



# Capistrano Unified School District **FACT CHECKS**

Information on issues relating to labor negotiations and district finances

February 19, 2010

Setting the record straight . . .

## Getting past the misinformation

The fact-finding hearing on January 25-26 in our labor dispute with the Capistrano Unified Education Association (CUEA) was an opportunity to clearly define the fiscal situation facing our school district and demonstrate the necessity for fundamental concessions in our labor contract with the union. Unfortunately, we were still unable to reach an agreement with the union's bargaining team. Instead, in the weeks following that good-faith effort, CUEA has violated an agreement with the neutral Fact-Finding Chair to curtail public discussion of the substance of those closed-door mediation sessions. In flyers and PowerPoint presentations, the union leadership has misrepresented the positions taken by both sides during fact-finding. We look forward to the independent fact-finder's report, which will be released to the bargaining teams by February 25, and are confident that it will validate the information presented in this *Fact Check* bulletin and provide us all with the opportunity to reach an agreeable settlement.

### Rumor

**During fact finding, the CUEA bargaining team offered — but the district rejected — close to an eight percent (8%) cut in the teacher compensation.**

### Reality

- ▶ The union has never officially made such a proposal. An official offer is one made in writing and is one that becomes the basis for that party's concrete position in further talks. During fact finding CUEA presented **ideas** on butcher paper such as trying to re-open the "Plan C" health option, which was not possible.
- ▶ Prior to fact-finding, CUSD Trustees **accepted** CUEA's formal proposal to seek employee concessions by offering a voluntary "Plan C" health option for employees. This concession could not be implemented because a minimum number of **teachers did not volunteer** to move to the "Plan C" offering.
- ▶ Due to the status of CUSD's **qualified budget** submitted to the Orange County Department of Education, CUSD must accept offers which are fiscally prudent to close the \$34 million budget gap we are facing during the 2010-2011 school year. The district is **NOT** in a position to accept offers which are dependent upon employees voluntarily accepting salary concessions, such as the "Plan C" offering.
- ▶ Having conversations about "what ifs" during mediated talks or fact finding do **not** constitute formal proposals that can be acted on by either party.

### Rumor

### Reality

**The Governor’s proposed 2010-11 State Budget intends that school districts cut administration and not teachers.**

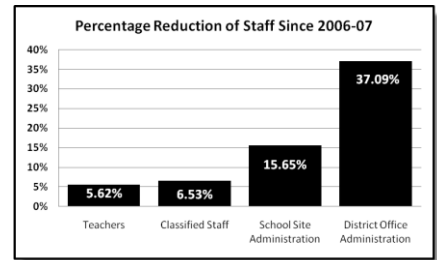
- ▶ The Governor’s proposal seeks to shave administrative costs, including daily operational services of business services, payroll, purchasing, technology services, and maintenance and operations, to 15% of the total budget. CUSD’s current administrative costs for these items stands at 13.79% of its total budget, **well below** the Governor’s intended target.
- ▶ Under the Governor’s current proposal, CUSD qualifies for a waiver which **eliminates the need to make further administrative cuts.**
- ▶ CUSD has placed administrative cuts at the forefront of balancing its budget since the 2006-2007 school year. Currently, CUSD administrative ratios are at minimal operational levels to remain functional and compliant.
- ▶ The Governor’s proposal does not prohibit cuts to certificated staff, including teachers.
- ▶ CTA has joined other education groups across the state to oppose the Governor’s proposal.

**Rumor**

**The school board has increased, not decreased, its central administration by continuing to hire a bevy of consultants and lawyers.**

**Reality**

- ▶ **Thus far**, since CUSD temporary consultants and interims have joined staff, the district has realized over **\$1.1 million in one-time savings and over \$1.8 million in on-going central administration savings.**
- ▶ These temporary employees filled previously budgeted positions. They are **not** an increase.
- ▶ Over the last three years CUSD has laid off 38% of its administrative staff. By contrast, less than 6% of teachers have lost jobs.
- ▶ Administrators received a ten percent cut, including furlough days, for 2009-2010.
- ▶ Contracting with legal counsel and attorneys is a necessary expense in any school district.
- ▶ Contracting with attorneys is related to claims and actions which are most often outside of the control of the district.



**Rumor**

**The management bargaining team refused to engage in mediation or more negotiations with CUEA after fact finding was completed.**

**Reality**

- ▶ Shortly after fact-finding, the Superintendent requested a meeting with CUEA leadership.
- ▶ The district remains willing to negotiate in good faith and is committed to maintaining the integrity of the fact-finding process.