

MANAGEMENT Q & A EMAIL (12/10/19) WITH ALL THE FACTS

Update on Unit I Negotiations – Fact-Finding

PUSD and PSEA Unit I participated in impasse mediation for two days, November 22 and December 10, with a state-appointed mediator. We are disappointed to report that we were unable to reach an agreement with PSEA Unit I. As a result, the state mediator released the parties to fact-finding.

This information is correct. PSEA is also disappointed that we were unable to reach an agreement.

Q: What is Fact-Finding?

A: A three-person fact-finding panel will review the arguments and proposals from both PUSD and PSEA. The panel is comprised of one member selected by PUSD, a member selected by PSEA and a third member appointed by PERB. The third member serves as a neutral and independent chairperson of the panel.

The process could take several months. The fact-finding panel will schedule private hearings and attempt to settle the negotiations with both sides. The panel will then meet and prepare a report with recommendations. After the parties exhaust the fact-finding process, and *no agreement is reached*, PSEA Unit I may elect to strike.

No date for a fact-finding hearing has been scheduled.

This is accurate. However, unlike Management that notes "no agreement is reached," PSEA remains hopeful that an agreement will be reached through this process.

Update on Unit II Negotiations – Impasse Request Filed by PSEA

Q: Why are negotiations taking so long with Unit II?

A: We have been negotiating with PSEA for months. Despite our good faith efforts, we are extremely disappointed that an agreement has not been reached. Unlike the collaborative Interest Based Problem Solving Model utilized with PFT, PSEA and the District use a traditional model of negotiating. In this case, this traditional model has unfortunately resulted in a lengthy and adversarial negotiations process. *PSEA has repeatedly expressed interest to the District in using an Interest Based Problem Solving model for negotiations, but the District has failed to follow through on this. Not only has the District cancelled IBPS trainings which the parties have scheduled, but it has also stated at the negotiating table that it does not believe IBPS would be productive with PSEA. One of the cornerstones of an IPBS model, however, is trust and respect. Unfortunately, the District has repeatedly demonstrated over the last few years that it does not respect PSEA's role as the union for classified employees, and it has also given PSEA multiple reasons to mistrust the District. These are the reasons that negotiations have been lengthy and contentious, and not the fact that we are using a traditional model of negotiating.*

Last week Unit II filed a request with PERB to proceed to impasse mediation. We were again disappointed by this decision as PSEA and the District discussed various solutions in the last two bargaining sessions and the District engaged in a willingness to be creative to try and reach some compromise. There is a way forward, but not without some flexibility in thinking, a willingness to compromise and solve real problems, as well as a commitment to spend the time necessary to get the job done.

Your PSEA Leadership Team and Negotiations Teams have worked and volunteered hundreds of hours to brainstorm ideas and creative solutions to address both our Members' desire for equal compensation while addressing Management's operational and fiscal concerns. Recently, Management did engage in discussions with PSEA that led to additional negotiations where we hoped an agreement could be reached. However, the ideas initially proposed by Management and PSEA that we were discussing and that we hoped would lead to an agreement were withdrawn by Management and replaced by worse ones. At the end of the sessions, your dedicated Negotiations Team felt our Members would have to give up too much to receive so little.

Q: Is PUSD offering the same salary increases to PSEA that was offered to the Teachers (PFT)?

A: YES!

The District has offered the same salary increase, a **3% ongoing raise**, to PSEA as follows:

- Increase all salary schedules by an additional half percent (0.5%) retroactive to July 1, 2018;
- Increase all salary schedules by an additional one percent (1%) retroactive to July 1, 2019; and
- Increase all salary schedules by an additional one and one-half percent (1.5%) effective January 1, 2020.

Management has agreed to 4% total compensation for PFT and is only offering 3% to PSEA. PSEA is holding firm that classified employees should either get a 2-day reduction in their work-year with no loss in pay (consistent with what teachers just negotiated) or should have their wages increased by an equivalent 1%.

The 3% ongoing raise for PFT was made possible after PUSD and PFT agreed to changes that resulted in substantial cost savings. The District has proposed the same 3% wage increase without any concessions from PSEA.

After repeated requests, PSEA has yet to receive the "substantial cost savings" Management keeps referring to.

Q: Did PSEA receive compensation increases in 2017-18 and 2018-19?

A: YES!

PSEA and the District negotiated salary increases for each of the past two years, which included a one-time 3% bonus for 2017-2018, and a 2.5% ongoing increase for 2018-2019. With this year's proposed 3% raise, total wage increases equate to 5.5% in ongoing raises in just the last two years. *This is correct as PSEA did receive the same compensation increases as PFT and Management for 2017-18 and 2018-19. If you recall (Negotiations Update email dated 4/24/18) in April 2018, during*

our last round of Negotiations that lasted almost two years, PSEA expected the District would present us with a wage proposal similar to the tentative agreement that the District reached with PFT in March 2018 (a 2.5% salary increase starting July 1, 2018, and a 3% one-time payment for the 2017-2018 school year). Instead, the District told PSEA, in no uncertain terms, that it was not interested in negotiating with PSEA over salary increases for next year (2018-2019). Instead, the District proposed to PSEA that the contract we are negotiating right now should expire on June 30, 2018 – essentially expiring as soon as we ratify it. Our Members stood together in unity to hold management accountable and demanded equal compensation. As a result, Management heard your voices loud and clear and proposed to PSEA a compensation package that matched what it has agreed to for certificated employees.

We are once again in a position of not being offered equal compensation by Management. After the last round of Negotiations, we are disheartened to see history repeat itself.

Q: Has PUSD agreed to assist unit members with health premium costs?

A: YES!

The District has agreed to allocate nearly \$1.5 million of one-time funds this year for PSEA unit members' health benefits. As shared during negotiations, this will help to reduce employees' out-of-pocket costs for medical premiums. Over the past several years, the District has agreed to a one-time contribution each year to reduce PSEA unit members' out-of-pocket costs.

As per the Collective Bargaining Agreements, the District contributes a set amount of \$743,983 from the general fund each year to offset out of pocket costs for medical benefits. Unfortunately, PSEA does not have a sustainable funding model for health and welfare like PFT and APSM. The remaining amount of funding comes from PSEA's OPEB (post-retirement) money which is funded by redirecting contributions from those PSEA members that opt out of medical benefits. In addition, this year employee cash to warrant and opt-out caps were lowered and out of pocket costs increased. PSEA also committed a portion of the OPEB funds to an irrevocable trust which will allow us to also contribute the interest of those funds to offset health premium costs.

Q: What PSEA issues remain at impasse?

A: A few key issues remain, including:

- PSEA insists that the District contribute to the salaries of three full-time union staff members to be released to conduct union business. No K-12 school district in the county, including the largest district, offers this benefit. *Our sisters and brothers in PFT have received the benefit of three full-time union staff members which is funded through a cost-neutral formula. Cost-neutral means that it is of no additional cost to the District. PSEA would like to receive this same benefit so that we can maintain the timely high quality of service that our Members deserve. PSEA union staff members on release from their regular assignment do not receive any added benefit by working out of the union office. In fact, most PSEA leaders*

volunteer many additional hours without compensation for the sole benefit of our members.

- PSEA wants to expand the provisions well beyond what the law provides to allow all classified employees to use their accrued sick leave to care for distant relatives, including ex-spouses. *PSEA has proposed that the same definition for "family" apply for family care leave as applies for other leaves in our Agreement (such as bereavement leave, PNL, and catastrophic leave), and that ALL classifications (not just the 25% that qualify for FMLA) be able to use their own accrued sick leave when caring for seriously ill family members.*
- PSEA continues to demand a 2-day reduction in the work year or an additional 1% wage increase (1% for Units I and II = \$860,000 annually in addition to the pay increases described above). PSEA wants the same work year reduction the Teachers received (or compensation equivalent to same) in spite of the fact that there is no way to offer this benefit to their bargaining units without negatively impacting the District. The District was able to reduce the teacher work year because of the existence of the following conditions:
 - Prior to the work year reduction, Poway Teachers had one of the longest work years in the State and certainly in San Diego County (188 days versus 185 day average for most districts).
 - The 2-day reduction for Poway Teachers had minimal fiscal impact to the budget, NO negative impact to students, and NO negative impact to operations. In contrast, the 2-day reduction proposed by PSEA will have a significant fiscal impact to the District as well as an adverse impact on District operations and maintenance of facilities.
 - Teachers do not earn vacation days or overtime wages--classified employees do.
 - PSEA's request for a work year reduction, as pointed out for months by the District, has a significant negative fiscal and operational impact to the District. On the conservative side, a 2 day work year reduction for Units I and II will cost approximately \$650,000 annually. Moreover, there is absolutely NO way to reduce the PSEA work year without impacting students and District operations. *In 2014-2015, the District increased the work year of teachers by 2 days and adjusted their salary by a corresponding 1% (to reflect the longer work year). At that time, PSEA members did not receive that same 1% increase, because our work year had not been increased. By reducing the PFT work year back down by two days without a reduction in compensation, the District has effectively given PFT an additional 1% increase, without offering the same to PSEA.*

Q: What happens during impasse mediation?

A: If PERB agrees that an impasse exists between PUSD and PSEA Unit II, then PERB will appoint a mediator. This process is the same as what was just completed with Unit I. Impasse mediation can last for several months at the discretion of the appointed mediator. If the mediator and teams are unable to reach a comprehensive agreement during mediation, then the process proceeds to fact-finding. *This information is correct.*

We continue to hope-- for our employees, community, and students--that we can reach agreement sooner rather than later. It is our sincere intention and desire to work with PSEA, in good faith, to reach an agreement and move forward. *PSEA is also hopeful that we can reach a fair agreement sooner rather than later.*