

AFUM UPDATE

www.AFUM.org or www.AFUM.info

8/19/2019

Contract Tentative Agreement Reached

The AFUM negotiating team and UMS representatives reached a Tentative Agreement (TA) Friday, August 16, 2019. In this AFUM Update, the Team will summarize contract changes and next steps in the process.

1) SALARY

- Salary: 2.25% 7/1/19 & 0.75% 1/1/20 (3%)
- Salary: 2.25% 7/1/20 & 0.75% 1/1/21 (3%)

Having 4 raises instead of two does result in slightly higher final salaries. However total compensation over this two-year period is less. You may recall that AFUM and UMS have disagreed over the role post-tenure compensation (PT-comp) plays in our salaries. The agreed upon purpose of post-tenure compensation was to increase salaries relative to peers. In recent negotiations UMS has sought to include PT-comp as part of our raise. UMS budgeting for this biennium was done under this assumption. UMS now agrees that going forward PT-comp will be budgeted separately. We expect that this ongoing issue is now resolved.

2) MEDICAL/FAMILY LEAVE

- Advance medical leave: All new hires (9/1/19) shall be advanced 20 “sick days” (equivalent to what is earned in a year). Accrual of additional days begins year 2.
- Improved Family Leave (FMLA): Increase the number of days a member may use from 30 to 60 days. If the member has insufficient days to reach 60 days, they will be advanced up to 20

days. Upon return to work these days shall be repaid at ½ accrual rate. Any outstanding balance shall be repaid at time of separation.

- Extend Alternatives to teaching to all unit members, not just tenure stream. Improved communication to administrators that it is not a member’s responsibility to arrange for “coverage” while on leave.

3) INVESTIGATIONS

- Improved language around “Investigations”.
 - Explicitly encourage efforts to resolve issues informally if possible (UMS retains right to go to Fact-Finding at any time. Member chooses to participate in an informal process or not).
 - Administrator who determines any discipline from a Fact-Finding must have participated in the Fact-Finding.
 - Members may not be barred from campus or limited in doing their work unless suspended via the contractual process.
 - The President may, short of suspending a member, remove a member from the classroom and provide a rationale. A meeting to discuss must occur as soon as possible.

4) ALTERNATIVE APPOINTMENT DATES

- Create a 10.5-month faculty category in addition to AY and FY. These 10.5 month positions are either 9/1 through 7/15 or 7/15 through 5/31. The extra 1.5 months are to provide summer teaching in-load. These members will teach normal load across the Fall and Spring semesters and the appropriate Summer session. No member may be moved unilaterally into such a position as these are intended for new hires. Salaries shall increase commensurately.

5) RETIREMENT FUND ACCESS

- Improved access to retirement funds: Starting no later than April 15, 2020, members may take loans from their retirement accounts up to IRS maximum (currently \$50,000) but no more than 25% of lienable amount. A maximum of two loans. Subject to fees and interest set by TIAA.

6) EARLY TENURE LANGUAGE

- Removed inconsistency in contract that treated members using awarded credit differently than other members going up early. If a member goes up early for tenure, they may be denied at Campus level. This denial does not prevent them from applying again until the contractual probationary period is reached.

7) FIXED LENGTH APPOINTMENTS

- UMS shall make fixed length appointments for a specified duration up to 3 years. UMS shall make an honest assessment of the duration of the fixed length position and conduct a search using this duration. Under unforeseen circumstances, UMS may extend a fixed length position up to a total of three years. *Example: UMS determines that a 1 year fixed length position is needed and advertises the position for 1 year. For an unforeseen reason, perhaps a search fails, UMS may extend the position. 1 year positions are not evaluated. A member must be appointed to a position in excess of 1 year in order to be evaluated.*

8) COOPERATING DEPARTMENTS

- UMS may make a limited number of cross campus cooperating departments.
 - Each department shall continue to offer degree(s) through the home institution.
 - Shared courses shall be listed as coming from the student's campus.
 - Faculty members in a cooperating departments shall be evaluated solely by the home institution process (no shared peer committees or administrative input).
 - Every 4 years, each department shall review the teaching credentials of cooperating faculty who are teaching courses for the department.
 - Example: UMX & UMY have cooperating Molecular Gastronomy (MG) programs, MGX & MGY.
 - Both MGX & MGY will offer degrees through the respective institutions.

- Faculty from both cooperating departments shall work together to develop curricula (may be the same/ may be different) in which some classes are shared. UMS provides resources to support this ongoing development.
- When MGX faculty teach MGY students, the course shall appear as MGY... and MGX... when they teach MGX students and visa-a-versa (eliminating issues for students of having to register on both campuses and no financial aid issues).
- Because MGX faculty are teaching MGY classes (and visa-a-versa), they need to be approved through the departmental governance process to be qualified to teach. This evaluation shall occur every 4 years.

9) Modify Grievance time-line to allow more time for efforts to resolve issues informally.

10) Unstopping the tenure clock. In the event the tenure clock is stopped, a member may revert to the original timeline.

AFUM has also agreed to an MOU related to Distance Education.

- There is no change to the practice on any campus. UMS and AFUM commit to a two-year workgroup to examine this issue toward developing mutually acceptable language for the next (2021) contract.
 - The issues around distance education are complicated with serious financial implications. AFUM intends to have discussions with dues paying members at all campuses, via technology, so that we all have a common understanding of the issues and potential paths forward that we have already explored. With this background we can discuss and develop a way forward that protects everyone's interests. Stay tuned for information after contract ratification.

.....

In addition to the changes in the contract outlined above, UMS & AFUM made a number of agreements:

- UMS will offer members a chance to buy pet insurance (availability TBA)
- Short-term disability for AFUM members has been of lower value to AFUM members. Policy will be adjusted so AFUM members receive the same benefit as other UMS employees. UMS intends to help inform members when it no longer makes sense to pay for short-term disability.
- Prompt posting of retirement contributions
 - Some members noticed that posting of our retirement contributions to TIAA/CREF accounts could sometimes be delayed well after our pay has been deposited. UMS has revamped their business process to minimize these delays. In the past, a potential issue has delayed posting for all members. Going forward, only individuals with potential issues shall be delayed while the vast majority move forward. Delays may still occur due to campus weather related closings in this time period.
- UMS will endeavor to better commutate family leave options with members.

Many other issues were discussed in negotiations. We mention two of these issues below:

1. Improved Tuition Waiver for dependents.
 - a. The reality is that for many of our members the 50% tuition rate is of little value as they would get essentially the same reduction due to salary and expenses.
 - b. While not part of this contract, UMS has agreed to study this issue and be ready to negotiate it at our next contract (at the moment they don't have the data available to determine cost/benefit of our proposals).
2. Academic Partnerships (AP): AFUM shall study AP and bring any issues to the table for the next round or do impact bargaining.

- a. With AP not yet implemented, we don't know what we don't know. We need to determine what contractual or governance issues arise so that we can deal with them.
- b. Note: Any AY AP course must occur completely within the Fall or the Spring Semester. This excludes UMPI CBE:AP which will be covered under a separate MOU between AFUM & UMS.

Next Steps:

Vice President Jamie Moreia shall call a Bargaining Council (Tentatively scheduled for September 7 at UMA:Bangor 124 Eastport Hall) for formal presentation of the TA to members by the Negotiating Team (NT). If you would like to be a delegate, please contact your local chapter president (information on Website www.AFUM.org).

Concurrently, members of the AFUM Executive Committee or NT shall organize the balloting process. Both MEA and NEA discourage electronic voting due to security concerns. When AFUM last voted on a contract electronically, it cost at least as much as using paper ballots and all the work fell on one person. I suspect we will once more use paper ballots. Ballots shall be sent only to dues paying members to the USPS mail address MEA has on file for each member.

If you are reading this and not a dues paying member and wish to become one, please contact your chapter President. If we receive your membership form before we send out ballots, we can include you.

We expect the ratification process to be completed next month and faculty should see retroactive pay in their October paychecks

Health Insurance Update:

There are no contractual changes to health insurance (some horrible ones were proposed). Nevertheless, Health Insurance remains an important issue. The current contract has members splitting the cost of any premium increase above 4.5% 50/50. Our claims in the last year have been horrible. While there are many good trends, the cost of "High Dollar Claims"

is running \$7 million dollars over last year (June 18, 2018 through June 19, 2019) with paid claims being higher than last years by \$1 million each month.

Each year UMS and AFUM NT create a “tool-box” of potential plan changes with the goal of keeping high quality and affordable insurance. One area we often spar over with UMS is simply shifting costs to members. AFUM has, and will continue to, reject cost shifts for the sake of shifting costs. As we approach September and numbers begin to finalize, there seems little in the tool box that will ameliorate the expected increase in January.

Using the numbers from June 2019, medical expenditures increases 14.7% over 2018 (for comparison the 5-year average is 6.4%). Actuarially, some of the extreme expenses can be chalked up to a fluctuation and not a trend so we are (as of end of June) looking at a rate increase of 11.2%. With members paying 50% of any amount over 4.5%, the effect is large: over 30% increase in premiums. This translates to nearly \$400/\$860/\$1,120 yearly increase for individual/+1/family.

Paradoxically, while 2019 had many “high dollar claims”, the experience over the previous two years (2017 & 2018) were under-budget and we were expecting a healthy rebate in September. This rebate appears to have disappeared in July. What happened?

Each year expenses incurred in a previous year are presented in the next year. For instance, CIGNA is still receiving bills in 2019 for services rendered in 2018. This process is called “run-out”. A reserve fund is set up to pay these charges.

We had expected a “run-out” of \$4.9 million. Through June this amount was exceeded by \$3.2 million, of which \$1.7million was traceable to a small number of 2018 high cost claims. Naïve application of the run-out function suggests a needed reserve of \$250,000, vs last year’s amount of \$13,000. This huge increase in reserves changes the surplus to 0.9%. Any surplus at or above 1% triggers a rebate.

Due to the anomalous behavior of run-out expenses, System insurance consultant, with the approval of EHPTF¹, has asked a senior actuary to determine an appropriate reserve amount. If the reserve amount decreases sufficiently, we will have a surplus above 1% and receive a rebate, if below then no rebate. The task force meets August 28, 2019.

We will keep you updated on the status of the rebate as well as the final January 2020 premium cost changes which will be set by late September.

In Solidarity,

The AFUM Negotiating Team,

Chris Bates

Lisa Leduc

Jane Haskell

Jim McClymer

Sherrie Sprangers

Krishna Kaphle

Lydia Savage

¹ EHPTF: Health insurance task force with Union and UMS representation. Jim McClymer & Lisa Leduc are the two AFUM representatives.