



Representing Wayne State Faculty and Academic Staff

# NEWSBRIEFS

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## Tentative Agreement Signed for New Contract: Ratification Vote Scheduled

### Compromise Agreement in Tough Times Includes 2% Raises Per Year

By Charles J. Parrish, Professor of Political Science and President

Negotiators for the AAUP-AFT and the Administration signed a Tentative Agreement earlier this month that renews most of the terms of our previous collective bargaining agreement. The 2006-2009 contract covering faculty and academic staff was set to expire on July 31.

The new three-year contract provides for modest salary increases and minor healthcare cuts in the midst of the worst economic downturn in the last 30 years.

Provost and Senior Vice President for Academic Affairs, Nancy Barrett, and Associate Provost and Associate Vice President for Academic Affairs, Stephen Calkins, signed the tentative agreement for the Administration. Professor Anca Vlasopolos, AAUP-AFT Chief Negotiator, and I signed for the union on June 1, 2009. The outcome represents several months of meetings and hard bargaining. The AAUP-AFT Executive Board has voted unanimously to urge the membership to vote for ratification of these tentative terms (see page 4).

#### Dire Straits

There is no doubt that our state is suffering from the worst economic situation since the early 1980s. The most recent figures indicate that official unemployment is just over 14%, with the true figure rising above 20% when discouraged workers who have stopped looking for work are counted along with those working part-time who want full-time jobs.

The requirements of the Federal stimulus package have so far prevented the State from further cuts in the budget for Michigan's public universities. State support for Wayne State has already been slashed by \$34 million since 2002, and, with inflation, the University is now operating on a budget comparable to

the late 1990s. It has only been through repeated increases in student tuition that the University has maintained its annual budgets at minimally acceptable levels. During the downturn of the 1980s, when unemployment reached levels similar to those of today, the University Administration mandated furloughs for administrators and negotiated a salary giveback by the AAUP.

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## Salary Increases

We have not reached that level of crisis at this point in the University, but times are tight, and I believe that we were able to reach a reasonable collective bargaining agreement (CBA) despite our economic problems.

Both sides had to compromise. The Administration opened negotiations with a proposal calling for no increase in salaries at the same time that Deans were told to prepare for budget cuts of up to three percent. We countered with a call for cuts in the University's bloated administrative budget with the savings used to fund an across-the-board raise of 2 percent plus a selective salary increase and bonus that would bring the total to 3.25% per year. As we pointed out in last month's newsletter, WSU already ranks well behind U-M and MSU in faculty salaries, and we are already having difficulty attracting new hires to Detroit.

The compromise we arrived at in the new CBA calls for salary increases of 2% across-the-board (ATB) for each year of the three-year agreement. As always, the ATB applies to salaries up to a cap, now at \$130,486 for 12-month and \$97,684 for nine-month employees. The money that would otherwise have applied to salaries above these caps will "spill over" into a fund that provides for limited selective increases. The selective increases will be decided in the usual way using elected salary committees to make recommendations to the Administration. (The caps will increase annually by 2% each year of the CBA.)

The cost of the 2% increase amounts to about \$4.4 million a year, with between \$600,000 to \$700,000 estimated to be available for selective increases in each year.

The union negotiators tried very hard to get a greater selective amount included in the settlement. Our last formal offer was 2.25% for each year, with an additional 1% as a bonus, divided between selective and ATB (.75% selective and .25% ATB).

We were prepared to settle at 2% ATB and .5% bonus, all selective. Considering the more than \$16 million in the Rainy Day Fund and other discretionary funds available to the Administration, we thought that this would be a reasonable way to preserve selective raises, while protecting the faculty and academic staff against salary losses to inflation.

The Administration was adamant that there would be no such solution to the selective issue.

When given the choice, they chose the 2% ATB with no separate selective increase beyond the spill-over amounts.

*The Information Meeting on the Tentative Agreement will be on Tuesday, June 30th, at noon in the Student Center Building, Hilberry B.*

## Extended Provision for Early Retirement

For the first year of the previous CBA there was a provision for early retirement. Faculty members could go on one-half time for three years, after which they would have to retire. Academic staff were offered a lump-sum payment and healthcare coverage for three years. The program was only for the first year of the contract. In the new CBA the same program is adopted for each of the three years covered.

## Health Insurance Changes

The Union agreed to several increases in co-pays. The Administration asked for substantial increases in co-payments for health services and drug coverage. Their initial position called for increasing co-pays for office visits from \$10 to \$20; increasing co-pays for prescription drugs from the present \$5 for generics and \$10 for prescriptions to \$5 for generics, \$20 for prescriptions that are on the formulary list, and \$40 for non-formulary prescriptions. The Administration also wanted to increase the cost of Emergency Room visits from \$0 to \$75 per visit.

The problems this proposal would create for our members were evident immediately. First, with respect to prescription drugs: the increase in co-pays for prescription drugs within the formulary list (a list not provided to us) and outside the formulary list was not acceptable. Take the example of a single mother

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with children at the lower levels of our salary scale. If one of her children has a chronic condition (e.g. asthma) that is being treated with a new drug that may not be in the formulary list, treatment can rapidly become expensive. Second, if such a chronic illness dictates regular visits to a physician's office, or to an emergency room on weekends, the cost could mount even more rapidly. We rejected the argument that emergency room visits are too often used as a substitute for a visit to the doctor's office in order to save the \$10 co-pay.

We finally accepted a small dollar increase in the co-pays. For drugs, generics remain at \$5 and for other prescription drugs the increase is from \$10 to \$15 (with no formulary limitations). For office visits the increase is from \$10 to \$15. For emergency room visits the increase brings the co-pay to \$20 per visit. Despite the increases, these amounts still compare very favorably with those in most health insurance plans. The cash-in-lieu payments continue for those whose health insurance is covered by their spouse's plan. We agreed to discontinue the cash-in lieu program for those whose spouses work for WSU.

### Contract Re-opener

The Administration may ask to reopen the CBA in each of the three years of the contract. The union had proposed that there be a re-opener in recognition of the uncertain economic climate in which we find ourselves. We had proposed that if the Administration asked for a re-opener we would negotiate for a period of a month and, if we could not reach an agreement, each side would prepare an analysis of the economic situation that would be submitted to the Board of Governors (BOG). The BOG would then choose one or the other of the proposals that would then be implemented.

The Administration rejected this proposal, evidently out of a fear that it would not have enough support from members of the BOG to assure that its proposal would be accepted.

The Administration submitted a counter proposal that would allow it to seek an annual re-opener on compensation if the economic climate called for further budget restraint. The Union accepted the Administration's language. Under this proposal, the Administration may give notice before June 30<sup>th</sup> of any year that it wishes to renegotiate the compensation provisions of the CBA. Any changes *that we accepted* would be implemented on August 15<sup>th</sup> of that year for the following contract year. If we rejected any change in salaries, the original terms of the CBA would remain in effect.

***All members paying full dues can vote on the Tentative Agreement at the information meeting, or between June 30th and July 14th, 5 p.m., at the Union Office.***

In one of the weirdest developments in collective bargaining that I can recall at Wayne State (or anywhere else for that matter), the Administration came back to the Union after the Tentative Agreement had been signed by both parties with a proposal for changes in the just-signed agreement.

It was a classic case of what is called "regressive bargaining," in which one side reneges on the agreed-upon terms of a TA. Under Michigan labor law, this would make the Administration liable to an "Unfair Labor Practice" (ULP) charge before the Michigan Employment Relations Commission. Moreover, they were proposing a change in their *own* proposal, which we had already accepted, making a ULP charge all the more likely if we had pursued it.

We did not, primarily because the change the Administration sought to the re-opener language was trivial. Even if the Administration did not recognize it, the change would likely work to our advantage. The Administration proposed that if the contract was reopened to address salaries, we negotiate for 45 days and, if there is no agreement, then the matter would be submitted to non-binding fact-finding by a neutral mediator.

Such a proposal, made after a Tentative Agreement was already signed, almost defies the

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imagination. Fact-finding is a non-binding process that is generally used as a face-saving expediency. It is usually asked for by the union, not by management, and the purpose is almost always to "kick the can down the road" and provide a cooling-off period.

Such a gimmick only postpones the outcome of bargaining, and we therefore rejected this unwarranted amendment to the Tentative Agreement. If we are genuinely confronted with an insoluble budget crisis, we will act responsibly. If, on the other hand, the Administration misrepresents the budget crisis and expects the faculty and academic staff to shoulder the entire burden of sacrifice without comparable cuts in a grossly top-heavy administrative structure, then the CBA will remain unchanged.

**Ratification Vote Scheduled**

We have scheduled a membership meeting to discuss the contract on Tuesday, June 30th, at noon in

Hilberry B on the second floor of the Student Center Building. We had hoped to expedite the ratification process and still permit the widest possible membership vote (always a challenge during the summer) by providing an on-line ballot that off-campus members could access. Unforeseen difficulties with on-line security requires that we revert to the traditional paper ballots. To accommodate the inconvenience of this process, we have extended the voting period over two weeks, starting with the information meeting on June 30.

Members who cannot attend the information meeting can come by the union office (5057 Woodward, the first block north of Waren Avenue, Suite 3301) and cast their ballot between June 30 and July 14. If you are paying the reduced Fair Share fee rather than full dues you are not eligible to vote. If you have questions regarding the process, please contact the union office at (313) 577-1750, or email: [aaupaft@wayne.edu](mailto:aaupaft@wayne.edu).

**Election Results**

**Executive Board**

**President**

Charles Parrish

**Secretary**

Ellen Holmes

**Member at Large (1)**

Dan Golodner

**Academic Staff Steering Committee**

**Co-Chair**

Chardin Claybourne-Bey

**Secretary**

Matt Fredericks

**Members at Large (2)**

Audrey Whitfield

Deborah Rice

**Wayne State University Chapter**

**AAUP-AFT**

5057 Woodward Ave., Ste. 3301

Detroit, MI 48202-4050

**AAUP-AFT Executive Board**

*President*

Charles J. Parrish

*Vice President*

Naida Simon

*Secretary*

Susan LaLiberté

*Treasurer*

Gayle M. Hamilton

*Members-at-Large*

Jennifer Sheridan Moss

Dan Golodner

*Board Member*

Jose Rafols

*Contract Implementation*

Robert Arking - Faculty

Barbara Jones - Academic Staff

*Grievance Coordinator*

Anca Vlasopolos - Faculty

Lothar Spang - Academic Staff

*Information Coordinator*

Steve Babson

*Academic Staff Chair*

Helen Wilson

*Past President*

Marlyne Kilbey

*Executive Director*

Michelle Fecteau

*Office Manager*

Diisa Hejka

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