GUIDELINES FOR IMPLEMENTATION OF A LIVING WAGE AT THE UNIVERSITY OF VIRGINIA

The intention of this document is to demonstrate how a living wage agreement could be implemented at the University of Virginia. This is a policy which would have positive effects for the hundreds of UVA employees, both direct and contracted, who currently work for considerably less than a living wage.

1. What is the current living wage in Charlottesville, VA?

A. Wages. Beginning in fall of 2012, the living wage will be at least $13.00 per hour, based on figures provided by the Economic Policy Institute (EPI). On a yearly basis, the living wage must be re-calculated to comply with current EPI figures, which take into account annual inflation and cost-of-living measures specific to the Charlottesville area. Calculations for individual employees will be based on EPI figures for a two-earner, two-dependent family. Because EPI figures include the cost of health benefits in their per-hour calculation, the University or contractors may factor in their yearly contribution toward employee health care in reaching the living wage number. However, other benefits provided by the University or contractor, including leave and education benefits, may not be included in the base wage calculation. This calculation will be made annually on September 1.

B. Health insurance. The University will continue to provide a comprehensive benefits package to all direct employees. Currently, for direct employees at the bottom of the pay scale, the University states that it pays an equivalent of between $6.42 and $9.54 of total benefits, including between $1.93 and $5.06 per hour worth of health insurance benefits, or approximately 89% of total health insurance costs for employees with premium packages covering family members as well. These benefits must not be reduced. In addition, contracted employees must receive a comprehensive health benefits package, equivalent to direct employees as defined above, for the time period that they are working in service to the University of Virginia. Alternately, contractors and subcontractors may opt out of the benefits package as described in section 1C.

The University provides this information at www.virginia.edu/wages/.

C. Contract Employee Benefits. Contract Employers (defined as employers under contract with the University, or under contract or subcontract with a contractor under contract with the University) may choose to not provide comprehensive health insurance or additional benefits as defined in Sections 1B. and 1C. If a contract employer does not provide comprehensive health insurance, then the employer must pay a minimum of $2.00 over the living wage standard defined in Section 1A to contract employees. If a contract employer chooses not to provide Additional Benefits, the employer must pay a minimum of $.40 above the living wage standard to contract employees. If a contract employer chooses to provide neither comprehensive health insurance or Additional Benefits, then the contract employer must pay $2.40 above the living wage standard to contract employees.

2. Who is eligible for the living wage, comprehensive health insurance, and additional benefits?

All employees of the University of Virginia, including employees of the University of Virginia Health System, shall be eligible for the living wage. This policy is not intended to apply to student-workers or to graduate student teaching assistants. “Employees” are defined as the following:

A. Direct employees of UVA or the UVA Health System

B. Any employee of a UVA contractor or sub-contractor who works 10 or more hours per week on
University grounds. A “contractor” is defined as a company which provides the University with labor services and has contracts with UVA with an aggregate value of $30,000 or greater in any twelve-month period. The ultimate authority to determine whether a type of work falls under the definition of "labor services” will reside in the hands of the UVA Living Wage Implementation Task Force, as described below.

C. A contracted employee is a worker whose employer works under contract with the University, or a worker whose employer works under subcontract or sub-subcontract with a contractor under contract with the University or its affiliates. A worker is a contract employee of the University only for the hours labored in service to the University of Virginia or its affiliates.

3. Implementing the living wage at UVA.

A. In implementing a living wage policy at UVA, the University will not eliminate jobs or hours as a result of these policy changes. That is, the University may not compensate for additional labor expenditures related to the implementation of a living wage by reducing hours worked, by understaffing, or by demanding increased productivity from fewer workers. In effect, the University must commit to higher expenditures for an equivalent amount of labor in order to be in compliance with the living wage agreement.

B. According to the terms of the agreement, all contractors (as defined above) will be required to abide by the terms of the living wage agreement. Contractors must sign a one-page letter of assent, which is to be included in their contracts. The letter of assent will guarantee the living wage standard, comprehensive health insurance, and additional benefits as outlined in Sections 1A, 1B, and 1C. The letter of assent will also require that if a contractor enters into a subcontract with any employer, the subcontractor must also sign a letter of assent guaranteeing the standards outlined in Sections 1A, 1B and 1C.

C. University procurement services will ensure that contractors abide by the agreement. This includes aggregating and making public information about wages, hours, and benefits for individual contractors on a yearly basis. Both University procurement services and The Living Wage Oversight Board will maintain copies of all contractors’ and subcontractors’ letters of assent.

4. Establishing a Living Wage Oversight Board

A. In order to provide oversight of the implementation of a living wage policy, UVA will establish a Living Wage Oversight Board. This board will be given formal rights for:

1. Ensuring compliance with the living wage agreement.
2. Clarifying unresolved issues related to the implementation of living wage policies.
3. Resolving grievances related to non-compliance with the living wage agreement.
4. Making suggestions for future modifications to the agreement.

The Oversight Board will consist of at least the following individuals: one appointed University administrator; three professors elected by the Faculty Senate; three direct, non-administrative employees of the University, and two students (a graduate student elected by the GSAS Council, and an undergraduate elected by Student Council). Appointments and elections to the board will be annual.
B. The three direct, non-administrative employees participating in this task force must be fairly compensated for this commitment, including scheduled and compensated time within the work week to do the work of this committee, as well as modification of job description to include support of this committee’s activities as a routine responsibility.

C. As it may become necessary in the future to modify the existing living wage agreement, the Board will be responsible for amendments to the current living wage policy. Such amendments to the agreement must be approved by a two-thirds majority of Board members.

5. Monitoring UVA's compliance and resolving grievances regarding the living wage agreement
A. UVA will aggregate and make publicly available data on a yearly basis detailing employees' wages and benefits packages, including numbers of employees, pay grades, and hours worked in the year.

B. UVA will also make publicly available employee and wage data regarding all contracts which fall under the purview of the living wage agreement. The Living Wage Oversight Board will be responsible for evaluating UVA's compliance with the agreement, based on the information provided yearly by the University.

C. Any UVA worker (as defined above) has formal rights to grievance for non-compliance with the living wage agreement. Workers will be required to fill out a simple form describing their grievance, and the forms shall be widely available in a variety of languages.

D. In the event of any instance of non-compliance with the living wage agreement, UVA shall compensate the employee(s) for all back pay owed, monetary equivalent of any benefits denied, and interest accrued during the period of non-compliance. A history of more than three separate violations from any contractor will result in immediate termination of the contract in question.

6. Making University employees (direct and contracted) aware of their rights under the the living wage agreement.
A. Direct and contract employees: at the initiation of any new job, the employee must receive from the university or contractor an information packet in the language of their choice documenting
   1. the living wage they should be paid
   2. the benefits they are due
   3. the grievance procedures to which they have access, including both the Living Wage Oversight Board, the University’s Equal Opportunity Programs (EOP) office and any other associated University labor grievance procedures.
   4. The names and contact information for the Oversight Board.
   5. For construction sites and other places of temporary employment, a poster outlining the information contained in section 6A will be placed in rest-break areas for employees.

B. All employees must also be notified in writing on a yearly basis of their right to free speech regarding labor issues and grievances without fear of retaliation from the University.

Note: Portions of this document have been supplied from other university Living Wage campaigns, including that of Harvard University.