THE SEANC CONNECTION
District 19
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Dana Cope Tells It Like It Is
Dana Cope, Executive Director of the State Employees Association of North Carolina, made the following comments in an article he wrote for The News & Observer on April 25.

State employees have not received a pay raise for the past two years, and the $625 raise they were granted by the legislature in 2001 was negated by health care cost increases...cumulative salary increases for state employees during the past five years trailed the market by 9.4 percent and the Consumer Price Index by 4.6 percent. Since 1993, state employee salaries have fallen farther and farther behind market rates, increasing only 28.6 percent, while average market salary increases have totaled 46.1 percent.

In the past 10 years, annual turnover in some state occupations has more than doubled. Last year, 17 percent of state employees with five or fewer years of service chose to leave government. The result of high turnover is less productivity and more time and resources spent on training.

Retirements in state government are at a record high. Last year saw a 16.5 percent jump in retirements over the previous year.

According to research conducted by Pennsylvania State University, the actual living wage for a family of three in North Carolina, or what it costs for food, child care, medical care, housing and transportation, is $27,870. According to the North Carolina Justice and Community Development Center, the 2003 average living income standard for our state is roughly $25,000 per year.

Nearly a third of the state workforce makes $25,000 per year or less. Approximately 50 percent of the employees make $30,000 per year or less.

State government is the largest employer in North Carolina. If state employees have more money in their pockets, they will spend more at businesses and restaurants. This flow of money paid to consumers which results in economic growth is called the "multiplier effect."

A five percent pay raise for state employees and educators would cost roughly $450 million, but would result in nearly a billion dollars flowing back into the state economy. In addition, a five percent pay raise would increase productivity through increased morale, reduced turnover and a decrease in the amount of money spent on training new employees and educators who otherwise might leave government service for higher-paying jobs in the private sector, or leave North Carolina to work in another state's school system.

The results are now in. State employees will receive a salary increase of $1,000 or 2.5 percent, whichever is greater. Teachers will receive a salary increase of 2.5 percent and retirees will get a 1.7 percent COLA (Cost of Living Adjustment). Community college personnel will get a raise of 4.5 percent.

SEANC Moves Forward on Health Care
The SEANC Board of Governors approved an outline in February of a major health care campaign in North Carolina, as well as two strategic partnerships to advance campaign goals.

"North Carolinians for Affordable Health Care" is intended to be a ground-breaking issue campaign to hold lawmakers accountable for ensuring affordable, quality health care for all citizens of North Carolina, including State employees and retirees. It was developed by leaders of the State Employees Association of North Carolina late last year and will progress in three main phases, the first two of which will focus on information gathering through research and polling.

The first phase of the health care campaign will include a poll of SEANC members on health care and other issues. The intent of the poll is to identify the most critical health care concerns and needs of members, as well as collect pertinent information related to their membership in the organization. SEANC President Steve Lusk was directed by the Association's board to collect feedback on health care issues when the governing body developed and approved a roadmap for 2004 several months ago.

"This is our members' chance to sound off on health care and other issues important to them and their families, so I hope they look forward to the phone calls they can expect in coming weeks," Steve Lusk said. SEANC Executive Director Dana Cope added, "I sincerely hope our members will participate fully in the process when their phones ring, to their benefit and the benefit of all State employees and retirees in North Carolina."

The second phase of the SEANC-sponsored issue campaign will include a poll of North Carolina voters to gauge their opinions on health care issues and other issues related to State employees and retirees. The results of both polls will appear in The Reporter and on the SEANC web site, and be used to formulate legislative strategy.

The third and final phase of the "North Carolinians for Affordable Health Care" campaign will be multi-faceted to propel health care into a top campaign issue this election year, and to help elect pro-health care candidates to public office.

In addition to launching the health care campaign, members of the SEANC Board of Governors approved key partnerships with other groups to facilitate the initiative and to further major campaign goals. Key partners, to date, are the "Americans for Health Care" campaign and the Service Employees International Union (SEIU). Both partnerships are likely to provide significant financial support for the SEANC-sponsored campaign in North Carolina.

"Americans for Health Care" is a national campaign that focuses on uniting working families, small business owners, seniors, health care workers, community leaders and policy makers to fight for affordable, quality health care on which everyone can rely.

SEIU, with 1.6 million members nationwide, is the parent of the "Americans for Health Care" campaign.

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An Interview with Howard Lee

Shoot for the Moon But Be Grateful for a Star

We asked Howard Lee, Chairman of the North Carolina State Board of Education, if we could interview him about issues of interest to State employees. He agreed and our phone interview with him was conducted on June 9, while the General Assembly was in session.

1. Salary Increases for State Employees

Q. Governor Easley has proposed a 2 percent pay raise for State employees and the House has approved a $1,000 flat pay raise for State employees. SEANC has asked for a 5 percent pay raise. Do you think the $1,000 proposed by the House is reasonable?

A. Yes, given the economic circumstances, I think the $1,000 is reasonable. State employees making lower salaries will receive a higher percentage and that will help the lower-income employees.

Q. The Governor has also proposed a 4 percent pay raise for community college faculty and professional staff. The rationale for this is that North Carolina is currently 46th in the nation for community college salaries and is working to reach the national average. What do you think about this proposal?

A. I think it is justified. We must do what we can to improve education in North Carolina.

Q. What do you think about unfunded mandates?

A. I do not favor unfunded mandates.

Q. The Governor has asked for a 2 percent retiree COLA (Cost of Living Adjustment) and SEANC has recommended a 2.1 percent COLA. What do you think is reasonable?

A. The Governor’s proposal of a 2 percent retiree COLA is reasonable.

Q. The Governor has also recommended that $15 million be paid back to the retirement system from 2001 escrowed funds. What is your opinion about this pay raise?

A. I believe that the money should be paid back to the retirement system but it should be spread out over a longer period of time. I would rather see more of the available money going into pay raises in the immediate future. This will not harm the retirement system which is fiscally sound, and it will pour much needed money into the economy in North Carolina.

2. State Health Plan

Health costs continue to spiral out of control. Many State employees can’t cover health care for their families under the State Health Plan and they have no dependent coverage.

Q. What should State employees expect in the way of coverage under the State Health Plan? Should they be expected to pay for part of the premium?

A. Health care is probably the most important benefit to State employees. We must try to hold the line as well as we can and keep the benefits we have at present. If it were possible to have dependent coverage for State employees, then I would favor having the State employee pay for part of the premium. If there is no dependent coverage, then State employees should not pay for part of the premium.

Q. What do you think about the benefit of health insurance once the State employee is vested in the retirement system after only five years of employment with the State? Given the high cost of health care, do you think the policy of guaranteeing retirement benefits is reasonable after such a short period?

A. No, there should be a longer period of time before the State employee is able to receive these benefits. I would favor a period of 10 or 12 years before the State employee is vested and guaranteed benefits. In addition, the State employee will be trained and experienced and more likely to remain working for the State. We will have a better retention record.

3. Personnel Flexibility

Q. You were in favor of the personnel flexibility now in place at UNC Health Care. How well has it worked and would you like to see that kind of personnel flexibility extended to the 16 campus University system?

A. I think personnel flexibility at UNC Health Care has worked well and has been a positive thing, although I have not followed it closely in the past year or two.

I am not sure how I feel about extending it to the whole 16 campus system. The campuses are all very different. I just visited Western Carolina University and that school and its needs are very different from other parts of the system, say, the University of North Carolina at Wilmington.

In general, I favor flexibility because it allows independent decision-making. However, we must keep the uniqueness of the campus system intact.

4. State Employees and Politics

Q. What do you want SEANC and State employees to understand about politics? You have said that we should “think outside the box.” What do you mean by this? What should SEANC and State employees do politically to best advance their concerns?

A. For a long time State employees have been aloof from being in politics. They thought politics was a dirty business. They didn’t want to be the squeaky wheel that got the grease. That is changing now. State employees want to be, and should be, involved.

State employees should choose a good candidate who is in office and work to support that person, get in that person’s good graces and develop priorities of interest in the legislature and in getting legislation passed.

State employees should get involved in politics at an earlier stage than the campaign. They should figure out what they want and who they want to run for public office. They might want to run for public office themselves. They should figure out what is really in their best self-interest. They should choose people who will be good candidates and who may be outside the mold. Then they should be active in persuading good candidates to run for public office.

State employees have to ask for what they want and they are now learning how to do that effectively. They should shoot for the moon but be grateful for a star.

5. Long Range Plans

Q. Do you plan to be politically active?

A. No, I don’t plan to be politically active in the future. I enjoy working at the Board of Education. My goal has always been, and will continue to be, to create access and create opportunities for all the citizens of North Carolina.
District 19 held its annual meeting on June 22, 2004 at the Chapel Hill Public Library. Special guest Steve Lawson, Piedmont District Services Representative, discussed what was happening in the General Assembly and responded to questions from the members.

SEANC awarded scholarships to Heather Sherow, a rising junior at Meredith College, and Katherine Bradshaw, who will attend Cornell University in the fall. Katherine attended the annual meeting with her parents, Dennis and Anne Bradshaw, and was presented with her scholarship certificate by Cathy Harrison, Chair of the Scholarship Committee. Heather, whose parents are James and Shirley Andrews, was not able to be at the meeting.

We’re proud of our scholarship winners and we wish them great success.

Claire Miller, Communications Chair, was given a Certificate of Appreciation for her outstanding contribution on behalf of the Communications Committee.

The election of officers and delegates for 2004-2005 was held. Anthony Weaver was re-elected Chair by acclamation. Marie Tate will be our 1st Vice Chair and Claude Hooker, 2nd Vice Chair. Kay Daniels continues as Auditing Chair; Muzetta Pettiford, EMPAC Chair; Hazel Lunsford, Bylaws Chair; Martha Fowler, Policy Platform Chair; and Beverly Leake, Nominating Chair. Mariah McPherson continues as Chair of the Retirees’ Chapter.

The delegates for 2004-2005, along with the newly-elected officers, are:

- Peggy Cotton
- Elsie Davis
- Cathy Harrison
- Barbara Hayes
- Janie Jones
- Iola Lattie
- Ruth Lewter
- Mariah McPherson
- Claire Miller
- Mary Richards
- Pamela Siler
- Karen Thompson
- Wendy Watkins

District 19 Members Are Honored

The recipients of the 2004 C. Knox Massey Distinguished Service Award included two members of our district, Sandra Caulberg and Linda Naylor. Chancellor James Moeser selected this year’s recipients based on nominations submitted by a committee at UNC-Chapel Hill. Each honoree received a citation and a $6,000 stipend. The Massey Awards were presented on April 24 at a luncheon at the Carolina Inn. Excerpts from the nominations appear below.

In her position as Administrative Officer for the Office of University Counsel, Sandra Caulberg provides superior service and is always gracious, patient and helpful, no matter what the size, scope or seriousness of the matter. She is often the first point of contact with students, employees, North Carolina citizens, media, legislators and federal officials. She handles complex personnel and budget matters and consistently demonstrates unparalleled dedication and loyalty to her job and the University.

In her position as Administrative Assistant in the Office of the Provost, Linda Naylor retains a vast amount of institutional history that is an asset to any new administrator who enters South Building. She is extremely intelligent, service oriented, efficient, and very highly regarded by her colleagues across the campus. Many people rely heavily on her for answers, and she delivers them promptly and accurately, even when it requires retrieving records from the archives. She is an excellent listener and treats everyone with compassion, understanding and fairness.

Community Volunteer Kudos

Linda Allred was singled out for praise recently by her coworkers as an outstanding State employee who regularly volunteers in her community. Their nomination of her as a Shining Heel appeared in the June 16, 2004 issue of the University Gazette. She is an Office Assistant in the Medical Student Section of the Department of Family Medicine at UNC-Chapel Hill. She volunteers at Brown’s Chapel United Methodist Church in Pittsboro and within the Department of Family Medicine.

She helps coordinate quarterly food drives for the Interfaith Council Community Kitchen within the Department of Family Medicine and assists with the Adopt-a-Family efforts at Christmas. In her church she has helped rebuild homes for victims of Hurricane Floyd and cooked and served meals at the Allied Churches Kitchen in Burlington. She has also served as a Red Cross volunteer in Alamance County and was part of the Emergency Response Team.

When she interviewed for her current job, she was told that “we stress the family in Family Medicine” and she has found that to be true. She says, “By working together within the department to help people in the community, we become a stronger unit, and it is reflected in the work we do at Carolina.”

Mission Statement

SEANC District 19 is a professional organization committed to representing employees of all State agencies, dedicated to protecting and improving rights and benefits, increasing visibility and public awareness of the services provided by State employees, and encouraging high work standards and safe working conditions.
Teddy Bears Will Be Going Overseas

Once again, SEANC is sponsoring a drive to collect teddy bears at our convention in September. This time the toys will be sent to SEANC member Spillman Grice’s military unit in Iraq, where they will be distributed to local children.

Liberty Mutual Offers Discount

Liberty Mutual, a Fortune 500 company in business since 1912, is offering a 10 percent discount on their already competitive automobile and home insurance rates to SEANC members. This is made possible through Group Savings Plus. In addition to this discount, Liberty Mutual also offers:

- Convenient payment plans, including automatic payroll deduction, electronic funds transfer (EFT) or direct billing at home
- Prompt claims service, 24 hours a day, 7 days a week
- Individualized service from local representatives
- A guaranteed rate for 12 months
- 24-hour emergency roadside assistance anywhere in the United States and Canada.

If you want to take advantage of Liberty Mutual’s offer, call 1-800-225-8281 or visit www.libertymutual.com/lm/seanc.