UC and Clerical Union Reach Five-Year Agreement; Deal Includes New Pension Tier for Employees Hired On or After July 1, 2013

The University of California announced that it has finalized a five-year agreement with the Coalition of University Employees (CUE) on wages, benefits and other issues for clerical staff.

The ratified agreement is effective December 13, 2011 through November 30, 2016.

Highlights of the contract include:

Wages

- To make salaries more market competitive, employees will receive a 3% wage increase for the 2011-12 fiscal year retroactive to July 2011. There will be an annual 3% wage increase for the next three years, and a 2% increase for the final contract year of 2015-16.

- Step increases will be given to eligible employees based on years of service and performance.

Health and Welfare Benefits

- Employees will continue to receive excellent health care benefits and pay the same rates as the general UC employee population.

- UC will continue to pay the bulk of health insurance premium costs, on average about 87%.

- If premiums increase by 20% or less for the Health Net Blue and Gold and Kaiser medical plans, employees will pay the increase. If premiums for these two plans rise by more than 20%, UC will pay the difference.

Pension Benefits

- Employees will contribute to the UC Retirement Plan at the same rate as the general UC employee population. Contributions will be 3.5% of pay retroactive to July 1, 2011; 5% of pay starting July 1, 2012; and 6.5% starting July 1, 2013. If new rates are approved for 2014 and 2015, CUE members will pay the same rates as the general employee population.
• UC is increasing its contributions as well. It began contributing 7% this year, up from 4%. The university plans to increase that amount to 10% on July 1, 2012, and to 12% on July 1, 2013.

• CUE members hired after July 1, 2013 will fall under the new pension benefit tier – the same one that applied to unrepresented faculty and staff – in which employees will contribute 7% of pay.

The contract also covers work-related conditions such as parking and grievance resolution.

Specific details of each Article will be provided in future trainings facilitated by Employee and Labor Relations.

For additional information or questions, please contact the Employee and Labor Relations Office at 916-734-3362.