

CEO REPORT

A weekly report
from the office
of the CEO

April 18, 1994



The proposed ancillary benefits program, which includes programs not directly related to wages, medical, or retirement benefits, will be considered at the April 27 board meeting. Last week, the Executive Management Committee forwarded to the Board without recommendation the package developed by our benefits consultant A. Foster Higgins, along with some minor modifications by the MTA Benefits Implementation Team (BIT).

The following are highlights from the program:

- Time Off with Pay (TOWP), which combines sick and vacation time. See BIT newsletter for details.
- Holiday Schedule — Add Martin Luther King, Jr. Day to the list of holidays and reduce the annual TOWP accrual by eight hours to compensate.
- Flexible Work Schedules/Workweek — Institute a 40-hour work week for all employees. Upon conversion to the 40-hour work week, former LACTC employees should receive a one-time credit to their vacation accounts of 5.26316% of their remaining hours, due to the different number of hours used to calculate hourly pay rates. This adjustment is necessary to offset the resulting reduction in hourly pay rates for former LACTC employees when the 2080-hour work year is applied to their salaries.
- Transportation Pass Subsidy — Adopt A. Foster Higgins' recommendation, which provides a pass for all employees and their dependents, plus an optional subsidy up to \$102 a month for non-represented employees who use transit services not operated by the MTA. BIT recommends that MTA coordinate with other carriers in the region to develop a pass that is universally honored.

The proposal, if approved, represents a significant milestone in the merger process. If given the green light by the Board at the next meeting, the ancillary benefits

program could be implemented by July 29, 1994.

Health and welfare benefits are targeted for an August 1, 1994 implementation date. A committee is scheduled to recommend plan providers to the Board in May, 1994.

Retirement benefits (including post-retirement medical insurance) will be developed once the determination is made on whether the MTA is required to participate in Social Security. We hope for a verbal decision from the Internal Revenue Service on that matter in May. We're told that a written opinion may follow in June.

Classification/Compensation Update

MTA continues on course with the classification and salary program. This week, our class./comp. consultant, William Mercer, continues to update the recommendations for the agency's new classification system and salary structure. We urge department heads to return the job specifications immediately. They were due two week ago! Next week, the consultant, along with the executive officers and myself, will develop an agency pay philosophy. An employee communications program on class./comp. is now being developed.

CEO Advisory Group

I had my first meeting with the new CEO Advisory Group 10 days ago. It is comprised of men and women throughout the agency who will come together at least once a month.

Our pilot
telecommuting
program begins
the first of
the fiscal year.

The group will make me aware of issues that haven't as yet been addressed, or things that I may have believed were happening, but are not and, in general, provide advice on internal communications. And I can share with the group my thoughts and solutions to the problems posed by the budget challenges that lie ahead. In the meantime, I thought you'd be interested in some of the concerns the group voiced during the first meeting:

- Pay for performance.
- The CEO Advisory Group must communicate with employees.
- The agency must deal with the perception that employees who work in the 818 Building have something that those in the 425 Building do not, and vice versa.
- Management must have a sensitive approach to downsizing and we need to show that we have done all we can to avoid layoffs.
- We must understand what each other does and develop an appreciation for other roles and functions.
- The agency must act like a private company.
- We must find ways internally to generate new money.
- We need to instill pride and encourage employees to do better.

The group also listed desired outcomes from better communication within the agency:

- A class-consciousless company (no longer elitist).
- A customer-focused organization that is cost effective.
- A company with a corporate image.

There was one outcome voiced that I, perhaps, like the best:

- Each employee feels valuable and feels valued by the company.

The group will meet again on April 28. As we continue to develop our goals, I will keep you apprised.

Special Bulletins Launched

There may be issues that affect all employees which happen suddenly during the week. Instead of waiting for the **CEO Report** the following Monday, look for our

newly developed **Special Bulletin**, which will be faxed to all departments immediately after the news breaks. It's part of my pledge to improve morale.

More Vanpools Available

The MTA will soon launch its eighth and ninth vanpools, the latest additions to our popular employee vanpool program. In early May, operators from Division 18 in Carson will be able to take an early morning vanpool from Victorville, with a stop in Moreno Valley, to their division. Also, mechanics bound for CMF who live in the Victorville area can be a part of a new vanpool. Human Resources' Jay Fuhrman at extension 2-4827 heads the vanpool program.

And, because of the earthquake, two emergency vanpools for operators at Division 8 and Division 15 will start within two weeks. Look for the start-up of more vanpools in the coming year.

Telecommuting Update

Our pilot telecommuting program begins the first of the fiscal year. It involves only non-represented employees and is subject to approval of your immediate supervisor, department head, and executive officer. If approved for the program, you can telecommute up to twice a week from home. You need to furnish your own computer and phone. Questions should be directed to Jay Fuhrman or Dan Wright, extension 4-6983.

Washington-Bound

Last week, I testified at two hearings in Los Angeles on MTA's transportation response in the wake of the January 17 earthquake. The first was conducted before Sen. Dianne Feinstein; the second was before the House Committee on Public Works and Transportation.

In two weeks, I head to Washington where I'll testify before the Surface Transportation Subcommittee. We will be seeking federal assistance for the Metro Rail, ATTB, and other capital projects. This is the time of year when Washington starts its budget appropriations for the 1995 fiscal year. I'm especially concerned about President Clinton's recommendation to cut transit subsidies. I'll keep you informed.

Franklin White

*I welcome your comments and questions in response to **CEO Report**, which is designed to provide employees with direct communication with my office. Please contact either of my Special Assistants, Michael Gonzalez at 244-7476, or Phyllis Tucker at 244-6191. Also, employees can fax comments to 244-6014.*

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