

**From:** AFA  
**Sent:** Tuesday, June 30, 2009 11:25 AM  
**To:** DL.STAFF.FAC.ALL  
**Subject:** AFA Budget Issues Update #2

Colleagues,

#### Fall Schedule Update

Last Wednesday AFA and the District met to continue negotiations for salary and benefits, and we spent a great deal of time discussing how to mitigate the reductions to the Fall Schedule of Classes. In the college-wide discussions many faculty and staff have mentioned the idea of mandatory salary reductions as a way to both save the college money and preserve the schedule of classes for the benefit of our students. Although the AFA Negotiating Team cannot share the details of the discussions until we come to mutual agreement, we always keep in mind that any agreements take students and programs into account while we try to preserve as many sections as possible.

One interesting idea that all employees groups are exploring is the implementation of a Mandatory Furlough which results in a mandatory salary reduction for all employees within the classification. Although the Academic Calendar for 2009-10 was approved by the Board of Trustees and submitted to the Chancellor's Office as required by law, it is still possible to renegotiate those calendar days that would not affect delivery of instruction. Since Article 8--Academic Calendar gives AFA the responsibility of negotiating the calendar, the AFA Negotiating Team is evaluating ways to restructure the calendar for 2009-10 and 2010-11 using the non-instructional days (New Faculty Orientation Day, PDA and Flex Days, and Commencement) to reduce salary and redirect that savings to preserving the Schedule of Classes to the degree possible.

#### Impact of Mandatory Furlough Days Resulting in a Mandatory Salary Reduction

The Ed Code requires 175 days in the academic calendar for the California Community College System; SRJC currently has a 177-day academic calendar. Please remember that the holidays mandated by the Chancellor's Office and the breaks are NOT part of the 177 days. This means that the District could agree to reduce that calendar by two (2) days and call that reduction a Mandatory Furlough.

- o Regular faculty would earn a full year of service credit.

- o The Regular faculty salary schedule would be reduced by a percentage calculated according to the commensurate reduction in days. That percentage reduction would ripple through all of the hourly schedules. (See Article 26)

- o Retirees would see a lower final compensation when STRS calculates their retirement pay; however, final compensation for employees with less than 25 years of service may be calculated using non-consecutive highest years over the past 15 years. Employees with 25 years of service credit can designate the highest 12 consecutive months by indicating that time period on the retirement application.

In negotiating either mandatory furlough days or a mandatory salary reduction the District must treat all employees in the same class (faculty, classified, management) in the same way. In the case of faculty, all faculty must be treated the same under STRS regulations.

AFA is particularly concerned that any kind of reduction to the Salary Schedule will negatively impact potential retirees, both Regular and Adjunct Faculty, but STRS will not allow any particular groups of employees within a classification to be compensated differently than all the others. The STRS Board has discussed the problem of the effect of salary reductions on potential retirees, but they have no plans at this time to change the way in which they calculate either Service Credit or Final Compensation. If there is a salary reduction in 2009-10 then the highest year of salary and hence Final Compensation for all faculty will be the 2008-2009 salary schedule. (See Article 26 and Appendix 3) STRS calculates monthly retirement income using Service Credit and Final Compensation.

- o Service Credit equals earnings divided by full-time monthly pay. Essentially a Regular faculty member who worked all 177 days receives 1.0 year of service credit. Adjunct faculty receive a percentage of 1.0 years of service credit based on earnings divided by full-time monthly pay rate.

- o Final Compensation for faculty with 25 years of service credit allows for using the highest 12 months of full-time pay rate. For faculty with less than 25 years of service credit, STRS will use the average of the highest consecutive 36 months of full-time pay rate.

The decision to retire is serious and complicated. Before making this important decision faculty should consult with Human Resources, STRS, and other financial professionals. AFA cannot legally give advice about personal financial decisions.

## Adjunct Faculty Medical Benefits Program (AMPB)

Many Adjunct faculty are also concerned about the status of the AMPB. Since the program is administered by the District, please call Susan Muskar (524-1624) or Louise Burke (527-4304) in Human Resources for questions about eligibility, open enrollment, or COBRA. Under the president's stimulus package COBRA rules have been radically changed to allow for longer timeframes and reimbursement for part of the COBRA costs.

## Unemployment Benefits

At the end of every semester, AFA publishes a lengthy Update regarding unemployment benefits. Please go to the AFA Website <<http://www.santarosa.edu>> , click on "Of Interest to Adjuncts"—the second Hot Topic on the left-hand side will take you to information about unemployment benefits including access to EDD.

As Warren Ruud mentioned in his last update, AFA welcomes your input about any potential alternatives to the Schedule of Classes reductions. Please send your ideas to the AFA office ([afa@santarosa.edu](mailto:afa@santarosa.edu)) using your college email account with SUBJECT: *Faculty Comment*. We'll make certain your comments are presented to both the AFA and District negotiating teams. Please indicate if you prefer you comments to be presented anonymously. Comments will be posted on the AFA website <[http://www.santarosa.edu/afa/Budget\\_Crisis.shtml](http://www.santarosa.edu/afa/Budget_Crisis.shtml)>.

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