

SPECIAL MEETING

CAPISTRANO UNIFIED SCHOOL DISTRICT
BOARD OF TRUSTEES

33122 Valle Road
San Juan Capistrano, CA 92675

March 31, 2010

6:00 p.m.

I. PRELIMINARY

Meeting was called to order by _____

Pledge of Allegiance to the Flag

Consideration and adoption of the agenda.

ROLL CALL:

Present

Absent

Anna Bryson, President

Ken Lopez-Maddox, Vice President

Jack Brick, Clerk

Ellen M. Addonizio, Member

Larry Christensen, Member

Sue Palazzo, Member

Mike Winsten, Member

CLOSED SESSION COMMENTS

CLOSED SESSION

5:30 p.m.

REPORT ON CLOSED SESSION ACTION

OPEN SESSION

6:00 p.m.

PUBLIC COMMENTS TO AGENDA ITEMS ONLY

RECORDING OF SCHOOL BOARD MEETINGS

In accordance with Board Policy 9324, Board Minutes, all Regular School Board Meetings will be audio recorded.

For information regarding Capistrano Unified School District, please visit our website:
www.capousd.org

II. INSTRUCTIONS FOR PRESENTATIONS TO THE BOARD BY PARENTS AND CITIZENS PRESENT AT THIS MEETING

We are pleased you can be with us at this meeting, and we hope you will return often. Your visit assures us of continuing community interest in our schools.

The members of the Board of Trustees of this District are locally elected state officials, who serve four-year terms of office, and who are responsible for the educational program of our community from grades kindergarten through twelve. They are required to conduct programs of the schools in accordance with the State of California Constitution, the State Education Code, and other laws relating to schools enacted by the Legislature, and policies and procedures which this Board adopts.

The Board is a policy-making body whose actions are guided by the school district's Mission and Goals. Administration of the District is delegated to a professional administrative staff headed by the Superintendent.

The agenda and its extensive background material are studied by each member of the Board for at least two days preceding the meeting. Board Members can call the administrative staff for clarification on any item, and many of the items on the agenda were discussed by the Board during previous meetings. These procedures enable the Board to act more effectively on agenda items than would otherwise be possible.

WHAT TO DO IF YOU WISH TO ADDRESS THE BOARD OF TRUSTEES

ITEMS ON THE AGENDA. Any person may address the Board concerning any item on the agenda and may, at the discretion of the Board, be granted three (3) minutes to make a presentation to the Board at the time a specific item is under discussion. However, the time assigned for individual presentations could be fewer than three (3) minutes depending upon the total number of speakers who wish to address a specific agenda topic. Prior to the opening of the meeting, a Request to Address the Board card (located in the foyer) should be completed and submitted to the Secretary of the Board. The total time devoted to presentations to the Board shall not exceed twenty (20) minutes, unless additional time is granted by the Board. All presentations shall be heard by the Board prior to the formal discussion of the agenda topic under consideration. Once an agenda item has been opened for public comment, no additional "Request to Address the Board of Trustees" cards shall be accepted for that topic.

ORAL COMMUNICATIONS (Non-Agenda Items). Citizens may address the Board on any item not appearing on the agenda. Individual presentations are limited to three (3) minutes per individual, with twenty (20) minutes in total being devoted for this purpose, but could be less if there are a large number of Oral Communication speakers. Legally, the Board may not take action on items raised by speakers under Oral Communications. However, at its discretion, the Board may refer items to the administration for follow-up or place topics on a future Board agenda.

PUBLIC HEARINGS. Anytime the Board schedules a separate public hearing on any given topic, it shall not hear speakers on that topic before the public hearing, except as to the scheduling of the hearing, nor shall it hear speakers after the hearing, except as to changes in the policy or recommended actions which are directed at the time of the hearing.

CLOSED SESSION. In accordance with Education Code Section 35146 and Government Code Section 54957, the Board may recess to Closed Session to discuss personnel matters which they consider inadvisable to take up in a public meeting.

REASONABLE ACCOMMODATION

In order to help ensure participation in the meeting of disabled individuals, appropriate disability-related accommodations or modifications shall be provided by the Board, upon request, in accordance with the Americans with Disabilities Act (ADA). Persons with a disability who require a disability-related accommodation or modification, including auxiliary aids and services in order to participate in a Board meeting, shall contact the Superintendent or designee in writing by noon on the Friday before the scheduled meeting. Such notification shall provide school district personnel time to make reasonable arrangements to assure accessibility to the meeting.

III. DISCUSSION/ACTION

- 1. **IMPLEMENTATION PLAN:** Consideration and approval, Resolution No. 0910-60, Implement Changes in the Terms and Conditions of Employment of the Certificated Bargaining Unit. (Supporting Information)
Contact:: Jodee Brentlinger, Assistant Superintendent, Personnel

DISCUSSION/
ACTION
Vote ____
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Motion by _____ Seconded by _____

ROLL CALL:

	Student Advisor Saam Alikhani _____
Trustee Addonizio _____	Trustee Palazzo _____
Trustee Brick _____	Trustee Lopez-Maddox _____
Trustee Christensen _____	Trustee Winsten _____
	Trustee Bryson _____

IV. BOARD/SUPERINTENDENT ANNOUNCEMENTS

V. ADJOURNMENT

THE NEXT REGULAR MEETING OF THE GOVERNING BOARD WILL BE HELD ON TUESDAY, APRIL 13, 2010, 7:00 P.M. AT THE CAPISTRANO UNIFIED SCHOOL DISTRICT OFFICE BOARD ROOM, 33122 VALLE ROAD, SAN JUAN CAPISTRANO, CALIFORNIA

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VI. CLOSED SESSION

2. Closed Session (as authorized by law)

A. CONFERENCE WITH CHIEF LABOR NEGOTIATOR

Agency designated representative:

John Rajcic, Chief Labor Negotiator

Employee Organization:

Capistrano Unified Education Association (CUEA)

(Pursuant to Government Code §54957.6)

CAPISTRANO UNIFIED SCHOOL DISTRICT
San Juan Capistrano, California

March 31, 2010

TO: Anna Bryson, President
and Members,
Board of Trustees, Capistrano Unified School District

FROM: Dr. Bobbi Mahler, Interim Superintendent

SUBJECT: **RECOMMENDATION TO IMPLEMENT LIMITED PROVISIONS OF THE DISTRICT'S PRE-IMPASSE OFFER TO CERTIFICATED BARGAINING UNIT – CAPISTRANO UNIFIED EDUCATION ASSOCIATION (CUEA) – RESOLUTION NUMBER 0910-60**

BACKGROUND INFORMATION

Since June 2009, CUSD and CUEA have been engaged in negotiating a new contract. In July 2009, impasse was certified by the Public Employment Relations Board (PERB) leading to numerous meetings with a state mediator. The mediator released the parties to Fact Finding on November 1, 2009.

On January 25, 2010 and 26, 2010 a Fact Finding hearing was held as part of the statutory impasse process to determine the facts of the district's financial condition and to attempt to bring the parties to a settlement agreement.

Absent an agreement, the Fact Finding Chair provided a written document which included advisory recommendations. On March 15, 2010 the Board was provided a copy of the Fact Finder's Report which was released to the public on March 17, 2010. The Report confirmed the district's "inability to pay" and verified the need for a 10.32% concession by CUEA. However, the Board did not concur in entirety with the specific methods suggested to reach a settlement. The suggestion to increase class size by two students in grades K-12 and the suggestion to discontinue the terms of some concessions on July 1, 2011 were the primary reasons for lack of total concurrence. It was not the Fact Finding Panel's responsibility to balance the District's three year budget. Their role was only to provide a means for possible settlement. The Board, however is accountable for ensuring the on-going fiscal viability of the Capistrano Unified School District.

Additionally, maintaining reasonable class sizes and preserving jobs are two Board priorities. Increasing class size impacts the educational services and programs for all students and would result in the termination of the district's least tenured teachers.

Economic data and trends for the State of California for the next three to five years indicate that CUSD, like other districts across the state, need concessions from employee groups that will span multiple years. CUSD is facing a \$34 million projected shortfall for fiscal year 2010/11, and an additional \$5 million shortfall in 2011/12 and as a result had to file self-qualified first and second interim reports for 2009/10. School districts are required to demonstrate fiscal solvency for the current and two subsequent school years. Failure to do so could result in a negative budget certification and place CUSD under the financial auspices of the Orange County Department of Education (OCDE).

RECOMMENDATION TO IMPLEMENT LIMITED PROVISIONS OF THE DISTRICT'S
PRE-IMPASSE OFFER TO CERTIFICATED BARGAINING UNIT –
CAPISTRANO UNIFIED EDUCATION ASSOCIATION (CUEA) –
RESOLUTION NUMBER 0910-60

March 31, 2010

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CURRENT CONSIDERATIONS

It is the responsibility of Trustees to maintain the current and future fiscal solvency of the school district. Also the District is in the last quarter of the 2009/10 instructional year when some of our most important work with students is before us. It is in the district's and students' best interests to move forward with finalizing the financial aspects of the negotiation process. Absent an agreement with CUEA, unilaterally implementing limited provisions of its pre-impasse proposals, as may be influenced by the Fact Finder's Report, is necessary. While the Fact Finder report verified the need for 10.32% in concessions, the implementation recommendations as stated in Resolution 0910-60 (Exhibit A) equal 10.11% as outlined below:

<u>2009/10</u>		<u>2010/11</u>	
4 Furlough Days	2.16%	5 Furlough Days	2.70%
		3.7% Salary Reductions	3.70%
		Health & Welfare Cap	0.81%
		Step & Column Suspension	<u>0.74%</u>
Total 2009/10	2.16%	Total 2010/11	<u>7.95%</u>

Two Year Cumulative Total - 10.11%

FINANCIAL IMPLICATIONS

Estimated Fiscal Impact (General Fund Savings): \$19.8M
Funding Source: General Fund

Savings Breakdown:

4 Furlough Days (2009/10)	\$4.1M
5 Furlough Days (2010/11)	\$5.2M
3.7% Salary Reduction (2010/11)	\$7.4M
Health & Welfare Cap	\$1.6M
Step & Column Suspension	<u>\$1.5M</u>
Total	\$19.8M

STAFF RECOMMENDATION

It is respectfully requested that the Board of Trustees adopt the Recommendation to Implement Limited Provisions of the District's Pre-Impasse Offer To Certificated Bargaining Unit – Capistrano Unified Education Association (CUEA) – Resolution Number 0910-60 which will:

- Maintain class size
- Preserve teachers' jobs
- Balance temporary and ongoing financial savings and
- Recognize concerns of the CUEA bargaining team

CAPISTRANO UNIFIED SCHOOL DISTRICT

RESOLUTION NO. 0910-60

RESOLUTION TO IMPLEMENT CHANGES IN THE TERMS AND CONDITIONS OF
EMPLOYMENT OF THE CERTIFICATED BARGAINING UNIT

WHEREAS, the Fact Finding Report (“Report”) in Public Employment Relations Board Case No. LA-IM-3523 between the Capistrano Unified School District (“District”) and the Capistrano Unified Education Association (“Association”) was issued on March 12, 2010; and

WHEREAS, the Report was received on March 15, 2010 and the findings and recommendations contained therein were made public on March 17, 2010 pursuant to Government Code section 3546.3(a); and

WHEREAS, the Governing Board (“Board”) has considered the Report in detail, has concluded that the recommendations contained therein do not provide a basis for agreement and has determined that the impasse between the District and Association still exists, all of which was communicated to the Association on March 17 and 18, 2010; and

WHEREAS, the Board has determined that it is in the best interest of the students, employees and public to implement provisions from its pre-impasse offers (attached hereto as Exhibit A) that parallel, to the extent practicable, the findings and conclusions of the Fact Finding Report; and

WHEREAS, in considering implementation, the Board’s goals are as follows: (1) maintain fiscal viability (2) minimize any negative impact upon the students of the District; (3) preserve teaching jobs; (4) insure that a high quality affordable health plan remains available to certificated employees and their families; (5) address concerns about the restoration of compensation reductions; (6) maintain instructional programs; and (7) avoid class size increases.

NOW THEREFORE, the Board hereby implements limited provisions from its pre-impasse proposals that change the terms and conditions of employment of the certificated bargaining unit as set forth below.

1) The District’s pre-impasse proposal reserved the Board’s right to implement a 10% reduction in all certificated salary schedules retroactive to July 1, 2009. The Board, however, hereby elects to implement a 3.70% reduction in all certificated bargaining unit salary schedules effective July 1 of the 2010-2011 school year.

The Board elects to defer implementation in order to eliminate any retroactive effect and to provide time for employees to adjust their personal finances.

2) The District's pre-impasse proposal reserved the Board's right to implement an on-going five day reduction in the certificated work year with a corresponding reduction in the annual base pay of unit members commencing with the 2009-2010 school year. For the 2009-2010 school year, the Board hereby elects to implement a four day reduction in the certificated work year with a corresponding reduction in the annual base pay of unit members. The four day reduction in 2009-2010 shall consist of a three day reduction in the student instructional year and a one day reduction in non-student work days. The work year reduction in the 2009-2010 school year shall occur on May 28, 2010 (a student instructional day) and June 24, 2010 (a non-student work day) and two additional student instructional days to be determined. The Superintendent or designee is hereby directed to meet with the Association to identify by April 30th which two additional student instructional days shall be reduced. Should the parties fail to agree on such days, the Board reserves the right to determine which days shall be reduced.

In order to prevent undue disruption to the student instructional program and to minimize the impact on salaries in what remains of the 2009-2010 school year, only four of the five day reduction will be implemented.

Commencing with the 2010-2011 school year, the Board hereby implements the full five day reduction in the certificated work year with a corresponding reduction in the annual base pay of unit members. The full five day reduction in the certificated work year shall consist of a two day reduction in the student instructional year and a three day reduction in non-student work days for a total of five days. The Superintendent or designee is directed to meet with the Association to identify which five days will be reduced in 2010-2011. Should the parties fail to reach agreement, the Board reserves the right to determine which five days will be eliminated in any particular year.

The reduction in the student instructional year will be automatically restored with a corresponding increase in the annual base pay when the legislation authorizing the reduction of the student instructional year expires.

3) The District's pre-impasse proposal reserved the Board's right to implement a certificated salary schedule "step and column" movement freeze effective July 1, 2009. The Board, however, hereby defers such freeze until the 2010-11 school year at which time a suspension of step and column pay increases will be initiated. Such suspension of step and column pay increases will terminate on February 1, 2011 at which time eligible certificated employees will advance on the salary schedule, thus receiving approximately one-half of the salary increase associated with salary schedule movement during the 2010-11 school year.

4) The District's pre-impasse proposal reserved the Board's right to freeze District contributions for health benefits at the 2009 contribution levels and implement payroll deductions for excess costs effective January 1, 2010. The Board hereby elects to defer implementation to January 1, 2011 to allow for a new open enrollment period during which employees customarily make changes to their plans which prevents disruption of insurance coverage and employee finances.

Effective January 1, 2011, the District will implement a maximum contribution for all HMO health insurance plans (currently Kaiser and Anthem Blue Cross) based upon 2010 Anthem Blue Cross HMO contribution rates at each tier of coverage as follows: (a) for employees electing Employee only coverage the District will pay for the actual cost of insurance up to a maximum of \$4,901.90 per year; (b) for employees electing employee plus one coverage the District will pay for the actual cost of insurance up to a maximum of \$10,132.40 per year; and (c) for employees electing Employee plus two or more coverage (family coverage) the District will pay for the actual cost of insurance up to a maximum of \$14,412.20 per year. Insurance premium costs that exceed the tier of coverage elected by an employee shall be paid by the employee through equal monthly payroll deductions.

Effective January 1, 2011, the District will implement a maximum contribution for any POS or PPO health insurance plan based upon the 2009 District contribution rates for the Anthem Blue Cross POS plan at each tier of coverage as follows: (a) for employees electing Employee only coverage the District will pay for the actual cost of insurance up to a maximum of \$5,840.70 per year; (b) for employees electing Employee plus one coverage the District will pay for the actual cost of insurance up to a maximum of \$12,111.10 per year; and (c) for employees electing Employee plus two or more coverage (family coverage) the District will pay for the actual cost of insurance up to a maximum of \$17,241.80 per year. Insurance premium costs that exceed the tier of coverage elected by an employee shall be paid by the employee through equal monthly payroll deductions.

The District contributions for the life, dental and vision plans shall be frozen at the 2009 benefit year levels effective January 1, 2011. Any premium costs that exceed the 2009 contribution levels for a particular life, vision or dental plan and tier of coverage (i.e. employee only, employee plus one dependent or family coverage) shall be paid by the employees electing such tier and plan through equal monthly payroll deductions.

The \$6 dollar per participant per month MEBA fee has been included in the maximum contribution amounts set forth above. Any provisions of Article 13 of the certificated Collective Bargaining Agreement to the contrary are hereby rescinded. All of the other terms and conditions regarding Article 13 including, but not limited to, any and all eligibility criteria shall remain in full force and effect.

It is anticipated that the District and Association will work together on health plan designs in order to meet the goal of having affordable high quality health plans available for all employees and their families.

NOW, THEREFORE, BE IT RESOLVED that the Superintendent is directed to implement the above-referenced changes in the certificated bargaining unit's terms and conditions of employment.

Adopted by the Governing Board of the Capistrano Unified School District this 31st day of March, 2010.

AYES:

NOES:

ABSENT:

President, Governing Board
CAPISTRANO UNIFIED SCHOOL DISTRICT