UC and AFSCME ratified agreement on wages and benefits for service employees

UC and AFSCME reached tentative agreement on Sept. 22, 2011. Union members voted last week and ratified the agreement on October 10th. The current contract for Service Unit employees is in effect from February 2009 to Jan. 31, 2013.

**Health and Welfare Benefits: Increased Cost Sharing by Employees**
- Service employees will pay the same rates as the general UC employee population. They will pay 2011 rates for Health Net and Kaiser HMO’s starting October 1, 2011.
- In 2012, they will pay the same rates as the general UC employee population for all plans.
- In 2013, they will pay the same rates as the general UC employee population for all plans in 2013 so long as 2012 ratios between employer and employee contributions are maintained.

**Pension Benefits: Increased Employee Contributions**
- Employees will contribute to the UC Retirement Plan at the same rate as the general UC employee population. Contributions will increase by 1.5% and will now total 3.5% of pay (minus $19) retroactive to July 1, 2011.
- Service employees will have the missed 2011-12 increased contributions deducted from their pay from implementation through the end of this current fiscal year (June 30, 2012).
- In July 2012, their employee contributions to UCRP will increase to 5% of pay (minus $19).

**Service Unit Wages**
- UC has agreed to increase the minimum wage for Service employees to $13.70 an hour starting on November 13, 2011 (November 1st for monthly paid employees).
- Service employees will receive a 3% wage increase for the 2010-11 year, effective November 13, 2011 for biweekly paid employees (November 1st for monthly) followed by a lump sum payment representing the increase back to October 2, 2011 (October 1st for monthly). The lump sum is considered covered, retirement-eligible compensation and is based on actual earnings during this period. The 3% increase is tentatively scheduled to be paid on the December 7, 2011 paycheck while the lump sum payment schedule is yet to be determined.
- Any employees with salaries above the new range maximum, and who are therefore not eligible for the range adjustment, will receive a one-time, non-base building lump sum of 3% of their annualized base salary, prorated by their appointment FTE.

Questions regarding pay increases can be directed to the Compensation Unit at 4-5009 and benefits questions to the Benefits Unit at 4-8099.