Contract Negotiations for Service Staff: Bargaining Update #1

The University of California and the American Federation of State, County and Municipal Employees (AFSCME) met Oct. 23-24, 2012 for their second bargaining session on the road to negotiating a new contract for service workers.

The university and union presented proposals for various provisions of a contract. The university’s presentation included its proposal for post-employment benefits, which include revised eligibility rules for retiree health care benefits and new contribution rates to the UC Retirement Plan. Starting July 1, 2013, current employees would pay 6.5 percent to the UCRP, new employees would pay 7 percent for a new tier of benefits, and UC would pay 12 percent for all employees. The rates already apply to the general UC employee population. Several unions also have agreed to these benefits.

The UC Board of Regents adopted these rates to help protect the long-term viability of the retiree health and pension programs. This measure, along with other actions, will ensure that employees will have excellent benefits and a stable retirement when they are ready to sunset their careers.

Even with these changes, UC’s retirement benefits remain competitive with other employers.

During the two-day session, UC and AFSCME reached agreement on some contract terms including moving expenses and employment conditions for people with multiple appointments.

The next session is Nov. 8-9, 2012 at UC Santa Cruz, when the university and union will continue to review each other’s proposals.