

Dear Members:

Below is the FY17 budget proposed by the PSU Joint Executive Council (JEC). The JEC is the governing body of the local, which covers Unit A on the Boston and Amherst Campuses, and Unit B on the Amherst Campus. The budget below reflects just the dues that we pay to the Professional Staff Union; the rest of our dues are paid to the MTA and NEA.

We bring this budget to you to hear your feedback and suggestions, and answer your questions. We will hold a membership meeting in March, and will let you know as soon as it is scheduled. In the meantime, please send any comments, questions, concerns or suggestions to us at psumta@external.umass.edu, or contact any Chapter Board member.

In May, after careful consideration of all the feedback that we receive, the Chapter boards from both campuses will come together to finalize next year's budget, which will then be distributed to the membership.

	FY16 Approved Budget	FY2016 Anticipated Actuals	FY17 Proposed Budget
INCOME			
PSU Member Dues (FY17 projected 1,936 FTE @ \$167.51): reflects increasing dues with the next two pay increases (July 2016 and Jan 2017)	\$225,125	\$270,793	\$324,299
Interest Income	\$5,000	\$6,787	\$6,000
MTA Local Support (1,808 @ \$25)	\$45,200	\$48,438	\$45,200
Misc Income	\$3,000	0	0
Total Income	\$278,325	\$326,018	\$375,499
EXPENSES			
PSU Staff Salaries	\$265,011	\$203,316	\$228,749
PSU Staff Benefits	\$34,588	\$39,661	\$40,659
PSU Staff taxes	\$20,109	\$17,161	\$20,498
Workers Comp	\$1,000	\$650	\$800
Officer Stipend	\$0	\$0	\$0
Arbitration	\$1,500	\$1,176	\$1,500
Professional Fees	\$12,000	\$13,690	\$15,000
Meetings & Conventions	\$6,000	\$5,265	\$5,000
Travel	\$12,000	\$12,729	\$12,000

Administrative expenses	\$14,730	\$12,654	\$14,250
Organizational Membership	\$5,616	\$5,436	\$5,616
Transfer to Amherst Chapter Local	\$4,500	\$4,492	\$4,500
Transfer to Boston Chapter Local	\$4,500	\$1,466	\$4,500
Misc.	\$1,000	\$0	\$500
Non Bargaining Expenses	\$8,000	\$7,250	\$7,250
Donations	\$ 500	\$500	\$500
Dues Correction	\$800	\$596	\$800
Subsidy	\$4,600	\$4,600	\$4,600
Total Expenses	\$396,454	\$330,642	\$366,722
Net Income/(Loss)	(\$118,129)	(\$4,624)	\$8,777

About the Accounts:

Income:

PSU Member Dues are calculated by multiplying a count of members by the PSU dues collected per person. This is the amount of money the PSU retains to cover our local union's expenses.

Currently our annual PSU dues are \$161.80 per member. The JEC is recommending that we increase these dues in conjunction with our negotiated pay increases so that in July 2016 the full-time dues rate would increase to \$164.63 and then in January 2017 it would increase to \$167.51.

Interest Income is interest earned from a liquid cash balance and Certificates of Deposits. Based on accounting standards, we maintain a liquid cash balance of at least \$250,000 at any point in time. The remaining cash balance of between \$700,000 and \$800,000 is held in Certificate of Deposits which **are returning less than 1% APR at this time.**

MTA Local Support is money that the MTA refunds to us based on a number of factors including permanent staffing levels, number of members, actual office expenses, and more.

Miscellaneous Income includes MTA contributions to the local to cover collective bargaining expenses.

Other income includes money that we paid to the MTA or NEA, or wrote off as deferred PSU dues, that we will collect this year from members on a payment plan. (A member is offered a payment plan if they were not signed up for payroll deduction in a timely manner, and owe back dues that would cause an excessive bi-weekly deduction.) This amount was significantly larger in the past due to "finding" members who had slipped through in the past

during our various transitions from SEIU 509 to SEIU 888 and to MTA. The amount now represents the few people who slip through the cracks, most often transfers from other units. We are not expecting any such payments in the next fiscal year.

Expenses:

PSU Staff Salaries covers current staff, including our Director of Financial Operations, a part-time Database Developer, a part-time Billing Specialist, part-time Organizers in both Boston and Amherst. We are proposing reducing the Director of Financial Operations from a full-time position to a 30 hour per week position, in line with all our other staff. PSU staff receive the same pay increases that we receive.

PSU Staff Benefits and Payroll Taxes includes benefits for non-contracted employees, workers' compensation insurance, payroll taxes and other related expenses.

Officer Stipends are payments made to Officers of the Local in recognition of the sacrifices they make every day working for PSU. For FY16, we have not budgeted an amount for this category.

Arbitration expense is something that we allocate annually, although PSU policy dictates that we will pay for any arbitration that we undertake, regardless of budget impact. Some years we have no arbitrations, and other years we have several. Arbitration may occur when the Union and Management cannot reach a settlement on a grievance, Salary Administration Program appeal, or bargaining dispute. A mutually agreed upon, independent, third party neutral is called upon to hear both sides of the dispute, and to issue a ruling.

Professional Fees covers the cost of our annual audit and payroll service.

Meetings and Conventions expense is for any hotel cost, registration or other incidental expense related to members or officers attending meetings or conventions. Our biggest expense in non-bargaining years is for the MTA Annual Meeting, which occurs each May. Elections are held each year so that we can send delegates to this meeting, where the MTA budget and various policy resolutions are approved. It is enlightening, and a good experience for anyone at all interested in how the MTA works. The PSU is very active at these meetings, regularly speaking on cost and other items, and proposing our own suggested budget and policy changes. The MTA Annual Meeting is only one of many places that we send our members with this money. Members have attended various trainings, WILD programs, UALE Summer Program, and the NEA Annual meeting, to name a few.

Travel expense covers mileage reimbursement for people attending union meetings offsite, such as travel to and from bargaining sessions.

Administrative Expenses includes costs of running the union's two offices – the main office in Amherst, and another in Boston. Telephone, leasing the printers, postage, office supplies, equipment, stationery, software licenses and related expenses fall here.

Organizational Memberships covers the costs of belonging to three AFL-CIO Central Labor Councils (CLCs). The PSU became a direct affiliate of the AFL-CIO several years ago, which has allowed us to be involved with our local labor councils.

Chapter Expenses are the chapter budgets – money allocated to each chapter to spend as they choose. The Chapter Board of each campus determines a budget for this money according to the chapter policy or bylaws. If a Chapter Board needs more money for a specific project or issue, they can request

increased funding at any time from the JEC, who will have to find the extra money from elsewhere in the budget if they choose to approve the request. Chapter monies pay for expenses incurred by the Chapters for events and activities benefitting only that Chapter's members.

Misc. Expenses, Non-bargaining expenses, and Donation cover the costs of buying an ad or a table at a labor dinner. Our contribution to PHENOM is included here.

Dues corrections and Subsidy include the dues subsidy we provide for low-wage workers, and the debt we incur when a member leaves the University and they owe us money. This happens for several reasons but primarily because of people leaving before a payment plan is completed.