

Protest at the next PCC Board Meeting Against Cuts and Layoffs
Wed. Aug 5th, 6PM Harbeson Hall

PCCFA's Negotiating Team was informed by the District that it actually has \$18,314,646 in Budget Reserves as of July 1, 2009, compared to July 2008 Reserves which were \$15,862,854!

Thus the District actually has nearly \$2.5 million *more* than last year...and this at a time when the Board of Trustees has cut the Winter Session and claimed there is no money!

PCCFA has filed an Unfair Labor Practice Charge with the Public Employee Relations Board (PERB) against the Pasadena Area Community College District.

Rationale: Winter Session is part of calendar, and thus a contractual item. The District's unilateral imposition of cutting Winter Session is illegal and effectively a forced furlough by another name. The District has not only violated the faculty contract, but it has also failed to practice shared governance. Thus it has arbitrarily sought to dismantle critical campus programs without faculty consent. Further, the college refused to spend its resources in a responsible manner, and it now reveals that it has padded its reserves by nearly \$2.5 million.

Commentary by PCCFA President Roger Marheine:

The following includes information published in an Opinion essay in the PCC Courier (7/16/09)

The bombshell revealed as part of PCCFA's Negotiations with the District (July 23rd) that the college has huge increases in reserves, left many of us aghast at either a massive incompetence or worse, a fraud perpetrated by the District's highest level leadership.

It is worth reviewing events that have led us to this point which may indeed be a watershed moment at PCC.

The Board of Trustees' hasty and unilateral decision (July 1st) to slash program by \$7.7 million (including cut the Winter Session) devastated so many who had attempted to save the college's program for weeks. The Board brushed off impassioned pleas by hundreds of students, teachers, and staff over several meetings. The largest protests in recent years were especially impressive during Summer Session when most teachers and students are off campus.

Sadly, the cuts will slash over one hundred jobs (mostly Part Time faculty and Staff) with over 7500 students denied classes. The Board's draconian cuts are educationally unethical and represent a gross misuse of District (our) resources and taxpayer dollars! Thus the Leadership of PCCFA has filed the Unfair Labor Practice. Cutting the Winter Session is a violation of our contract.

What has the Board of Trustees been thinking, individually and collectively? How could its members claim in one session that the budget had been depleted, its reserves spent, yet have the huge surplus revealed less than a month later? These are multi-million dollar questions! Precisely who is responsible for these grave indiscretions? A brief review of recent events raises alarming questions regarding leadership at PCC.

First, on June 3rd 2009, the District distributed a written response to a PCCFA Fact Sheet. The District conceded that it had a reserve of “approximately \$15 million.” In the same document, the District admitted that its “self-insurance fund balance as of June 1, 2009 was \$20,728,977.” This fund, plausibly for insurance purposes, is a much criticized concept that faculty unions state wide argue is more of a slush fund to stow away cash.

Then the growing outcry over lack of District transparency pushed **Dr. Perfumo** to hold open campus budget meetings. Students should know that they were to be excluded, but PCCFA leaders protested to allow students to participate.

Thus on June 11th, in Sexson Auditorium, at a Budget Meeting chaired by **Dr. Perfumo**, it was reiterated that the District had nearly \$7 million in reserves to comply with state mandates requiring a 5% of overall budget. PCC’s annual budget is approximately \$143 million. About 250 of us were also told that the District had an additional \$9.6 million as a kind of ‘piggybank’ that it refuses to spend! Students, faculty, and staff were irate!

Over a two-three week period in June, the District’s story was consistent—it had significant reserves. **Then the story changed dramatically on July 1st.**

The July 1st Board meeting will be remembered as both tragedy and farce. Those who witnessed the Board’s July 1st “deliberations” were incredulous. How could the Board members be so callous, so lacking in compassion, so clueless? How could **Trustee John Martin** yet again tell the story about saving the college so his young daughters could attend years from now? Martin’s gratuitous remark, “I feel your pain” was met with derisive sarcasm. It must be said, however, that **Trustee Beth Wells-Miller** showed a moment of compassion as she rose from her seat and moved to the back of Harbeson Hall to express her concern to a student and single parent who had begged the Board not to make cuts.

However, many students perceived a group of very privileged Board members who are palpably out of touch with the real lives of students and the real suffering the cuts will force students and staff to endure. One student summed up the universal sentiment: “I don’t trust you the Board of Trustees.”

Then came the budget discussion. As if on cue, **Trustee Geoff Baum** moved to cut the Winter Session. However, for what seemed like an eternity, no one seconded the motion. Board members clearly were tentative in the face of students with placards, shouting “No Cuts.” Then **Board President Jeanette Mann** broke with protocol and seconded the motion. Was there some prior agreement between Trustees Baum and Mann? We can only speculate, but the die was cast; it was only a matter of time before the Board’s unanimous vote.

However, in one most revealing moment, **Trustee Connie Rey Castro** moved that the cuts be made, *but that one half of the reserves be spent*. Note that spending one half of \$15 million (the District’s own figure) would preclude the need to make cuts at all! But, **Trustee John Martin** quickly insisted that the District had no reserves, that “the reserves had all been spent.” Trustee

Martin' gross inaccuracies are shocking, but the Board's vote to cut Winter Session was unanimous!

We asked how in just a couple of weeks, \$15 million could be gone! Where had it been spent if at all? If it was spent, as the District hinted, to offset short term cash flow shortages due to the state's failure to pay full monthly allocations, then gross financial mismanagement had occurred. PCC faculty, staff and students should know that community college districts routinely borrow money to offset deferred but guaranteed state allocations.

We now know that the District has indeed borrowed \$10 million, that the state will fulfill its deferred funding obligations, and that the District has padded its reserves even as it has cut program and begun lay-offs. In other words, the situation is even more horrific than we earlier believed. What will it take to bring the Board to respond to the educational needs of our community? Quite frankly, only an Alliance of students, faculty, and staff can save the situation. (Roger Marheine may be reached at rmarheine@hotmail.com)

Negotiations Update:

In the midst of all the rest of the fireworks, we are negotiating! PCCFA's Negotiation Team leaders are Preston Rose and Suzanne Anderson. The Team is also made up of Danny Hamman, Julie Kiotas, Roger Marheine, Alexis Moore, and Krista Walter.

We are working on a two-year contract from July 1, 2008 to June 30, 2010. We have met almost weekly since April and often exchange information between meetings. The meetings have at times been heated, especially in recent weeks.

We are attempting to be proactive and not merely defensive. PCCFA leadership strongly believes that in this concessionary era when unions are caving in, giving up, giving back, and quite frankly abandoning their mission, we must never succumb to defeatism and passivity. Workers' organizations, community groups, and student activists must assert themselves in this critical historical moment.

Specific Negotiation Issues

1) 'Golden Handshake'--PCCFA and the District are very motivated to establish a retirement incentive package for senior faculty with long years of service.

Three models have been addressed:

**PCCFA has proposed an annuity model in which faculty would be given 50% of their highest base pay, excluding overload, summer, and winter sessions. The payout would be annualized over five years. Thus, a faculty member with base salary of \$86,000 would be given one half or \$43,000 paid out over five years. All STRS benefits would remain the same.

**A second model entails a single cash payout, in our view more of a teaser; a quick cash payout of \$20,000 was given to PCC retirees in the mid-1990s. The cash is immediate but generally less than an annuity in most circumstances.

**A third type has the District purchase two years (or more) of service credit. Some retirees will have close to maximum service credit already, but the total pay out is for life.

One significant drawback is that retirees would not be able to teach Part Time at PCC for five years after retirement.

2) Maintaining step and column increases—The District has agreed that all increases be maintained through June 30, 2010. PCCFA seeks to link this preliminary agreement to other issues.

3) Contract Language to improve load requirements for non-teaching faculty—librarians and counselors. No progress has yet been made, but we will pursue this cost free item in upcoming meetings in early fall.

4) Maternity Leave—This relatively inexpensive adjustment for the college is critical for new faculty who are penalized for being women who choose to have children. No formal discussions have occurred, but fall meetings will address details.

5) The Health Care Plan for Full Timers remains in its current status. We are negotiating a Health Care Plan for Part Timers. Initial discussions hopefully will materialize into a genuine plan for Part Timers within three to six months.

6) Part Time hire back rights and protections. While a small adjustment for the District, the college has not yet agreed to meaningful reform language. Despite the fact that every major community college district in the area has a formal hire back policy that provides some protections for senior PT faculty, the Deans have lobbied against PCCFA's efforts. Thus far, the District has *not* rejected hire back rights in principle, but we have not made significant progress despite much discussion and exchange of written proposals.

7) The District has not agreed to provide resources for Part Time Office hours. Recall this past year, when over 2000 students signed petitions urging the college to provide compensated conference hours for their Part Time teachers. We will address movement toward parity in terms of PT pay. In light of recent revelations of PCC's excessive budget reserves as of July 1st, 2009 (\$18,314,646 or approximately \$2.45 million *above* the reserves of July 2008), the District could easily afford to do the right thing and provide long awaited improvements for Part Time faculty.

Finally, both PCCFA and the District representatives agree that these are critical negotiations that will set precedent for years to come.

EXPLOITATION WATCH:

PCCFA IS ABSOLUTELY OPPOSED TO ANY ATTEMPT TO MAKE FACULTY (OR STAFF) WORK WITHOUT COMPENSATION! We have heard alarming reports that some Division Deans have requested that faculty substitute for each other for free. If you hear of any Dean attempting to encourage, coerce, or compel anyone to teach without compensation, call the PCCFA Office immediately; 626-585-7261.

PCCFA Election Results (in June)

President: Roger Marheine

Vice President: Preston Rose

Treasurer: Danny Hamman

Thank you all for participating as 105 votes were cast representing 30% of union membership. Only Union members can vote, and given no position was contested, the turnout was strong.

**There will be no PCCFA Newsletter in August. See you in September.
Have a great summer!**

