

PROPOSAL: American Federation of State, County and Municipal Employees' Union (AFSCME) Wage Agreement

Background

On April 20, 2024, the American Federation of State, County and Municipal Employees' Union (AFSCME), ratified a letter of understanding offered by Western Michigan University. Union members perform custodial services, dining operations, landscape, skilled trades/maintenance work, parking enforcement and public safety locksmiths work.

Ratification of this letter of understanding is the culmination of a 17-month effort between the University and AFSCME leadership team. The University has been unable to hire for certain AFSCME positions due to labor supply and the existing contractual wage rate. This hiring difficulty has not been experienced uniformly across AFSCME positions but limited to specific jobs. Due to the importance of the duties associated with these open AFSCME positions, WMU has had to subcontract some bargaining-unit work – most often in maintenance services.

Recognizing that current wages may be contributing to the inability to hire and after several conversations with AFSCME leadership, the University engaged Aon to perform a market review for each AFSCME position. The same process in place for many years and used for non-bargaining staff compensation reviews was deployed.

As part of the review process, the University had many conversations with AFSCME leadership to revise and update approximately 60 job descriptions so Aon could review current job duties as part of its market review. The Aon results indicate that for dining, certain maintenance skilled trades positions, parking enforcement, and several landscaping positions our wage base is below market. Consistent with our process used for non-bargaining staff compensation reviewed, the “market” rate is defined as the 50% median so half of the market is paid at higher rates and half of the market is paid at lower rates. The hourly gap noted by Aon between market and current pay for AFSCME position range from \$0.64 to \$5.82 per hour.

Representatives of Business and Finance and Student Affairs then met with AFSCME leadership in each operational area to share Aon's results. Upon completing the operational unit meetings, we reconvened as a larger combined University/AFSCME leadership group to discuss the overall Aon results. The change in market hourly rates as provided by Aon positively impacts about 120 positions out of approximately 275 members.

In order to have these desired wage changes agreed to through a membership ratification vote, AFSCME was provided with a letter of understanding that: (1) reflects the Aon market rates by pay grade, and (2) makes the 2% pay increase effective July 1, 2024 per the existing AFSCME contract become effective sooner for all AFSCME members on April 29, 2024. The following chart depicts the proposed wage rates per pay grade that have been approved through the AFSCME ratification vote.

Recommended Action

It is recommended the Board of Trustees approve the wage rates reflected in the attached chart for AFSCME members to be effective April 29, 2024.

AFSCME Pay Grade Wage Rates

In order to have competitive wage rates to attract and retain qualified individuals, it is acknowledged and agreed that certain wage rates within the AFSCME bargaining unit should be increased to reflect current market rates as provided by Aon. makes the 2% pay increase effective July 1, 2024 per the existing AFSCME contract become effective sooner for all AFSCME members on April 29, 2024. The following chart depicts the proposed wage rates per pay grade that have been approved through the AFSCME ratification vote.

Effective Pay Period BW2411 (4/29/24-5/12/24 – pay check date 5/21/24) the Wage Table shall become effective at the following wage rates, and also include new W-1 and ST-4 labor grades:

Grade	Rate	Grade	Rate
M-2	17.61	F-1	15.99
M-2L	18.26	F-2	16.95 18.22
M-2.5	18.85	F-3	17.52 19.32
M-3	18.91 19.90	F-4	18.24 20.28
M-3.3	19.06	F-5	19.91 23.37
M-3.5	19.40 20.05	P-1	15.53 21.47
M-4	20.34	STH	20.59
M-4.5	20.93 23.18	ST1	27.91
M-5	26.62	ST2	29.45
M-6	27.44	ST3	32.47
W-1	24.72	ST4	33.30