

To: The Walnut Valley Unified School District (WVUSD)

From: Walnut Valley Educators Association (WVEA)

Dated: November 23, 2010

Reference: Reduction in Furlough Day per the MOU; dated April 2<sup>nd</sup>, 2010.

### Background

The Walnut Valley Educators Association (WVEA) as the exclusive bargaining agent of the certificated employees of the Walnut Valley Unified School District (WVUSD), recognizes the district's statutory authority to establish a shortened instructional year. WVEA has entered into this good faith agreement, thereby reducing the instructional year and related furlough days. The financial assumptions predicated upon this agreement have changed both in scope and sequence. Additional unexpected funds have entered the district through; Federal Jobs Bill, Increase to the 2010-11 ADA beyond that projected, and Increases to the FBRL.

This agreement was entered based on the premises that declining revenues in the 2010-2011 budget year would be devastating to the district and the instructional wellbeing of WVUSD. The good faith agreement was predicated on the assumption and trust that days, either furlough or instructional, would be restored as new revenues beyond those projected in the 2010-11 budget year come to the district.

### New Revenues beyond June 2010 adopted budget

Closing balance over projection** .....	\$396,404
Increase Enrollment** .....	\$340,428
Certificated Early Retirement Savings (over projection)** .....	\$478,328
Federal Education Jobs Act.....	\$2,838,987
Additional SFSF (Stimulus).....	\$202,000
Deficit reduction \$271/ADA** .....	<u>\$3,912,792</u>
	Subtotal
	\$8,168,939
Deficit reduction (Questionable)	<u>-\$3,912,792</u>
	Total
	\$4,256,147

\*\* Would be applicable to the fair share formula

Proposal (Dated- November 23, 2010)

After much discussion with our bargaining unit members, the majority of our members concur with the elimination of the five furlough days for the 2010-2011 school year. This would be accomplished by modifying the current furlough language in the Memorandum of Understanding (MOU) dated April 2, 2010.

- Eliminate the remaining three furlough days for the 2010-2011 school year to (182 days for returning employees/183 days for new employees) and the appropriate contractual days for other bargaining unit members per the certificated bargaining unit contract in effect at the time of the April 2, 2010, MOU.
- Add two additional work days to the 2010-2011 school year calendar. The two additional days will bring the contractual work year to (184 days for returning employees/185 days for new employees) and the appropriate contractual days for other bargaining unit members per the certificated bargaining unit contract in effect at the time of the MOU; dated April 2, 2010. These will be bargaining unit member workdays to be collaboratively determined by WVEA and WVUSD.
- Restoration to the certificate salary schedule in affect at the time of the MOU dated; April 2, 2010, beginning December 1, 2010. (The assumption that the appropriate step and column placement has already been awarded to those members who qualify on the adjusted certificated salary schedule of 2010-2011.
- Provide retroactive pay to bargaining unit members affected salary and or compensation based on the salary schedule in effect prior to the 2.72% reduction as stated in section 1 and 2 of the MOU; dated April 2, 2010.

WVEA proposes a modification to the MOU; dated April 2, 2010 for the 2011-2012 contracted work year.

- Eliminate three furlough days in the 2011-2012; resulting in a contracted work year of 183 days for returning employees/184 days for new employees and the appropriate contractual days for other bargaining unit members per the certificated bargaining unit contract in effect at the time of the MOU.
- Eliminate the remaining furlough day four in the 2011-2012 contracted year, based on the set-aside from the deficit reduction in the 2010-2011 FBRL. Upon successful implementation of clause 1a in the MOU dated April 2, 2010 as of the governor's 2011 may revision, all furlough days will be eliminated for the 2011-2012 school year.

## Furlough Day Reduction Calculations

### Assumptions

Cost of one furlough day for WVEA bargaining unit members.....	\$286,480
Percent of WVEA furlough day to total furlough savings.....	76.69%
Cost of one furlough day for all WVUSD employees .....	\$373,512
Federal Jobs Bill (one time money (9/30/2012) .....	\$2,838,987
Percent of Federal Jobs Bill .7669 x \$2,838,987 .....	\$2,177,219
Revenues beyond the June 2010 adopted budget.....	\$8,168,939*

\*As described in the proposal

### Cost

#### **Cost associated with the furlough reduction in the 2010-2011**

**School year:** \$286,480 x 5 days= \$1,432,400

2 days buy back@\$286,480 = \$572,960

3 days @ \$286,480 = \$859,440

Total cash outlay to purchase 5 furlough days.....\$1,432,400

#### **Cost associated with the furlough reduction in the 2011-2012**

**School year:** \$286,480 x 3 days = \$859,440

Deficit reduction (clause 1a-\$25) \$286,480 x 1 day = \$286,480

Total cost of Proposal

8 furlough days@286,480 = \$2,291,840

Percent of Federal Jobs Bill = \$2,177,219