

FACULTY FOCUS

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HOW CAN I PREPARE FOR THE FUTURE IN THESE UNCERTAIN TIMES?

By: Charlotte Lofft

This article is taken from the following sources:

Invest in Your Future Now by Lindy McKnight (Union Action, SF City College, Dec., 2001) Referenced with permission.

403bwise <http://www.403bwise.com/wisemoves/403band457.html>

Consultation with a Vanguard representative.

“Prepare for Changes in 403b Plans,” by Andrea Coombes, *Valley Times*, May 20, 2007.

NOTE: The representations made below are intended as guidelines. You should check with financial professionals for confirmation and applicability to yourself.

Are you worried about your financial future? Even though the Stock Market has been in turmoil lately this is a great time to invest. Why? Because stocks are at a low level and when you buy now you will take advantage of them going up later. Consider how Warren Buffet has invested over five billion dollars in some of the low valued stocks recently, and let him be your guide!! (On an admittedly smaller scale, of course.)

403b and 457 Plans

You are probably well aware of the mandatory deductions that come out of your paycheck every month such as the individual deduction for STRS retirement. **But, are you aware of the additional options to fund retirement offered by our District?** Those options are the 403(b) and the Cal PERS 457(b) plans. These plans are wonderful savings vehicles because, like your STRS deductions, they are funded with PRETAX dollars and **lower your taxable income**. They also grow in a tax-deferred manner, which means you pay no tax on them until you start to withdraw money. Most people are in a lower tax bracket when they access the funds upon retirement.

General Membership Meetings 2008-2009



*Chabot College,
Dates TBA*



*Las Positas, Staff Lounge
Dates TBA*

CHECK US OUT AT OUR FA WEBSITE

Check out our new website:
www.clpfa.com

One new edition to our website is a link to the recording made during a Human Resources presentation at Las Positas College in October. Lori Benetti and Mary Anne Galarte presented an overview intended to help faculty read the paystubs. In addition, the new IRS changes (announced to us in a special mailing from the District Office) regarding our 403B accounts was also discussed.

HOW CAN I PREPARE FOR THE FUTURE IN THESE UNCERTAIN TIMES? (CONTINUED)

It is my understanding that teachers under age 50 who are eligible for both plans (that's us) can contribute the maximum of **\$16,500 per plan year 2009 to each plan (the 403b and the 457) for a total contribution of \$33,000 in 2009.** If you are over age 50 you can contribute an extra **\$5,500 per year to each plan for a total of \$22,000 per plan or \$44,000 per year.** Participants eligible for "catch-up" provisions can contribute even more. (See below.)

Catch up provisions are somewhat complicated and should be reviewed on the Web Site above. For example, there is a Cal PERS 457(b) catch up provision for the last three years before retirement. There is also an additional 403(b) catch-up provision for people who have worked 15 years for the same employer and have not contributed more than a threshold amount in the previous years. Contributions under this "15 year rule" cannot exceed \$3,000 per year, up to a \$15,000 lifetime maximum.

New Rules for Management of Existing and New 403bs

Effective immediately, the IRS wants employers to exert more "centralized control" over the 403b plans. One of the impacts of this change is that employees can't continue to transfer funds from one 403b vendor into another 403b vendor without going through a process with the employer and the vendors.

Our district has executed a contract with Envoy, a company that will manage the 403b accounts of faculty. All communication regarding your 403b has to be through Envoy, and we are limited to signing up for 403b companies that are on Envoy's list. Perhaps you have heard all this at the general FA meetings on each campus. The information regarding Envoy is available on the District Web Site under Human Resources.

There are other new changes to the law with respect to 403b accounts. Go to www.403bwise.com for useful general information. To compare your plan offerings to others, go to www.403bcompare.com.

Consult a tax or investment professional before taking advantage of these programs.

Once you decide to "go for it", contact the Benefits Office at the District Office for the appropriate forms. Or, they may be available at your college Business Office. You can contact Cal PERS for forms and information directly at 1-800-260-0659.

Individual Retirement Accounts (IRAs).

In addition to the 403b and Cal PERS 457 plans offered through the District or Cal PERS, anyone can have an Individual Retirement Account. (IRA). **If you are under 50, your maximum 2009 contribution to an IRA is \$5000. If you are over 50, your maximum contribution is \$6000 for 2009. IRAs can be either based on pre-tax or post-tax dollars.** Again, consult a financial professional before you decide which type is best for you. You need to open these on your own, and you can have them in the stock market or other types of investments such as bond funds.

Like all investing, the most powerful factor influencing the growth of retirement funds is **time**. The earlier in life one begins, and the longer the money grows tax-deferred, the larger the amount at the end. Graphic illustrations of this principle are staggering and should send you running to immediately open your 403(b), 457(b), and IRA accounts. **YOU SHOULD ALSO KEEP IN MIND THAT PART OF WHAT YOU PUT INTO THESE 403(B) AND 457(B) AND IRA ACCOUNTS WOULD GO TO THE IRS ANYWAY. WOULDN'T YOU RATHER BE WATCHING THE BALANCE SHEET GROW IN YOUR OWN ACCOUNT INSTEAD OF PAYING ALL THOSE EXTRA TAXES?**

2009-2010 Academic Calendar

By: Jane McCoy

The Calendar Committee met recently and developed (pending board approval) the calendar for 2009-2010.

If approved by the Board, the following calendar will be adopted:

Fall 2009

Start: Thursday, August 13 – Convocation
Friday, August 14 – Division Day

Semester Starts: Monday, August 17
September 7 – Labor Day (no Saturday classes)

November 13 – Veteran's Day

Finals: Monday, December 14 – Friday, December 19

Spring 2010

Start: Tuesday, January 19

February 12-15 – President's Day (no Saturday classes)

Spring Break: April 5-9

Finals: Monday, May 24 – Friday, May 28 (Saturday finals – May 22)

Flex Requirements

1 Variable flex day obligation

CHECK US OUT AT OUR FA WEBSITE

The FA has our own Website, thanks to our Webmaster, Seth Harwood of the Chabot English Dept. Our Web address is:
www.clpfa.com

2008-2009 CLPFA Officers

President: Charlotte Lofft	510-723-6873	clofft@chabotcollege.edu or clofft@laspositascollege.edu
Chabot Vice President: Dave Fouquet	510-723-6868	dfouquet@chabotcollege.edu
LPC Vice President: Jane McCoy	925-424-1237	jmccoy@laspositascollege.edu
Secretary: Tom DeWit	510-723-6821	tdewit@chabotcollege.edu
Treasurer: Kevin Ankoviak	925-424-1396	kankoviak@laspositascollege.edu
Chabot Part Time Rep: Seth Harwood		sharwood@chabotcollege.edu
LPC Part Time Rep: Teresa Donat	925-424-1000 x2360	tdonat@laspositascollege.edu
Chabot Membership: Shari Jacobsen	510-723-6696	sjacobsen@chabotcollege.edu
LPC Membership: Debbie Fields	925-424-1113	dfields@laspositascollege.edu
Chabot Grievance Officer: Charlotte Lofft & Dave Fouquet	510-723-6873 510-723-6868	clofft@chabotcollege.edu or clofft@laspositascollege.edu dfouquet@chabotcollege.edu
LPC Grievance Officer: LaVaughn Hart	925-424-1194	lhart@laspositascollege.edu

Negotiations Update

By: Charlotte Lofft, FA President

The negotiating teams have met about eight times this Fall Semester with the goal of improving certain features of faculty compensation as well as some selected working conditions issues. We have worked on the following:

Compensation Issues

The Contract calls for salary issues to be negotiated and decided within 45 days from when the Governor signs the State Budget for Fiscal Year 2008-09. (Article 21B.) This year is unique in that the Budget is still essentially up in the air. The teams have still met and negotiated over the issue of load for laboratory instruction. Tom DeWit and Dave Fouquet have been the activists in coordinating a district wide study of all faculty who teach labs, and their data is being seriously considered by both sides. We do hope to have some positive results from this study with respect to increased load factors for some (but not all) of our faculty who teach in laboratories.

Additionally, we are hoping to make some other salary related improvements for both Full-time and Part-time faculty. It is too early to predict the outcomes of these matters, but we will keep you informed.

The New 67% Law

I am delighted to announce that the State Legislature passed a revision of the 60% Law that affects how are Part-time faculty are hired. Effective immediately, we can negotiate to increase Part-time faculty assignments from the former cap of 60% to the newly allowed cap of 67% of a Full-time assignment.

Note that I said this has to be negotiated. We have referenced the former 60% cap throughout our Contract, and it will be necessary for the District and the Faculty Association to rewrite the affected sections and permit the cap to go to 67%. The parties are committed to doing this and are working in this direction. We will keep you posted.

Alternate Duty Assignments

Article 10C.3 of the Contract sets parameters for Alternate Duty Assignments, which usually equate to Release Time jobs and Coordinator responsibilities. Both the FA and the District have recognized the need to improve this language in this Article, and we are close to having a document ready to submit to you for ratification in the near future.

**CHABOT-LAS POSITAS FACULTY ASSOCIATION
MEMBERSHIP APPLICATION FORM**

TO: All Faculty

Thank you for your support of the Faculty Association.

Our Dues Structure is as follows:

Contract, Regular, and Temporary Faculty: \$39. per month for each of ten months (\$390 annually).
\$32.50 per month for each of twelve months (\$390 annually).

Part Time Faculty: \$10. per month for each pay period*

**Non-continuous employment may require filling out a new form upon reemployment.*

Please return this form, including the Payroll Deduction Authorization below, by **Campus Mail** to:

Shari Jacobsen, Chabot College Membership

Shari will send a copy to our Treasurer, Kevin Ankoviak of LPC and another copy to the District Office Payroll Department.

Thank you for your support of the Faculty Association.

For our records:

Name: _____

Division/Area _____

Phone Numbers are optional, but appreciated:

Phone (Office): _____ Home _____

Home Address (Optional): _____

Payroll Deduction Authorization Form:

To Chabot-Las Positas Community College District:

You are hereby authorized to deduct from my regular salary warrants the amount for organizational dues payable to Chabot-Las Positas Faculty Association, and transmit these deductions to the Chabot-Las Positas Faculty Association without further liability to the District. This authorization shall remain in force until modified or revoked in writing by me, or by the Chabot-Las Positas Faculty Association.

Social Security or W Number _____ Date _____

Name _____

Signature _____

Status: Check One

College: Check One

Contract/Regular/Temporary _____

Chabot _____

Part-Time _____

Las Positas _____

Just return this page in an envelope to **Shari Jacobsen, Chabot College, Membership.**

Thank you very much,

The Chabot-Las Positas Faculty Association