

1,

BOARD OF REGENTS
EASTERN MICHIGAN UNIVERSITY

SECTION: 24
DATE: November 15, 2005

RECOMMENDATION

**COLLECTIVE BARGAINING AGREEMENT BETWEEN EASTERN MICHIGAN
UNIVERSITY AND THE EASTERN MICHIGAN UNIVERSITY FEDERATION OF
TEACHERS (EMU-FT)**

ACTION REQUESTED

It is recommended that the Board of Regents approve the Collective Bargaining Agreement between Eastern Michigan University and the Eastern Michigan University Federation of Teachers (EMU-FT) and that the President, Provost and the University's Bargaining Committee be authorized to execute the Agreement on behalf of the Board of Regents.

STAFF SUMMARY

The recommendation is based upon negotiations with the EMU-FT for a new Collective Bargaining Agreement covering the period September 1, 2005 until April 10, 2010.

FISCAL IMPLICATIONS

A summary of the negotiated changes in the Agreement is attached as Exhibit A. It is projected that the proposed Agreement will increase the University's fiscal year 2005-06 compensation costs by approximately \$196,501, and that the total cost to the University through April 10, 2010 will be \$1,614,726 (see Exhibit B).

ADMINISTRATIVE RECOMMENDATION

The proposed Board action has been reviewed and is recommended for Board approval.

University Executive Officer

Date

Exhibit A

SUMMARY

SEPTEMBER 1, 2005 NEGOTIATED TENTATIVE AGREEMENT
BETWEEN EASTERN MICHIGAN UNIVERSITY AND THE EASTERN
MICHIGAN UNIVERSITY FEDERATION OF TEACHERS (EMU-FT)

<u>Article</u>	<u>Description of Change</u>
XI.	<p><u>Appointments and Reappointments</u></p> <p>Clarifies initial appointment standards for each Lecturer rank.</p> <p>Reinstates to their full length individual appointments made under previous collective bargaining agreement that would have continued but for the expiration of that agreement.</p> <p>University agrees to inform in writing Employee(s) of the reason for any change made to an individual appointment that results in the loss of total access to health insurance benefits under the Agreement.</p> <p>Establishes a notification list that would include Employees who have had two consecutive one year appointments and then are not reappointed for budgetary considerations, programmatic change or lack of work.</p> <p>University agreed to notify employees of future position vacancies for up to two years.</p>
XIII.	<p><u>Workload</u></p> <p>Modifies language on required office hours to provide for employees being available electronically or by appointment.</p>
XVI.	<p><u>Compensation</u></p> <p>University agrees to raise minimum salary to \$27,500.</p> <p>Effective September 1, 2005. University agreed to provide a 3.2% salary adjustment to academic base salary.</p> <p>Effective November 1, 2006. University agreed to provide a 2% salary adjustment to academic base salary.</p> <p>Effective January 1, 2008. University agreed to provide a 2% salary adjustment to academic base salary.</p>

Effective March 1, 2009 University agreed to provide a 2% salary adjustment to academic base salary.

University agreed to provide an increase in the amount of promotional salary adjustment from Lecturer II to Lecturer III to \$1500 from \$1250.

An increase was provided in the minimum salary for teaching continuing education courses from \$800 per credit hour to \$1000 per credit hour.

An increase was provided in the minimum salary for teaching Spring and Summer term courses from \$800 per credit hour to \$850 per credit hour.

XVII. Fringe Benefits

University agrees to increase TIAA-CREF contributions. Effective 9/1/2005 contribution increases to 9.5% of base salary; effective 1/1/2006 contribution increases to 10% of base salary.

For Group Life and Accidental Death and Dismemberment insurance, the maximum coverage amount increases from \$125,000 to \$200,000

Health Care Changes

Full time Lecturers will be provided with a revised plan at no cost or be allowed to "buy-up" to a slightly modified version of their current plan. The same items are covered under both plans but the revised no-cost plan provides for increased cost sharing on prescription drugs, office visits, and procedures. In particular, reimbursements for in-network care will move to 90% payments after the deductible has been met; The new no-cost plan provides for a \$250 deductible for individuals, \$500 for families with out of pocket maximum payments of \$500 for individuals, \$1000 per family.

University agrees to pay Employees \$500 (not added to base salary) for each year that their spouse waives health insurance coverage by the University.

XXIV. Miscellaneous

University reserves the right to charge a fee for parking in accordance with such policies as it may hereafter adopt for non-union administrative and professional employees. For the period covered by this agreement, the fee shall not exceed \$2.00 per week. To the extent permitted under applicable state and federal law, such fees may be paid on a pre-tax basis through automatic payroll deductions.

Lecturer Salary Cost Analysis Summary
 4-Year ATB Costs
 9% Health Care Plan Cost Avoidance

COST OF T.A. PROPOSALS

Total Contract Cost
 Changes Versus FY 2006 Base Budget

Exhibit B

EE GROUP	SALARY BASE	Period 1 FY06 Univ Cost Eff 9/1/05 3.20%		Period 2 FY07 Univ Cost Eff 11/1/06 2.00%		Period 3 FY08 Univ Cost Eff 01/01/08 2.00%		Period 4 FY09 Univ Cost Eff 03/01/09 2.00%		FY10 Univ Cost Eff 03/01/10	Total Cost
		FY06 Cost	FY06 Cost	FY07 Cost	FY07 Cost	FY08 Cost	FY08 Cost	FY09 Cost	FY09 Cost	FY10 Cost	
Actual FY ATB		\$153,960	\$153,960	\$216,561	\$216,561	\$279,997	\$279,997	\$344,276	\$344,276	\$411,143	\$1,405,937
Incremental Fringe Benefit Cost 20%		\$30,792	\$30,792	\$43,312	\$43,312	\$55,999	\$55,999	\$68,855	\$68,855	\$82,229	\$281,187
CE \$200 Increase for 130 est sections		\$26,000	\$26,000	\$26,000	\$26,000	\$26,000	\$26,000	\$26,000	\$26,000	\$26,000	\$130,000
Promotions 3 @ \$250		\$750	\$750	\$1,500	\$1,500	\$2,250	\$2,250	\$3,000	\$3,000	\$3,750	\$11,250
Life Insurance over \$50k		\$216	\$216	\$216	\$216	\$216	\$216	\$216	\$216	\$216	\$1,080
Spring/Summer Course Assignments Spring 23/Summer 7 @ \$50 per SCH		\$3,450	\$3,450	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500	\$21,450
Retirement*		\$31,353	\$31,353	\$43,900	\$43,900	\$45,369	\$45,369	\$46,863	\$46,863	\$48,400	\$215,884
Health Care Cost Avoidance***		(\$50,020)	(\$50,020)	(\$94,677)	(\$94,677)	(\$98,464)	(\$98,464)	(\$102,403)	(\$102,403)	(\$106,499)	(\$452,062)
Total		\$196,501	\$196,501	\$241,312	\$241,312	\$315,867	\$315,867	\$391,307	\$391,307	\$469,739	\$1,614,726

* .5% increase 9/1/05, .5% increase 1/1/05

**Cost/expenditure neutral Plan savings vs incentive payments

*** Effective 1/1/06 1/2 fiscal year savings-2006 BCBS illustrative rate variance between current plan and Option 1.