

Clerical Contract Negotiations – Tuesday, July 19, 2011
Nicholson Hall

Present—AFSCME 3800: Phyllis Walker, Andy Carhart, Rick Castillo, Cherrene Horazuk, Kurt Errickson, Ginger Nohl, Peter Lunney, Judy Borrell, Doug Sembla, Mary Snyder, Mary Lou Middleton, Polly Peterson, Kem Tae Lynch.

Present—Management: Sherri Stone, Valerie Watson, Leslee Mason, Judith Karon.

Kurt Errickson (Union Rep): Since our last meeting, we've spent good bit of time talking and thinking. Our main emotional reaction has been a bit of confusion. In earlier sessions, you've made it clear you disagree with our proposals. We want to understand why: why does the employer disagree with our proposals? We think we're coming from a place of fairness and logic, and the majority of our proposals aren't economic. It doesn't make sense why so many are nonstarters. We would like a better understanding of why you disagree, and what the facts are that underlie the issues themselves. So I'd like to ask some questions today and share a data request that will help clarify the bargaining process. I'll get to that in a minute. But first I'd like to talk a bit about financing.

At the our last meeting, I talked a bit about changes in staffing. Obviously the U is under financial pressure and that's a real problem for the employer to meet us in a compromise on our economic issues. But part of my question is why is there an economic problem right now? We know about the state cuts, but the U has options to generate revenue internally to free up money for the bargaining unit. In terms of staff changes, from November 2008 to January 2011, the U decreased its workforce by 2200 jobs, or 11%. Our bargaining unit shrank by 10%; the majority through layoffs. The Academic Professional unit shrank 20%; faculty are down 10%.

So, assume the following approximations for the sake of argument. In January, average wages were \$63,000 per year based on the information we received from the employer, with an additional cost of 30% for benefits. That's about \$82,000 total. The staffing cuts freed up \$180 million in revenue captured from vacant positions. Yet the Academic Administrative job class—the positions responsible for policy development and management—only lost 26 jobs. The Academic Administrative job class has an average of \$81,000 in salary; with benefits, the total package is \$105,000. If the Academic Administrative class shrank by the bargaining unit's percentages, there would be almost \$23 million saved, and there'd be extra money on table. A 1% general increase for AFSCME is only a total cost of about \$1.1 million.

Next, I'd like to talk about wages at the U. President Bruinicks did institute a pay freeze in 2009 through July of last year. Also, as a cost saving measure, the U instituted mandatory furloughs. After some push and pull, back and forth, rallies, a Faculty Senate meeting, etc., we ended up with a 3 day furlough. That's equal to a 1.15% pay cut. The U also gave the same cut to salaried staff. The bargaining unit received a general increase last July, which was deferred for salaried staff until January 2011. What we saw with our members is exactly what was supposed to happen, aside from a few promotions. In AFSCME, 19 people (1%) received in range adjustments or promotions during that period. Most of our people got a two percent cost of living adjustment, which was soaked up by the furlough.

The data for salaried staff that we received from the U was fuzzy- and I'm not blaming Human Resources- I know it's just hard to get accurate data on wages from all the departments. Hundreds received a pay cut, which means that hundreds showed a .85% pay increase for last year. This is consistent with a 2% pay increase and a 1.15% pay cut. But also, some got the merit raises and some didn't. We're not sure what happened with it, but some people clearly show a salary increase of more than .85%.

Who at the U got more between April last year and January this year? 500 Academic Administrators. There's 2100 people in that group, and 500 of them got extra pay raises. That's 20%! When you subtract that .85% raise, which they were entitled to, then the average wage increase is 4.8%. That's \$1.6 million split among the base wages of 500 administrators. Less than 10% of the faculty got raises, but the raise was much higher. It was 25% for those who received raises in excess of .85%. So that's \$2.2 million split among 250 faculty members. Academic Professional job class numbers are even more startling. That group shrank by 700 positions between April and January, yet 409 Academic Professionals out of a group of 2600 received pay raises in excess of .85%. The average wage increase was 113%; it practically doubled salaries. \$2.2 million were spent for 500 Academic Professional salary raises and that's after non-renewing or leaving vacant 700 positions! Civil Service non-AFSCME classes had 402 in-range adjustments. The average raise was 4.83%, which is about \$800,000. It might be small potatoes compared to the other groups but none of our guys got that much.

Trust me, if we had that money to spread around, we'd definitely spend it differently than to give it to a select few. When we look at these numbers, we learn that \$6.8 million in pay increases that went out above .85%. True there were decreases and pay cuts in excess of .85%, but it doesn't seem smart to be paying out this extra kind of money when we're in the middle of a financial crisis. It's not logical.

Another area where we're concerned about the U's unnecessary spending is advertising costs for the U. "Driven to Discover", which apparently is now in the tank as we move to the "Because..." campaign, cost \$6 million. That's \$35 million in real money that's available if the U makes decisions on spending that are logical and fair.

With 18,000 people on staff right now, if the U were to further continue reducing the size of staff equally and across the board by 3%, that would save \$44.5 million. We've now saved \$79 or \$80 million. We know that 3% is a small number in terms of staff turnover; the clerical unit alone hired 300 people into the bargaining unit since 2008. So 3% is nothing for us, and I think it's fairly conservative across the U. If the U went back to this hard "hiring pause" - and actually did it correctly- it would mean no layoffs.

Is it fair that one group is excluded from layoffs and non-renewals and job cuts? No. It's not fair to exclude the Academic Administrative group... you are the leadership. Is the role of the leadership to keep their jobs safe and their friends' jobs safe? And layoff everyone else first? Where's the leadership here?

For us it's a cost of \$1.1million for 1% raise, and with the numbers I'm bouncing around, there is clearly money available for a raise. So why is there no flexibility for the wage package? We've said we understand that the administration needs to make tough decisions. But the tough decisions aren't to lay off more clericals, which is what happened last time. We had 75 or 80 layoffs with no recall. So I ask again, why is there no compromise on economics?

Okay, now I'm going to share our data requests. The data requests do relate specifically to our bargaining proposals and I'll try to make that clear as we go through them. Our intention is just to make it clear why we're so far apart on some of these issues. We want to understand why the U is so far away from us and get the facts.

For the furlough, we want to know how much it cost and how much revenue was generated from it. We want as complete a picture as possible. In the past, Sheri, you've always shown good faith in providing data to AFSCME and been available to talk about problems and I'm grateful for your common sense approach. So I want to make clear we don't want to send you on a wild goose chase, we just need the information to make smart decisions over on our side of the table. In terms of the furlough, we see costs involving planning, data entry, physically shutting down buildings, internal communications- if you spent money on mailings or literature or talking in the workplace on these issues. We know there were problems with equipment damage, with theft, with research damages. What is the ballpark area for those damages? How much money was captured from the furlough in terms of reduced salaries and reduced utilities?

Sherri Stone (Management Rep): When you're talking about planning, what specifically are you asking for?

Kurt Errickson (Union): Time-planning. Soft costs related to planning the furlough, thinking about it, working on it, putting it together. We know it's not an easy number to quantify.

Sherri Stone (Mgmt): No, it's not not easy to quantify. Also, a lot of people doing the planning are salary. They have a job to do, it just becomes a part of it. You have 5 projects, now 6, and you still have to get them done. The salary won't change. So, I'm not sure what the cost would be because it just had to be done.

Kurt Errickson (Union): What would be easiest to get? How much was saved in terms of unspent salaries, utilities. The costs from the thefts and damage that has been in newspaper. For the soft costs, I can do an estimate based on 40 hours during the week. For me, if I get additional responsibilities added one week, that's less time I can spend on something else.

Sherri Stone (Mgmt): But it's not. The other projects don't go away, you don't have less time to spend.

Kurt Errickson (Union): Okay, let me take another stab it. It's like my boss says, "Drop everything, we've got a shutdown." My time is spent 75% on the shutdown, instead of spending that time on grievances and what not; that's an easy number to approximate if I'm paid for 40 hours a week. That's what we're looking for. Hopefully you can look at calendars and figure out

how much time was spent on the furlough, who was all there. We'd like some form of an approximation.

Sherri Stone (Mgmt): Are you looking for this to be in a financial equivalent? Or a time equivalent?

Kurt Errickson (Union): Time equivalent. I would approximate the cost based on average wages, which would be a conservative estimate, but we'll make do.

Sherri Stone (Mgmt): Okay.

Kurt Errickson (Union): My understanding is that the furlough money stayed with departments and collegiate units. We want to know what they did with it. Please correct me if I'm wrong, but my understanding is that the captured furlough money could be used to finance merit increases if units so chose because the furlough money goes back into general fund.

Sherri Stone (Mgmt): [Nodding] I believe so. If I find out different departments did something else I'll let you know.

Kurt Errickson (Union): I want to ask again, just to make sure its clear: the departments held onto the money from the furloughs and the temporary reduction in pay. That money goes into their departmental general fund. They can use those funds for merit pay. So the departments could retain the furlough and TRP money and use it for furloughs – correct?

Sherri Stone (Mgmt): Yes, I believe so.

Kurt Errickson (Union): I'm sure some departments wouldn't dream of spending furlough money on merit raises for other people, and I'm sure some departments would do it without batting an eye. So, we want to know how much money was saved and what was done with it.

Sherri Stone (Mgmt): Like, applied to reserves?

Kurt Errickson (Union): Or maybe they set up a scholarship, or saved someone's job. That's the data we're looking for.

The next data request relates to our salary grid proposal. We think that removing the lower steps and moving the range maximums make sense. We don't think there are lots of people at the top of the steps, but we'll find that out from our own research. We would like to know what's happening with new hires. What's their wages? We don't think the majority of new hires are coming in at step one, and if not, why can't we just raise the steps? So, we're asking for an aggregate list by job title with the starting wages and steps people were hired in at over past 4 years.

Sherri Stone (Mgmt): Can we do a date instead?

Kurt Errickson (Union): Sure, how about July 1, 2008? What I'm visualizing is: for the job class "Executive Office and Administrative Specialist" in the year 2010: step 1, zero hires; step 2, 0 hires; step 7, 6 hires; etc.

Sherri Stone (Mgmt): When you say "new hires," do you mean new hires within the U or new to the clerical unit?

Kurt Errickson (Union): New to the U, not promotions into AFSCME.

Sherri Stone (Mgmt): Okay. I think there are very few people that move between bargaining units anyway.

Kurt Errickson (Union): On to the Regents Scholarship. Again, we don't know why can't reach an agreement. We know you don't want to bargain it; you want to reserve it as a management decision.

Sherri Stone (Mgmt): [Nodding]

Kurt Errickson (Union): We just want you to rescind the portion given to students; just restore the full subsidy. We want to get that goal. We do think contract language is the best way to go about it, but why not restore that subsidy? Notwithstanding it as a management right, why not restore it? It doesn't make sense! So, to get a better understanding of the facts, we'd like some information about the Regents Scholarship. We want a baseline of participation for the four semesters prior to the scholarship change. We'd like an aggregate list of the people participating. For each semester since the change, we need an aggregate list of how many people are participating and the revenue gained.

Sherri Stone (Mgmt): [looking at handout] What does an "aggregate list of bargaining unit" mean?

Kurt Errickson (Union): We're not looking for a list like, "Kurt Errickson, Cherrene Horazuk," but "50 people" with the revenue captured from those 50 people.

Cherrene Horazuk just made a good point, could we also differentiate between graduate and undergraduate courses?

Sherri Stone (Mgmt): [referring to handout] For "A" and "B"?

Kurt Errickson (Union): Yes.

Also, one really important piece of our proposal and of the ultimate package is health benefits. We don't have a data request for that yet, but we do want to know what you're planning and what it is you're offering; what the proposal is. Our people really have sacrificed and suffered a lot more than many at the U have. The original plan that Dan Chapman had with an 8% circuit breaker on the cost increase would have benefited the majority of our members. It seems to me the easiest way to deal with health care costs and to maintain equity within the U would be to not

change the contribution levels for AFSCME. We aren't bargaining for the Teamsters but if there are other groups who've been hit hard as well, just don't change their contributions. You've got skilled administrators who can handle implementing it. Continue paying for 85% of family costs. We can split the the increase in the total premium based on the current percentage, but just don't shift the cost from 85 to 80 on family and 80 to 86.5 on single. It would be an easy way to deal with health care for AFSCME.

Sherri Stone (Mgmt): What I do know is that Aminah is looking at setting up a date for talking about the benefits aspect of the proposal. We had initially brought forward the idea of having all 3 AFSCME units present. Is that still an interest from the clerical perspective?

Kurt Errickson (Union): We'd have to talk about it, but it seems logical that all of us would hear Dan Chapman at the same time.

Sherri Stone (Mgmt): Can you get back to me on that? I know scheduling dates will be a hassle. It got brought up with the technical unit last night. Just let us know so we can get a date on the calendar and we'll deal with health care then. I believe it wouldn't be until after August 4th [2011].

Kurt Errickson (Union): Okay.

Sherri Stone (Mgmt): So, from a timeline perspective, we're looking for a date soon after that, if that helps with your discussion.

Kurt Errickson (Union): Okay, good. If the U has done any analysis of the impact of the changed contribution on participation and what not, we'd like a copy of that.

The next few proposals relate to job security. Again, we don't know why this is a non-starter with the U. You say it's an economic issue with wanting to hire the best-fitting people for positions. Maybe ultimately there would be an economic value there but it's far less than the cost of a step, or health care or a general increase. Look, we bargained all this language back in 1991. It was negotiated in the golden era for the U and public financing. The bargaining unit had 3000 people back then. Times have changed and we've been hit hard and fast. It's produced fear and confusion in our bargaining unit. It's about competing values. We're interested in stability and you're interested in flexibility. We want our people to know what their options are. We don't understand the difference in opinion and we're confused by the disconnect. We want to know more about your position and we want the facts to help us understand. The last list of laid off people we received was several years ago. So, we'd like a list of all bargaining unit members laid off since 2008, their names, years of service, wage at time of layoff, the department from which the person was laid off. This should be available from the layoff list coordinator and shouldn't take that long.

Sherri Stone (Mgmt): What about individuals who were laid off and got rehired?

Kurt Errickson (Union): We'll come to that later. So, if you were laid off and took the severance package, we want to know. We want a copy of the layoff list right now. For employees who

didn't take the severance, we want to know how many applications were forwarded to the relevant hiring authorities. Our knowledge of the process is, if someone's laid off, the layoff coordinator will forward the application to the hiring authority and the person gets an interview. If the person meets the qualifications, he or she gets the job. Obviously that's happened to some people; we just want to know how often that's happening. How many interviews have the laid off clericals gone through? We hope that the layoff list coordinator have these records. Would you have records aside from those recalled who've been rehired? To the extent not obvious from the list above, I'd say we'd like information about those recalled or rehired to positions at the U. A review of the application process will give us the core of this data. One other piece of information, we'd like to know how many people recalled have subsequently failed probation. This is a problem we've seen and we want to know how widespread it is.

Cherrene Horazuk (Union): In terms of people recalled, we're looking for information to both broadly include those rehired off the layoff list and what happened to them in that new position and those recalled specifically to their jobs.

Kurt Errickson (Union): We know the process of hiring staff is not free, there's a cost attached, and we'd like to get a sense what the cost is. How much does it cost? Your best idea? Items listed [on the handout] are suggestions. We're looking for the soft costs... hiring, training. How big a percentage of their work week is the hiring, the interviews? It takes people time to learn the job and the organization. How long does it take someone to get comfortable in the job... 3 months, 6 months? How much time do supervisors and coworkers spend training people? "This is how to work the copier, these reports are due Tuesday, don't talk to the supervisor Thursday mornings because he bowls Wednesday nights and is always hungover."

Sherri Stone (Mgmt): Comfortability with a job is going to vary tremendously from person to person. Are we talking about all jobs or bargaining unit jobs?

Kurt Errickson (Union): Just AFSCME jobs. I'm still occasionally not comfortable in my job. My first year I just spent following my supervisor around going to meeting after meeting; the training period on my job is long. We can take a stab at some of those costs but from an administrative position, we'd like some of that information from you. We think bringing someone in off the recall list is going to be cheaper and easier because they know the place, the organization, the background. It's easier to train on a specific skill than the whole deal. We also know the U posts seniority lists twice a year, so we'd like a copy of the current seniority list, that would be helpful.

Also we need a current list of departments by collegiate units. This relates to our collegiate appendix proposal. We're still trying to understand why we can't reach an agreement on the proposal. We understand the need for flexibility, but in some departments, the seniority list is not worth the paper it's printed on if you can just change it whenever you want to. I mean, if my seniority is first by department, and you can change the department at any time, what good is that seniority? One day you're the most junior and the next day it's someone else. And why is that? Oh, we changed the department categorization! So, we need to know what the current formulation is for the U.

On to bullying. Again, we're trying to figure why we can't reach an agreement on this issue. We know all the people here today are opposed to bullying. I think you believe in having a respectful workplace. I think you advise your constituents to treat everyone equally and you discourage bullying everywhere you see it. So why can't we get a method of achieving accountability if we're right on the values and common interests? Why can't we get an agreement on some kind of accountability? Yes, it's going to mean holding people accountable. It's going to mean going to someone and saying, you can't treat people like that. If we've got contract language on it, it would add structure to the U and give Human Resources the ability to police it and help support a respectful workplace. You've said there are policies and procedures, so at this point we'd like to survey to see what's out there. We want copies of any policies or procedures that exist at the departmental, collegiate, and central level relating to dignity and a respectful workplace. In our recent survey, we had 80 respondents say they had reported bullying to departmental Human Resources staff. So we'd like to know how many reports Human Resources received and what happened to those reports. Were they investigated? How they were handled? We don't need specific details, but we do need aggregate data on how many complaints came in and what the results of those complaints were. It'll be interesting to see your data.

Next, the vacation cash-out proposal. The U does budget for vacation, it is a soft cost. Again, we're wondering, why we can't reach agreement on this issue? We'd like to determine the exact economic impact right now. We want an aggregate report of all UMD [University of Minnesota-Duluth] bargaining unit members who've requested to cash out vacation for the past three years. For 2008, 2009, 2010. We want to know whether it was granted or denied, both partially and totally. Then we'll know how many people ask for it and what the cost is. That will give a better sense of the barriers between us on a compromise. We'd also like the same information for Civil Service. Hopefully that won't be difficult.

For FMLA [Family Medical Leave Act], again I believe we share common values on this subject. I think you believe people need to take care of their families if they're sick or there is a crisis. That's how we think. Our proposed language is permissive not obligatory... the employer may grant, not must grant. Given our shared values, why can't we reach an agreement on this? I know the whole package is on the table but we can come to an agreement on this small issue. So we need aggregate FMLA data: who uses it, the average length of time granted.

Sherri Stone (Mgmt): Just so you know, a lot of these are going to be difficult. This isn't a request I can do in a short period of time.

Kurt Errickson (Union): Let's finish first and then we'll come back to that.

The last item we'd like to see is any and all policies regarding reinstatement for sick and vacation leave for Civil Service. It is our understanding that there is no three year time limit clause for Civil Service. If that's the case, why can't we reach agreement on it? If there's one standard for CS, why can't it be for us too?

It's not our intention to send you on a wild goose chase. This is important data for us to have so we can understand the merits of our proposals, the barriers to agreement and especially the costs

to the proposal. So just do your best with it. You can give us the information as you get it and we'll start looking at it right away. It's definitely not the case that you give us this information and it goes in a desk drawer. We'll look at it right away. If you have problems, please let me know. I want to work with you to solve those problems. Just communicate with our group so if you're finding that you can't get something, we can understand where you're coming from and help solve the problem.

Sherri Stone (Mgmt): One issue that could be a concern for us: some of this data isn't collected on a central basis, for example, FMLA. That's dealt with on a departmental basis. I can't currently think how to collect this. It's not that I can't do it, but I just don't know how.

Cherrene Horazuk (Union): Perhaps through Disability Services?

Sherri Stone (Mgmt): But not all register people register with them.

Cherrene Horazuk (Union): But a bunch do, and we could start there.

Sherri Stone (Mgmt): We just need to have that conversation, but I want you to know this may be difficult to do.

Kurt Errickson (Union): Just focus on the data that you can get quicker.

Sherri Stone (Mgmt): Is there a priority to the data? What do you want us to start with first?

Kurt Errickson (Union): Job security.

Sherri Stone (Mgmt): Which numbers [on the handout]? Otherwise I'm just going to start at the top and work my way down.

Kurt Errickson (Union): Numbers 5, 6, 7, and 8. But really 5, 7, 8. [See handout]. Start with stuff you can get easily or ballpark. If you do run into problems, I'd appreciate it if you'd let us know so we can talk about it. Our folks know the U way better and are way smarter and will have suggestions on ways to find the data. We might be able to come up with something.

Sherri Stone (Mgmt): Is there anything else?

Kurt Errickson (Union): That's all for today.

Sherri Stone (Mgmt): I want to caucus and see if we've got any questions.

[There were no follow-up questions.]