## Pat Pitney UA President

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## **Deadlock Message to University Community**

Tuesday, December 3, 2024

RE: Update on UA Negotiations with United Academics (UNAC)

Dear University Community,

I'm writing to share that the University and United Academics (UNAC), the union representing most of our faculty and post-doctoral fellows, have mutually agreed that we've reached a deadlock in negotiations and will seek outside mediation to help us reach a new contract.

As many of you know, the University and UNAC are negotiating a new contract to replace the current collective bargaining agreement (CBA), which expires at the end of December.

Negotiations have made positive progress since we began in late August, and we've reached agreement on most of the articles in the CBA. Both sides agree we're at a point now where a federal mediator is needed to get us over the finish line, which is why we're seeking one.

Seeking mediation at this time leaves space for more fruitful, productive discussions in the few areas where we've been unable to reach agreement with UNAC. Mediation also increases the likelihood that we will be able to agree to a completed contract before important state budget deadlines in the spring.

## The Details

The most significant areas where UA remains far apart from UNAC are compensation and benefits. Our most recent offer provides substantially higher salary minimums for all UNAC members, and across-the-board increases of 2.75%, 3%, and 3% for FY26, FY27, and FY28, respectively. Like other employers around the state and nation, the Board of Regents and university leaders are continuing to grapple with rapidly increasing and unsustainable increases in healthcare costs. As a result, even these proposals push beyond some people's comfort level.

UNAC's compensation proposal, by contrast, is projected to cost nearly \$113 million over the life of the contract, nearly \$40 million more than UA's proposal. When combined with anticipated increases in healthcare costs, it is unsustainable and

unfundable. If we asked for that amount and the state didn't fund it, we would be forced to make significant reductions similar to those made over the past decade.

The Board and I recognize that compensation is an issue for employees, and it is a critical part of our ability to recruit and retain a quality workforce. However, we must balance compensation increases with the constraints of our and the state's budget environment. We won't risk an unallocated budget cut that would destabilize our universities.

## What's Next

In the short term, our operations will not change. Consistent with the ground rules we agreed on with UNAC at the start of negotiations and Alaska law, there will be no disruptions. Classes will continue this semester and will begin again in January, as usual.

Seeking mediation now also gives us more time to reach agreement before state budget deadlines. State law requires the Governor's Office of Management and Budget (OMB) to review CBA monetary terms (i.e., compensation and benefits) before they are submitted to the Legislature. Monetary terms must be submitted no later than March 21, 2025, to be considered for inclusion in the FY26 budget year that begins on July 1, 2025.

UA is committed to moving forward and reaching a sustainable agreement with UNAC within the confines of our fiscal realities. We'll continue to provide updates on future developments that impact you, and you can find the latest updates on negotiations on the Labor Relations website at <a href="https://www.alaska.edu/hr/labor/labor-relations/unac-news/">https://www.alaska.edu/hr/labor/labor-relations/unac-news/</a>.

Sincerely,

Pat Pitney President, University of Alaska