AFT Local 243
Madison Area Technical College
Faculty & Staff Union Newsletter

October 2016

Earlier and Early Retirement

If you have not heard, on 9/26 in *Matters*, the President announced that the College is withdrawing the lump-sum or bridge payment as part of the Early Retirement Benefit. True, you may still leave employment of the College at the same ages (for three more fiscal years), but the College will no longer cover the costs of contributions formerly made as a lump-sum payment to the Wisconsin Retirement System to offset the retirement contributions that would have been made by those retiring prior to age 65 (known as "the penalty" or the reduction of benefits based on actuarial calculations of longevity).

According the ***Employee Trust Fund Handbook*** (ETF, pp. 13-14):

> If you retire before your normal retirement age, your annuity is reduced by a small percentage for each month between your actual age and your normal retirement age. Prior to age 57, the reduction is 0.4% per month (4.8% per year). Beginning with age 57, the reduction is less than 0.4% per month, depending on your years of creditable service. For non-protective employees with at least 30 years of creditable service, there is no actuarial reduction after age 57.

Thus, after FY 2017-18, particularly for those employees without previous creditable service in Wisconsin (e.g., those who might have had careers out prior to MATC) you might have to work until age 65, unless the Benefits Committee makes another recommendation. For those of you planning to retire within the next few years (after *this* year), if you have less than 30 years of creditable service, you most likely will have to absorb the reduction of your WRS benefit.

We should pause for a moment to think about those affected. For example, employees who had careers in another state or sector of the economy before being employed by the College, will most likely have to work more years to bring get closer to the age at which Social Security benefits will begin. And, employees earning a lower wage at the College or who have had their wages frozen by the College will have to work even longer years. These employees might not have the additional income from another retirement savings account or personal savings to support them if they need to stop working. Thus, the loss of this benefit harms the most financially vulnerable people in the College, who might have used that "bridge payment" to get them to their retirement.

There are a few glimmers of hope for those you who are yet planning on a retirement from the College before you reach the age of 65. For those of you who wish to buy some years of creditable service, there are some possible routes open to you. Check aft243.org for linked documents to the ETF that describe who qualifies and how to do the purchase.

Shared Governance Update: Employee Relations and Professional Development Council

Two issues of note came up in the ERPD Council last meeting. First, the disagreement over the **Grievance Policy** has led to a protracted process. In 2015, the Assembly and the President approved the CAC's recommendation for a comprehensive grievance policy and procedure. But, apparently, the attorney was not consulted at that time because in May 2016, the administration introduced legal counsel's interests and requested a revision. This sort of begs the question, "Why didn't you consult the attorney BEFORE approving the policy?" But as that is now water under the bridge, consider the attorney's interests:

1. Honor the statutory requirements of the Grievance Procedure and comply with applicable laws.
2. Encourage the use of problem-solving methods (IBPS / conflict resolution) to resolve issues at the lowest-level possible.
3. Be fiscally responsible and contain costs (broadening scope beyond statutory requirements has a budgetary impact and increases costs).
4. Maintain authority/accountability for determining conditions of employment (other than adjustments to base wages for those employees in a certified bargaining unit).
5. Reserve the IHO process for statutory issues where fairness, due process and judgment is involved or at issue (in terms of discipline or terminations) and in situations involving safety issues.

The attorney's interests appear to be designed to constrain the grievance process to a minimal threshold. For example, interest 1 ignores some of the specific statute language regarding the establishment of a grievance process:

> "Any civil service system that is established under any provision of law, and any grievance procedure that is created under this subsection, shall contain *at least* all of the following provisions . . . ." (emphasis added).

In other words, a grievance process outside the scope of workplace safety, discipline, and termination is *permissible* by law, though not *desired* by the College, presumably for the reason expressed in interest 3—it would cost more money if employees could count on a robust due process system and appeal their grievances to an Independent Hearing Officer (IHO or arbitrator). This presumption, however, is not based in fact but is speculation. If we read interest 3 in the way the attorney read the statute, we could argue (absurdly) that anything that has a budgetary impact and increases costs is not fiscally responsible.

The truth is we would not know how much this grievance policy would cost, unless the College escalated the grievance to a level that required an Independent Hearing Officer (IHO or arbitrator). In the past, if we could not reach resolution, our Union and the College agreed to split the costs of arbitration and both sides took their chances. If anything, historically, the College has lost *more* money in *lawsuits* than grievances, during which many of those internal issues could have resolved. Win or lose, however, the attorney ALWAYS costs the College money.

A grievance process is a dialog in which a dispute is defined and usually remedied, and our Union philosophy has always been to resolve grievances at the lowest level possible. What this curtailed grievance process does is effectively shut out other disputes arising because of unclear or inconsistently implemented work rules. And, because some policies are being moved away from the oversight of shared governance into "work teams" there are bound to be some inconsistencies and problems.

Employee Handbook

Human Resources is at work editing the *Employee Handbook* again. Of note, HR expressed an interest in "softening" the language regarding outsourcing, which you can find on page 21 of the current handbook: "Outsourcing/subcontracting will not result in termination of any employee."

Employee members of the Council quickly pointed out that any softening would permit some undermining of the intent of the language—to restrain the College from embarking on the pursuit of failed business trends while causing irreparable harm to loyal employees. This is most likely the reason full-time custodial positions remain open and the current custodial staff must cover far more square footage than before. Your Union opposes outsourcing. We advocate for finding solutions internally that retain and re-purpose homegrown talent and recognize the long-term dedication of the employees. The rest of the language in that section of the handbook offers "Criteria for determining the return on investment of outsourcing/subcontracting":

- Justification by financial need or need for innovation/talent boost;
- Benefit to the College;
- Cost benefit analysis (long-term cost, as well as total cost) to prove it is a better option to the status quo or other alternatives;
- Length of time to be considered;
- Impact to current staff; and,
- Alternative solutions to outsourcing/subcontracting using current staff and resources.

These are reasonable criteria because they compel the College to justify the need. At the request of your Union, a task force of ERPD members was formed to examine this issue and more will be reported as details emerge.

Shared Governance: College Assembly

At the College Assembly meeting (Sept 28 2016), a request was made to have a conversation about the various ways initiatives are being undertaken in the College that are not subject to Shared Governance oversight. Some of the employee representatives on the Assembly noted that this habit of moving specific issues out of Shared Governance (e.g., compensation) was preventing them from representing these policy ideas to their constituent groups. Indeed, at an earlier Assembly meeting this fall, it was reported that there are **28** pilot studies being conducted. After the political fallout and subsequent effect on employee morale resulting from *You-Inform*, some members of the Administration seem a little more aware that making sudden, unilateral decisions can disturb the peace. Similarly, they now may be aware that creating policy outside shared governance is not really sharing—it's promoting a position. These pilot studies and initiatives may be excellent exercises for all we know—but that's just it: we don't know. What problems were they intended to solve? What is the design of the pilot? How will data be collected? What is the metric for success? How do these studies impact the budget or attract or retain students, especially at a time when enrollments are declining across the College?

There were two basic reactions to the request for the conversation about these activities. Your Union expressed an interest in creating an inventory of all of the work being completed outside of shared governance and status reports for these shared governance-lite activities. But, sometimes expedience and convenience and the drive to produce results become rationalizations for bypassing the commitment made to Shared Governance. The other reaction revealed an undercurrent of impatience with process just like those who argue for de-regulation and privatization, which, as we are discovering on a daily basis, leads to disaster because of lack of oversight.

Union and Second Harvest Partner in Food Drive at Truax!

Your Union will assist with a seasonal Food/Donations drive Oct. 31st-Nov. 4th. Food donation barrels and cash donation jars will be placed strategically. Remember, Wisconsinites are relying more on food pantries, and so if you can give a little, it will go a long way. For every one dollar you contribute, Second harvest can purchase three dollars worth of food.

Contact: Jon Cole (608) 246-5255.

November is "Love Your Custodian" month!Your Union wants to remind you that Union custodians work hard to keep the campus clean and safe! At present, the College
is saving money by keeping FT custodial positions open (a practice known as "churn") while expecting the same amount of work from a reduced work force. Your Union stands for recognition of the good work and loyalty of these employees! During November, get to know the names of these people and thank them for their efforts!

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