regents’ priorities, which seem to be to give the top brass huge increases while trying to dock our pay for basic benefits.”

For some managers, it’s the second round of pay increases following a 2.5 percent raise they got in November. Among the recipients was UC President Robert Dynes, who got a raise last fall, bringing his salary to $405,000.

LaKesha Harrison, president of AFSCME Local 3299, the service workers’ union, said her members were outraged at the size of the raises, most of which topped $10,000 a year. “That’s a lot of money to us,” she said. “In light of the scandals in the university, it is a really bad move on their part.”

Keep the $1 million

The regents also voted to allow some 60 top managers to keep more than $1 million they received in unauthorized extra compensation, as revealed earlier this year through legislative and internal audits.

In one case, for instance, UC overpaid San Diego Vice Chancellor Ed Holmes by $130,000. State auditors uncovered a plan whereby UC set up a temporary compensation plan giving Holmes an extra $5,000 a month to get around restrictions on outside income. UC forgot to stop the payments and, according to the San Francisco Chronicle, will keep the money in addition to his $50,000 a month.

Regents’ chair Gerald Pauksy said the recipients didn’t do anything wrong and should not have to pay back the money.

UC’s secret committees

In a closed door meeting, the regents’ “compensation committees” had recommended letting the executives keep their cash, as well as the “equity” pay increases, a decision that was later rubber-stamped by the full board.

Assemblymember Leland Yee (D-San Francisco), who had sponsored legislation to prevent the regents from meeting privately over compensation issues, was stunned by the move. “Those regents have got to be living on another planet,” Yee told the San Francisco Chronicle. “For the past year, the constant revelations of closed-door deals and back-door deals have shaken the foundation of the UC system and they simply don’t get it.”

But that’s not all. UC is also facing criticism from legislators and the public for refusing to reveal details of its low-interest loan program for employees. The university has funded loans for executives and other select employees at rates as low as one-half of 1 percent interest.

UC admits it holds nearly 2,000 loans totaling over $700 million, but says it won’t identify the recipients due to “employee confidentiality.”

Legislators like Senator Gloria Romero (D-Los Angeles) are frustrated that UC President Dynes isn’t making good on his promises of reform.

“They are hoping they can wait the media and the legislators out and thumb their noses at the people,” Romero said in response to press accounts of the loan program.
Retirees concerned about health plan cuts

UC retirees are among those who are watching closely for any changes in health care benefits or the retirement plan.

The university seems determined to implement health benefit takeaways for retired UC employees, including possible premium increases for early retirees and those who are of Medicare age.

Currently, both groups of retirees pay the same for their health insurance as active employees in the “pay band 2” group ($40,000-$80,000 yearly salary). But UC told several faculty groups earlier this year that it plans to sever both groups of retirees when it negotiates with the insurance companies, which is likely to dramatically increase their rates due to older employees’ health care costs.

UPTE has an active core of retirees working to prevent these cutbacks, and they’ve launched a program to get more retirees involved in the campaign to safeguard retiree health benefits. If you know a retiree, pass the word on to them. To sign up and be active in the campaign, go to <www.upte.org>.

Pensions, wages, respect on the table in HX negotiations

Workers of the HX bargaining unit have gone to arbitration, UC agreed to settle.

Meanwhile, UC’s desire to shift pension costs to employees is coming through loud and clear at the HX bargaining table. Management has floated the idea of diverting 2% of salary from the mandatory Defined Contribution Program (DCP) to the retirement fund as of July 1, 2007. Another 1% would be taken out of employees’ salaries on July 1, 2008, as a pension contribution.

“Don’t want to be guinea pigs in UC’s pension experiment,” said Rob Dawson, a clinical lab scientist at UCB and member of UPTE’s local executive board, who added that HX employees were united in opposing any pay cut and that UPTE is working in close coordination with other UC unions on the pension issue.

On compensation, UPTE has already presented a proposal to institute a full “step system” for health care professionals, which would raise their salaries to acceptable market levels. UC has not responded with any hard numbers, but has presented a “conceptual outline” in which a more standardized system would be introduced over a five-year period.

UPTE also got UC to agree to several contact articles, including one guaranteeing “fair and respectful treatment” for all HX workers.

Several UPTE members, including a cytotechnologist, a physician assistant, a genetic counselor, and three clinical social workers made presentations in bargaining.

“These presentations, along with the coworkers who came in support of the presenter, are really important in informing UC as to who the HX unit is and what we do for UC,” said Wendi Felson, UPTE’s HX bargainer from San Francisco and a member of that local’s executive board.

“This is our chance to tell UC how hard we work, how responsible and dedicated we are, and how we deserve a better contract and fairer compensation from UC than we have received in the past,” she said.

Members are always welcome to attend bargaining sessions. Please let your local president or bargaining representative know you would like to make a presentation or have an idea for one.

More equity on the horizon

Meanwhile, UC has agreed to settle with UPTE over the issue of union input into HX equity increases.

The university’s practice of giving equity increases without proper notification to the union had become a problem, said UPTE executive vice president Cliff Fried, because sometimes the increases were either too small or unfairly doled out. UPTE filed a “systemwide union grievance on behalf of all health care professionals, and just before going to arbitration, UC agreed to settle.

“Now they won’t be able to push through smaller increases than people deserve,” said Fried. “The union will be duly notified and asked for input on equity increases, which will allow UPTE time to consult with the affected employees.”

Joint bargaining (continued from p. 1)

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Davis workers fight sexual harassment

Two female workers at UC Davis’ Center for Lab Animal Science have come together with their coworkers to fight back against a supervisor who was sexually harassing them. On several occasions, the male supervisor made explicit sexual comments to the women, even suggesting to one of them that she dump her boyfriend and start a relationship with him. “It was a horrible, hostile environment in the lab,” one of the women, who preferred to remain anonymous, told the Update. As soon as UPTE steward Edgardo Vasquez received a call from the women, he set up a meeting with management to discuss the situation, encouraging workers to attend. The women and their coworkers came and told their stories to the director of the department without the manager present.

After hearing the evidence, management took some action against the supervisor, but stopped short of removing him from his supervisory duties. With Vasquez’ help, the workers proceeded to file a grievance, asking that he be removed. While that grievance was still pending, the supervisor made threats to one of the women. Vasquez called management to object, and the union began considering bringing a lawsuit over the sexual harassment.

Within a week, management forced the supervisor to leave. Vasquez says the case shows the “importance of speaking out, standing up and fighting against any kind of harassment, sexual or otherwise, by supervisors.”

All of UPTE’s contracts include protections against such harassment. If you want to learn more about your rights in a discrimination-free workplace, check out your contract at <www.upte.org>.

Wage plan for 99s underwhelming

Thousands of UC employees have job titles that put them in the “99 unit,” which includes a broad array of professional titles such as administrative analysts, buyers, computer resource specialists and student affairs officers, among many others.

“While some of these employees are voluntary UPTE members and active in the union, the unit as a whole has not chosen to be represented collectively, so there is no union contract in place,” explains Lisa Kermish, a staff professional at UCB and UPTE’s vice president. “This means we are the group most vulnerable to UC’s whims when it comes to salary, pension and benefits.”

For this group, UC has announced pay increases averaging 3.5% for 2006-2007. UC has again earmarked 0.5% for equity increases. The governor had allocated 4% for salary increases, but UC management has once again chosen to keep 0.5% out of the general pool for increases.

It is also up to UC campuses to set criteria for the allocation of the increases. Campuses may choose to set 3.5% as the target figure, wherein employees rated “overall ‘meets expectations’ will receive 3.5%. Or, they may hold aside a portion of the 3.5% for increases for employees who are rated overall “exceeds expectations” or “outstanding.” This would decrease the general pool of money available for those who meet expectations, and make the distribution of increases even more uneven campus by campus.

Continuing UC’s long trend of underfunding increases for unrepresented employees, Kermish says, “the prospect of a pay increase in the 3% to 3.5% range is disheartening.” Unrepresented employees continue to fall further behind inflation.

Couple this with ever-increasing parking rates, increases in health care premiums and co-payments, and the projected jump-start of employee contributions to the pension fund, and UC’s staff professional employees find themselves, according to Kermish, “walking the line between public service and public servitude.”

To get involved in ongoing organizing discussions about the 99 unit, contact your UPTE local.

UC sues Santa Cruz over expansion

UC has sued the city of Santa Cruz over two November ballot measures to limit campus growth unless the university pays its share for impacts on services such as water, housing and transportation.

UC Santa Cruz wants to increase student enrollment by nearly 50 percent to 21,000 students by 2020, along with a corresponding increase in new faculty and staff positions. But UC is exempt from most local land-use laws, and Santa Cruz city officials don’t want local taxpayers to be stuck with the bill to provide the infrastructure and services that such development would bring.

The measures, if passed, would force the university to pay for the impacts of its growth. UC’s lawsuit alleges that the city signed contracts with it in the 1960s to provide all parts of UCSC with water service, and that the ballot measures do not comply with state environmental regulations.

“UC v. Santa Cruz is a case of a ‘good neighbor’ rhetoric found throughout its long range development plan,” said Sean McStay, vice president of UPTE’s Santa Cruz local. “A lawsuit seems like a step in the wrong direction.”

There is already a precedent of UCSC paying for services. It paid $1.7 million for impacts resulting from its 1988 long-range development plan. Planners say the new campus development will add an even bigger burden to the city, which relies on surface water and had to impose rationing during the last drought. “This community will only support growth that is sustainable,” wrote Santa Cruz Vice Mayor Emily Reilly in the ballot argument in favor of one of the measures.

CWA delegates vote to put resources into strategic fights

Delegates from UPTE-CWA Local 9119 once again participated in the Communications Workers of America convention, the annual meeting of all the locals that comprise the national union’s membership. It took place in Las Vegas from July 7-11. More than 2,500 delegates, elected by their local members, gathered to discuss and vote on issues that will set CWA’s agenda in the coming year.

Unlike previous conventions, there were no “big name” guest speakers (usually politicians). CWA President Larry Cohen planned this convention to allow for plentiful discussion on a topic of crucial importance: whether to re-direct part of the Member Relief Fund (CWA’s strike fund) to establish a Strategic Industries Fund, which would be used to fund non-strike strategic campaigns to build bargaining power.

Delegates approved the Strategic Industries Fund after a vigorous debate, establishing the current Member Relief Fund balance as a floor, beneath which the fund’s balance cannot fall. At the time of the convention, this fund contained approximately $380 million.

“Passage of the Strategic Industries Fund allows CWA to respond to critical fights with the resources necessary to be effective,” said Lisa Kermish, UPTE’s systemwide vice president and a delegate to the CWA convention. “For example, locals that pay into the fund can apply for funds to support campaigns in support of health care reform or legislation to protect pensions,” she said. The new fund is part of CWA’s “Ready for the Future” discussions about making the union more responsive to changing technologies.

When UPTE-CWA begins paying into the Member Relief Fund (expected to be in 2009), its members will become eligible to apply for money in the Strategic Industries Fund. Many CWA public sector members do not have the right to strike and, therefore, do not pay into the Member Relief Fund. There are plans to submit a similar Strategic Industries Fund proposal covering such members (without the right to strike) at next year’s convention.

In addition to the Strategic Industries Fund, discussion focused on the need for the leadership of CWA (particularly the executive board) to better reflect the racial, ethnic, and gender diversity of the union’s membership. Another debate centered on whether to grant CWA members from Canada the right to a voting position on the executive board. That motion failed but will undoubtedly come up again next year, when convention will be in Toronto.

UPTE convention this October

UPTE’s own 17th annual convention is scheduled for October 20-22 in Santa Cruz. Locals are currently electing delegates who will vote on matters before the convention, but all members are welcome to attend. Contact your local for more information.

Fun stuff between the discussions and debates will include a raffle to support UPTE’s charity of choice, the Elizabeth Glaser Pediatric AIDS Foundation. Among other prizes, this year’s grand prize is seven nights in a deluxe condo at one of many destinations like New Zealand, Acapulco, Spain, England or somewhere in the US – your choice! You do not need to be present to win, so buy your tickets now from your local UPTE office to support a worthy cause. Tickets are $2 each, 3 for $5, or 7 for $10.

Delegates to the CWA convention included (left to right) Kevin Rosayn, president of UPTE’s San Francisco local; Elizabeth Wilks, UPTE’s systemwide treasurer; and sitting at the computer, Jeiger Kalinm, UPTE’s systemwide president.
San Francisco to launch health care for uninsured

The city of San Francisco is on the verge of offering comprehensive health care services to all uninsured residents. The innovative program would be the first of its kind in the nation, providing preventive, primary and emergency care through county- and community-run clinics and hospitals.

The city’s Board of Supervisors approved the “health care security ordinance” in July to provide services for some 82,000 uninsured residents. Residents can enroll individually or employers can enroll employees as a group by paying their premiums.

Enrollees would be assigned regular primary care providers and also be able to obtain services for participating hospitals and clinics. Prescription drugs and home health care will also be covered.

Employer-paid coverage required

Medium- and large-sized businesses will be required to spend a minimum amount per employee per hour on health care for their workers, and will have a choice of participating in the new plan or obtaining private coverage. Companies with fewer than twenty workers are exempt, as are nonprofits with fewer than fifty employees.

If all of the city’s uninsured enroll, the plan will cost an estimated $200 million. San Francisco already spends half that on services for the uninsured; the balance would come from enrollee copays and employer contributions.

Massachusetts and Maryland, as well as the cities of New York, Chicago and Los Angeles, are planning similar health care reforms. San Francisco's ordinance has the broadest reach, however, and is being studied closely by other jurisdictions.

For information, see <laborcenter.berkeley.edu/healthcare/sf_security_ordinance.shtml>.

Unions boycott Toledo newspaper

Newspaper workers represented by the Communications Workers of America (CWA) and five other unions at the Toledo Blade are winning support from major advertisers, subscribers and politicians as they battle a union-busting publisher that so far has locked out more than 200 production and circulation workers.

The 350 editorial employees represented by the Toledo Newspaper Guild-CWA remain on the job, but they are expecting to be locked out any day as newspaper management attempts to impose demands to abolish all job security and union security protections in the union contracts.

“This isn’t about money, it’s about breaking our unions,” said Larry Vellequette, Guild mobilization coordinator and spokesman for the Toledo Council of Newspaper Unions. “We’ve already offered millions of dollars in wage and health benefit concessions to help make the newspaper profitable again. But the Blade wants to take away our rights and be able to outsource every job whenever it wants.”

The Blade brought in a notorious anti-union law firm from out of state to handle negotiations, and prepared for the lockout by importing replacement workers and putting them up in area motels.

Dozens of advertisers have pledged to withhold advertising, and readers have dropped subscriptions in response to a new CWA radio and billboard campaign. The workers also got a major boost from the county commissioners who announced that they would stop running paid legal notices in the Blade.

To learn more, check out the union’s website: <www.stoptheblade.com>.

Union members protest at Verizon

Members of Philadelphia’s Jobs with Justice joined forces with United Students Against Sweatshops, Communications Workers of America Local 13000 members and other supporters in an action targeting Verizon for its illegal intimidation and harassment at Verizon Wireless.

The action brought more than 150 people to a downtown Verizon store. Philadelphia Jobs with Justice has a year-long campaign under way urging customers to hang up on Verizon Wireless because of the company’s refusal to respect workers’ rights.

With the merger of MCI, Verizon has been shifting work to a new unit called Verizon Business, without union representation or benefits.

For more information about the Verizon and Verizon Wireless campaigns, go to <www.cwa-union.org/verizon>.

What’s at stake in the November election?

by Rodney Orr, UPTE’s legislative coordinator

On Election Day, November 6, we will all be making some very important decisions, which will set the scene for the next 2 to 4 years in Sacramento and Washington, DC. While making these decisions, we need to keep some things fresh in our minds.

Last November, in a special election, which cost taxpayers in California millions of dollars, working people defeated the governor’s attempt to take away many of our rights. But now that Arnold is up for re-election, he has done an about-face.

Schwarzenegger pledged not to accept campaign donations from special interests. He pledged to hire a private investigator to look into his past groping of women, and to pay back public schools for money taken from the 2004 state budget. The record shows all these pledges broken.

Flip-flops also abound. First Arnold vetoed a minimum wage increase, then when up for re-election, he signed a minimum wage increase. He says we must reduce greenhouse gasses yet insists on an escape clause allowing him to suspend restrictions. Two years ago, Schwarzenegger supported a constitutional amendment meant to outlaw public sector pensions. That proposal was defeated, but will Arnold bring it back if re-elected?

Examine the record

The governor has fought all attempts to solve our state’s health care crisis. He and his allies have gutted the Public Employee Relations Board. They have not defended the UC-managed national labs from privatization and at-will employment for UPTE members at those labs. He and his corporate supporters have made it very clear that unions are, in their eyes, “special interests.” Yet the major contributors to Arnold’s war chest (drug companies, energy corporations, insurance companies, and the like) are not “special interests.”

There is a lot at stake in the November election. History shows that the governor and his allies will say whatever it takes to get re-elected. Do we want a California that is watching out for workers and their families, or a state that is helping corporate America destroy our way of life?

Think long and hard about who you vote for. Consider voting for candidates and issues supported by UPTE’s national union, Communications Workers of America, and the California Federation of Labor, AFL-CIO. And, if you can, work through your local to help the central labor councils in your area phone bank and precinct walk for our allies. Talk to your families and friends about labor issues and candidates. Help get out the vote. If we do not stand up for our rights, who will?

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A union member calling voters during last fall’s special election