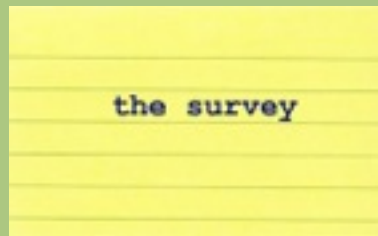


Association Notes



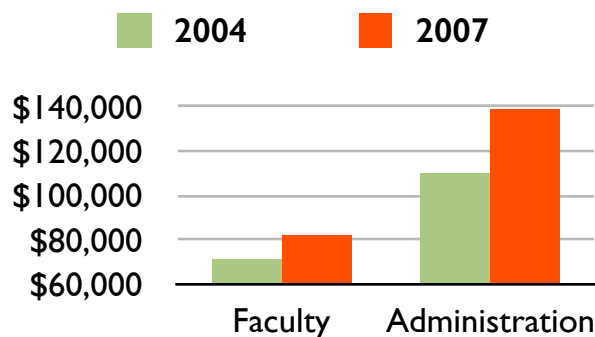
October 2008

Survey Results / Negotiations Update

Thank you for participating in the Fall 2008 Rio Hondo College Faculty Association survey. The response rate was quite impressive. Based upon the information collected, the negotiations team has clear direction on how to proceed. We have “sunshined” our proposal to the District, requesting to negotiate Articles 5 and 8 of the collective bargaining agreement relating to hours of employment and workload, and leaves of absence. Specific details of our proposal will be provided once the bargaining teams meet on October 20th. Salary is also on the table and we will be asking for a raise above COLA. Finally, you indicated that you would like to drop the two-tier system by moving from PersCare to PersChoice. This will be negotiated as well. Again, your participation was crucial in formulating the course set for bargaining.

We Demand Equality!

The administration has done quite well in terms of their salary recently. According to data obtained by the California Community Colleges System Office, between the fall of 2004 and the fall of 2007, the average administrator salary at Rio Hondo rose by about 27%. Average faculty salaries, meanwhile, rose by only 17% during the same period. Rio Hondo now ranks 10th in administrator salaries in California, out of the 70 districts included in the study, whereas we rank 26th. Our faculty should be treated equally.



The disparity between administrator and faculty salaries has obviously grown during the three-year period. While we have received an average salary of COLA plus 1.3%, the average salary of administrators rose by COLA plus 4.8%.

Can the District afford to give faculty a raise significantly above COLA? Certainly. Between fall 2004 and fall 2007, the college reserves increased from just under \$5 million to over \$8 million, meaning that we have more than \$4 million above what is required by law. During this period, Rio’s unrestricted revenues increased by \$16 million, a rise of close to 30%.

Administrator salaries are in fairly elite company. Whereas our college budget is about \$80 million, the nine schools that rank higher in administrator salaries average just under \$130 million. Now is the time for faculty to gain equality. The administration has been rewarded, and so should we!

The Survey and Other Financial Matters

Drop the Two Tiers

An overwhelming majority of survey respondents indicated that we should drop the two-tier system. As noted above, this will be a key bargaining position of the Association. Those that voted to have equal retirement benefits for all acknowledged that we may have to trade some salary or change health care coverage to achieve the goal.



Settlements Pending

Have we been negotiating forever? It does seem that way. We began the process in early 2007 and still need to work out a deal for salary for this year and next year. In addition, health care for 2010 has yet to be determined, although coverage for 2009 is set.

Why have things taken so long? When negotiations began, the District was pushing hard for a change in health care coverage. This is why we spent six months working on the issue. As you may know, this summer our proposal was summarily rejected, putting us in the position we are in now. Nonetheless, we are confident that final resolution of all contract issues can be settled relatively soon. We look forward to starting the process again with the District and working cooperatively to finish things off.

The Un-Cola



With the passage of the state budget, we now know COLA for the upcoming year and the picture is not pretty. At 0.68%, the figure is far outpaced by the rise in prices that we actually pay for goods and services. Given that inflation is 5-6% from the previous year, getting a pay increase of COLA would be like taking a 5% or so pay cut. That is why we need a pay increase above COLA right now.

The Great GASB

Although one wishes that it is a work of fiction, the Government Accounting Standards Board is what is responsible for the great concern with lifetime medical benefits. GASB requires schools to calculate their liability for this compensation and many have started funding the amounts. The liability of Rio Hondo is about \$60 million (half of which is attributable to faculty). Only about a quarter of the funds have been put away so far, creating concern among the administration.

Caring about Choice

Here is a brief summary for those of you who are still a little shaky about the differences between PersCare and PersChoice. One difference is the lifetime maximum payout. PersChoice limits claims to \$2 million in lifetime claims, a fairly scary figure given the high cost of medical services. However, this is of little concern since PERS will switch anyone hitting the limit to the higher-level plan, thus avoiding being shut out of services. To date, only a single person in California has hit that amount.

Another difference is the copay amount, 10% for Care and 20% for Choice. Although costs may be more, savings from switching to the more cost-effective plan will increase salary, thus leading to an average net gain.



Gift Cards

The five winners of the \$10 gift cards from Starbucks for survey participation are Pat Gallego, Troy Olson, Matt Pitassi, Kathy Pudelko, and Suzanne Tang.