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SR81767 Requirements AFT Dues / Agency Fee / Charity Deductions Change

Objective:

Modify the AFT dues deduction process so that deductions are calculated on the basis of all earnings.

Project Type:

This is an enhancement to an existing process, and consists of a change to the Gross to Net Table entries.

Requested by:

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Analyst:

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Due Date(s):

AFT is requesting that this be done as soon as possible but must be completed in time for campuses to install and test prior to the beginning of Summer Sessions 2007.

Background:

On September 13, 2006 a system wide grievance against the University of California was filed by UC-AFT on behalf of the Unit 18 members appointed in title 1550 (Lecturer in Summer Sessions). The grievance alleged a violation of the Memorandum of Understanding between the University and UC-AFT and stated that “The University has failed to deduct dues and organizational security fees from all NSF appointed in the 2006 Summer Session as ‘Lecturer in Summer Session - - Title Code 1550’” and accordingly failed to remit these amounts to UC-AFT.

Since its inception years ago, the calculation of AFT Dues (as well as Agency Fee and Charity deductions) has been based on retirement gross. Earnings associated with a Description of Service (DOS) that is defined as not being subject to retirement are not included in the amount on which the calculation of AFT dues, agency fee or charity deduction is based, regardless of whether the employee is a member of the retirement system. Review of cases cited in the grievance revealed that employees paid as lecturers in Summer Session (Title Code 1550; IX unit) have been paid variously under several DOS codes, each of which is associated with different attributes.

For example, if a Lecturer in Summer Sessions is paid with the Description of Service ‘BYN’, (By Agreement – Not Subject to Retirement) the earnings would not be included in the amount used for the retirement gross and therefore no AFT deduction would be taken.

Thus, this inconsistency in payments to lecturers in summer session across campuses has resulted in union deductions not being taken in all cases. A system solution is requested such that AFT deductions will be taken from all unit earnings.

Current Process:

Currently, AFT Dues, Agency Fee and Charity deductions for IX and LX units are calculated on the basis of unit earnings that are subject to retirement. If the Description of Service (DOS) code associated with the unit earnings is not itself subject to retirement, then the earnings are not included in the gross amount used in the calculation of these deductions.

Proposed Process:

It has been determined that the calculation of AFT dues, agency fees and charity deductions be changed to use total gross as the basis instead of retirement gross. This change should be applied to deductions for both IX & LX units. In order to accomplish this, the 'Base Code' value on the Gross to Net Table entries for these deductions must be updated from 'R' (Retirement Gross) to 'T' (Total Gross). The gross to net deductions impacted are as follows:

GTN Number:	Description:
163	AFT IX Dues
458	IX Agency Fee
500	IX Spina Bifida
501	IX Amnesty International
502	IX Rosenberg
378	AFT LX Dues
459	LX Agency Fee
503	LX Spina Bifida
504	LX Amnesty International
505	LX Rosenberg
075	AFT Dues-Unrep (all locations except UCSC)
077	AFT Dues-Unrep (UCSC only)

Attached are completed UPAY545 Gross-To-Net Table update forms that show the change that should be made for each of the affected GTNs above.

