



Representing Wayne State Faculty and Academic Staff

# NEWSBRIEFS

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## Tentative Agreement Reached

Proposed New Contract Addresses Retiree Healthcare,  
Partial Tenure in the School of Medicine, and Salary Caps

Charles J. Parrish, President

It gives me great pleasure to announce that we have completed the negotiations for a new three-year collective bargaining agreement. The text of the Tentative Agreement is on page 3.

I want to thank Provost Nancy Barrett for her willingness to meet many times to hammer out an agreement that President Irvin Reid, the members of the Board of Governors and the Executive Board of the union found satisfactory. I want to give a special thanks to Professor Anca Vlasopolos, our Chief Negotiator, and her team for their work on this agreement. Dr. David Hecker, President of AFT Michigan, gave us significant support in this negotiation.

The Tentative Agreement extends the basic terms of the present contract, with some significant changes. It establishes a new vision benefit, raises salary caps, and, of special significance, takes the first step towards establishing retiree healthcare benefits. In addition, it incorporates a Letter of Agreement that settles the partial tenure grievance issue in the School of Medicine (SOM).

### Salary Raises and Caps

The proposed agreement provides for a raise over the three-year term of the contract that amounts to approximately 10.2% (the number is approximate because it includes the annual promotional increases which are usually

about .15%). Each year there will be raises of 2% across-the-board and 1.25% selective. The salary caps for the across-the-board are raised substantially. In the current year they are \$84,897 for those on nine-month and \$101,876 for those on twelve-month appointments.

These have been raised to \$90,000 and \$120,000,

The Tentative Agreement will be discussed and voted upon in a membership meeting on **Wednesday, May 10th, at 12:00 p.m. in Room 289 of the Student Center.** Members only will be able to vote on the agreement. For those unable to attend, votes may also be cast in the union office (103 Belcrest) during regular business hours Monday and Tuesday and until 11:00am on Wednesday.

respectively. Salary minimums and caps will be raised each year of the contract by 3.25%, instead of 2% as in the past. In the third

year, the caps will be \$95,945 and \$127,927.

### Retiree Healthcare

A joint union-administration committee will address the issue of funding healthcare benefits to our members when they retire. In order to push the efforts in this matter along and to show the union's commitment to such a benefit, we have agreed to forego one-half of one percent of our raises for the first year, with the money earmarked for funding retiree healthcare benefits if agreement can be found on the size and the source of the University's subsidy. One half of the union's good-faith showing will come from the across-the-board and one half from the selective pools. The amount will be held in a separate account and, if agreement cannot be found by

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**Tentative Agreement Reached**

July 31, 2007, returned to the across-the-board and selective pools from which they were taken (plus interest) in 2007-2008.

Some will object to using part of the salary increase to help jump start negotiations on retiree healthcare. It could be argued that the Administration should be putting up all the funds for any such benefit. I agree, but we have to recognize that in the prevailing labor-management climate, there is a knee-jerk management reaction against doing anything but cutting benefits. After all, if the big corporations are screwing their retirees, why shouldn't Wayne? These attitudes need to be overcome and they can be. Our willingness to make some sacrifice to get the ball rolling is a beginning. But, there are other arguments too.

First, Wayne's aspirations as a major research university depend on being competitive for new faculty. Most of those with whom we compete do offer a health retirement benefit and we should too. Second, at Wayne we have a union that is committed to defending the rights and benefits of its members, and that includes retirees. As the survey reported in this Newsbriefs shows, retiree health benefits are high on the list of desired benefits for our members. Third, healthcare benefits provide an additional incentive for faculty and academic staff who want to retire. Lastly, we deserve these benefits because the Board of Governors in its collective wisdom has given very generous retirement benefits to President Reid. If he gets them, we want them.

**Partial Tenure in the SOM**

In addition, we reached an agreement on partial tenure in the clinical departments of the School of Medicine. Under the agreement, all basic scientists with less than 50% tenure will have their appointments raised to 50% tenure. This means that they are guaranteed at least a one-half time appointment in the future, and that they will be fully covered for fringe benefits, including health care. In the past, being cut to 25% tenure meant no guarantee of fringe benefits if their appointments were cut back. Further, it was agreed that there will be no further appointments in the basic science departments at less than 100% tenure. This is not everything that the union wanted, but it is a considerable improvement over the past situation in the School of Medicine.

The Tentative Agreement is scheduled to be discussed and voted upon in a membership meeting on Wednesday, May 10th, at 12:00 p.m. in Room 289 of the Student Center. Members only will be able to vote on the agreement. For those unable to attend the ratification meeting, votes may also be cast in the union office (103 Belcrest) during regular business hours Monday and Tuesday and until 11:00am on Wednesday.

I feel that we have made good progress with this agreement and I hope that you will support it.

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**Survey Results**

<b>Faculty</b>	<b>Mean</b>	<b>Academic Staff</b>	<b>Mean</b>
1) Retirement Benefits	1.52	1) Medical Benefits	1.32
2) Medical Benefits	1.60	2) Across-the-Board Salary	1.45
3) Dental Care	1.86	3) Dental Care	1.65
4) Across-the-Board Salary	2.27	4) Retirement Benefits	1.72
5) Selective Salary	2.44	5) Eye Care	1.95
6) Eye Care	2.60	6) Paid Leave	2.44
7) Paid Leave	3.59	7) Selective Salary	3.05
8) Life Insurance	4.01	8) Life Insurance	3.31

The survey returns strongly suggest that many faculty and academic staff who would like to retire are postponing the decision to do so because of the potential exposure to rising healthcare costs beyond the coverage of Medicare. In a separate question on the faculty survey that asked to what degree improved retirement benefits would impact their decision to retire, over half (55%) said "completely" or "a great deal." Many younger faculty indicated in their written comments that even if they didn't place a high priority on it now, they would eventually find such a benefit important as they near retirement.

The AAUP-AFT Bargaining Team has tried to address these concerns in the Tentative Agreement reached this week. Much depends on the continuing bargaining over the size and source of the University subsidy for retiree health benefits, but the Agreement takes a concrete step in the direction of filling this long-standing gap in the WSU benefit package.

## Tentative Agreement Between Wayne State University and the Wayne State University Chapter of the American Association of University Professors-American Federation of Teachers, Local 6075

1. The WSU AAUP-AFT, Local 6075, and the Wayne State University agree to a three-year extension of their collective bargaining agreement, from August 1, 2006 to July 31, 2009, under the terms of the current Collective Bargaining Agreement, except as modified as follows:

- a. The compensation increase of 2% across-the-board and 1.25% selective in the 2005-2006 Collective Bargaining Agreement be accepted for each of the three years of the Agreement;
- b. All salary minimums be increased each year by 3.25 percent;
- c. The caps on across the board salary raises are to be as follows:

### Capped Amounts

	9-Month	12-Month
2006-07	\$90,000	\$120,000
2007-08	92,925	123,900
2008-09	95,945	127,927

- d. The 2N Committee on Health Care for Retirees will be asked to consider an employee funded Supplemental Retirement Program [e.g. IRC section 457(b) deferred compensation] for employees represented by the AAUP-AFT, with the same timeline for resolution as the other items it is considering;
- e. The vision coverage program now available to administrators and unions at WSU be extended to WSU AAUP-AFT members. The university shall subsidize the cost at the rate of 50%.
- f. The agreement reached on the changes in Article XXIV by the 2N Committees be incorporated into the Agreement;
- g. The letter of agreement on partial tenure in the School of Medicine be added to the Agreement;
- h. A 2N Committee be established to edit the language of the Agreement to conform to organizational changes within the University and to correct language where necessary to clarify obvious inconsistencies in the Agreement. The recommendations of the 2N Committee must be approved by both sides before any part of the recommendations take effect.

### 2. Retiree Benefits:

- i. The work of the 2N Committee on Health Care for Retirees be extended until July 31, 2007, after which time the work may be ended by either the WSU AAUP-AFT or the University. By mutual agreement, the Committee's life may be extended beyond that date.
- ii. In order to help to create appropriate preconditions for a retirement health program, the union agrees to forego .5% of the scheduled compensation increase for 2006-2007; .25% of which will be deducted from the across-the-board amount and .25% from the selective amount.
- iii. The amount that will result from this set-aside shall be placed in a restricted, interest-bearing account. If no agreement is reached between the University and the union as to the disposition of these funds by July 31, 2007, and if the committee is not extended beyond that date, the funds plus interest accrued as of that date shall be added to the funds to be allotted for the 2007-2008 academic year, with half added to across-the-board and half to the selective amount. (The interest is one-time on a pro-rated basis.)
- iv. The Committee will, in addition, explore the possibility of establishing an incentive system for early retirement for bargaining-unit members.

For Wayne State University:

\_\_\_\_\_  
Nancy S. Barrett  
Provost

\_\_\_\_\_  
Barbara Price  
Associate Vice President

For the Wayne State University Chapter  
of the American Association of University Professors-American  
Federation of Teachers Local 6075:

\_\_\_\_\_  
Charles J. Parrish  
President

\_\_\_\_\_  
Anca Vlasopolos  
Chief Negotiator

## Survey Results: Medical and Retirement Top Concerns

The results from our March survey are in and the top bargaining priorities for faculty and academic staff are healthcare, retirement benefits, and across-the-board salary increases. A total of 411 responded, including 316 faculty members and 95 academic staff.

This was the first time we conducted a bargaining survey online and the results were encouraging. In the past, we have distributed hard-copy surveys and gotten returns that varied between nineteen and twenty-nine percent of the bargaining unit. The 23% return for this round is better than our last survey in 2002 but trails the highwater response of 1999.

### Retirement and Medical

The survey asked people to rank the several forms of compensation in terms of their importance. The rankings went

from “very important” with a value of 1, to “not at all important” with a value of 8. Using the mean as a summary measure, faculty members viewed retirement benefits (mean of 1.52) and medical benefits (1.60) as the most important items, with life insurance (4.01) and paid leave (3.59) as the least important. Academic staff members had similar, but not identical responses. They viewed medical benefits (mean of 1.32) and across-the-board salary increases (1.45) as most important, with life insurance (3.31) and selective salary increases (3.05) as least important.

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