

Negotiation UPDATE

A Publication of the
Coatesville Area School District

Dear Coatesville Area School District Community Member:

As you may be aware, the Coatesville Area School Board Negotiating Committee has been working diligently to reach a contract agreement with the Coatesville Area Teacher's Association (CATA), the union which represents the District's teachers. Creating a contract which balances the needs of students, teachers and taxpayers is challenging in a school district ranked second poorest in the county, and limited progress has occurred at the negotiating table.

As a result, the School Board and CATA are now in the midst of fact-finding, a process which utilizes a neutral third party appointed by the Pennsylvania Labor Relations Board to review both contract proposals and to provide recommendations for achieving a settlement. **More details on fact-finding can be found on the back cover.**

While we do not yet know the outcome of the fact-finder's recommendations, we do know without a doubt the issues and limitations that face our District as we work diligently to fulfill our educational mission. An overview on those issues can be found in this newsletter, "*Negotiation Update*." This publication was created to provide a clear understanding of the factors which are driving negotiations, and to clear up inaccuracies.

As the negotiation process continues, we remain committed to sharing important information with the public. We invite you to visit the "*Negotiation Update*" section of our website at www.casdschools.org.

Sincerely,

The Coatesville Area School Board

Our Financial Challenges and Their Impact on Negotiations

As the chart on the right indicates, Coatesville Area School District's 2017-2018 budget income will be derived primarily from local tax revenues (68%), with additional funding coming from the state

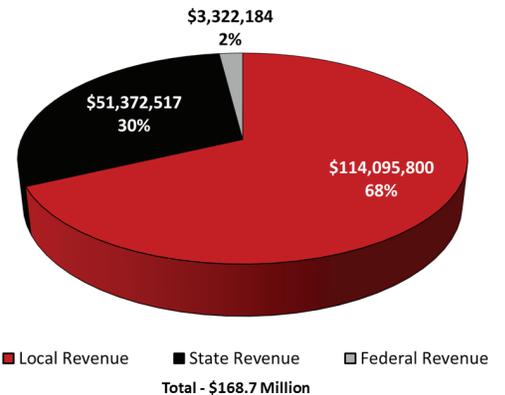
(30%) and the federal government (2%). Despite the fact that the District has a track record of collecting 95% of the local taxes owed, dependence on local revenue tends to be limiting in a district such as ours, documented as the second poorest in Chester County. The medium taxable income within the District is far below the County medium (*see chart below*).

Real estate assessed values have only increased by a mere 0.78% over the past 10 years.

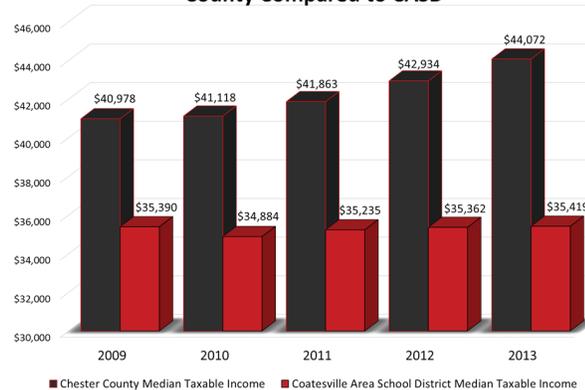
These factors, paired with spending increases associated with special education costs, employee benefits and charter school costs, have made creating a balanced budget for 2017-2018 a challenge.

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Budget 2017-2018: Where the Money Comes From



County Compared to CASD



Source: Department of Revenue's Personal Income Tax Statistics (PIT Booklet) datasets for 2009-13

COMPARING THE ISSUES IN DISPUTE

CONTRACT LENGTH

What the Board is Offering

- Two-year contract in order to assess financial impact of mandates by the new U.S. Secretary of Education.

What the Union Wants

- Four-year retroactive contract spanning from August 29, 2016 – August 28, 2020.

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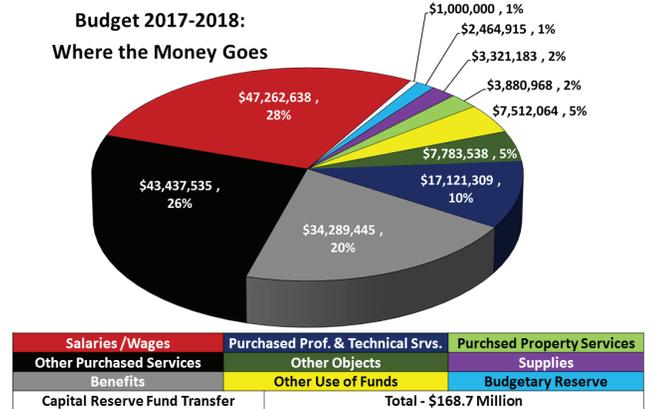
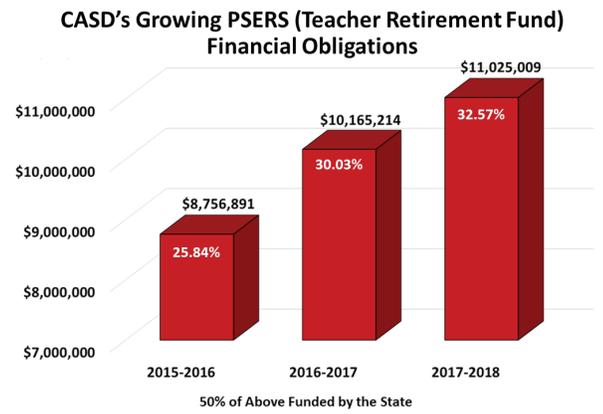
Our Financial Challenges and Their Impact on Negotiations cont'd. from p. 1

In addition, because the Pennsylvania Public School Employees' Retirement System (PSERS) – the retirement fund for teachers – has lost money due to declining investments, the District has been required by law to make up the difference by increasing their payments into the system. For the District, this has meant a steady increase in contributions each year as the first chart on right indicates. The PSERS contributions by the District are not savings – they are expenses that must be paid to cover teacher retirement benefits. Unfortunately, there is nothing our District can do about this mandated financial obligation, as is the case with all Pennsylvania School Districts.

On the expense side (*second chart on right*), salaries and benefits make up 48% of the budget. The fact that a new contract has not been finalized with CATA makes budget planning particularly difficult since the District must adhere to the terms of the expired contract until a new one is executed.

In order to achieve a balanced 2017-2018 budget, the School Board has authorized the District to seek approval from the Pennsylvania Department of Education by applying for the exception for special education expenditures. This will provide an allowable tax increase above the 3.2% under Act 1, thus enabling the District to balance its lean budget.

The current School Board is committed to fiscal responsibility and only taxes as is necessary to ensure student needs are met. This is why a fair compromise is so essential between CATA and the School Board Negotiating Committee.



Why Student Needs Must Come First

In a perfect world, Coatesville Area School District would have the resources to meet all the needs of its teachers without compromising its ability to support its educational mission. Unfortunately, our economic reality is that our limited resources must be directed toward student needs first. Recent and upcoming critical priorities are as follows:

- **Bringing District Buildings Up to Standard.** A 2016 feasibility study showed that our schools needed to be brought up to standard and required roofing, plumbing and technology upgrades to ensure that they comply with building codes and support student learning.
- **Updating Antiquated Technology.** Recognizing that successful schools need updated technology and infrastructure

that supports a wireless environment, the District recently replaced 10-year-old computers, servers and switches.

- **Creating a Secure Environment.** A District-wide replacement of security cameras was just completed, providing greater peace-of-mind to all learning and working within our buildings.
- **Preparing for Potential Funding Cuts.** The U.S. House of Representatives has introduced Bill 610. This bill would effectively start the school voucher system to be used by children ages 5 to 17, and starts the defunding process of public schools. With the possibility of this bill becoming a federal law, our District must remain extremely cautious when planning for future spending.

Facts And Figures: Teachers Compared To Administrators

During negotiations, CATA has consistently referenced the disparity between teachers and administrators. Below, please find some noteworthy facts and figures.

	TEACHERS	ADMINISTRATORS
Days worked per year	189	260
Months worked per year	9	12
Hours of work day	7.5	10+
Extra duty wages	\$33 per hour	0
Salary increase under current contract	2.98% -5.87% w/out regard to merit	0-2.5% merit based

COMPARING THE ISSUES IN DISPUTE cont'd. from p. 1

SALARIES

What the Board is Offering

- A package proposal (contingent upon acceptance of the health care plan described to the right) which provides half-step salary increases each year of the contract. (See what a “step” is below.)
- CATA will be empowered to determine where savings achieved through the new health care plan will be directed.

What the Union Wants

- Salary increases of 3.87%, 3.92%, 3.96% and 3.91% in each respective year of a four-year contract.
 - Since these increases represent averages, they fail to provide a true reflection of salary increases achieved through steps. (See what a “step” is below.)
- Continue teaching time restrictions of the current contract which limit high school teachers to face-to-face instructional time of under four hours per day (5 instructional periods out of 7 at 47 minutes per period). Pay teachers \$750 per extra class if required to teach 6 periods – **though they are already being paid a salary.**
- Teachers asked to cover a class during the work day will be paid \$40 per class – **though they are already being paid a salary.** This demand represents a 17.6% increase from the current contract.
- Teachers holding a special education certificate would be paid an additional \$1,000 per year. This demand represents a 100% increase from the current contract.

Understanding What A “Step” Is

A “step” is used to determine a teacher’s salary based on his or her years of service and level of education. Teachers advance in salary by completing more years in service or acquiring more credits and/or educational degrees.

The two charts below illustrate this point:

2014-15			2015-16			Increase %	
Step	M+45	M+60	Step	M+45	M+60	M+45	M+60
1	48000	49000	2	50733	51933	5.69%	5.99%

2014-15			2015-16			Increase %	
Step	B+15	M	Step	B+15	M	M+45	M+60
18	77100	82200	19	81133	86633	5.23%	5.39%

The first example would represent a teacher who had one year of experience (and was either Masters degree plus 45 or 60 credits) in 2014-15 and moved to step 2 (2 years of experience) in 2015-16 – that particular case, the increases were 5.69% (Masters + 45) and 5.99% (Masters + 60).

The second example follows the same logic, but is based on a teacher with significantly more experience in the position.

HEALTH CARE

What the Board is Offering

- Comprehensive High Deductible Personal Choice Plan QHDHP and Integrated Drug Plan.
- District funding of 87% of medical, Rx, dental and vision plan in year one and 85% in year two.
- Spousal coverage with proof that coverage is not available through his/her employer.

What the Union Wants

- Continue existing Personal Choice 20 health care plans, despite the fact that other District unions have agreed to lower-cost plans.
- Monthly contribution caps ranging from \$58 in the first year to \$90 in the last year for single coverage and \$180 in the first year to \$293 in the last year for family coverage.

CONTROL OF TIME AND CLASS ASSIGNMENTS

What the Board is Offering

- The best way to improve student performance is to increase the face time that students have with teachers. The District needs the ability to assign work or duties at times during the work day (except during the duty-free lunch and daily prep period).

What the Union Wants

- No class assignments where 20% or more of students require extra support – a cap that discriminates against special education students.
- No classes of certain sizes as determined by the union.
- Restrict class assignments for special education teachers to no more than two grade levels and two primary identifications – a practice that segregates students and limits the services the District can provide to students.

HIRING AND MANAGEMENT RIGHTS

What the Board is Offering

- The District needs the ability to make staffing decisions based on the best interest of Coatesville’s students, not on the seniority of teachers.

What the Union Wants

- In the event that reductions of staff are necessary, the union wants to dictate (in inverse order of seniority) who is to be furloughed. When new teaching opportunities become available, furloughed employees should be allowed to pick those positions, with no new appointments while teachers are furloughed.



NegotiationUPDATE

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Stay informed about Negotiations:

- Visit the "Negotiation Update" section of the District website at www.casdschools.org
- Connect with us on social media at www.facebook.com/coatesvilleSD/
- Attend School Board meetings

Questions and Answers Regarding the Fact-Finding Process

Q. What is fact-finding?

A. Fact-finding is an option for both sides to pursue when negotiations are at an impasse. In the process, a neutral, third-party person called a fact-finder is assigned by the Pennsylvania Labor Relations Board (PLRB) to examine both of the proposals on the table and make recommendations based upon those proposals.

Q. How long does fact-finding usually take?

A. Once the request for fact-finding is received and the PLRB appoints a fact-finder, he or she has 40 days to issue a report containing recommendations for a contract. Once both sides have received the fact-finder's report, they then have 10 days to notify the Pennsylvania Labor Relations Board (PLRB) as to whether or not they accept the report in its entirety. If one or both of the parties reject the report, the report is made public. No less than five days and no more than 10 days after the report is made public, each side must again inform the PLRB as to whether or not it accepts the report.

Q. Is the fact-finder's report binding?

A. If accepted, the fact-finder's report is binding and becomes the contract to which both parties must adhere. If the fact-finder's report is rejected, it still could be used by both parties as a framework for a contract which they could continue to negotiate.

Q. Could the teachers' union go on strike during fact-finding?

A. During the fact-finding process, teachers' unions ARE NOT allowed to strike.

Q. Could the teachers' union go on strike if the fact-finding process does not result in an agreed-upon contract?

A. It is our sincere hope that teachers will not disrupt student learning by implementing a work stoppage. Unfortunately though, the laws that govern collective bargaining allow a strike to occur if a settlement is not reached. In this case, the union is required by law to deliver written notice of an intent to strike to the superintendent no later than 48 hours prior to the start of the strike. Once again, we are hopeful that the teachers' union would not compromise the education of students by striking.

Q. How long can teachers strike?

A. The maximum length of days teachers are permitted to strike depends upon when in the year a strike is initiated. This is because schools are legally required to complete 180 instructional days.

School districts have the option of turning vacation days into instructional days in order to fill this state requirement. Thus, strikes occurring earlier in the year, when there are more vacation days available, could last longer than those occurring toward the latter part of the school year.