

CAPISTRANO UNIFIED SCHOOL DISTRICT  
San Juan Capistrano, California

April 11, 2011

TO: Jack R. Brick, President  
And Members,  
Board of Trustees, Capistrano Unified School District

FROM: Joseph M. Farley, Superintendent

SUBJECT: **IMPLEMENTATION OF CSEA RESTORATION – FURLOUGH DAYS**

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**BACKGROUND INFORMATION**

On September 28, 2010, the Board approved a two-year collective bargaining agreement with CSEA. Specific to the tentative agreement (Exhibit A, #16) was the restoration of furlough days. The base revenue limit increased from the Governor's January budget, activating the restoration that was explicitly connected to furlough days.

A letter from the Orange County Department of Education Business Services confirms that the base revenue limit for school districts did increase and the District has and will continue to receive the increased funding through June 30, 2011 (Exhibit B).

**CURRENT CONSIDERATIONS**

CSEA leadership, having met with their negotiating team and executive board, officially proposed an implementation plan that restores a total of five days to their members for the 2010-2011 school year and 3.5 days for the 2011-2012 school year. As proposed, classified employees would receive the two instructional furloughs already restored in January 2011 and the three non-statutory holidays (November 26, December 23 and April 8) for a total of five days in 2010-2011. The recommendation further proposes changes to furlough days in 2011-2012:

<b><u>Negotiated Agreement (2011-2012)</u></b>	<b><u>Restoration</u></b>	<b><u>2011-2012 Furlough Days</u></b>
9 month employees – 5 days	3.5 days	1.5 days
10 month employees – 5.5 days	3.5 days	2 days
11 month employees – 6 days	3.5 days	2.5 days
12 month employees – 6.5 days	3.5 days	3 days

Recognizing classified employees fall into part-time and full-time salaried positions as well as part-time hourly, CSEA is committed to provide balance and equity to the implementation of the restoration language across employee classifications. Since all employees incurred furlough days for both the student instructional days and three non-statutory holidays in 2010-2011, the recommended implementation plan may be applied to all classified employees equally. In addition, the restoration moving into the 2011-2012 school year also offers equity across the different employee calendars.

**FISCAL IMPLICATIONS**

The District and CSEA recognize the continued financial problems facing CUSD and school districts across the state. The cost to restore furlough days will undoubtedly be a topic pursued through upcoming negotiations.

**STAFF RECOMMENDATION**

It is recommended the Board President recognize Jodee Brentlinger, Assistant Superintendent, Personnel Services, to present this item.

Following discussion, it is recommended the Board of Trustees approve the proposed implementation plan to restore CSEA furlough days.

DISCUSSION/  
ACTION

**Terms of Tentative Agreement Reached Between the  
Capistrano Unified School District and  
California School Employees Association Chapter 224**

1. The following terms constitute the tentative agreement reached between the parties at 8:00 p.m. on September 1, 2010.
2. Term of the Agreement: This agreement shall be in full force and effect from July 1, 2010 to June 30, 2012. For fiscal 2011/2012 each party shall have the right to reopen two articles.
3. Except as modified herein, the agreement embodies all terms and conditions of the agreement between the Capistrano Unified School District and CSEA Chapter 224 that expired on June 30, 2010.
4. Tentative Agreements: In addition to the agreements set forth in this document, the parties incorporate by reference all other tentative agreements reached by the parties during these negotiations. Said other tentative agreements are attached to this document as Exhibit 1.
5. Work Year Modifications: Work year modifications as agreed to by the parties are attached to this document as Exhibit 2. For fiscal 2010/2011 the work modifications that commence this year are those that modify the employee work calendar to 192 work days including the following classifications- Independence Facilitator-Autism, IBI Assistant/Tutor and Senior IBI Assistant/Tutor. All other work year reductions set forth in Exhibit 2 commence in fiscal 2011/2012.
6. Salary Schedule: Section 11.1 shall be modified as follows: Effective July 1, 2010, the 2009/2010 classified pay schedule shall be reduced by 0.7% [seven-tenths of 1%] up to and including June 30, 2011. Effective July 1, 2011, the classified pay schedule shall be restored to the amount set forth in the 2009/2010 pay schedule.
7. Furlough Days: Section 11.1.1 shall be added as follows:

For fiscal 2010/2011 classified unit members shall take furlough days as follows:

  - a. Nine Month Employees – 5 days
  - b. Ten month Employees- 7.5 days (see MOU)
  - c. Eleven Month Employees- 8 days
  - d. Twelve Month Employees- 9.5 days

For fiscal 2011/2012 classified unit members shall take furlough days as follows:

  - a. Nine Month Employees- 5 furlough days
  - b. Ten Month Employees- 5.5 furlough days
  - c. Eleven Month Employees- 6 furlough days
  - d. Twelve Month Employees- 6.5 furlough days
8. Holidays as Furlough Days: For nine month employees who have a work year reduction as set forth in Exhibit 2 above, the following holidays shall serve as three of the furlough days described in section 7 above for fiscal 2010/2011- November 26, 2010; December

23, 2010 and April 8, 2011. For Fiscal 2011/2012 the following holidays shall serve as three of the furlough days for nine month employees only--November 25, 2011; December 23, 2011, and the local spring holiday, exact date to be adopted by the Board of Trustees in the 2011/2012 calendar. For all other employees set forth in section 7 above for fiscal 2010/2011 the following days shall be unpaid days- November 26, 2010; December 23, 2010 and April 8, 2011.

9. Scheduling of Furlough Days: The Superintendent or designee is directed to meet with the Association to identify which days will be reduced in 2010-11 and 2011-12 by October 1, 2010.
10. Step Freeze: Section 11.1.2 shall be added as follows: Effective September 1, 2010 to August 31, 2011 unit members who are due a step increase on their anniversary date shall not receive said step increase for a period of one calendar year. Unit members shall receive their next occurring step increase on their following anniversary date.
11. Elimination of Articles: Upon the ratification of the agreement, the following articles are eliminated from the terms of the agreement:
  - a. Article 3.8 Year Round School
  - b. Article 9.3 Sick Leave Incentive
  - c. Article 10.1.1 Floating Holiday
12. Daily Work Schedule Modifications: the district may modify work schedules as follows:
  - a. Employee schedules that are 2.4 hours per day (hpd) or less may be adjusted to 2 hpd (Keep Food Service Workers, Food Service Cashiers).
  - b. Employees with schedules from 2.5 hpd to 3.4 hpd may be adjusted to 3 hpd
  - c. Employees with schedules 3.5 hpd to 3.9 hpd may be adjusted to 3.5 hpd
  - d. Employees with schedules 5.5 hpd to 6 hpd may be adjusted to 6 hpd
  - e. Employees with schedules 7.5 hpd and 8 hpd may be adjusted to 7 hpd (Bilingual Independence Facilitator (IF), IF SpEd, Lead Food Service I and II, Literacy Intervention Specialist, Nursing Specialist, Opportunity Assistant, Speech Language Pathologist Assistants; excludes High School Campus Supervisors, Preschool Teacher and Preschool Resource Teacher)

13. Health and Welfare Benefits: Amend section 12.2(a) as follows:

<u>Hours Worked</u>	<u>Percent Paid By District</u>
4 to less than 6	68.75%
6 to less than 8 hours	93.75%
8 hours	100.00%

Amend section 12.2 as follows:

Effective January 1, 2011, the parties agree the maximum contribution rate for all HMO health insurance plans based upon 2010 Anthem Blue Cross HMO contribution rates as follows: (1) the actual cost of the insurance up to a maximum of \$4,901.90 per year for employees electing employee only coverage; (2) the actual cost of the insurance up to a maximum of \$10,132.40 per year for employees electing employee plus one coverage; (3) the actual cost of the insurance up to a maximum of \$14,412.20 per year for employees electing employee plus two or more coverage (family coverage).

Effective January 1, 2011, the parties agree the maximum contribution for any POS or PPO health insurance plan based upon 2010 District contribution rates for Anthem Blue Cross POS plan at each tier of coverage as follows: (1) the actual cost of the insurance up to a maximum of \$6005.30 per year for employees electing employee only coverage; (2) the actual cost of the insurance up to a maximum of \$12,454.40 per year for employees electing employee plus one coverage; (3) the actual cost of the insurance up to a maximum of \$17,730.90 per year for employees electing employee plus two or more coverage (family coverage).

Effective January 1, 2011, the classified bargaining unit shall be provided with selections set forth above based upon the MEBA Plan "B" options for coverage and rates.

14. Article 4 shall be amended as follows with the following language:

4.2.2.3.1 Mediation Level

Subject to the terms set forth below, in the event the grievant is not satisfied with the decision at Level Three, he/she may request that the grievance be submitted to mediation. Within, ten [10] days of the receipt of the request for mediation, the Association and the District shall contact the California State Mediation and Conciliation Service [CSMCS] to request a mediator. The parties shall meet with the Mediator to discuss and attempt to resolve the dispute. The Mediator shall have no authority to impose a settlement upon the parties. In the event that the parties reach an agreement, the terms shall be reduced to writing and signed off by the parties. In the event that no resolution is reached, the grievant may exercise his/her right to appeal to Level Four pursuant to the language of section 4.2.2.4. From the date of ratification to June 30, 2011, for grievances that are initiated after the date of ratification, the Association may move the grievance to the mediation step set forth herein for up to twelve [12] grievances. For any grievance that occurs after the 12<sup>th</sup> grievance, the mediation step may be used by mutual agreement of the parties. During the month of June 2011, the parties shall meet with Mediator Don Razca to review the utilization of mediation as described in this article. Notwithstanding, the above, the parties may mutually agree to utilize the mediation step for any grievances initiated prior to the ratification of this agreement.

15. The parties agree to retain the Memorandum of Understanding regarding "Classification Plan."

16. Restoration Language:

A. It is the intent of the parties that if during the term of this agreement, and following the adoption of the 2010-11 and 2011-12 state budgets, CUSD's actual funded base revenue limit increases from the Governor's January 2010 Budget Proposal, 17.5% of these new revenues will be applied toward restoration of furlough days.

*For purposes of this calculation, ADA increases will be reduced by 50%.*

Any increase in new funded base revenue limit would need to be indexed so that once the first \$1,700,000 in new unrestricted funded base revenue limit is realized, CSEA would receive restoration equal to 17.5% of this amount. Priority will be given to the restoration of the reduction in the student instructional year, meaning the student days would be restored first.

B. The calculation of the amount available per unit of ADA shall include the funded base revenue limit increases, deficit reduction, equalization and/or any other ongoing unrestricted change to the state funding per unit of ADA in the 2010-11 and 2011-12 budgets. Tier three categorical flexibility is not included in the funded base revenue limit calculation.

C. CUSD's actual funded base revenue limit is defined for purposes of this agreement to be: funded base revenue limit per average daily attendance (ADA) x P-2 ADA. P-2 ADA increases will be reduced by 50% for purposes of this calculation to provide sufficient funding to cover the costs associated with the additional students.

*The calculation shall include any increased ADA over 09-10 P-2 ADA not previously paid to CSEA as a result of this restoration formula.*

D. This language will remain in effect through June 30, 2012.

E. If the current system of funded base revenue limit funding is discontinued or modified, or the state makes changes on how school districts are funded either party may reopen this agreement for the purpose of making the calculation consistent with the stated intentions of the parties and the procedure agreed herein.

Example

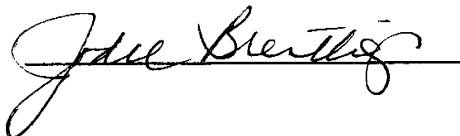
ADA INCREASE @ 50%

$$\$5,083.60 \times 100 = \$508,360$$

$$\$508,360 \times 0.5 = \$254,180 \times 17.5\%$$

Consistent with the intent of the HR Education Jobs and Medicaid Assistance Act of 2010 to protect and/or reinstate positions in education, the District will first consider how the funds may be used to preserve existing jobs, prevent additional layoffs, and/or reinstate positions eliminated through previous layoffs. Within ten days of official receipt of the funds, the District will meet with CSEA to discuss such positions that could be effected. In the event that the District chooses to use funds to offset compensation reductions for any employee group, the District agrees to re-open negotiations with CSEA.

For the District:

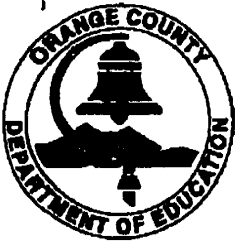


Date: 9-3-10

For CSEA Chapter 224:



Date: 9/3/10



December 14, 2010

Joe Farley, Ed.D., District Superintendent  
Capistrano Unified School District  
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**Subject: Base Revenue Limit Funding**

Dear Dr. Farley:

This letter is in response to your inquiry on December 13, 2010 regarding the increase in base revenue limit funding for Capistrano Unified School District (CUSD) as a result of the 2010-11 Enacted State Budget. At the point in time that the State Budget was adopted on October 8, 2010, CUSD's base revenue limit for 2010-11 has increased by \$225.08 per student as compared to the Governor's January 2010 Budget Proposal (please see table below). The District will continue to receive monthly apportionments that are based upon the October 2010 Enacted State Budget unless there is adopted legislation to change the funding. However, the actual base revenue limit that districts receive for the current year will not be finalized until June 2011. Given that the State is projecting a multi-billion dollar deficit over the next 18 months, there is a potential for further reductions to school district revenue limits in 2010-11 and the District needs to be prepared for an additional loss in revenues.

	Governor's January 2010 Proposal	2010-11 Enacted Budget	Difference
2009-10 Base Revenue Limit	\$ 6,374.18	\$ 6,374.18	
Cost of Living Adjustment (Statewide Average COLA)	\$ (24.00)	\$ (25.00)	
Base Revenue Limit with COLA	\$ 6,350.18	\$ 6,349.18	
Deficit Factor	0.81645	0.82037	
Base Revenue Limit Funding after deficit	\$ 5,184.60	\$ 5,208.68	
Ongoing Revenue Limit Reduction for Central Admin	\$ (201.00)	\$ -	
Funded Base Revenue Limit per student	\$ 4,983.60	\$ 5,208.68	\$ 225.08

Should the District decide to restore furlough days at this time, we strongly encourage the District to develop a contingency plan in the event that there are further cuts to the District's revenue limit between now and June 30, 2011.

If you have any questions, please call me at (714) 966-4229.

Sincerely,

Wendy Berkert, Ed. D.  
Assistant Superintendent  
Business Services

cc: Ron Lebs, Deputy Superintendent, Business and Support Services