



## Senate

General Assembly

**File No. 7**

February Session, 2002

Senate Resolution No. 11

*Senate, March 8, 2002*

The Senate Committee on Appropriations reported through SEN. CRISCO of the 17th Dist., Chairperson of the Committee on the part of the Senate, that the resolution ought to be adopted.

**RESOLUTION PROPOSING APPROVAL OF A COLLECTIVE BARGAINING AGREEMENT BETWEEN THE UNIVERSITY OF CONNECTICUT BOARD OF TRUSTEES AND THE UNIVERSITY OF CONNECTICUT CHAPTER OF THE AMERICAN ASSOCIATION OF UNIVERSITY PROFESSORS.**

Resolved by the Senate:

- 1 That the collective bargaining agreement between The University of
- 2 Connecticut Board of Trustees and The University of Connecticut
- 3 Chapter of the American Association of University Professors, effective
- 4 July 1, 2002, to June 30, 2006, inclusive, and submitted to this assembly
- 5 February 15, 2002, for approval, as provided in subsection (b) of
- 6 section 5-278 of the general statutes, is approved.

**APP**      *Senate Favorable*

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

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### **OFA Fiscal Note**

#### **State Impact:**

Fund-Type	Agency Affected	FY 03 \$	FY 04 \$	FY 05 \$
All Funds - Cost	University of Connecticut	5,022,362	11,119,571	17,531,848
GF - Cost	University of Connecticut	3,939,454	8,700,545	13,707,661

Note: GF=General Fund

**Municipal Impact:** None

#### **Explanation**

This contract for the University of Connecticut Professors' (AAUP) bargaining unit is submitted for approval for the four-year period July 1, 2002 through June 30, 2006. Costs shown above are for the 1,379 full-time All Funds employees covered by this contract, including 1,159 employees funded by the General Fund. The estimated FY 06 cost of the agreement is \$24,279,271 for All Funds, which includes \$18,976,480 for the General Fund. The estimated annualized FY 06 cost of the agreement is \$25,325,346 for All Funds, which includes \$19,793,322 for the General Fund. Details of the costs are attached.

These increases are generally in line with increases in other bargaining units that have contracts settled for this time period. This agreement is the first to settle for FY 06. The governor's FY 03 revised recommended budget includes funding for a 3% general wage increase and a 2% merit increase. This agreement also contains a 0.21% Chancellor's Pool. This award exceeds the governor's FY 03 recommended budget by approximately \$186,000. The extent to which the University of Connecticut budget and the Reserve for Salary Adjustments account can cover these excess costs is unknown at this

time.

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**Cost Estimate of Agreement**
**All Funds**

University of Connecticut Professors' Bargaining Unit (AAUP)  
 Agency Affected: University of Connecticut  
 Term of Contract: Four years, July 1, 2002 through June 30, 2006  
 Number of Full-Time Employees Affected by Contract:

1,159	General Fund
220	Other Funds
<b>1,379</b>	<b>Total</b>

**Average Full-Time Salary Data:****Percent Increase (Cash Basis)**

	Salary	Total	General Wage Increase	Flat Dollar Increase	Merit and Chancellor's Pool
Prior to Contract	\$76,196				
FY 03	79,526	4.37%	1.68%	0.84%	1.85%
FY 04	83,001	4.37%	1.68%	0.84%	1.85%
FY 05	86,630	4.37%	1.68%	0.50%	2.19%
FY 06	90,428	4.38%	1.68%	0.59%	2.11%

**Percent Increase (Annualized Basis)**

	Salary	Total	General Wage Increase	Flat Dollar Increase	Merit and Chancellor's Pool
Prior to Contract	\$76,196				
FY 03	80,131	5.16%	1.98%	0.99%	2.19%
FY 04	84,263	5.16%	1.98%	0.99%	2.19%
FY 05	88,608	5.16%	1.98%	0.59%	2.59%
FY 06	93,180	5.16%	1.98%	0.69%	2.49%

**Cost Summary Data (Estimated):**

	Prior to Contract	End of Contract (Annualized)	Percent Increase (Four Years)
Salaries [1]	\$ 105,038,697	\$ 128,489,413	22.33%
Fringe Benefits [2]			
Value of Current Items	\$ 29,357,220	\$33,282,870	
Negotiated Improvements		80,650	
Total Fringe Benefits	\$ 29,357,220	33,363,520	13.65%
<b>Total Salaries and Benefits</b>	<b>\$ 134,395,917</b>	<b>\$ 161,852,933</b>	<b>20.43%</b>

4.76% average per year (compounded)

[1] Salaries include base salary and longevity payments.

[2] Fringe benefits include Social Security, normal cost of pension contributions, health insurance, life insurance, disability insurance, Professional Development Fund, Tuition Reimbursement Fund, and Child Lab.

**Detail of Cost Estimates****All Funds**

Contract Items	FY 06				
	FY 03	FY 04 [1]	FY 05 [1]	FY 06 [1]	Annualized [1]
<b>First Year of Contract (FY 03)</b>					
2% General Wage Increase effective 8/9/02	\$ 1,761,853	\$ 2,082,190	\$ 2,082,190	\$ 2,082,190	\$ 2,082,190
Flat \$755 increase (1%) effective 8/9/02	880,675	1,040,798	1,040,798	1,040,798	1,040,798
2% Merit Pool effective 8/9/02	1,761,853	2,082,190	2,082,190	2,082,190	2,082,190
Chancellor's Pool (0.21%)	186,154	220,000	220,000	220,000	220,000
Increase Tuition Reimbursement to \$10,000	650	650	650	650	650
Increase Professional Development Fund to \$400,000	50,000	50,000	50,000	50,000	50,000
Increase Child Care Pool to \$60,000	30,000	30,000	30,000	30,000	30,000
<b>Total First Year</b>	<b>\$ 4,671,186</b>	<b>\$ 5,505,828</b>	<b>\$ 5,505,828</b>	<b>\$ 5,505,828</b>	<b>\$ 5,505,828</b>

Contract Items	FY 03	FY 04 [1]	FY 05 [1]	FY 06	
				FY 06 [1]	Annualized [1]
<b>Second Year of Contract (FY 04)</b>					
2% General Wage Increase effective 8/8/03		\$ 1,853,664	\$ 2,190,694	\$ 2,190,694	\$ 2,190,694
Flat \$795 increase (1%) effective 8/8/03		927,333	1,095,939	1,095,939	1,095,939
2% Merit Pool effective 8/8/03		1,853,664	2,190,694	2,190,694	2,190,694
Chancellor's Pool (0.21%)		194,615	230,000	230,000	230,000
<b>Total Second Year</b>		<b>\$ 4,829,277</b>	<b>\$ 5,707,327</b>	<b>\$ 5,707,327</b>	<b>\$ 5,707,327</b>
<b>Third Year of Contract (FY 05)</b>					
2% General Wage Increase effective 8/6/04			\$ 1,950,250	\$ 2,304,840	\$ 2,304,840
Flat \$500 increase (0.6%) effective 8/6/04			583,228	689,270	689,270
2.4% Merit Pool effective 8/6/04			2,340,300	2,765,809	2,765,809
Chancellor's Pool (0.21%)			204,769	242,000	242,000
<b>Total Third Year</b>			<b>\$ 5,078,547</b>	<b>\$ 6,001,919</b>	<b>\$ 6,001,919</b>
<b>Fourth Year of Contract (FY 06)</b>					
2% General Wage Increase effective 8/5/05				\$ 2,051,821	\$ 2,424,879
Flat \$615 increase (0.7%) effective 8/5/05				717,371	847,802
2.3% Merit Pool effective 8/5/05				2,359,594	2,788,611
Chancellor's Pool (0.21%)				215,769	255,000
<b>Total Fourth Year</b>				<b>\$ 5,344,554</b>	<b>\$ 6,316,292</b>
<b>Subtotal Cost of Contract - All Funds</b>					
	<b>\$ 4,671,186</b>	<b>\$ 10,335,105</b>	<b>\$ 16,291,702</b>	<b>\$ 22,559,629</b>	<b>\$ 23,531,366</b>
Social Security [2]	351,176	784,466	1,240,146	1,719,642	1,793,980
<b>Total Cost of Contract - All Funds</b>	<b>\$ 5,022,362</b>	<b>\$ 11,119,571</b>	<b>\$ 17,531,848</b>	<b>\$ 24,279,271</b>	<b>\$ 25,325,346</b>
<b>Estimated General Fund Cost</b>	<b>\$ 3,939,454</b>	<b>\$ 8,700,545</b>	<b>\$ 13,707,661</b>	<b>\$ 18,976,480</b>	<b>\$ 19,793,322</b>

[1] This cost analysis is based on annual costs equaling the payment of 26 payrolls. PA 99-1 of the June Special Session authorizes the development of the 2003-2005 state budget on a GAAP (Generally Accepted Accounting Principles) basis. This change will basically add one-tenth of a payroll to annual costs beginning in FY 04.

[2] Wage increases directly impact Social Security contributions. Due to the actuarial valuation method used to cost pension plan

contributions, the impact on pension costs is delayed until the next valuation.

Notes:

All cash costs are based on 22 pay periods.

If the projected Consumer Price Index (CPI) exceeds 2.6% in FY 05 and/or 2.7% in FY 06, the combined flat dollar amount and percentage increase shall be increased up to 3% to equal the CPI. In no case will the adjustment be more than 3%. If there is an adjustment for the CPI, the merit pool shall be adjusted downward, but not less than 2%, so that the total of the flat dollar amount, general wage increase, and merit pool shall not exceed 5% in the aggregate for each year.

The agreement includes a provision for a gender equity study to be conducted during the 2002-2003 academic year. If inequities are found, adjustments will be made in FY 04. The first \$50,000 will come from the Chancellor's Pool, and then up to \$50,000 will come from the flat rate increase account. If there is a balance remaining in FY 05, an additional \$50,000 from the Chancellor's Pool and \$50,000 from the flat rate account may be drawn upon. The agreement caps adjustments at \$200,000 for the two-year period.

The rate for lecturers on special payroll will increase 3% to \$1,210 per credit in FY 03, 3% to \$1,246 in FY 04, 2.6% to \$1,279 in FY 05, and 2.7% to \$1,313 in FY 06. Lecturers with more than two years of continuous employment will receive an additional 1% in FY 03 and FY 04, 1.2% in FY 05, and 1.15% in FY 06.

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**OFA Bill Analysis**

SR 11

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**SUMMARY:**

A separate analysis is not prepared since the fiscal note contains much of the same information that would go into a separate analysis.

**COMMITTEE ACTION**

Appropriations Committee

Senate Favorable Report

Yea 9      Nay 0