

# General Membership Meeting

Details of pay deferral proposal

March 8, 2016

# History

- Cause of crisis – no state funding.
- January monthly meeting first UPI hears about furloughs (late January)
- UPI enters discussions in February with administration team
- 1<sup>st</sup> meeting about 90 minutes on details of budget situation. Admin asks for 2M, insists on furloughs.
- 2<sup>nd</sup> meeting very contentious, UPI refuses furloughs. UPI offers to present any admin proposal forward for ratification vote with no guarantee of UPI endorsement. Admin invites UPI to offer a proposal.
- 3<sup>rd</sup> meeting UPI offers and describes proposal. Last formal meeting.

Continued...

# History Cont'd

- This proposal raised admin ire. President provided a proposal to me with immediate demand for ratification vote.
- I communicated that we would be willing to do that but it didn't have much of a chance. Grant and I decided to provide a counter-offer, our bottom line. The message: take your choice.
- President Glassman took much of what we had and trimmed some with a counter-offer. This to UPI Executive Board for discussion.
- After 90 minutes the UPI executive board made a decision to endorse the proposal IF it included a one year contract extension option. Otherwise no UPI endorsement. President Glassman agreed and the proposal we have is the result.

We could have gone longer but time was out...

# The Proposal

In pieces, in order, with analysis

*Note: All references to “appropriations” herein include only those monies assigned to EIU as a general FY16 appropriation from the State of Illinois.*

Two important points:

1. This does not include MAP (re)funding.
2. This does not include FY17 appropriations or any scenario to make up for lost FY16 appropriations.

1) *The salary for all UPI bargaining unit members will be reduced by 5.6% of their annual base contract salary (e.g. 9 months for most faculty, 12 months for librarians, etc.). This amount will be deducted in equal amounts on a monthly basis beginning on March 31 with a second deduction occurring on April 30, and concluding on either May 31 or June 30, depending on whether pay is received in those months. The 5.6% reduction is roughly equivalent to 11 days of a bargaining unit member's annual base contracted salary.*

Below is a table with different scenarios

<b>Pay periods deducted</b>	<b>Annual base contract salary</b>	<b>5.6% of Annual base contract salary</b>	<b>Amount deducted per paycheck</b>
3	\$50,000.00	\$2,800.00	\$933.33
4	\$50,000.00	\$2,800.00	\$700.00
3	\$75,000.00	\$4,200.00	\$1,400.00
4	\$75,000.00	\$4,200.00	\$1,050.00
3	\$100,000.00	\$5,600.00	\$1,866.67
4	\$100,000.00	\$5,600.00	\$1,400.00

Paraphrasing 2 – you can donate as much of your pay as you want above and beyond this agreement, just tell the payroll office.

*3) Following August 1, 2016, and with the receipt by the University of the first \$5M of the FY16 appropriation, the University will pay back 100% of the salary reduction amount to bargaining unit members with salaries of \$50,000 or less. Upon receipt of the second \$5M of the FY16 appropriation, the University will pay back 50% of the salary reduction amount of bargaining-unit members with salaries above \$50,000.*

	Amount to UPI Members	Amount to EIU
First \$5M received	\$170,000	\$4,830,000
Second \$5M received	\$910,000	\$4,090,000
Total first \$10M received	\$1,080,000	\$8,920,000

4) *Once the University has received \$27M of appropriated FY16 funds, 9.2% of the amount above \$27M will be repaid to bargaining unit members with salaries above \$50,000 up to 100% of the amount contributed to the salary reduction.*

	Amount to UPI Members	Amount to EIU
First \$5M received	\$170,000	\$4,830,000
Second \$5M received	<b>\$910,000</b>	\$4,090,000
Total first \$10M received	\$1,080,000	\$8,920,000

**A \$37M FY16 state appropriation would generate the required \$910K to completely refund all UPI salary deferrals. Anything between \$27M and \$37M would increase UPI salary deferral payments proportionately from between 50 to 100%.**

*5) If the University receives FY16 appropriated funds or is in possession of funds borrowed against an FY16 appropriation before June 1, 2016, salary reductions will stop.*

If there is any funding from the state earmarked as FY16 appropriations in time for salary “reductions” to stop, they will. This language is not at all tight...

*6) If the final FY16 appropriation to the University is less than \$5M, then repayment of the salary reductions shall not be required.*

Bargaining unit members are out the money deferred in the case of no or negligible FY16 appropriated funding.

*7) Bargaining unit members who have an accepted and approved retirement date filed prior to March 1, 2016, to retire prior to August 31, 2017, will not have any salary reduction. Bargaining unit members will receive a full refund of all salary reductions if not rehired in fall 2016 and the University receives an appropriation for FY16 exceeding \$27M.*

1<sup>st</sup> sentence: You won't like this but here is the reason the retirement filing date is past...

2<sup>nd</sup> sentence: The intent is clear, and clearly a bitter pill especially for Unit B ACFs.

*8) UPI has the option to extend the current Unit A Agreement and Unit B Agreement for one additional year with no across-the-board salary increase to August 31, 2018, provided that the tally of UPI voting and resultant UPI decision on this proposal is transmitted to EIU no later than the close of business on March 16, 2016. This option shall expire on January 15, 2017.*

This is one thing that can be considered an incentive to vote for this proposal. It really is meaningful in this environment...

# Angry?

Let's bring attention to this mess. Get involved, we need your creativity to turn the corner! Contact the UPI Activism Committee chaired by Sace Elder. They're doing great work!

- Tomorrow at 4pm in the quad is the UPI sponsored red flag event. 261 flags in solidarity with the 261 employees who have lost their jobs, including 29 UPI members.
- Friday, April 1. A big statewide event. Can we pull it off?

# Voting

- Individual circumstances, individual considerations. No judgments.

On this proposal:

Voting begins after this meeting and continues until **Friday** at noon. David Carwell, our balloting chair, will be in charge of the voting. Place your ballot in the small envelope and seal. Then place this in the large envelope and seal. Sign your name across the seal, and legibly print your name below it so we can check you off the list as having voted.

Additional voting times: Bridge Lounge MLK Union Wed. 2 - 4, Thurs. 9:30 – 11:30, Friday 10 – 12. Other times: David Carwell Coleman Hall Rm 2341.

If this proposal is rejected...