



On Tuesday, March 6, 2018, PVUSD employees received an email titled: “Community Update and Negotiations FAQs”. After careful review, PVFT is compelled to clarify information within the message. We will follow their same format, but clarify, fill in, and correct the information that was given.

What has the Union asked for?

It is true that both parties have reached tentative agreements on many articles. However, before we went into mediation, we were still very far apart on compensation, and language on the Health and Welfare Benefits Article. PVFT’s current proposal calls for the following:

- \$4,408 on the salary schedule, retroactive to the beginning of the 2016-17 school year (the year we were focusing on before the district decided to add in 17-18)
- 8% for Adult Education and Early Childhood Education retro to 2016-17
- To show good faith, we accepted the concept of a CONTINGENT 2% cost shift from benefits to salary for 2017-18 (changes in co-pays and prescriptions). This requires approval by our membership.
- We included other agreed upon improvements for smaller groups of members

The district is correct; the union’s proposal would come at a cost of more than \$5 million, however, the district can afford this. **IT’S A MATTER OF PRIORITIES.**

What has the district offered?

- \$1,600 ONE TIME bonus for 16-17
- \$1,600 ONE TIME bonus for FULL TIME members returning from 16-17. For those returning members with less than 100% contract, they will get a prorated percentage of the bonus that matches their contract.
- 6% NOT RETROACTIVE, for Adult Education and Early Childhood Education that would take effect upon ratification and be ongoing from that point
- CONTINGENT 2% cost shift from benefits to salary that is NOT RETROACTIVE and would take effect upon ratification and be ongoing from that point.
- They have agreed to other improvements for small groups of members.

The district states they are “committed to ensuring that our dedicated teachers continue to be competitively compensated” however, they have not shown this in action. Here are some examples that demonstrate what **their actions have been**, in contrast to what they say:

- ★ Proposed a cap in benefits without a financial need to do so
- ★ Canceled Benefits Committee meetings for most of the 16-17 school year, and willfully withheld information about small benefits changes, which could have resulted in an ongoing \$3 million/year in savings to the district.
- ★ Were not truthful in their statements about the Grand Jury report directing them to hire a Public Information Officer (PIO). (more on this later)
- ★ Hired a PIO to the tune of a \$140,000 ongoing expenditure

- ★ Attempted to hire an additional Adult Education Administrator, despite the fact that it was incurring an ongoing cost higher than giving all AE teachers the raise PVFT proposed for them (this effort died because the trustee vote ended in a tie)
- ★ Committed funding to an Early Childhood literacy app that could have helped fund the pay increase that PVFT proposed for ECE teachers
- ★ Committed funds to an additional and completely optional reserve totalling \$19.4 million at the end of the 16-17 school year. Their list of priorities for these funds did not include a dime toward a salary schedule increase for teachers.

Actions speak louder than words. These actions say a lot.

What is happening with PVUSD-PVFT Negotiations?

Here's a little history for those who may not know or who may need a reminder:

- PVFT submitted all initial negotiating proposals, including wages and benefits, on Dec. 6, 2016 (yes, 2016!)
- PVUSD did not respond to PVFT's wage proposal until March 21, 2017
- During this almost 4 months of stalling, PVUSD decided to hire a private company (School Services of CA) to look over the budget to confirm the district's numbers. In conversations with School Services, PVFT insisted that the district's projected \$19 million dollar deficit for 16-17 was the result of incorrect budget assumptions (read inflated expenditures and/or under projection of revenue). School Services would not agree to this position and backed the district's accounting. However, PVFT was correct. When all was said and done (meaning when the final numbers came in), the deficit was reduced to just \$1.5 million. PVFT believes there may not be a deficit.
- Let's talk about that deficit. Remember when we got that 4% retroactive increase? Well, due to the fact that it was not accounted for in the year to which it applied (15-16), they paid for it out of the 16-17 budget. This raise was about \$4 million dollars. The deficit was about \$1.5. If the district had accounted for this correctly, we would have had NO deficit at all!
- Back to School Services of CA: Because PVFT was critical of the School Services report, the District offered to have yet another company look over the budget. As the district is so fond of repeating over and over, PVFT declined. Why? Because the proof is in the pudding. We knew better than to stall negotiations and waste money when we would see everything in the unaudited actuals. AGAIN, when the final numbers came out, PVFT's assessment was correct, as it has been for 8 years running.

We have heard people talking about a strike.

Nobody WANTS to strike. But, yes, the community, families and even members are talking about a strike, because they know the union is exhausting all other options to push the district to put a fair deal on the table. Whether or not we strike depends upon the district's willingness to back up their claims of wanting to fairly compensate us, with direct actions. We are all hoping for the best for our third mediation session on Monday, but if we go to Fact Finding, it will be time to take another hard look at our options.

Why isn't PVFT accepting PVUSD's Proposal?

We will not accept a proposal that our members won't ratify. We need something on the salary schedule, retroactive to 2016-17. For the entire 16 months we've been in this negotiating cycle, the district has not put a dime on the 16-17 schedule. That's not acceptable, and we've been crystal clear from the start that our members will not ratify this.

PVUSD'S proposal would continue to put our students' education in jeopardy, as teachers flee to better paying districts, and new teachers begin their careers elsewhere. It is a cost that is simply unsustainable for our educational community.

Why can't PVUSD use the 16-17 ending fund balance for an on-schedule raise?

First, let's do a simple explanation of how money comes to live in the infamous ending fund balance. The money that is in the ending fund balance came from years of PVUSD over projecting expenditures, only to spend less (millions less in most cases) which resulted in unused funds when the budget actuals were reported. This unspent money goes into the reserves and becomes one-time money. There is no law against putting this money toward salaries. It's a choice made by the district.

This has happened so frequently, that we ended the 16-17 year with \$57.5 million in reserves, or 7 times more than what is required. That means that the district has a pattern of taking money that is clearly appropriate for a raise, and turning it into money that they refuse to apply to salary. Let the record show, that at a time where the state budget is robust, district funding is stable, and reserves are overflowing, PVUSD is failing to take action to fill our classrooms with fully credentialed teachers. In fact, it's so dire that last summer our board filed a "Declaration of Need" (dated June 14, 2017) to address the shortage of appropriately credentialed teachers in our district. This isn't a recession, folks, we're doing great. Why won't the district prioritize our students and put the classroom first?

What has PVUSD done to control administrative costs?

In the past year, PVUSD has focused on the argument that they "CANNOT TAKE ON ANY ONGOING EXPENDITURES", however they claim to have added 6 new positions! The rationale is that 5 of the 6 positions either add revenue or improve overall student achievement. That's nice, but what this really means, is they are not only contradicting themselves (on the ongoing expenditures statement), but they also decided that adding positions outside the classroom took priority over an ongoing raise for educators who are on the front lines of student achievement. The district also claims these positions have helped PVUSD secure nearly \$5 million it wouldn't otherwise have had—far offsetting the overall cost of all added positions. Is this an additional \$5 million that can be used for raises? Will it be used to offset other costs and free up other money to be used for raises?

The next claim the district makes, has been made at least twice before, both on the record at a PVUSD Board of Trustees Meeting, as well as in a negotiations update to all employees from the district's chief negotiator. This statement is as follows, and I quote they added a "public

information officer, which was mandated as a result of the grand jury report in June 2016.” If you go to the grand jury report in question, and read all the words, you will find that nowhere in the report does it mandate the hiring of a Public Information Officer. This was the district’s bright idea, and their idea alone. If you don’t believe the district would repeatedly say something that is so blatantly false, read it yourself. [Click here to read the report.](#) Or look it up yourself on the Santa Cruz County Website.

Is it true that the Assistant Superintendents received a 20% raise?

Yes. As of now, one of the Assistant Superintendent contracts has received this increase, and the district has been eager to do the same for all the others. Here’s some history:

- In 2006, the value of health benefits became a part of the Base Salary for Assistant Superintendents.
- In 2008, the Assistant Superintendent Contracts were amended to add: “An incremental salary increase equal to any future increase in the district’s contribution to health benefits for management employees”. So basically, they get, as salary, the amount equal to the cost of benefits, and every year when benefit costs goes up, they get that as an increase in their pay. They can also waive their benefits, if they have other coverage, and still get 100% of the money and increases, and a larger retirement benefit that is built on that larger salary.
- With Assistant Superintendents getting what PVFT negotiates, along with the benefit increases, they have seen their salary schedules rise about 32% since 2011-12.
- During the same time PVFT was fighting back a cap in benefits, PVUSD increased the total compensation for the Assistant Superintendent for Human Resources position by AT LEAST 20% by adding benefits to that contract, without retracting the provision that put the value of the benefits into the salary! That’s a 52% increase in total compensation since 2011-12!
- The district wants to secure this 52% increase for ALL Assistant Superintendents. How do we know?
- PVUSD put this increase on the board agenda two more times, not once as the district’s FAQ states, but due to pressure from PVFT members, the item was pulled both times.

