

FACULTY VOICE

A UNION IS ONLY AS STRONG AS ITS MEMBERS ARE INFORMED AND ACTIVE

MAY 2011

President's Report: Why I Favor Pension Reform And You Should Too

There's a lot to say about the California pensions, CalSTRS and CalPERS, but I'll try to limit myself in this article to looking at some reforms that I support.

Before looking at those reforms, there needs to be a principle upon which you can judge a reform. My principle is twofold: ownership and sustainability. First, our pension should be ours. It's funded by our contributions, and it belongs to us. Since they are funded by us, they should not be used as political manipulation tools. Second, because the pension

system is ours, the contributions and benefits must be financially sustainable. If we bankrupt our pension fund, we hurt ourselves. Those are my two conditions: it's our money, and we want to protect it and to serve our long term interest.

Spiking: "spiking" is a technique of raising retirement benefits without increasing contributions to sustain that increase. Spiking is an abuse of the retirement system that deprives the system of funding and means there less money available to those who have



CCFT President Paul Harvell

paid into the system over the years. Your base pay for your retirement can be your last year's salary. If in your last year, you manage to raise your salary a great deal, your retirement goes up with that salary. Your retirement goes up with out years of increased contributions going up. That's not sustainable. It's abusive of the system.

There are several proposals that would limit spiking. One is to eliminate the "highest year" provision for setting your base salary and do the highest three years for everyone. For almost all faculty, it won't matter a great deal - some not at all, and it will create a more sustainable pension system. I support return to the three highest years.

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Under the Storm Clouds: Preserving Cabrillo Will Take Democracy and Action

Maya Bendotoff, CCFT Executive Director



We head into the summer with looming budget uncertainty. Governor Brown just released his May Revise in which he left an unresolved \$10.8 billion dollar problem to be dealt with through a to-be-determined mix of new revenues. In the best case scenario—in which \$10.8 billion in new taxes (or revenues) are approved—Cabrillo will face revenue reductions of around 5%. In the case that solutions are not found, the college will likely see reductions to the tune of 8-10%. Ouch.

As the Union gears up for consideration of concessions

and the Faculty Senate prepares for the program elimination process, hardship inevitably awaits around the corner. What type of hardship and who it will affect have yet to be determined. And where one's self-interests lie will likely cast one's views: for instance, faculty members in programs vulnerable to layoff would likely be willing to take a 10% pay cut, but faculty with great job security can more easily advocate for maintaining salary and benefits.

We can only maintain our

solidarity through these hard discussions by working respectfully and professionally through democratic processes. If and when it comes to making concessions for the next couple of years, the union will aim to seek as much input as possible from all of our unit members. While a union position will have many faculty believing we've done too much, and the rest believing we've done too little (as eloquently noted by Paul Harvell), hopefully our lively discussion and debate, and broad input, will lead us to make fair decisions.

The wound remains open. We have lost many valuable faculty members over the past few years, and we will continue to lose more. The face of education is changing, with some factors pressing us to be more efficient and other factors, such as increased student fees or fee-based courses, threatening to limit access (and thus undermine the reason many community college instructors are here).

While we prepare to confront the grim reality locally,

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Treasurer's Report: Proposed Dues Increase



Nancy Stucker, Treasurer

As we head into a year filled with budget cuts, CCFT will be asking our members for a small dues increase. This is obviously something we would avoid if possible, but with our income decreasing, and our affiliation fees increasing, there is no other way to balance our budget over the long term.

When we changed to a percentage dues structure in 2008, we projected that a 1.02% rate would be sufficient to maintain a balanced budget. With many variables in play, we also knew that we could not predict the bottom line exactly over the years. Unfortunately, salaries at Cabrillo have not increased since 2008 and the number of faculty has decreased, so the dues we collect from our membership have not kept pace with the increase in affiliation fees and other expenses. This situation has resulted in a structural budget deficit for CCFT for the past two years: \$4,342 in 2009-10 and \$18,197 projected for 2010-11. Our projected budget deficit for 2011-12 is \$24,219.

Until now, we have been able to cover the deficit with funds from available cash. However, since the deficit is increasing each year, Council is recommending a dues increase of 0.15%. Without an increase in dues, we would have to draw down our legal reserves at a time when we will very likely need them to advocate on behalf of our members. (We currently have \$50,000 in reserves, an amount considered low in light of legal costs.) We might also have to cut the director's time and reassigned time, both of which are necessary for the effective functioning of CCFT.

If the increase is approved by the members, union dues would change from 1.02% to 1.17% of gross salary. An increase of 0.15% would represent an extra \$11.25/month for someone earning \$75,000 per year; \$4.50/month for someone earning \$30,000 per year.

Prior to making this recommendation, Council reviewed CCFT's budgeted expenses for 2010-11 and did not find areas where significant cuts could be made:

Affiliation fees	61%	199,000
Salaries, benefits, reassigned time	29%	94,904
Audit, accounting, legal fees	6%	18,520
Indirect expense (rent, printing, supplies, etc.)	1.5%	4,800
Travel, conference, convention	1%	3,500
Meetings (Flex week luncheon, etc.)	1%	4,000
Newsletter	0.2%	700
TOTAL		325,424

Another budget consideration came into play in this discussion:

A merger of the community college wings of CFT and CTA is being proposed. CCFT has not taken a stand on this merger yet, but even if we oppose it, the resolution may still pass statewide and would result in an eventual annual increase in expense to CCFT of \$24,810, to be implemented over three years. A 0.15% dues increase would result in a projected revenue increase of \$38,760 next year, which would cover our current budget deficit and, if the

merger is approved, the first two or three years of the expense we would incur from that reorganization. As always, we are making projections based on current numbers. If the number of workers decreases or if our affiliation fees increase markedly over the next few years, we could find ourselves in a deficit position again sooner. Although a 0.2% increase was considered, Council voted to recommend a 0.15% increase with the understanding that we may have to revisit the dues structure in a few years.

Affiliation Fees: What Are They Good For?

Jefferson Hancock, Editor

Many of CCFT's members have been understandably concerned about the proposed dues increase. CCFT Treasurer Nancy Stucker has clearly explored the reasons for the increase and has explained its necessity. She's also told us how the money is being spent: some for release time, some for our director, some for meetings and the yearly luncheon. But the bulk of CCEU's oper-

ating cost has gone to affiliation fees. At the state level, affiliation fee increases must be voted on and passed at the CFT convention. The CFT does not, cannot, arbitrarily raise these fees without approval from its membership.

That said, it's important to know what those affiliation fees do. Generally, they go to a variety of services, including "assistance to

locals, data management, legal defense, training, legislative representation, organizing, political action, member benefits, communications, publications, and more," say CFT's Josh Pechthalt and Jeff Freitas.

Here's a brief overview of how some of the fees are used.

Staffing

According to CFT Secretary Treasurer Jeffery Freitas, "roughly 40% of revenues via per caps were paid directly back to the locals through our formula funding program," which means that some of our affiliation fees pay for CCFT's director. CFT has also, "increased the number and scope of... training programs," according to Freitas, and assigned

accounting staff to assist locals with budget and accounting issues." Some members may remember last year when CCFT brought in a budget analyst from CFT to assist us in examining Cabrillo's budget and ending balance. That is one example of how our local benefits from access to statewide specialists.

Political Action

On a general level, according to CFT's Josh Pechthalt and Jeff Freitas, affiliation fees have been used to "advocate on [members'] behalf, defend public education, and improve and preserve...rights and working conditions."

Scholarships

Twenty cents per month per member goes to the Raoul Teilhet Scholarship Fund

Under the Storm Clouds

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statewide solutions clearly present the only alternative. The political reality of needing two Republicans from the Assembly and Senate to get such measures passed can seem (and may be), impossible. But we cannot stand by and watch the state budget situation decimate public education without at least educating our community and students about lies ahead.

CFT, our state affiliate, has been working diligently on fair tax policies that would protect education and social services. CFT spearheaded legislation (AB 1130) calling for a 1% tax on the wealthiest 1% (which, according to a poll they had conducted, garnered 78%

support from voters); they endorsed a Week of Action in support of education; they led a "March for Our Future" through the Central Valley of California a couple of months ago; and they will continue to urge legislators to pass tax extensions.

The only thing that will keep the cuts to a minimum is massive public outcry. As you head off for the summer, think about what Cabrillo would look like if we have to reduce 10% of our programs, and once you've done that, think about what you might do to make sure that it doesn't happen. The future is in our hands.

Reductions at Stroke Center Result in One FT Layoff This Year

Due to reductions at the Stroke and Disability Center, Jan Hiley will be laid off at the end of this academic year.

Jan will be missed both at the Stroke Center, and at CCFT Council, where she has served for several years. Jan: We wish you the very best.

And then There Are Always the "Invisible" Layoffs

Several adjunct faculty members will not return to teach in the fall due to reductions in their programs. Because adjuncts are hired on a semester-to-semester basis, and do not need to be given March 15 layoff notices, tracking the changes due to budget cuts presents a challenge. For next year, it is clear that we will lose at least a dozen adjuncts in Art, Music, Kinesiology, and Dance. Adjuncts who will not be teaching next fall include Angela Gleason, Bonnie Britton, Sean Monaghan, and Cassandra Owen.

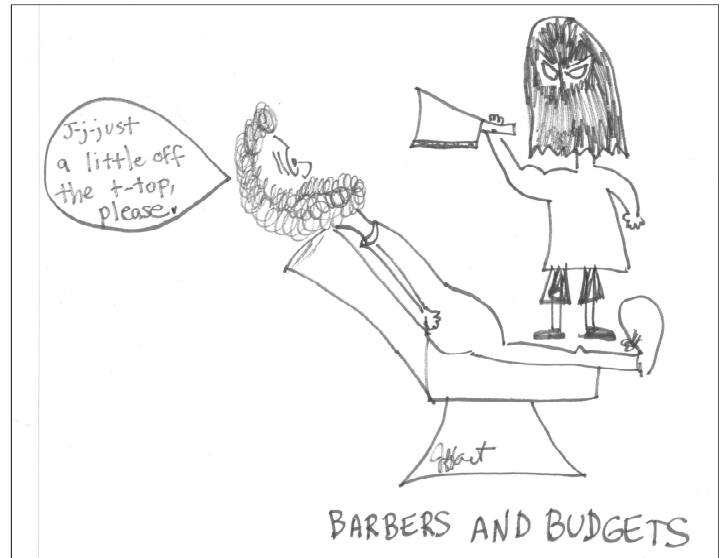
(Note: We know there are at least a dozen more, but have not yet received permission to include their names.)

TAKE ACTION

- ◆ Sign up to receive email updates and action alerts over the summer: email cft@ccftcabrillo.org
- ◆ Advocate for progressive taxation to restore lost revenues.
- ◆ Join broader coalitions in support of public workers and education in California.
- ◆ Join actions/demonstrations against the cuts in funding and tuition.
- ◆ Send editorials to local papers
- ◆ Talk to friends, neighbors, family: There is wealth in our state!

USEFUL RESOURCES

- California Budget Project: cbp.org
- California Federation of Teachers (CFT): www.cft.org (click on "Issues" then "State Budget")
- Faculty Association of the California Community Colleges (FACCC): www.faccc.org



Affiliation Fees

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Why the Increases?

Over the past decade, CFT has funneled resources protecting pensions and other employment rights. They (we) helped defeat Schwarzenegger's attempts at attacking educators and unions. They spearheaded the Community College initiative, passed the Majority Budget Act, and let a "March for Out Future"

through the conservative central valley.

CFT has influenced public opinion on the issue of raising taxes on the wealthy to protect public education and vital services. In terms of public policy and defending and advocating for public education, CFT has been a major player.

So...

While we pay a lot to CFT, they have vigilantly advocated on our behalf. CFT per caps go towards: the provision of statewide specialists; a voice in Sacramento; legal defense grants in the case of certain large legal cases, and the ringing together of educators statewide to advocate for essential educational matters such as funding, policy, and the work environment for teachers.

If you are distressed about the increases (which some of us agree is distressing), we encourage you to participate in the process and voice your concerns. It is important that CFT hear from all locals. Next year's CFT Convention will be held in San Jose (March 23-25, 2012), providing a perfect opportunity for our members to learn more and express your views.

It's That Time Again. Time to Apply for Unemployment

Maya Bendotoff, CCFT Director

Part-time faculty assignments are made on a tentative basis and may be cancelled for a number of reasons, including: class cancellation due to low class size; changes in scheduling for various reasons including budget cutbacks; or the last minute assignment of the class to a full-time instructor, as part of his or her load (in the case that one of their classes are cancelled). In the language of unemployment legislation, it is said that adjunct faculty do not have "reasonable assurance of employment."

Because of this, many adjunct employees are eligible to collect unemployment benefits between semesters or sessions.

To file

Applications can be filed online at www.edd.ca.gov/fleclaim.htm or by calling the Employment Development Department (EDD) at 1-800-300-5616.

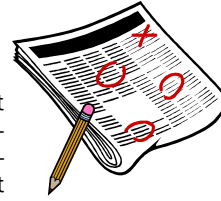
Plan to apply for benefits on your first day of unemployment. Your claim will start at the beginning of the week you apply. Payments will only go back to the first day of application, so be sure to submit your claim in a timely fashion. There is a one-week waiting period for each benefit year, which begins with the date of filing for benefits and ends one calendar year later. Note that you are paid from the beginning of flex week through the end of the academic semester (unless you have a specified, shorter-term contract). This is true even if you stop teaching before the final date listed in your individual contract.

Be sure to let them know you are a temporary, part-time employee and that you do not have reasonable assurance of

a job to go back to. It is important to understand, and convey when filing, that your assignment may be withdrawn at the District's discretion at the last minute because of funding, enrollment, or other changes. This language is found in section 16.5 of the Contract, we recommend you have a copy on hand during the application process.

You may also want to mention your entitlement to benefits under the case of *Cervisi v. California Unemployment Insurance Appeals Board* (1989) 256 Cal.Rptr.142. The *Cervisi* decision states, "an assignment that is contingent on enrollment, funding, or program changes is not a 'reasonable assurance' of employment."

In filing your claim, note that your union number is AFT local 4400.



More Information

For filling information and details about eligibility see the EDD website at

www.edd.ca.gov/fleclaim.htm.

For local information see the CCFT website at

<http://ccftcabrillo.org/unemploy.htm> for local info.

If you have additional questions or comments, please call 464-2238.

Unemployment Filing Session

The CCFT Part-Time Committee will host a workshop on filing for unemployment benefits on Monday, June 6 from 10-12.

To join, email ccft@ccftcabrillo.org

Paying My Dues: Best of Both Worlds

Jefferson Hancock, CCFT/CCEU Member

With all the robust discussion about affiliation fees and dues increases in CCFT, I thought I might shed some light on the issue by presenting my perspective as a member of both CCFT and CCEU. For now CCEU is an independent, unaffiliated union and is happy continuing as such. Because CCEU is independent, its dues do not go to a larger state or national parent organization. Being unaffiliated carries certain advantages. First and foremost, the dues CCEU collects are controlled entirely by its Board of Directors and members. Presently, CCEU members pay 1.25% in dues, and according to



CCEU President Stephanie Stainback, "needs every last penny of that to function." Still, CCEU money stays at Cabrillo. Our legal and negotiations work is handled by an attorney and labor consultant hired by the union. His salary takes up a sizable portion of the CCEU's budget, just as affiliation fees do in CCFT. Our attorney helps us with negotiations and advises us on legal matters, such as grievances or unfair labor practices, when called upon.

Compare this to CCFT's affiliation structure. CCFT has formula funded staff, which means that we are reimbursed by the CFT for a portion of our executive director's salary. Thus, we are still lo-

cally represented, and our executive director participates in negotiations, works on grievances, researches legal matters, and assists in communication with the national and state bodies.

But affiliation provides access to substantial financial resources which an independent union may not always be able to provide. CCFT also participates in state and national conventions in which policy matters are determined, dues structures approved, and political action decided upon. Being part of a state and national group gives CCFT the ability to influence state and national policy through CFT and AFT. In addition, these larger bodies may give access to funding for local initiatives as well.

A few years ago, the classified employees at Cabrillo disaffiliated from SEIU because that larger union was not serving its needs. Dues were not coming back to the local body, and classified employees didn't believe they were receiving adequate representation. This has not happened at CCFT. We have a dedicated Executive Director who looks out for our needs and various types of important representation in and through our state and national bodies.

Personally, I like going being affiliated with CFT. But I like being a member of an independent union, too. Perhaps I have the best of both worlds.

Pension Reform

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The second way to limit spiking is to cap the benefits. There are some capping proposals I don't agree with. One is to not allow more than 100% retirement. The average is 60%; the number of people cashing 100% or more is very rare. More importantly, the people cashing 100% or more retirement paid into the system for decades, for more than 40 years! All those contributions allow a larger retirement. Plus, if they've worked longer, then they'll retire later in life and draw less benefits. More than 100% retirement is sustainable if the contributions match (and they do).

Another "cap" proposal is to limit the base salary. One suggestion is to cap the base salary at something like \$55,000. That proposal is not serious, and its intention, in my mind, is to piss public employees off and pander to

those who hate us. A serious proposal was to cap the base salary at about \$120,000. That means almost all faculty will come under the cap, so we're limiting the spiking ability of administration.

Often people point out that there's a cap in Social Security, but Social Security also caps the payments into the system. If you make above a certain amount (I think about \$110,000), you don't pay more into Social Security. This is why I agree with the proposal that does two things. First, it caps the base salary at a reasonable upper limit, like \$120,000. Second, anyone who earns more than that, the contribution on the salary above \$120,000 would be put into a defined contribution supplemental plan. Thus, people who make more than \$120,000 are NOT penalized. They will

have two pensions – a capped pension that conforms more closely to what a typical teacher might earn and then a supplemental plan that is based on their contributions and does not risk sustainability.

This type of cap and supplemental plan is more sustainable because it doesn't subject the pension system to the risk of dealing with very large salaries. Second, it is fair because those few who get paid above the cap will still get the base pension but also get a supplemental amount above that based completely upon what they paid in.

Another reform is to eliminate the purchase of "air time". Buying air time is when you pay the pension fund a lump to buy additional service credit. If air time is priced right, there is not sustainability problem. Instructors who have looked into this often report back that it's so expensive, it doesn't make

sense. Buying air time is not an abuse if the contribution is large enough, but politically, people are questioning it. Since, as I've been told, it's used infrequently, it would not pose a hardship to eliminate it. Getting rid of something that isn't used that advances our cause political seems like a worthy trade-off.

The last reform is the problem of double-dipping. I'm not completely opposed to double-dipping, meaning to hold a job and collect a paycheck while also being paid a pension. I'm not opposed to double dipping if contributions in the first job can sustain the pension. I think the extreme cases sound like abuses – especially when someone retires from a job and then returns to that same job (perhaps with a different government agency). With STRS, double-dipping is largely prevented with a maximum earnable in retirement of, now, about \$30,000 a year. However, there are exceptions that can be granted (I only learned of this a few weeks ago – and the exemptions are mainly to administrators), and it

turns out there are many six-figure administrators around the state pulling pensions while also receiving that six-figure salary. Get rid of the exemption and enforce the \$30,000 a year on everyone. Seems reasonable.

A couple of qualifications: first, because of details or complexities I don't know, some suggestions may tweak or changes. I don't pretend to understand the entire system or have the perfect solution. I'm only suggesting a starting place. Second, the reforms sound reasonable to me. That doesn't mean I'm in favor of other reforms, nor does it mean I wouldn't change my mind on some issues if I learn more.

Politics aside, I think the above reforms help to secure a sustainable system without compromising promises made or fairness. As for politics, with a majority of Californians agreeing with pension reform having had their head filled with stories of abuses, it would serve us politically to get in front and say, "It's our money, the abuses put the system at risk, let's stop it!"

CCFT sends warmest wishes and congratulations to faculty retirees:

Nancy Brown (faculty at heart)
Terry Fetterman
Nancy Fetterman
Mary Hagler
Allan Lönnberg
Donna Mekis
Topsy Smalley
Chuck Smith



CCFT wishes you all the best in your future life of leisure.

Special thanks to Nancy Fetterman, Allan Lönnberg, and Chuck Smith for their significant contributions to AFT 4400 over the years. They will be sorely missed.



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<http://ccftcabrillo.org>

Save the Dates! Fall 2011 Flex Events

Program Chair Meeting

Monday, August 22 from 3-4:30pm
VAPA, room 5141

CCFT Part-Timers' Solidarity Breakfast

Tuesday, August 23 from 8-10am
Horticulture, room 5005

Coaching and Mentoring: How to Give and Receive Feedback So No One Has to Cringe!

Tuesday, August 23 from 10am-12noon in room 322

CCFT Luncheon

Wednesday, August 24 from 12noon-1pm in Horticulture, room 5005

CCFT Council

Wednesday, August 24 from 1-3pm in Horticulture, room 5005

Unemployment Filing Session

Monday, June 6,
from 10-12noon
To reserve a spot and more info,
email ccft@ccftcabrillo.org



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Another Winning Burrito Bash

Jefferson Hancock, Editor

Once again, a good time was had by all at this year's CCFT/CCEU Solidarity Burrito Bash. Thanks to Michael Mangin and Eve Hinkley for opening up their home to all us rowdy classified and certificated union workers. CCFT President Paul Harvell's Mexican beef and special beans were gobbled up early, a testament to their deliciousness. On the sporting front, CCEU President Steph Stainback took early control of the ping pong arena, and Helene Jara gave her a run for her money with some

hot smashes across the table. On the grass Sadie Reynolds and her daughter twaddled around with croquet as the children ran madly about on the grass and the adults sipped beer and wine and chatted on the deck.

At 5:00 the two union presidents roused the troops and promoted solidarity with inspirational speeches. Then the Jefferson Hancock Group came on at 5:00 and played some rock and roll classics, including "Won't Get Fooled Again," "Born to Be Wild," "Come Together," and the ever popular "Let's Work Together" by Canned Heat.

The shindig ended quietly at 8:00 as the band packed up and Michael poured a trash-can full of empties into the recycling bin. All in all, everyone had fun yet again and the event was well attended. Kudos to all the folks who put the party together this year, especially Sadie Reynolds, Sarah Albertson, Vicki Fabbri, Paul Harvell, and Martha Orr, and Alta Northcutt. We needed a good party. Let's do it again next year.

