

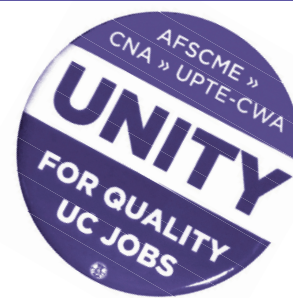


CWA 9119  
AFL-CIO

University Professional  
& Technical Employees,  
Communications Workers of  
America 9119 • AFL-CIO

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# U · P · D · A · T · E



*May 15 demonstrations, May 21 walkout*

## UPTE health care professionals to join 20,000 AFSCME workers in sympathy strike at UC med centers

**A** press time, UPTE-CWA health care professional (HX) employees at all 5 University of California medical centers were planning to join their AFSCME-represented coworkers on the picket lines on Tuesday, May 21 to demand fair wages and retirement security for all UC employees. On May 10, AFSCME notified

UC that its 13,000-strong patient care technical unit would strike at UCSF, UC Davis, UCLA, UC Irvine and UC San Diego. AFSCME-represented service workers, numbering 7,000, will strike in sympathy.

UPTE's health care professionals have said they will also respect AFSCME's May 21 picket lines. They are a smaller group at over

3,000 systemwide, but occupy key positions in the hospitals.

UPTE's health care professionals also plan rallies at the medical centers on Wednesday, May 15, coinciding with a Regents' meeting taking place the same day.

AFSCME gave UC 10-days notice of the strike, as required by law. UC has asked the state's labor board to issue a temporary injunction to prevent the strike.

"We are confident we will prevail and that this is a legal strike," said UPTE's chief HX bargainer, Wendi Felson. She pointed out that each unit's contract has expired, and AFSCME's patient care techs are formally at impasse.

UPTE's has posted a strike FAQ at <[www.upte.org](http://www.upte.org)>.

### Quality patient care, secure pension, fair pay

"UC's five medical centers have made millions in profits and handed out lucrative raises to executives," said Jamie McDole, a UC Davis care manager and member of UPTE's elected bargaining team for the health care professionals, who have been at the table with UC management for 20 months.

"Front-line workers make the university a leader in patient care, scientific discovery and education," said McDole, "but instead of rewarding us, UC is trying to undercut our wages and retirement plan. UC's priorities are all wrong."

"It's time to put patients before profits," said AFSCME 3299's

president, Kathryn Lybarger. "This strike is about standing up for the students, patients and taxpayers" that the UC medical centers were intended to serve. "UC's increasingly unsafe staffing practices and growing culture of executive entitlement are undermining patient care quality and unnecessarily putting lives at risk," said Lybarger.

"UPTE has sent notice to the university so that they can take the necessary steps to ensure patient safety during the strike," said UPTE-CWA's president, Jelger Kalmijn, a staff research associate at UCSD. "We have identified essential personnel during the strike action so that no patient care will be endangered," he said.

Earlier this year, AFSCME released a whistleblower report documenting the effect of new profit incentives on both patients and providers within the \$6.9 billion UC medical system. UC's VP of Health Services has admitted to lagging patient satisfaction across the system, and UC just announced that UCLA's medical center has received a sub-

*(continued on page 2)*



UPTE health care professionals demonstrate at UCSF's Parnassus campus April 4.

### UPTE LOCALS

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(510) 848-UPTE

Davis:

(530) 759-0803

Irvine:

(949) 854-UPTE

LBNL:

(510) 704-UPTE

Livermore/SPSE:

(925) 449-4846

Los Alamos:

(505) 662-4679

Los Angeles:

(310) 443-5484

Merced:

(510) 704-UPTE

Riverside:

(951) 781-7922

San Diego:

(858) 458-0845

San Francisco:

(415) 753-UPTE

Santa Barbara:

(805) 685-3661

Santa Cruz:

(831) 429-UPTE

## UPTE-CWA's comprehensive proposal for fair wages, retirement security, accountability and democracy

**N**egotiators for UPTE's health care professionals (HX unit) have made a comprehensive proposal for adequate cost-of-living raises and step increases, as well as contributions from both management and workers to secure our pension and retiree health benefits. UPTE's tech and researcher (TX/RX) bargaining team will make similar proposals.

UC's response? It has proposed raises that do not even keep up with inflation, and pension contributions that would erode those raises even further. UC is also pushing for dramatically reduced retirement benefits at higher costs to employees.

### Sharing the costs

"Our members are willing to be responsible partners in paying for benefits, but *only* if we get sufficient raises so that we can afford to do so," said UPTE's chief negotiator for the HX team, Wendi Felson.

"UC has the money for fair pay increases. The UC medical centers have made handsome profits over the last years, money from federal

	UPTE-CWA'S PROPOSALS	UC'S PROPOSALS
<b>WAGES</b>	Cost-of-living increases that keep pace with inflation and step increases for longevity.	Wage proposal that doesn't even keep pace with inflation, or address market and equity disparities.
<b>PENSION</b>	All employees stay on a single "tier" and make the same contributions.	Creates second-class "tier two" benefits where workers pay more for reduced benefits.
<b>FINANCIAL HEALTH OF PENSION FUND</b>	Adequate contributions from UC and workers to stabilize the pension financially. UC pays extra to make up for the unfunded liability it created by not paying into fund for 20 years.	Inadequate contributions which do not even pay the interest on the pension funding gap UC itself created by taking a "contribution holiday" for 20 years.
<b>RETIREE HEALTH BENEFITS</b>	Everyone on the same "tier" with modest contributions that preserve the benefit into the future.	About half of all <i>current</i> employees must wait 15 years for the same benefit. New hires get less benefits. No sustainable retiree health benefits fund.
<b>ACCOUNTABILITY &amp; DEMOCRACY</b>	An UPTE representative on the pension and retiree health benefit governing boards.	No employee voice in how our money is managed.

grants continues to pour into UC, and even the state contribution to UC will substantially increase thanks to Proposition 30," she said. "Even UC negotiators admit that they have the money for raises."

A day after UPTE's proposal, UC filed for "impasse" with the state labor board, erroneously claim-

ing that no more progress could be made at the table. UPTE disagrees and is challenging UC's contention.

Despite knowing that UC pension and retiree health benefits are the single most important reason excellent staff and faculty stay at the university, UC executives have decided that the university's retirement

plan is "too generous."

UC says cuts are needed to make up for billions it missed in payments to the pension plan over 20 years. During that time UC stopped making any payments, while employees continued to pay 2% of their salaries each month into UC's defined contribution plan.

# Organizing for fairness

UPTE members at UC Berkeley engage in a tug-of-war between “first-class workers” and “second-class workers” to illustrate the likely effects over time of UC’s two-tier pension proposals.

“Two-tier systems ultimately reduce benefits for all and divide the workforce,” said UPTE member Bill Rowley, an LBNL radiation control technician who attended the action last month at the entrance to UC Berkeley’s Sproul Plaza (second from right in photo). “That’s just what UC executives want, but it’s clearly not in the interests of any UC employee,” he said.



Laurel Lucia, photo

## Working for shared governance

UPTE activists are working with legislators to change how our retirement savings are managed.

State Senator Leland Yee (D-SF) has sent a letter to colleagues encouraging them to pressure UC to put union members on the governing boards of our pension and retiree health benefits funds. While the Legislature cannot mandate this because of UC’s constitutional autonomy, UC must negotiate over budget increases in the wake of Prop. 30, giving legislators some leverage.

UPTE’s success depends on our ability to support legislators who support quality education and workers’ rights. All of the union’s political contributions come from *voluntary* payroll deductions. You can make a regular contribution to this work by filling out the “COPE” line on UPTE’s membership form at [www.upte.org/join](http://www.upte.org/join).

*An UPTE steward studies a case at a training workshop earlier this month. The union runs such workshops periodically; contact your local for more information.*



Wendi Felson, photo

## What’s wrong with UC’s pension analysis?

Independent analysis shows that UC is using actuarial tricks to make the UC Retirement Program (UCRP) look worse on purpose.

Why? Because UC wants bargaining concessions that would force employees to pay more. The pension plan can be fixed (saving \$1 billion in the process) using more realistic financial assumptions.

Working together, UPTE-CWA and two other unions representing UC employees hired a professional actuary to review the university’s methods and calculations for our pension fund, UCRP. The full report can be found at [www.upte.org/pensionreport.pdf](http://www.upte.org/pensionreport.pdf).

### What’s needed, who pays

The report clearly shows that UC has used overly conservative assumptions to claim that new contributions of 28.6% of payroll are needed to keep the fund healthy.

During what it calls its 1991-2009 “contribution holiday,” UC saved billions by not providing its share of the funds to reach that theoretical goal. Employees never actually got the full holiday, continuing to have 2% of pay deducted for retirement costs and placed in UC’s defined contribution retirement plan.

Now UC wants each employee to pay up to 7% more, which essentially constitutes a pay cut. On top of that, UC would split the plan into two tiers – a system that threatens the plan’s future stability and value. Those individuals forced onto the new tier would take a big cut to their benefits.

### Assumptions off-base

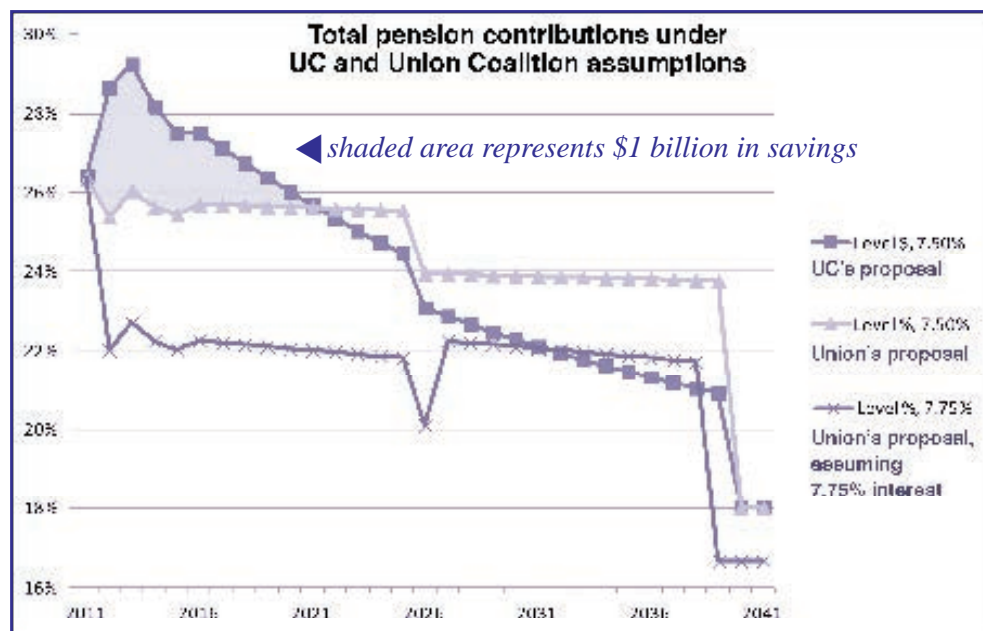
The actuary’s report identified three faulty assumptions that UC used to overstate its pension costs on paper:

1) To bring UCRP back to a 100% funded level over the next 3 decades, UC wants to “front load” extra pension contributions costing \$1 billion in the next 4 years (see shaded portion in graph at right). Using a more common practice for this calculation, the union’s actuary estimates that the fund’s modest shortfall could be paid off on UC’s timeline without spiking contributions in the

initial years.

2) UC under-estimates its annual return on investments at 7.5%. A majority of the nation’s 32 largest pension funds use 8%, and UCRP has earned more than 9% over the last 20 years. Assuming a 7.75% return over time

“UC employees have worked hard for our retirement benefits,” notes UPTE’s president, Jelger Kalmijn, a researcher at UCSD. “Protecting them and keep them healthy can be done in a reasonable way that keeps everyone on the same tier.”



– a figure just 0.25% higher than UC’s – contributions would fall by about 4% of payroll.

3) UC makes the unrealistic assumption that all employees receive a 5% raise each year. More accurate estimates would reduce pension contributions by an additional 1% of payroll.

### A secure, well-funded plan

Both the union actuary’s and UC’s calculations assume the plan’s funding goal is 100%. That’s what the UC regents have insisted on, even though public pension funds are considered responsibly-funded at 80%. (Funding the pension at 100% would only be required if UC plans to go out of business and immediately provide every employee with pension benefits.)

If the goal were set at 90% funding and UC stuck to it, the needed contributions could be set even lower.

The union’s actuarial report concludes that UC inflated the contributions needed to the fund “for no apparent purpose other than...to justify benefit reductions.”

## UC medical center strike

(continued from p. 1)

standard patient safety rating from a leading health care buyers group for the second straight year.

Given UC’s employment policies, attracting and keeping quality staff will get more difficult, and that affects patient care.

Starting July 1, UC wants workers to accept dramatic cuts to retirement benefits, such as:

- ◆ UC would slash the take home pay of an average UPTE-represented retiree by \$1,200 a month for those hired after July 1, 2013.

- ◆ UC is using accounting tricks to exaggerate the short-term funding needed for a healthy retirement plan in order to justify dramatic reductions.

- ◆ UC wants to force half of existing staff to work 15 years longer for the same retiree health benefits which were promised when we were hired.

- ◆ UC is insisting on below-market wages for many workers, and on maintaining internal disparities between workers doing the same jobs.

UPTE and AFSCME are working in coalition to stop UC’s take backs, along with the California Nurses Association, which represents UC’s nursing staff systemwide.

## Upswing in union membership among UC's administrative professionals

Administrative professionals (APs) continue their campaign for UPTE-CWA representation at the University of California systemwide, many of them joining UPTE as full members to support the union.

Rana Burroughs, a research administrator at UC Berkeley, is one of them. She says she stepped up to help organize her coworkers because her coworkers were complaining about the lack of salary increases for most of the last 5 years, and she wanted to do something.

Burroughs told the *Update* she was impressed that UPTE consults with members, through surveys, conferences and other means, to find out what the issues are before heading to the negotiating table. If UPTE is eventually elected as the collective bargaining representative for APs, the union "wants to be a mediator," says Burroughs, "not overreach its boundaries."

"UPTE's approach is more professional than other unions that I've encountered," said Burroughs. The union is "very clear on what you can do and what you can't do. When you mention the word 'union,' people have an emotional reaction, and you're able to cut through that and bring professionalism and objectivity to it."

While APs have not yet had an election overseen by the state's labor board to choose UPTE as their formal representative, they can voluntarily join UPTE and receive all the associated rights and benefits of membership, including full voting rights in the union, help with problems on the job, regular newsletters covering changes at UC, and eligibility for a wide range of "union privilege" benefits, such as low-cost credit cards and mortgage loans.

### APs petition for fair pay across the system

Administrative professionals continue to circulate petitions at all campuses urging their chancellors to do the right thing and follow the lead of Berkeley Chancellor Robert Birgeneau, who announced recently that Berkeley campus employees who are not covered by union contracts would receive 2% pay increases this spring.

Thousands of UC administrative professionals systemwide have signed petitions asking each campus chancellor to grant fair cost-of-living raises. AP activists plan to turn in the petitions shortly to their campus chancellors.

APs have also been arguing individually for raises under UC's existing policies, with UPTE's help. The union has been holding Wage Workshops at each UC campus to help AP employees understand what it takes to apply for a job reclassification, equity raise or administrative stipend.

### Finally got a raise!

"UPTE's Wage Workshop helped me get a 10.2% raise," said Neece Parker, an administrative specialist at UCLA's Information Technology Services.

"For many years, I was being paid less than my peers with the same experience," Parker told the *Update*. "UPTE was there for me and helped me make a request for an equity raise. UPTE's Wage Workshop was invaluable in giving me the knowledge and tools to help me advance in my career," she said.

Years of non-existent and inadequate pay raises have left university staff without union contracts woefully under market-value.

### Join the union!

Parker notes that the "surest way" to get fair pay is for APs to become represented by UPTE and bargain collectively with UC. She urges any AP who has not yet signed a card supporting UPTE to do so immediately. You can find an UPTE card at [www.apsforupte.org](http://www.apsforupte.org).

If you'd like to join UPTE as an AP, you can do so online at [www.upte.org/join](http://www.upte.org/join). If you are an UPTE member who works with APs, please encourage your coworkers to join the union to make UPTE an even stronger force for change at UC.



Rana Burroughs, UCB



Neece Parker, UCLA



Delegates vote at CWA's national convention in Pittsburgh last month.

## CWA convention looks to future

Delegates from UPTE-CWA travelled to Pittsburgh, Pennsylvania from April 22-23 to attend the national convention of the Communications Workers of America (CWA).

"Connecting with our sisters and brothers in CWA gives us a national perspective on labor's fight for economic and social justice, and allows us to share strategies with other CWA higher education locals around the nation," said UPTE delegate Lisa Kermish, the union's vice president.

### Keep on organizing

Several locals won CWA organizing awards. UPTE was one of them, honored for its organizing of 165 Senior Dieticians at UC systemwide.

The awards come with a \$1,000 organizing subsidy and a plaque in recognition of the work. Locals that win the award five, ten or fifteen times receive \$5,000. More than 300 locals have received the award at least once.

Another higher education local, CWA 4302, was recognized for its organizing at the University of Akron, where earlier this year, nearly 400 employees won their election and joined CWA. The local never gave up in the campaign that began more than 25 years ago.

### Building the movement

In his keynote speech, CWA's president, Larry Cohen, challenged convention delegates to build a robust movement for democracy and economic justice.

"If we don't build a much deeper movement now, when?" said Cohen. "If we don't fight for universal voter registration and against voter suppression now, when?... If we don't stand up for retiree health care, not just in our own union but across the nation, now, when? This is our time to take up this challenge."

Cohen also pointed to CWA's organizing wins. The union welcomed 9,300 flight attendants from United-Continental. CWA ratified contracts for over 100,000 at AT&T, 38,000 at Verizon, 10,000 at GE, 750 nurses at Mercy hospital and 750 journalists at Bloomberg's Bureau of National Affairs.

Cohen advocated building a movement

of 50 million progressives in workplaces, locals and communities, in order to enact the legislative and political changes. Recently, CWA formed alliances with the NAACP, Sierra Club and Common Cause, among others. Cohen called for continued coalition-building, and work toward common goals to change America's political culture.

CWA convention delegates debated many resolutions on current issues. In one historic move, delegates unanimously passed a resolution supporting AFL-CIO affiliate Pride at Work's campaign to end transgender exclusions in health care coverage.

Transgender people have difficulty securing affordable, comprehensive health care, and most health insurance policies still specifically exclude transgender-related care and services. The resolution put CWA on record as supporting "public and private trans-inclusive health insurance coverage."

## UCLA professor stands trial over safety issues

In late April, UCLA chemistry professor Patrick Harran was ordered "to stand trial on felony charges stemming from a laboratory fire that killed staff research assistant Sheharbano 'Sheri' Sangji more than four years ago," according to the *Los Angeles Times*.

The three felony charges, writes the newspaper, are "failing to correct unsafe work conditions in a timely manner, to require clothing appropriate for the work being done and to provide proper chemical safety training."

The case has attracted international attention as the first such prosecution involving a US academic lab accident. If convicted, Harran could serve up to four-and-a-half years in prison.

On July 27, the Los Angeles County District Attorney agreed to drop similar charges against the UC Regents in a settlement agreement that requires the university to comply with California's labor code and to maintain a lab safety program for chemistry and biochemistry departments on all campuses.

UC also agreed to establish an environmental law scholarship in Sangji's name at UC Berkeley, where she had planned to study.

## UC's substandard two-tier pension proposal stirs employees' anger

The *Update* has reported extensively on UC's proposals to restructure the UC Retirement Program (UCRP). UC's two-tier system would affect about half of current UPTE-represented employees employees and would reduce pension benefits while increasing employee contributions.

Some 44,000 UC workers represented by UPTE-CWA, AFSCME, and the California Nurses Association oppose UC's proposals. They point to independent research showing that most of the changes are not necessary, and that those that are can be crafted to minimize the harm to hard-working employees (see story on auditor's report, page 2).

By law, UC must negotiate any changes to the plan for employees covered by union contracts.

"UC has withheld wage increases in an effort to force us into accepting the new substandard retirement benefits," said UPTE's health care professional (HX unit) bargainer Wendi Felson. "But we won't be intimidated," she said. "In solidarity with our AFSCME-represented coworkers, we'll

be off the job and in the streets on May 21, sending a message to UC executives, loud and clear, that their proposals are terrible for us and for UC as an institution."

### UC's plan "discriminatory"

UC's own web page on the UCRP restructuring, which attempts to justify the changes, has been a hotbed of employee dissatisfaction. The vast majority of the pages' comments come from angry employees taking the opportunity to give UC a piece of their minds.

One commenter took square aim at UC's claim that employees are lucky to have the benefits they do, no matter how much UC wants to cut. "The argument that you're doing us a favor by giving us any benefits is complete and utter BS considering how low our wages are and how much effort has been made to keep those wages down. Nice try."

Several commentors at UC's webpage protested at the age discriminatory nature of the plan – that to be grandfathered into the current plan, age plus years of service have to be at least 50 on June 30, 2013.

Workers at UCSF's Mission Bay campus speak out on April 4.



Lisa Kermish, photo

## JOIN US MAY 15 & 21 SAY NO TO UC'S TWO-TIER PLAN



LOCATIONS & TIMES: <[www.upte.org](http://www.upte.org)>

"What difference does it make to anybody," writes one commentor, "if I was hired at age 26 or age 28? Isn't 20.5 years of service the same time worked whether a person is aged 39 or 41? I feel offended and disappointed that this is happening. I have invested much personally, choosing to work for UC, motivated by the terrific benefits and retirement I was offered."

Some UC employees responding were simply dismayed: "I'm totally bummed," wrote someone with 49.16 combined years of service. Another writer said he'd miss UC's 50-year cut-off with "49.92 combined age and years of service on 6/30/13."

Others were angry that they would be excluded from the current plan by, in some cases, days. "I'm six months away from being eligible to retain what I was told would be my health benefits package when I retire, but with 11.5 years of service and turning 38 in May I just lost big time!! Because of 6 months!! It's shocking to get sideswiped like this."

### A thoroughly unfair plan

Indeed, whether UC's proposals were "fair" to employees drew sharp remarks. "I will be 37 years old and have 12.9 years of service at the UC. I will not be grandfathered into the older better system. Missed this by being hired in September 2011 instead of June 2011. Also my fault for being born in December 1975 instead of July 1975. An employee who is 45 years old and worked at UC for 5 years gets into the older better system. I will have had almost 7 more years working for UC but I'm getting my benefits cut. How is this fair?"

The fact that the UC executives who designed the pension cuts don't themselves have to suffer under them did not go unnoticed: "Why does the UC make the argument that it is facing an underfunded retirement program, and as part of its reaction to it, has given retiring President Mark Yudof a \$250,000 annual retirement package? Why does UC think it can screw its lower level employees so blatantly and not get called on it?" [Yudof gets \$234,000 in "executive pension" in addition to his "ordinary" UCRP pension. - editor]

UC's proposal for a two-tier system will hit most UC employees hard, whether they

would be "grandfathered" into an upper tier or not. As one person wrote, "Most employees are experiencing reductions to their take-home pay, due to the lack of COLA and merits (for non-rep staff), so how are we supposed to contribute more toward our retirement?"

Throughout the comments, there is a sense that dedicated employees are being stepped on by UC. Commentors repeatedly call the pension changes "disrespectful" and a "violation of employee trust."

You can find the UC page plus comments here: <[ucrfuture.universityofcalifornia.edu/news-updates/retiree-health-benefit-changes-coming-in-july](http://ucrfuture.universityofcalifornia.edu/news-updates/retiree-health-benefit-changes-coming-in-july)>.

### The antidote to powerlessness

Many of the comments appear to have come from UC's administrative professionals, who are currently do not have the protection of a union contract: "Yet another example of non-represented staff getting the short end of the stick," wrote one.

"The staff has no voice, no long term stability, no gatekeeper of fairness, shown no loyalty for additional workloads due to budget cuts, reduction in resources, and layoffs," wrote another.

"This proposal is making my stomach sick," said one affected employee. "Under this proposed plan I won't be able to afford paying for the cost of the benefits, hell no to this plan! We need to mobilize to protect our current pension system!"

That's exactly why administrative professionals are organizing with UPTE: to get a collective voice in their conditions of employment. See <[www.apsforupte.org](http://www.apsforupte.org)>.

### All together now!

"Three unions are fighting to block this change," wrote another commentor. "Something can be done about it."

We couldn't have said it better. All UC employees – represented or not – are invited to send a strong message on **May 15** and **May 21** by supporting UC medical center workers in their fight for a fair contract and to save UCRP. Find the demonstration closest to you at <[www.upte.org](http://www.upte.org)> and come out to make your voice heard.

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