



## SACRAMENTO CITY UNIFIED SCHOOL DISTRICT BOARD OF EDUCATION

Agenda Item# 11.5

**Meeting Date:** June 14, 2012

**Subject:** AB1200 Disclosure of Cost of the Agreement with Sacramento City Teachers Association (SCTA) Pursuant to Government Code Section 3547.5 and Approval of Tentative Agreement with Sacramento City Teachers Association (SCTA)

- ☐ Information Item Only
- ☐ Approval on Consent Agenda
- ☐ Conference (for discussion only)
- ☐ Conference/First Reading (Action Anticipated: \_\_\_\_\_)
- ☒ Conference/Action
- ☐ Action
- ☐ Public Hearing

**Division:** Human Resource Services

**Recommendation:** AB1200 Disclosure of Cost of the Agreement with Sacramento City Teachers Association (SCTA) Pursuant to Government Code Section 3547.5 and Approval of Tentative Agreement with Sacramento City Teachers Association (SCTA)

**Background/Rationale:** Government Code § 3547.5 requires districts to provide the Board of Education, as well as the public, with a summary and costs of negotiated agreements with exclusive representatives before they are implemented.

Included are the Cost of the Agreement (Attachment A) and Tentative Agreement (Attachment B).

**Financial Considerations:** See Attachment A

**Documents Attached:**

Attachment A - Cost of the Agreement

Attachment B - Tentative Agreement

**Estimated Time of Presentation:** 5 minutes

**Submitted by:** Jess Serna, Chief Human Resource Officer

**Approved by:** Jonathan P. Raymond, Superintendent

## **Board of Education Executive Summary**

### **Human Resource Services – AB1200 Disclosure and Tentative Agreement**

#### **I. Overview/History:**

Government Code §3547.5 requires districts to provide the Board of Education, as well as the public, with a summary and costs of negotiated agreements with exclusive representatives before they are implemented. The AB1200 Disclosure provides a summary of the major provisions of the newly negotiated collective bargaining agreement. In addition, the cost of the contract for the current year and the subsequent two years must also be presented to the public prior to final approval.

#### **II. Driving Governance:**

- Board Policy – Administrative Regulation 4243.1 – Public Notice – Personnel Negotiations – Before entering into a negotiated agreement, the Board shall disclose, at a public meeting, the major provisions of the agreement, including but not limited to the costs that would be incurred by the district under the agreement for the current and subsequent fiscal years.
- Government Code 3547.5 – Before a public school employer enters into a written agreement with an exclusive representative covering matters within the scope of representation, the major provisions of the agreement, including, but not limited to, the costs that would be incurred by the public school employer under the agreement for the current and subsequent fiscal years, shall be disclosed at a public meeting of the public school employer in a format established for this purpose by the Superintendent of Public Instruction.
- Government Code 3540.2 – A school district that has a qualified or negative certification pursuant to Section 42131 of the Education Code shall allow the county office of education in which the school district is located at least 10 working days to review and comment on any proposed agreement made between the exclusive representative and the public school employer.

#### **III. Budget Impact – See Cost of the Agreement**

#### **IV. Goals, Objectives and Measures:**

Sacramento City Teachers Association (SCTA) and the District negotiated in good faith to reach a two year agreement. Both parties recognize that this agreement anticipates that the state school finance system will remain substantially unchanged as prescribed in current law. If there are any changes in the funding the parties will meet to negotiate modifications to the agreement. The terms and conditions of the agreement are outlined in the Tentative Agreement signed by the parties on May 30, 2012.

## **Board of Education Executive Summary**

### **Human Resource Services – AB1200 Disclosure and Tentative Agreement**

#### **V. Major Initiatives:**

The agreement allows for a three year extension of the contract with the following provisions:

- Each unit member's work year and corresponding compensation shall be reduced by a total of two (2) days in each of the 2012-13 and 2013-14 work years.
- Possible further reductions will be initiated if the "Temporary Taxes to Fund Education. Guaranteed Local Public Safety Funding" is not passed by the voters in November, 2012. Each bargaining unit member's work year and corresponding compensation shall be reduced by up to an additional ten (10) days in 2012-13 and possibly carried forward into 2013-14 (see entire agreement for specific reductions)
- Effective the 2012-13 plan year, the health plan covering bargaining unit members shall be amended: Kaiser plan shall have a co-pay for office visits of \$10, an emergency room co-pay of \$75 and tiered prescription coverage of \$10, \$20, and \$35. The District shall pay only for one plan to cover the unit member and his/her spouse/domestic partner. The seventy five dollar (\$75) per month rebate paid to employees with employee-only health insurance coverage will be eliminated.
- Subsection 4d of the June 14, 2010 agreement shall be deferred until July 1, 2014 when the savings shall be applied to the SCTA salary schedule.
- Except as otherwise provided in the agreement, the terms of the collective bargaining agreement between the parties' shall be closed for the 2012-13 and 2013-14 school years.
- Teachers who are assigned to teach split classes (more than one grade level) shall not receive an evaluation per Article 6 of the collective bargaining agreement in the 2012-13 school year.

#### **VI. Results:**

Good faith bargaining between the parties resulted in a signed agreement between Sacramento City Teachers Association (SCTA) and the Sacramento City Unified School District.

#### **VII. Next Steps:**

Approve AB1200 Disclosure of Cost of the Agreement and Tentative Agreement with the Sacramento City Teachers Association (SCTA) and the Sacramento City Unified School District.

ATTACHMENT A

**REVIEW OF COSTS OF TENTATIVE AGREEMENT  
BETWEEN**

**SACRAMENTO CITY UNIFIED SCHOOL DISTRICT  
AND  
SACRAMENTO CITY TEACHERS ASSOCIATION (SCTA)**

Pursuant to AB 1200, a summary of the major provisions of the newly negotiated collective bargaining agreement must be presented for public comment prior to board approval. In addition, the cost/savings of the contract for the current year and the subsequent two years must also be presented to the public prior to final approval.

The savings contained in this agreement include the implementation of two (2) furlough days for 2012-13 and 2013-14 school year, and ten (10) additional furlough days should the Governor's Tax Initiative fail.

In addition, the agreement contains savings from changes to SCTA health benefits effective 7-1-12. The changes include the elimination of dual coverage for members, elimination of the single member rebate and increases to the office visit, prescription and emergency room co-pays.

The savings or cost of the agreement including the ten additional furlough days is as follows:

<b>Contract Year</b>	<b>General Purpose Funding</b>	<b>All Other Funding</b>
2012-2013	(\$11,709,900)	(\$2,066,500)
2013-2014	(\$11,709,900)	(\$2,066,500)
2014-2015	\$0	\$0

The Superintendent and Chief Business Officer certify in writing that the savings or cost of the agreement incurred by the school district under this Agreement can be met by the District during the term of this Agreement.

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Jonathan P. Raymond, Superintendent

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Patricia A. Hagemeyer, Chief Business Officer

## **TENTATIVE AGREEMENT**

**Sacramento City Teachers Association  
and  
Sacramento City Unified School District**

**2012-1013 and 2013-2014 Fiscal Years**

The Sacramento City Teachers Association ("SCTA") and the Sacramento City Unified School District ("District"), collectively referred to as "the parties" have considered their mutual interests and recognized the value of and benefit of a positive long-term relationship.

### **RECITALS**

- A. Weaknesses in state revenues have burdened State and local governments.
- B. The Governor and State Legislature are attempting to craft a state budget that will impact the local school districts' revenues in a constrained fiscal environment.
- C. As a result, state education funding for the District has been diminished in recent fiscal years.

Accordingly, the parties agree as follows:

1. The parties recognize that this Agreement anticipates that the state school finance system will remain substantially unchanged as prescribed in current law. If there is a significant change in the funding system (e.g., "sweeping" of categorical funds, weighted student formula, or some other significant structural change in funding), the District will provide prompt written notification to the SCTA of its belief that such a change has occurred. Based on this notification, the parties will meet promptly thereafter to negotiate modifications to this Memorandum that attempts to carry forward the intent of the current agreement while also conforming to the relevant changes in the school funding system.

## **2. Reduction of the 2012-13 and 2013-14 Work Years**

Each unit member's work year and corresponding compensation shall be reduced by a total of two (2) days in each of the 2012-13 and 2013-14 work years. The days that shall be eliminated from each unit member's work year shall be non-work days, and shall be determined by mutual agreement of the parties. The value of each day shall be calculated at the rate of .54% and the salary schedule for the 2012-2013 and 2013-2014 work years shall be reduced accordingly.

## **3. Possible Further Reduction of the 2012-2013 and 2013-2014 Work Years**

If the initiative titled "TEMPORARY TAXES TO FUND EDUCATION. GUARANTEED LOCAL PUBLIC SAFETY FUNDING" is not passed by the voters in November 2012, and the failure of this initiative results in a loss of base revenue limit to the District as specified below, each bargaining unit member's work year and corresponding compensation shall be reduced by up to an additional ten (10) days in 2012-13 and possibly carried forward into 2013-14, as follows:

- A) If by January 1, 2013, it is known that the state shall reduce the District's 2012-13 funded base revenue limit per student (BRL/ADA) by more than \$50/ADA below the current level of \$5,211 due to failure of the initiative, and this loss is not offset by other potential unrestricted increases in state or federal funding, each bargaining unit member's work year shall be reduced by one day for every \$28 of funded BRL/ADA reduced (or major portion thereof) beyond the first \$50 of funded BRL/ADA reduced, up to a maximum of ten (10) days beyond those already provided for in Paragraph 2 above. The salary schedule shall be reduced by 0.54% for every day cut. If the initiative fails and if by January 1, 2013 there is a reduction in the District's funded BRL/ADA of more than five hundred dollars (\$500), the parties agree to implement the 10 day reduction and to re-open

negotiations to discuss the impact of the funding reduction.

Paragraph 1 shall supersede paragraph 3 (A).

- B) This reduction in the work year and salary schedule, if any, shall continue into 2013-14 unless the District's 2013-14 funded BRL/ADA is increased by \$50 per student or more beyond that provided in 2012-13. In that case, one work day (and corresponding increase in salary) shall be added to the work year for every \$28 of funded BRL/ADA increased (or major portion thereof) beyond the first \$50 BRL/ADA increase, up to full restoration of the days (and corresponding salary) reduced in Paragraph 3A above.
- C) If the District receives any increase in its funded BRL/ADA for 2012-13, or an increase in funded BRL/ADA for 2013-14 that exceeds that necessary for full restoration of the days (and corresponding salary) as specified in Paragraphs 3 A & B above, the parties agree to immediately reopen negotiations to bargain over possible enhancements to bargaining unit members' compensation.
- D) If state law does not allow the school year to be reduced up to ten (10) days in either year, the parties shall reopen negotiations for the sole purpose of determining if/how unit members' compensation may be reduced to accommodate a temporary reduction in pay/benefits that equates to the difference in what has already been reduced due to loss of days and the maximum possible loss of ten (10) days' pay (per the formula detailed in subparagraphs 3A & 3B above).
- E) The designation of days for reduction shall be by mutual agreement of the parties. In the event of no agreement regarding the

designation of the work days to be eliminated, those days shall be taken at the end of the work year.

F) Any days as prescribed in paragraph 2 and 3A above shall be taken around a District shutdown day. All District employees (excluding child development and adult education as needed to administer their programs) will take these as non-paid days and facilities shall be closed (e.g., Christmas Day).

G) The District acknowledges the importance of teacher's uninterrupted instructional minutes with students. In an effort to honor that time the District and SCTA agree to work together to significantly reduce the number of District Initiated Absences (DIA). If the language in subparagraph 3A or 3B is triggered in either the 2012-13 or the 2013-14 school years the parties agree to work together to create a process for the continuation of any training during that school year.

#### 4. Effect of Reductions

A) For 2012-2013 and 2013-2014 school years, the SCTA salary schedules shall be revised in accordance with Paragraphs 2 and/or 3.

B) To avoid a negative long-term impact on service credit towards retirement, and taking into account the current requirement of one hundred seventy-five (175) days to meet the standard of full time for retirement credit, the District shall implement the work year reduction to avoid impacting services credit towards retirement to the extent allowed by law.



## **5. Health Care Adjustments**

Effective the 2012-2013 plan year, the health plan covering bargaining unit members shall be amended to provide the following:

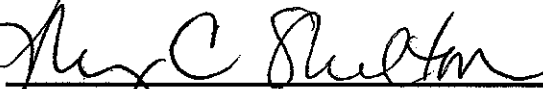
- A. Those unit members under the Kaiser plan shall have a co-pay for office visits of \$10, an emergency room co-pay of \$75, and prescription coverage of \$10.
  - B. Those unit members under the Health Net plan shall have a co-pay for office visits of \$15, emergency room co-pay of \$75 and tiered prescription coverage of \$10, \$20 and \$35.
  - C. In the event that a unit member has a spouse or domestic partner who is also employed by the District, the District shall pay only for one plan to cover the unit member and his/her spouse/domestic partner.
  - D. The seventy five dollar (\$75) per month rebate paid to employees with employee-only health insurance coverage will be eliminated.
6. Subsection 4d of the June 14, 2010 agreement between the district and SCTA provides:
- "On July 1, 2012 the savings shall be applied to the SCTA salary schedule as a flat dollar amount on each cell."
- This payment shall be deferred until July 1, 2014 when the saving shall be applied to the SCTA salary schedule.
- 7. Except as otherwise provided in paragraphs 1 and 3, the terms of the collective bargaining agreement between the parties' shall be closed for the 2012-2013 and the 2013-2014 school years.
  - 8. Teachers who are assigned to teach split classes (more than one grade level) shall not receive an evaluation per Article 6 of the collective bargaining agreement in the 2012-2013 school year.

9. This tentative agreement shall not be effective until and unless it has been ratified by SCTA and approved by the District's Board of Education. The SCTA and District bargaining team acknowledge that by their signatures below they are entering into a good faith commitment to support this Agreement and take whatever actions are necessary to obtain the approval of the parties they represent.

For the District:

  
Jonathan Raymond, Superintendent

  
Jess Serna, CHRO, Chair

  
Amy C. Sullivan

  
Carlos A. Gomez

  
Lisa Allen

Date: 5-30-12

For SCTA:

  
Scott Smith, President

  
Dave Fisher, Chairperson

Date: 5/30/2012