

An Update from HUCTW on the Harvard Budgets and the Early Retirement Incentive



March 2, 2009

In the past two weeks, as the national and world economies have continued to decline, two important events have taken place on our Harvard campus: Harvard President Drew Faust has written to the Harvard community about University finances and Allston plans, and the University has unveiled an early retirement incentive package. In this letter, we will comment on those developments and provide an update on HUCTW efforts to protect our jobs and our working environment.

The President's Letter

The most important news in President Faust's February 18 letter is about a slowdown in Allston campus development. Faust announced a suspension of construction for the Allston Science Complex once the foundation is complete, and a reassessment of all other plans for the new campus. While the change of pace may be a disappointment for some, **it represents a welcome reassurance for Harvard staff, that the University will focus resources on preserving current people and programs as much as possible.**

The President's letter also announced a plan to "hold salaries flat" for faculty and exempt staff in the next year. For many in our community, this undoubtedly causes some concern and hardship, especially staff in the lower exempt salary grades, many of whom earn salaries comparable to some HUCTW members. Our Union's leaders have urged the University, at every opportunity, to consider providing a modest increase program to the lower-paid staff in the exempt category.

The Early Retirement Incentive

The University also last week delivered individualized information packets describing details of an Early Retirement Incentive (ERI) program to a first group of eligible staff members. (The program is being administered in two phases: eligible employees of the Faculty of Arts and Sciences and Harvard Medical School received detailed information last week. Packets for eligible staff in the other professional schools and the Central Administration will be delivered in March.)

In general terms, the ERI program is available to most staff members who have at least 10 years of service and are at least 55 years old as of June 30, 2009. For those who decide to participate by retiring on June 30, the program offers a one-time lump sum payment of one year's salary, plus a monthly "bridge benefit" of \$750 for those less than 62 years old. More detailed information about the program can be found at <http://harvie.harvard.edu/benefits/retirement/voluntaryretirement.shtml>

Although HUCTW was not a party to the discussions that developed the ERI program, **our Union's leaders view it as a positive step, so long as the offering is purely voluntary.** The most important aspect of the package is that positions voluntarily vacated by participants in the ERI program may provide opportunities for departments to place or reassign staff members as the units consider budget constraints and possible restructuring. In the big picture, the ERI should help to minimize layoffs or avoid them altogether in some units.

HUCTW is communicating directly with eligible union members to offer support during the decision-making period. Union leaders are well positioned to help eligible staff members think about organizational and personal aspects of retirement decision-making. Individual questions about retirement benefits and technical issues can be referred to the Benefits Services Group.

Our Priorities: People and Programs

Across the Harvard campus, HUCTW leaders and members are working hard to persuade administrators that cost reduction efforts should focus on non-personnel areas as much as possible. In most cases, managers need little convincing that we should preserve people and programs as a highest priority. Where cuts in staffing levels are inevitable, we are pressing for reductions by attrition (leaving vacated jobs unfilled) and voluntary programs, rather than layoffs.

As school and department budget-making processes for next year move toward their final phase in the next month, **there will be opportunities for HUCTW members to get more involved in several ways:**

- In many units there is a Joint Council made up of union members and managers. We will continue to influence budget decisions through these ongoing discussions.
- Special meetings involving HUCTW leaders and affected members will be set up in departments considering changes which could result in layoffs, as called for in our Agreement.
- Stay tuned for news about more campus-wide activity in March, focused on educating and organizing about priorities and budgets.

We hope that you will join in the important conversations, within the union or with your department's leadership, however you can. To find out more, please call or write to HUCTW.

Harvard Union of Clerical & Technical Workers
15 Mount Auburn Street
Cambridge, MA 02138
617-661-8289
www.huctw.org