

CUEA

Bargaining Information

February 2010

**Copies of presentation on
www.cuea.org**

CUEA Bargaining Team

- Sally White, Chair
 - Addie Carroll
 - Joy Kelly
 - Norm Heidner
 - Rob Lipsett
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 - Christine Balentine
- George White Elem
 - San Juan Hills HS
 - Arroyo Vista Elem
 - Tesoro HS
 - Speech Path
 - Capo Valley HS
 - CUEA Exec Director

Meeting Agenda

- Bargaining Process
- CUEA Proposal
- CUSD Proposal
- District Budget Facts
- State Budget Facts
- Next Steps

Bargaining Process

- 09-10 Initial Proposal submitted – Apr 1, 2009
- Initial Proposal “Sunshined” – April 13, 2009
- June 8, 2009 – Start bargaining
- June 17, 2009 – CUSD declared impasse
- July to October – Mediation
- January 25-26 – Factfinding Hearing
- February – 30 days to receive report
- February-March – Report must be given to the public – Can go back and bargain at any time

Factfinding Hearing

- Started at approximately 8:30 am
- Both sides presented facts to support their respective positions to the panel
- Panel convened to discuss possible mediated settlement
- Association believed progress was being made until about 1 am
- District presented a two-year proposal that exceeded 10%
- Talks continued until approximately 4 a.m.
- Factfinding hearing was recessed at approximately 4:30 a.m.

CUEA Bargaining Goals

- **Evaluate** the district's true financial condition
- **Mitigate** the impact of potential revenue reductions on unit members by looking at temporary solutions for a temporary funding deficit
- **Restore** unit member compensation when the economy improves

CUEA Initial Proposal

The Association submitted the following initial proposal

- **Article 1** – Length of Agreement
- **Article 5** – Hours of Employment
- **Article 9** – Transfer, Reassignment
- **Article 10** – Leaves
- **Memoranda of Understanding**

Tentative Agreement on Language Items

- The Tentative Conceptual Agreement outlined below by the District and CUEA is contingent upon and subject to agreement on a final settlement package. **HIGHLIGHTS ONLY**
- **Article 5 – Hours of Employment**
 - **Memorandum of understanding – Provides for overlap time for K teachers and structuring supervision schedules at elementary sites to divide duties amongst the staff**
 - **K-5 ACE days shall be scheduled accordingly:**
 - 1 ACE day – One hour staff meeting
 - 1 ACE day – grade level/ department meeting or staff development
 - 2 ACE days – to be used for teacher prep (Except January, only 1 ACE day)
 - **6-8 ACE days shall be scheduled accordingly:**
 - 1 ACE day – One hour staff meeting
 - 2 ACE days – site/grade level/department meetings or staff development
 - 1 ACE day – to be used for teacher prep

Tentative Agreement on Language Items

- **Late start days at high school shall be scheduled with input and approval of the staff.**
- **Faculty meetings shall be no longer than one hour and conducted no more than once a month.**
- **First and Last student day for K-5 will be minimum days**
- **Last student day for 6-8 to be a minimum day**
- **Two pre-service days are to be free of in-services, workshops, meet and greets and all other site activities. There shall be a two hour staff meeting on the first pre-service day only.**
- **Last day of service shall have no site or district meetings.**
- **The District and Association are jointly interested in looking at a more effective Special Education program. Topics to discuss; full inclusion, more effective IEP meetings, creative scheduling of IEP meetings, and district-level diagnostic team, etc.**

Tentative Agreement on Language Items

- **All unit members who cover another unit member's class, whether voluntarily or by directive, shall be paid at the hourly instructional rate for all recorded absences. This shall be equally applied to elementary teachers as well.**
- **Article 9 – Transfer and Reassignment**
- **Change the District Initiated Transfer due to a Surplus situation language to reflect the utilization of criteria in which to base the selection. After the criteria is applied, the least senior from those considered shall be transferred. If a tie in seniority exists, the member with the least seniority at the site shall be transferred.**
 - Up to 10 days prior to the start of the teacher work year, voluntary or involuntarily surplussed individuals will have an option to return to the surplus site.

Tentative Agreement on Language Items

■ Article 10 – Leaves

- Two additional personal necessity days may be used for any personal reason as deemed necessary by the employee. This would make a total of three days that may be used for any personal reason as deemed necessary by the employee.**
- “Aunt” and “Uncle” shall be added to the approved list of family member for which a unit member can seek bereavement leave.**
- District shall provide that itinerant unit member positions be provided with appropriately certified coverage for long term absences.**

■ Memorandums of Understanding

- Incorporate all current MOU’s into the body of contract**
- Delete MOU for K, 4-5 assistance. Already in body of contract.**
- Amendments to the MOU for Kindergarten and Full Inclusion**

CUEA's Last Proposal in Factfinding

- Two year agreement
- Language to "trigger off" compensation cuts if increased funds came in
- Language to restore salary schedule and work year to current status at end of term of agreement

2009/10

2010/11

-2 furlough days = 1%
 -Implement HB Reductions
 approximate savings = 1%

-5 furlough days = 2.5%
 -Continue HB reductions
 = 1%
 -Accept district proposal of increase
 to class size by 1 student in grades
 1-12. = 1.94%

Savings = 2%

= 5.44%

Two year percentage total

= 7.44%
\$14.136 m

CUSD Formal Proposal

...the district proposes that CUEA consider the options set forth below.

- An “across the board” reduction in all certificated salary schedules of up to 10% effective 7/1/09;
- Freeze “step and column” movement effective 7/1/09;
- Effective 7/1/09, implement reduction in work year of up to five days with corresponding reduction in pay;
- Freeze the District contribution for health insurance premiums;
- Purchase insurance coverage and health insurance plans effective 1/1/2010 through alternative medical insurance providers;
- Effective 6/30/2010, eliminate retiree health benefits.

CUSD Proposal in Factfinding

Until the factfinding report is released, CUEA can not be specific about the proposal made in factfinding by the District, can only give basic concepts that were proposed.

- Permanent compensation cuts in salary and health benefits
- Increases to class size
- Two year agreement
- Over two years, cuts to compensation exceed 10%

District Budget Facts

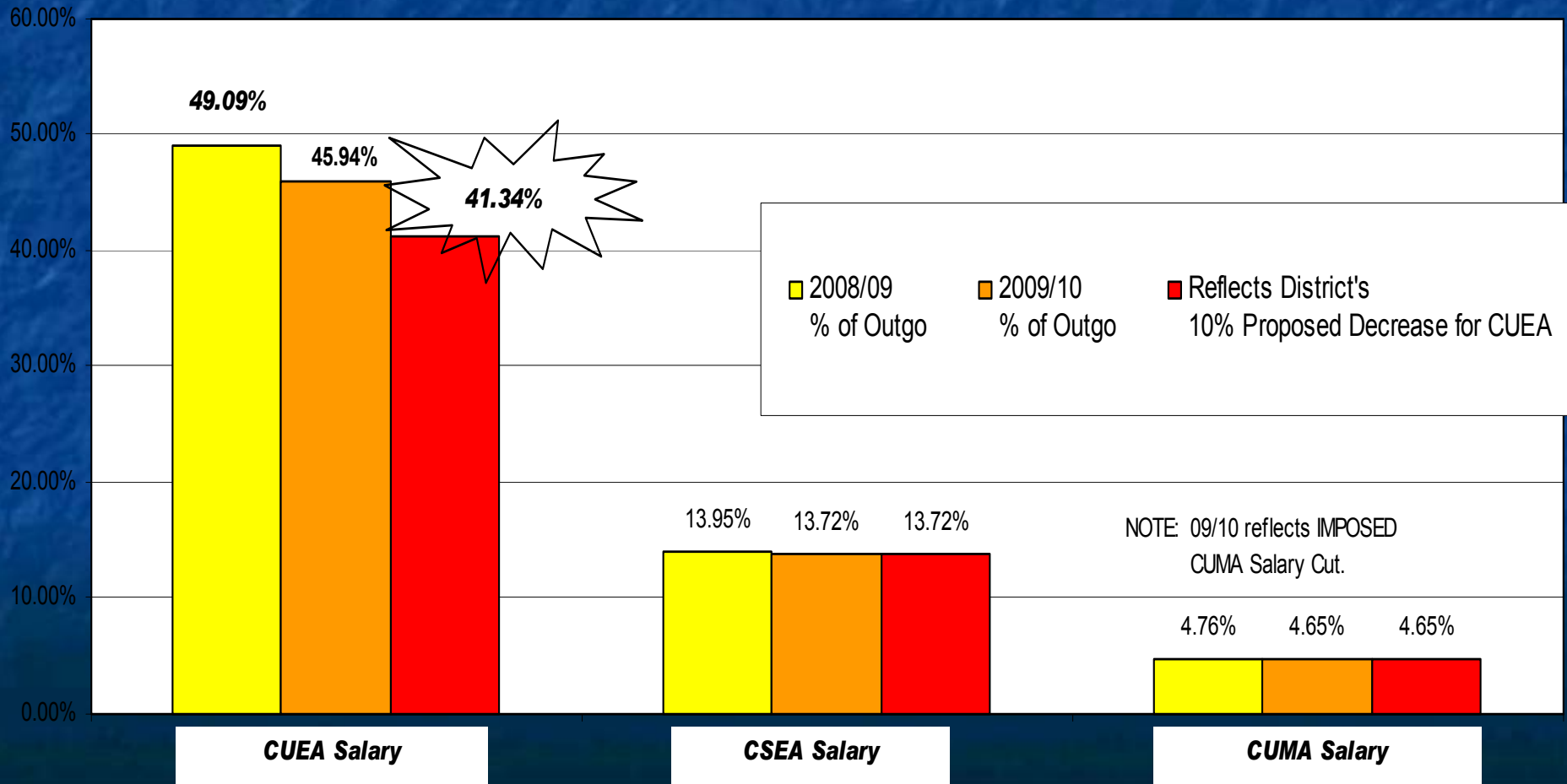
CUEA has taken the largest cut in 2009-10

- **CUEA lost approximately 256.2 FTE**
- **This reduction in personnel was an approximate cut of \$11 million**
- **This loss was through layoffs and by the district incorrectly putting 43.0 FTE administrators on the teacher salary schedule**
- **This is a 10.49% decrease in teachers and other certificated staff as represented by CUEA.**
- **CSEA staff was increased by 1.58%**
- **CUMA staff was increased by 20.67%**

District Budget Facts

- CUEA's percentage of expenditures was decreased more than the other employee groups in CUSD.

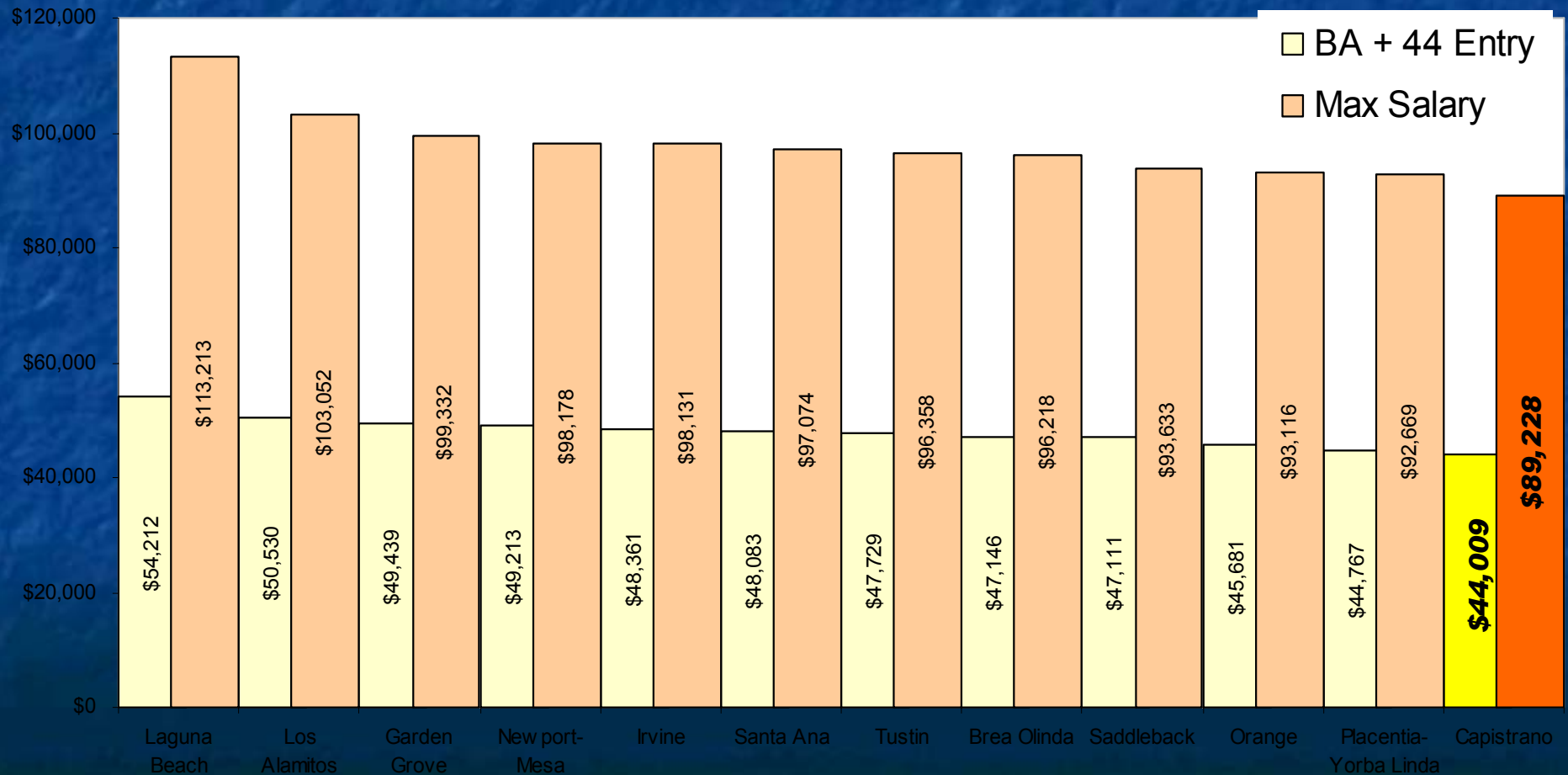
District's 10% Salary Reduction Proposal REFLECTED for CUEA



District Budget Facts

The District's ability to recruit and retain quality educators would be severely compromised if the District's offer is implemented.

OC Unified Districts' 2009/10 Salary Comparison Reflects District's Proposal of a 10% Salary Decrease



District Budget Facts

- Growing District
- District is not budgeting for any growth
- Average growth of 432.6 ADA since 2003-04

Year	ADA	Increase from Prior Year
2003-04	47,458	
2004-05	48,130	672
2005-06	48,515	385
2006-07	48,713	198
2007-08	49,136	423
2008-09	49,621	485

District Budget Facts

- The District is not fully utilizing budget flexibility provisions as authorized by law.
- The District has the ability to transfer out an additional \$1.5 million out of Deferred Maintenance

CUSD History of Deferred Maintenance Fund 14

	Year	Deferred Maintenance Expense	Deferred Maintenance Projected Expense	Deferred Maintenance Ending Balance	Deferred Maintenance Projected Ending Balance	Deferred Maintenance Transfers In	Deferred Maintenance Transfers Out
Projected	2009-10	Projected \$1,830,000		\$3,608,426			\$3,334,001
Unaudited	2008-09	\$1,096,070	\$2,674,967	\$7,132,196	\$5,581,176	\$2,050,000	
Unaudited	2007-08	\$2,194,036	\$4,297,765	\$4,388,643	\$2,408,812	\$2,050,000	
Unaudited	2006-07	\$3,617,698	\$3,500,000	\$2,478,805	\$2,689,835	\$1,750,000	

What was spent (with arrow pointing to the 2009-10 projected expense cell)

The District has the legal ability to transfer \$1.5 m above and beyond the \$3.3 m and still maintain historic expenditure level.

District Budget Facts

- The District is not fully utilizing budget flexibility provisions as authorized by law.
- The Cafeteria Fund has unspent reserves that have grown over the years that could be used to offset the deficit.

CUSD History of Cafeteria Fund 13

**Growing
Ending Balance**

	Year	Fund 13 Revenue	Fund 13 Expenditures	Fund 13 Ending Balance
Projected	2009-10	\$12,037,787	\$11,871,629	projected \$2,099,701
Unaudited	2008-09	\$11,664,659	\$10,920,269	\$1,993,543
Unaudited	2007-08	\$11,307,224	\$11,132,422	\$1,189,153
Unaudited	2006-07	\$10,921,867	\$11,312,620	\$1,014,351

District Budget Facts

- The District has hired 11 different law firms to represent the District in a variety of lawsuits.
- This item in the budget has been projected to increase \$2,377,993 in 2009/10.
- The District should go back and spend what was originally budgeted.

CUSD History of Professional/Consulting Services Object Code 5800

	Year	Projected Expenditures	First Interim Expenditures	Difference
First Interim	2009-10	\$9,073,298	\$11,451,291	\$2,377,993
Unaudited	2008-09	\$9,897,119	\$9,829,259	(\$67,860)
Unaudited	2007-08	\$9,739,146	\$12,258,612	\$2,519,466

Increase to Expenditures



State Budget Facts

- **No mid year cuts to school agencies in 2009-10**
- **Cut to revenue Limit of -0.38% in 2010-11**
- **Biggest cut to 2010-11 is targeted to Central Administration – meaning not the classroom**
 - **This Central Administration cut = -\$201 per ADA less = \$10,000,000 to CUSD**

State Budget Facts

- When you hear that the “**NEW**” deficit for CUSD is \$34 million - \$10 million is from the cut that is supposed to come from Administration.
- **CUSD is trying to have teachers bear the lion share of this cut - contrary to what the Governor’s proposed budget said.**

State Budget Facts

- Additional money that is projected to be available to CUSD
- Second Round of Federal Stimulus Funds – this is projected to be a little over a million dollars
 - Will backfill for the 2010-11 -0.38% reduction in the revenue limit.
- Federal Education Jobs Fund which is under review of the Congress currently.
 - Is approximately \$23 billion – means roughly \$2.5 billion to California.
 - Would offset the \$1.5 billion (-\$201 per ADA) Central Administration cut
 - Would provide roughly another \$100 per ADA to CUSD = approximately \$5 million