

CUEA

Bargaining Information

March 2010

**Copies of presentation and Factfinding
Report on www.cuea.org**

Meeting Agenda

- CUEA Bargaining Goals
- Neutral Factfinder Report Recommendations
- Panel Concurrence
- What happens now?

CUEA Bargaining Goals

- ☑ **Evaluated** district budget
- ☑ **Maintained position** of temporary solutions for a temporary funding deficit
- ☑ **Maintained position** of restoration of unit member compensation when the economy improves
- ☑ **Negotiated Language** that seeks to improve working conditions for members

Factfinding Report Recommendations

Summary of the Report

- Narrative on background information regarding the dispute between the parties; Laws that govern the process; and comparison districts.
- **Main issue before the Factfinder – Ability to Pay**
 - Not unexpectedly it was found that while the 2009/10 budget is balanced, 2010-11 and 2011-12 were not, and that the District met its burden of proof on an inability to pay status quo.
 - The district has not budgeted for additional student growth in 2009-2013, according to the neutral, “Therefore, the zero increase in ADA for three years in the budget is a very questionable assumption.”
 - ...“There are several additional cost savings options available to the District such as closing small schools reorganizing programs which may be considered by the Board...The Chair realizes that all these choices are difficult, but maintaining a motivated workforce is essential to teaching children in our public schools.”

Factfinding Report Recommendations

Summary of the Report

Recommendations made by Neutral Factfinder on wage, health benefits, class size and work year reductions. These are not binding on CUEA or CUSD.

General Concepts:

- 3 Year Agreement contained in a Memorandum of Understanding (MOU) – Would not change the current contract provisions on wages, health benefits, work year and class size.
- All reductions made in MOU would sunset at the end of the 3 year term – go back to current contract levels at the end of the term.
- Contains restoration language for each year on wage and work year reductions.
- Recommended class size increases would go back to previous levels when the funding level from the state returns to the 2007-08 levels.

Factfinding Report Recommendations

2009/10

- Work Year reduction 3 days = 1.6%
- Restoration language if additional revenue is received

2010/11 and 2011/12

- Work Year reduction 5 days = 2.7%
- Wage reduction of 1%
- Restoration language if additional revenue is received
- Health Benefit changes = 1%
- Increase class size by 2 students grades 4-12 = 4%

Factfinding Report Recommendations

Total Reductions Recommended by Report

	<u>2009/10</u>	<u>2010/11</u>	<u>2011/12</u>
Work year	1.6%	2.7%	2.7%
Wage		1.0%	1.0%
Health Ben		1.0%	1.0%
<u>Class Size</u>		4.0%	4.0%
	1.6%	8.7%	8.7%
<u>Reduction</u>			
<u>To Salary</u>	1.6%	3.7%	3.7%

Factfinding Report Recommendations

Health Benefits 2010/11 and 2011/12

- **Contained in the MOU – go back to original contract at the end of the 3 year term**
- **Health Benefit changes = 1%**
- **Recommendation speaks to starting HB changes as soon as possible, but no later than January 1, 2011.**
- **Changes only to Blue Cross HMO and POS Plans**
- **Changes are made on a “percentage share” basis**
- **Blue Cross HMO – District pays 90%, employee pays 10%**
- **Blue Cross POS – District pays 85%, employee pays 15%**
- **Kaiser continues to have no employee contribution to the premium**

Factfinding Report Recommendations

Health Benefits 2010/11 and 2011/12

- Using the 2010 rates, what would the tenthly out of pocket look like for employees.

	<u>EE</u>	<u>EE+1</u>	<u>Family</u>
BC HMO	\$49.01	\$101.32	\$144.12
	\$0.00	\$0.00	\$0.00
BC POS	\$100.21	\$209.13	\$298.25
	\$67.50	\$148.80	\$215.25
Kaiser	\$0.00	\$0.00	\$0.00
	\$0.00	\$0.00	\$0.00

**Proposed changes

**Current tenthly contributions

Wage Reduction Side-by-Side

Side by Side of Neutral Factfinder's Recommendations and District's Last, Best, and Final proposal – wage reductions only

	2009/10	2010/11	2011/12
Neutral's Rec.	1.6%	3.7%	3.7%

District's L,B & F **10%****

**** Permanent, until changed through negotiations**

Factfinding Panel Concurrence

- **Factfinding panel consists of Neutral, who was selected by both parties, a District appointee and an Association appointee.**
- **After the hearing, the panel confers on the report. Ultimately, the Neutral writes and decides on what recommendations are included in the report.**
- **District and Association panel members then go on record on whether they concur, dissent, concur in part or dissent in part.**

Factfinding Panel Concurrence

- **Association concurred with the report**

- This means that we agree to the findings and the recommendations in the report as a basis for a settlement.

- **District responded with a qualified concurrence**

- This means that they agree with the findings on the fiscal amount needed, but not the Neutral's Recommendations on how to structure the settlement.

Factfinding Panel Concurrence

- **The District concurs with;**
 - **Inability to pay status quo**
 - **Who comparison district's are**
 - **An overall cut of 10.32% over a three year-agreement**
- **The District disagrees with;**
 - **Cuts being temporary, must be long-term**
 - **Furlough days (District proposed)**
 - **Changing budget priorities in order to offset employee cuts**
 - **Increasing class size – even on a temporary basis (District proposed)**
 - **Budget deficit will improve next year – **This fact was never asserted by the Neutral**

Factfinding Panel Concurrence

- The Neutral Factfinder, that ultimately wrote the report recommendations, was selected by both parties.
- The Neutral was selected because of her experience, training, and knowledge regarding school budgets and programs.
- The Neutral does not have an interest in either side of the issue. Looks at the facts and recommends a settlement.

Again, the School Board will not listen to anyone – even the Neutral that they helped to select.

Factfinding Panel Concurrence

“The District has concluded that the recommendations contained therein do not provide a basis upon which a resolution of the impasse can be achieved.”

From a letter written by the district to the mediator regarding the Factfinding report dated March 17, 2010.

Comparison Districts

Comp Districts	% Layoff	2009/10	2010/11	2011/12
Brea Olinda	6%	2 FD, HB maintain	8 FD, HB maintain	2 FD, reopen
Capistrano	4%	3 FD	5 FD, -1%, HB reductions	5 FD, -1%, HB reductions
Garden Grove	.1%	0%, HB plan changes	Not Settled	Not Settled
Los Alamitos	0%	2 FD., HB maintain	6 FD, HB maintain	reopen
Orange	2%	4 FD, HB maintain	4 FD, Reopen	4 FD, Reopen
Placentia	.3%	4 FD, HB maintain	6 FD, HB maintain	Not settled
Saddleback	8%	Impasse		
Santa Ana	5%	0%, HB maintain	Not Settled	Not Settled
Tustin	4%	0%, HB increased	Not settled	Not settled

What happens next?

- District and Association can go back to the bargaining table
- District can impose their last, best and final
- Exhaustion of the bargaining process occurs after the issuance of the report and the parties failure to reach a settlement – It is now legal to participate in protected work stoppages.

Questions