



**CHAMPAIGN COMMUNITY UNIT SCHOOL DISTRICT #4
BOARD OF EDUCATION**

**OFFER TO CHAMPAIGN FEDERATION OF TEACHERS,
LOCAL 1925, IFT/AFT/AFL-CIO**

SEPTEMBER 26, 2013

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I. INTRODUCTION

The following information is offered pursuant to Section 12 of the Illinois Educational Labor Relations Act (115 ILCS 5) by the Board of Education of Champaign Community Unit School District #4 (“Board” or “District”) to the Champaign Federation of Teachers, Local 1925, IFT/AFT/AFL-CIO (“CFT”).

The Board recognizes that a strong public school system benefits students, attracts families, contributes to an increase in property values, and helps a community grow and thrive well into the future. As the Board undertakes its responsibilities in serving the community, it is guided by the principles and goals established in the District’s strategic plan. Specifically these goals are:

- Fostering high academic achievement, wellness, and well-being among all learners in a safe, supportive environment.
- Aligning the District’s priorities and resources through a community-involved planning process implemented through focused action plans with regular progress reports.
- Retaining, hiring, and supporting highly qualified faculty and staff that will best serve the District’s diverse student population.
- Effectively and efficiently engaging parents and other community stakeholders resulting in strong partnerships.
- Leveraging the strength of the District’s diverse population to create a rich academic and social environment in each of the District’s schools.
- Revitalizing, building, and maintaining facilities that are safe, sustainable, and allow access to programming services across the District.

In reviewing these guiding principles, the Board has arrived at more specific goals for negotiation of this collective bargaining agreement with CFT. Specifically, the Board strives to achieve the following:

- *A Quality Education for All Unit 4 Students.* The Board must maintain existing academic and extra-curricular opportunities for current and future students by mindfully allocating the District's limited resources in a manner which avoids unmanageable class sizes, unnecessary reductions in staff, programmatic cuts, and a deteriorating physical plant.
- *The Exercise of Sound Financial Management.* In a time when the District is experiencing an unanticipated growth in enrollment while also seeing a decrease in state and federal funding, the Board understands that it must continue to strongly guard the District's financial resources.
- *A Competitive and Fair Compensation and Benefits Package.* The Board is committed to providing a generous compensation and benefits package which will allow the District to continue to attract and retain an instructional staff of the highest caliber.
- *A Commitment to Instructional Supports and Resources.* The terms of the collective bargaining agreement must allow for the expenditure of resources to provide for a safe and successful learning environment and supports to instructional staff.

In order to maintain and achieve these goals, the Board must act diligently and responsibly in committing its financial resources. Compensation and benefits for CFT members constitute the District's single largest category of expenditures. As such, entering into the collective bargaining agreement is a task the Board takes on with the highest degree of contemplation, analysis, and scrutiny.

The Board respects the District's instructional staff and recognizes the valued role they have in preparing Unit 4 students for success in and out of the classroom. The Board has been bargaining in good faith with CFT to achieve the goals described above, allowing for fair compensation and fiscal responsibility. CFT members have been, and will continue to be, compensated at a level that is competitive across the area.

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In undertaking this process, the Board believes it is imperative that it represents all stakeholders. The Board can accomplish its goals by acknowledging the role that everyone – students, staff, and community members – plays in providing the highest quality education for all students in our community.

II. NEGOTIATIONS SUMMARY

Since May 2013, the Board and CFT have been engaged in negotiations for a new collective bargaining agreement. The parties met five times between May 15 and June 30. On June 25, the parties tentatively agreed upon health insurance benefits so that teachers still will not have to pay for single-member health insurance coverage.

The Board was committed to meeting regularly over the summer in its efforts to come to a fair and swift resolution to these negotiations. At CFT's request, the parties did not meet for four weeks during the month of July while one of their team members vacationed. At its first session following the summer hiatus on August 6, CFT demanded mediation through a third-party mediator, despite the Board's willingness to discuss all remaining proposals on the table. Although the Board believed the parties were making progress in negotiations, on September 18, CFT asked its members to vote to authorize a strike. On September 19, CFT issued notice to the District and the Illinois Educational Labor Relations Board that it was initiating the public posting process as required under the Illinois Educational Labor Relations Act. At the September 25 bargaining session, the Board revised four of its proposals while CFT revised only one and noted that they had "no room to move."

In total, the Board and CFT have met on nine different occasions, including three meetings with a federal mediator. At this time, the Board believes it is important that the community be fully informed as to the state of negotiations, the financial realities faced by the District, the level of compensation and benefits provided to CFT members by the Board, and the outstanding proposals still to be resolved, as well as the proposals which the parties have agreed upon during these negotiations.

The Board also believes the community should be informed as to what happens upon the expiration of an existing collective bargaining agreement.

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Since the previous agreement expired on June 30, 2013, teachers continue to be paid at the rate they were paid under the previous agreement, the District continues to provide health, dental and life insurance, and pension contributions as it had under the previous agreement, and the language of the previous agreement continues to control the interactions between the District and CFT members.

III. DISTRICT FINANCIAL OUTLOOK

The Board is committed to coming to a fair and fiscally responsible agreement that recognizes the many financial uncertainties that lie ahead while also rewarding CFT members and protecting students, staff and District programs. The collective bargaining agreement the District enters into must be sustainable such that the District is able to stay on a fiscal course that neither overly burdens taxpayers nor shortchanges the educational program. It must allow the District to ensure appropriate reserves to maintain necessary cash flows despite reduced and delinquent payments from the State of Illinois.

There are significant challenges the Board must confront in ensuring it is appropriately protecting its financial resources, ranging from the instability of the financial picture of the state and federal government to changes in the District's demographics. There are several examples which illustrate the existing challenges the District faces:

- There is continued jeopardy to funding by the State of Illinois. While the State of Illinois is mostly current with its payments, it continues to only fund the District at 89% of the foundation level for General State Aid as established by the State Board of Education. In the 2013-14 school year, this will mean a loss of \$1,112,558 to the District.
- Recently, the State Board of Education has also considered a proposal in which the State of Illinois would change the formula for providing reimbursement for transportation which could drastically impact how much the District would receive in transportation reimbursement. In the 2012-13 school year, the District received \$1,017,002 in transportation reimbursements from the State of Illinois.
- The questions surrounding pension reform in Illinois are well-documented and of significant concern to the Board. Proposals set forth to date in the Illinois General Assembly shift the State of Illinois'

obligations for the Teachers' Retirement System (TRS) onto local school districts – a move that would ultimately cost the District millions of dollars each year.

- Sequestration at the federal level also has a significant impact on District finances. Under the sequester, District funding to aid students from lower socioeconomic backgrounds and students with disabilities would be reduced by approximately \$380,000. In addition, the District would lose \$134,479 in federal government credits it receives on payback of its Build America Bonds issued in 2010.
- The District must continue to monitor and plan for the uncertainty of the Affordable Care Act (Obamacare) and the potential escalating cost of health benefits.
- The growth in student population must be met with an appropriate allocation of resources, including the hiring of many new staff members to maintain manageable class sizes.
- Due to consistently low interest rates, District investment earnings have declined more than \$1,000,000 since 2009.

The Board has been actively planning to tackle these financial challenges and continues to be proactive in finding innovative and practical opportunities to mitigate the effects of decreases in state and federal funding. Over the last four years, the Board has cut millions of dollars in staffing, programming, and operational costs from its annual budget. Undertaking these cuts was a difficult process, but the Board was diligent in involving all stakeholders and deliberate in its efforts to keep the cuts as far away from the classroom as possible. As early as the budget presentation at the March 26, 2012 Board meeting, the Board has been advised to consider another round of budget cuts in the amount of \$1,000,000 for the 2014-15 school year.

The District operates under the Property Tax Extension Limitation Law (PTELL) which impacts the District's ability to generate revenue from its largest

and most reliable funding source – local taxpayers. PTELL limits the District's ability to increase property taxes (except for those levied for certain bond and interest payments) to the lesser of 5% or the 12-month rate of inflation as measured by the All Urban Consumer Price Index (CPI). The current CPI for this year's levy is 1.7%. The District's ability to generate local tax revenues is limited to this rate for the 2013 tax levy payable in 2014.

The District's Fiscal Year 2014 budget in the Education Fund, the fund from which teacher salaries are paid, is based on maintaining all salaries at the Fiscal Year 2013 level. The District currently has a surplus in the Education Fund of \$630,642. The cost of a step raise alone for all CFT members would entirely eliminate this surplus.

There are several other considerations of which the Board believes the public should be aware. First, a projected budget or a financial statement shown at a particular point in time does not accurately reflect the ebb and flow of balances in any given fund throughout a school year. The District must maintain adequate fund balances in order to cover its ongoing cost of operations between receipt of local tax revenues or during delays or decreases in payments from the State of Illinois.

In addition, inadequate fund balances would force the District to borrow money to appropriately fund operations. This would cause the District to incur additional and unnecessary interest costs and expenses related to borrowing.

Finally, the District has received the highest financial rating possible ("Recognition") from the State of Illinois for its solid financial performance. The District cannot compromise this financial rating. To do so would likely cause the District to pay higher interest rates on any future bond financing costs.

IV. EXISTING BENEFITS CURRENTLY AFFORDED CFT MEMBERSHIP

Though faced with challenging financial circumstances, the Board believes that the compensation and benefits package it offers to CFT members continues to be generous and highly competitive with other area districts.

The Board pays 100% of each CFT member's employee contribution to TRS. In other districts, employees contribute a portion of their salary to fund their retirement; however, in Unit 4, the Board pays the employee contribution. In the 2012-13 school year, the District contributed a total of \$5,292,256 to TRS on behalf of CFT members.

The Board agrees to pay 100% of the cost of each CFT member's single-member health insurance premium. In the 2012-13 school year, the District paid \$4,398,264 for health insurance benefits for CFT members.

The Board agrees to pay 100% of the cost of each CFT member's single-member dental insurance premium. In the 2012-13 school year, the District paid \$257,172 for dental insurance benefits for CFT members.

The Board agrees to pay 100% of the cost of a \$25,000 term life insurance policy for each member of CFT. In the 2012-13 school year, the District paid \$44,166 for life insurance benefits for CFT members.

Below is a comparison of salaries and benefits in other area districts for the 2012-13 school year for first-year teachers with a Bachelor's Degree and fifth-year teachers with a Master's Degree, along with associated benefits. It should be noted that in districts in which the Board does not pay the full member contribution (9.4%) to TRS, the employee must make a payment directly to TRS covering the difference between the full member contribution and the amount contributed by the Board.

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District	1 st Year – Bachelor’s (including Board-Paid TRS)	5 th Year – Master’s (including Board-Paid TRS)	Board-Paid TRS (Fully-Paid = 9.4%)	Health Insurance (Single-Member)	Dental Insurance (Single-Member)	Life Insurance
Champaign Unit 4	\$39,706	\$48,515	9.4%	100%	100%	Yes (\$25,000)
Urbana District 116	\$36,100	\$40,932	9.4%	82%	No	Yes (\$10,000)
Bloomington District 87	\$37,376	\$48,215	0%	100%	No	Yes (\$10,000 minimum)
Danville District 118	\$36,194	\$45,605	9.4%	100%	No	Yes (\$25,000)
Normal Unit 5	\$34,521	\$44,878	2.2%	100%	100%	Yes (\$50,000 minimum)
Decatur District 61	\$33,845	\$38,773	9.4%	92%	No	Yes (\$20,000)
Rantoul Township HSD 193	\$38,528	\$44,157	9.4%	100%	No	Yes (\$15,000)
Mahomet-Seymour CUSD 3	\$37,173	\$44,279	9.4%	\$585/month *	*	*
Tolono Unit 7	\$32,037	\$37,809	9.4%	100%	No	No
St. Joseph-Ogden CHSD 305	\$32,767	\$37,073	9.4%	100%	100%	Yes (\$20,000)
Tuscola CUSD 301	\$33,000	\$41,180	9.4%	100%	No	No

* The \$585/month contribution can be applied to health, dental, vision or life insurance.

(Source: Large Unit District Association Salary Survey, District Collective Bargaining Agreements and District Human Resources Interviews)

For further comparison, in the 2011-12 school year Unit 4 teachers had an average of 12.1 years of experience and were paid an average of \$55,185. By comparison, teachers in Urbana District 116 had an average of 13.1 years of experience and were paid an average of \$53,230.

Compensation at the top end of the salary schedule is certainly competitive as well. In the 2012-13 school year, more than 100 CFT members had TRS creditable earnings in excess of \$70,000, with a few teachers earning in excess of \$100,000.

Under TRS, a fully vested member is entitled to an annual pension of 75% of the member's average highest salary for the teacher's four highest salaried consecutive years of work. Thus, if a member has a highest average salary of \$80,000, that member would receive a \$60,000 annual pension for life, plus an annual cost of living increase.

Finally, it should be noted that the Board has taken efforts to control compensation costs across the District. For example, from the 2009-10 school year to the 2012-13 school year, total compensation for administrators in the District was reduced by \$244,959, a decrease of 3.7%. Over that same time period, compensation for CFT members increased \$2,674,946, an increase of 6.1%.

V. OUTSTANDING PROPOSALS

A. Length of Collective Bargaining Agreement

CFT Proposal: CFT is again proposing a one-year term for a successor collective bargaining agreement.

Board Proposal: The Board is proposing a three-year term for a successor collective bargaining agreement.

Board Rationale: This is the third consecutive year the parties have been negotiating a collective bargaining agreement, as the past two collective bargaining agreements were both one-year agreements. A three-year collective bargaining agreement would allow the Board to engage in more strategic long-term planning and more closely focus its energy on its core mission of educating the students of this community.

Cost Implications: Minimal.

B. Salary (Article VIII, Section K.5)

Background: Prior to reviewing the parties’ specific offers, the Board believes it is important that the community understand the terminology used in discussing salary increases.

- The District salary schedule is comprised of individual “cells” arranged in horizontal rows referred to as “steps” and vertical columns referred to as “lanes” (which indicate level of educational attainment). For illustrative purposes, the first three steps of each lane of the 2012-2013 District salary schedule are below.

	BA	BA + 15	BA + 30	MA	MA + 15	MA + 30	MA + 60	PhD
1	39,706	40,791	42,012	43,357	44,862	46,490	48,252	50,153
2	41,338	42,449	43,699	45,226	46,754	48,421	50,227	52,171
3	42,024	43,134	44,385	46,047	47,577	49,245	51,048	52,994

- A base raise is an increase in the dollar amounts in the individual cells on the salary schedule.

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- A step raise occurs when a member advances one row down on the salary schedule, usually because he or she has returned for another year of service to the District. The “value” of a step to an individual member varies based on the compounded effects of previous contract negotiations. The following chart shows the percentage value of each step on the current salary schedule. For example, a teacher on BA Step 1 last year would automatically receive a 4.1% raise simply by returning for a second year of services to the District. The District calculates the average value of a step to be 1.7%.

	BA	BA + 15	BA + 30	MA	MA + 15	MA + 30	MA + 60	PhD
1	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2	4.1%	4.1%	4.0%	4.3%	4.2%	4.2%	4.1%	4.0%
3	1.7%	1.6%	1.6%	1.8%	1.8%	1.7%	1.6%	1.6%
4	1.6%	1.6%	1.5%	1.8%	1.7%	1.7%	1.6%	1.5%
5	3.2%	3.1%	3.0%	3.5%	3.4%	3.3%	3.2%	3.1%
6	1.6%	1.5%	1.5%	1.7%	1.6%	1.6%	1.5%	1.5%
7	1.5%	1.5%	1.5%	1.7%	1.6%	1.6%	1.5%	1.5%
8	1.5%	1.5%	1.4%	1.6%	1.6%	1.5%	1.5%	1.4%
9	3.0%	1.4%	1.7%	1.6%	1.6%	1.5%	1.5%	1.4%
10	2.6%	1.9%	1.7%	1.6%	1.5%	1.5%	1.4%	1.4%
11	0.0%	0.9%	1.6%	1.6%	1.5%	1.5%	1.4%	1.4%
12	0.9%	1.4%	1.6%	1.5%	1.5%	1.5%	1.4%	1.4%
13	1.2%	1.4%	1.6%	1.5%	1.5%	1.4%	1.4%	1.3%
14	0.0%	2.7%	1.6%	1.5%	1.5%	1.4%	1.4%	1.3%
15	0.0%	2.4%	1.5%	1.5%	1.4%	1.9%	2.2%	2.2%
16	0.0%	0.0%	1.5%	1.4%	1.4%	1.8%	2.2%	2.1%
17	0.0%	1.2%	2.5%	1.4%	1.4%	1.8%	2.2%	2.1%
18	0.0%	1.5%	2.2%	2.0%	2.0%	2.0%	2.0%	2.0%
19	0.0%	0.0%	0.0%	2.0%	2.0%	2.0%	2.0%	2.0%
20	0.0%	0.0%	1.4%	2.3%	2.3%	2.2%	2.1%	2.0%
21	0.0%	0.0%	1.7%	2.3%	2.2%	2.2%	2.0%	2.0%

- Once a member reaches Step 21, he or she moves “off-schedule” and gets a flat percentage raise that is negotiated for each year.

- A lane raise is advancement to the right on the salary schedule for completing additional coursework or professional development hours. All members, including those off-schedule, are eligible for lane raises.

CFT Proposal (Average 5.35% base and step raise plus lane raises for one year):

At the September 25 bargaining session, CFT proposed a base raise of 3.65%, a step raise of an average of 1.7%, and all applicable lane raises for members on the salary schedule, as well as a 3.65% raise and all applicable lane raises for all individuals who are off-schedule. Under CFT's proposal, dependent on placement on the salary schedule, a member could potentially receive a total salary increase (including base raises, step raises, and lane raises) of up to 11.8% in one year. CFT has not made proposals for the 2014-15 and 2015-16 school years.

Board Proposal (Average 3.0% base and step raise plus lane raises each year for three years): For the 2013-14 school year, the Board has proposed a base raise of 1.3%, a step raise of an average of 1.7%, and all applicable lane raises for members on the salary schedule, as well as a 3.0% raise for all individuals who are off-schedule. For the 2014-15 school year, the Board has proposed a base raise of 1.3%, a step raise of an average of 1.7%, and all applicable lane raises for members on the salary schedule, as well as a 2.5% raise for all individuals who are off-schedule. For the 2015-16 school year, the Board has proposed a base raise of 1.3%, a step raise of an average of 1.7%, and all applicable lane raises for members on the salary schedule, as well as a 2.5% raise for all individuals who are off-schedule.

Board Rationale: Under the Board's proposal, on-schedule CFT members would receive an average total raise of 9% over the course of three years, not including all applicable lane raises, while off-schedule CFT members would receive an average total raise of 8.0%, not including all applicable lane raises.

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As noted below, average raises for CFT members have well outpaced the increase in the Consumer Price Index (CPI) which the District must use in calculating its tax levy.

School Year	Average Increase – CFT (including step raises)	Increase in Consumer Price Index
2008-2009	4.5%	0.1%
2009-2010	4.5%	2.7%
2010-2011	4.5%	1.5%
2011-2012	1.8%	3.0%
2012-2013	3.0%	1.7%
Total	18.3%	9.0%

(Source: District Collective Bargaining Agreements and All Urban Consumer Price Index)

In addition, as shown below, over the last six years, salaries for CFT members have increased an average of 22.8% (including step raises) in total. This does not include lane raises. Over that same period, salaries for administrators have increased an average of 16.7%. It should also be noted that administrators are not eligible for step raises or lane raises.

School Year	Average Increase – CFT (including step raises)	Average Increase - Administration
2007-2008	4.5%	4.0%
2008-2009	4.5%	4.5%
2009-2010	4.5%	3.0%
2010-2011	4.5%	0.0%
2011-2012	1.8%	2.2%
2012-2013	3.0%	3.0%
Total	22.8%	16.7%

(Source: District Collective Bargaining Agreements and Administrative Records)

As noted previously, salaries for CFT members are virtually unmatched in the area. The District is confident that given the generous compensation

package CFT members receive, it will continue to attract and retain high quality teachers under its current proposal.

Cost Implications: Based on the existing salary schedule and the base raises and step raises offered by the Board, the District's calculation of the total increased cost to the District (including the increase in differential costs) for the 2013-14, 2014-15 and 2015-16 school years is \$3,540,741. This does not include all lane raises for which members qualify. While placing an exact dollar amount on the total cost of lane raises is difficult due to the locations of members on the salary schedule and the fact that members may earn multiple lane raises over a three-year period, there were 72 members who qualified for some type of lane raise in just the 2013-14 school year.

C. Health Insurance (Article VIII, Section C)

Synopsis: In addition to the increase in individual premium cost contributed by the Board, CFT also proposed that the Board contribute an additional \$100/month to the cost of an employee plus one plan and an additional \$250/month to the cost of a family plan. The Board issued several proposals, all of which increased the Board cost for individual premiums from the amount of \$481/month in the existing contract. The Board rejected additional contributions for employee plus one and family plans as cost prohibitive. The District proposed that multiple plans be offered to afford members different health care options and to provide some premium relief for those members who choose employee plus one or family plans.

Tentatively Agreed Language: The parties have agreed that the Board will contribute \$537 per member per month for the 2013-14 school year. The parties also agreed to the following language: "~~During the term of this Agreement, the CFT and the Board agree to use plans to be negotiated each plan year.~~ The parties will schedule their first meeting to negotiate health care plans no later than April 15 each year. The parties agree to establish a Joint Committee comprised of equal representatives to study health insurance plans."

Cost Implications: The cost of the \$56 increase in Board contributions per member per month to health insurance premiums for the 2013-14 school year is \$571,200.

Board Proposal: The Board proposed an increase in the Board contributions to health insurance premiums to \$565 for the 2014-15 school year and \$593 for the 2015-16 school year.

Board Rationale: In the 2007-08 school year, the Board contributed \$353 per member per month toward health insurance premiums for CFT members. In

the 2013-14 school year, the Board is contributing \$537 per member per month, an increase of 52%. As noted previously, the full cost of a member's single-member health insurance premium is covered by the Board. The Board must keep increases in contributions to health insurance at a sustainable level.

School Year	Board Contribution to Single-Member Health Insurance Premium
2007-2008	\$353.00
2008-2009	\$410.00
2009-2010	\$442.00
2010-2011	\$467.00
2011-2012	\$469.00
2012-2013	\$481.00
2013-2014	\$537.00

(Source: District Collective Bargaining Agreements)

In addition, starting in 2018, the Affordable Care Act (Obamacare) imposes a 40% excise tax on the total premium cost of employee health insurance when the level of coverage offered under the employer's plan exceeds certain thresholds (so-called "Cadillac Plans"). It is important to note that these thresholds are tied to non-medical inflation, which is significantly lower than medical inflation. At current levels of coverage, the District's plan will likely meet the definition of a Cadillac Plan and be subject to this tax.

CFT Proposal: CFT has not proposed an amount for the second or third years of the collective bargaining agreement and has not responded to the Board's proposal for these years.

Cost Implications: The cost of the \$28 increases in Board contributions per member per month to health insurance premiums for the 2014-15 and 2015-16 school years is also \$571,200. Thus, the increased cost over the term of the collective bargaining agreement is well in excess of \$1,000,000. In addition, absent significant changes to the level of coverage offered under the District's

health insurance plan, the Board will face a 40% excise tax each year the plan exceeds thresholds. Due to the compounding nature of insurance premiums, it is important that the District begin making changes now to prevent draconian cuts to coverage in 2018-2019, which would devastate its employees and their families.

D. Paid Administrative Leave (Article VII, Section O – New)

CFT Proposed Language Addition:

“Within three (3) days of the start of a teacher’s paid administrative leave, the teacher, the CFT president, and the superintendent or his or her designee, shall meet to review the reasons why the teacher was placed on such leave.

No reference to any paid administrative leave shall be retained in any teacher’s personnel file.

The following protocol shall be followed for re-entry to the teacher’s classroom following paid administrative leave:

- 1) A letter of support shall be provided to the teacher from the principal when the teacher is notified that he/she may return to work. Such letter shall indicate the administrator’s high level of confidence in the teacher’s professional abilities and talents.
- 2) When a false accusation is made by a student that results in a teacher being placed on paid administrative leave, immediate and effective administrative follow-through regarding potential student discipline shall result.
- 3) If requested by the teacher, the building administrator shall offer to meet with the parent(s), student(s), and teacher. CFT representation shall be offered.
- 4) Before the teacher returns to the classroom, a conference shall be held with the building administrator and the teacher (CFT representation shall be offered) to discuss successful re-entry into the classroom and the support the teacher feels is needed. If the teacher requests, the building administrator shall attend class.”

Board Counterproposal:

“Within three (3) days of the start of a teacher’s paid administrative leave, the teacher, the CFT president, and the superintendent or his or her designee shall meet to review the reasons why the teacher was placed on such leave.

In the event that investigation of the incident which gave rise to the paid administrative leave clears the teacher of all misconduct, the letter placing the teacher on paid administrative leave shall be removed from the teacher’s personnel file.

The following protocol shall be followed for re-entry to the teacher’s classroom following paid administrative leave:

- 1) When a false accusation is made by a student that results in a teacher being placed on paid administrative leave, immediate and effective administrative follow-through regarding potential student discipline shall result.
- 2) The building administrator shall offer to meet with the parent(s) and the teacher (and CFT representation, if desired by the teacher).
- 3) Before the teacher returns to the classroom, a conference shall be held with the building administrator and the teacher (CFT representation shall be offered) to discuss successful re-entry into the classroom and the support the teacher feels is needed. If the teacher requests, the building administrator shall attend class.”

As part of its counterproposal, the Board also offered the following clarifying language to the Parent-Student Complaint Procedure (Article V, Section A.13.a.6):

“Nothing in this Agreement shall prevent administration from immediately investigating allegations of teacher misconduct in accordance with Board policy and District procedures. Teachers shall have the right to representation at all stages of the investigation process.”

Board Rationale: In accordance with Board policy, the District is authorized to place members on paid administrative leave under appropriate circumstances based on alleged member conduct. When a full investigation is conducted and it is determined that employee discipline is warranted, the Board is not prepared to require a building principal to write a “letter of support” for the teacher as proposed by the CFT.

It should be noted that when an incident that gives rise to paid administrative leave is unfounded or does not result in employee discipline, the letter placing the teacher on leave is not maintained in the employee personnel file as the Board is not interested in harming “innocent” employees. If discipline is warranted, however, the Board needs to ensure that information is appropriately documented to protect the District from claims of disparate treatment or other potential future legal challenges.

CFT insists that if the District learns about alleged misconduct from a parent or student, no matter how serious, the parent must meet with the teacher before any action is taken by an administrator, regardless of whether the parent wants to meet with the teacher. Under CFT’s position, if the parent won’t meet with the teacher, the administration may do nothing.

The Board believes that it makes sense for grading, homework, and student discipline issues to begin with a discussion between the parent and the teacher. But when a parent or student reports that a teacher has made threatening or racist comments to students, aggressively grabbed a student, or brought a weapon to school, student safety must come first and the District must immediately investigate such allegations. The Board’s proposed

language is to clarify that the District can proceed to investigate allegations of misconduct which arise through a parent contact and separate them from matters which are appropriately handled through the Parent-Student Complaint Procedure.

It should also be noted that by adding this clarifying language, neither a teacher's right to union representation nor the due process he or she is guaranteed under the law are diminished in any way. The Board believes this additional language is in the best interest of the students and families it serves.

Cost Implications: CFT has filed a number of grievances questioning the Board's right to place a teacher on paid administrative leave and arguing that the District violated the collective bargaining agreement when it investigated serious allegations of teacher misconduct without the teacher first meeting with the parent. The grievance procedure can be long and costly and the Board would rather spend taxpayer money and its time and efforts enhancing the educational program, instead of defending its right to protect students and families from the inappropriate conduct of less than 1% of its teachers. The Board firmly maintains its right to place a teacher on paid administrative leave in accordance with long-established Board policy. Adding CFT's proposed language to the collective bargaining agreement would diminish the Board's ability to conduct and document fair, thorough investigations of allegations against its employees.

E. Teacher Evaluations (Article VI, Section B.2.f)

CFT Proposed Language Modification:

“If a teacher feels a formal, written evaluation is incomplete, inaccurate or unjust, the teacher may put the objections in writing and have them attached to the evaluation report. If such evaluation is an “Unsatisfactory” or “Needs Improvement”, the teacher may forward their written objections to the Joint Committee.”

Board Response: The Board is rejecting CFT’s proposal of the additional language above.

Board Rationale: Section 24-12(c) of the Illinois School Code provides the following:

“Each school district...must use a joint committee composed of equal representation selected by the school board and its teachers or, if applicable, the exclusive bargaining representative of its teachers, to address the matters described in paragraphs (1) through (5) of this subsection (c) pertaining to honorable dismissals under subsection (b) of this Section.”

The School Code gives this RIF Joint Committee no other role than that noted above. Of the matters delineated in the School Code which the RIF Joint Committee may address, none allow for the RIF Joint Committee to review an individual evaluation rating, change an individual evaluation rating, or even receive information related to an individual evaluation rating. The School Code goes on to read that except as explicitly set forth, the RIF Joint Committee “has no authority to agree to any further modifications to the requirements for honorable dismissals.”

To be sure, the Board recognizes that teacher evaluations are a critical part of the process for improving student achievement; however, if the General Assembly had intended for the RIF Joint Committee to be able to receive and/or alter information related to Unsatisfactory or Needs Improvement ratings, it would have explicitly allowed for that opportunity. It does not. The Board must comply with the Illinois School Code and will not make any substantive changes to the intent of the legislation through a collective bargaining agreement.

Cost Implications: Time and resources spent on potential legal challenges if the Board accepts this proposal.

F. Minor Substantive Changes (Article VIII, Section K.2)

Synopsis: The Board proposed revising the existing language in the collective bargaining agreement to better reflect what was agreed during the 2012-13 collective bargaining agreement negotiations. CFT has rejected this proposal.

Board Proposal: The BOARD will continue to pay the employee's contribution to the Teachers' Retirement System (TRS 4-01-20A/77) as a direct BOARD contribution. Should the amount required to be contributed to TRS be increased legislatively, the employee shall pay any amount over the current employee contribution as of July 1, 2012. It is the intent of the parties by this agreement to qualify these payments as contributions within the meaning of Section 414(h)(2) of the Internal Revenue Code so as to be excludable from the gross income of all teachers.

Board Rationale: The Board believes that CFT is in conceptual agreement with this proposal; however, no tentative agreement has been signed.

Cost Implications: None.

G. Non-Teaching Supervision (Article VI, Section T – New)

CFT Proposed Language Addition:

“No elementary teacher shall be assigned more than 20 minutes non-teaching supervision per day.”

Board Response: The Board is rejecting CFT’s proposal of the additional language above.

Board Rationale: The Board is committed to maintaining a safe and secure school environment. What it takes to see that a building is safe and secure is different on every elementary campus dependent on the layout of the building and the size of the student population, among other considerations. As such, an across-the-board approach is not practical. A building principal must have the flexibility to determine how assignments and supervision are scheduled to ensure that the school environment is safe, secure and appropriate for student learning.

In addition, this language is entirely impractical given CFT’s proposal for a one-year term. Implementation of this language during the current school year would require a complete overhaul of the daily schedule at the elementary buildings, which would not benefit students or staff.

Finally, the Board wants the administrators in each building to focus on their role as instructional leaders. While, as with teachers, some amount of supervision is to be expected, having administrators spend hours each day on supervision does not help advance student achievement. Implementation of CFT’s proposal would increase the amount of time administration spends on supervision.

Cost Implications: If this language were accepted by the Board, the District conservatively estimates that an average of two aides would have to be hired

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at each of the eleven elementary buildings to ensure student safety and building security. The District's calculation of the annual cost of 22 additional aides for three years is \$1,755,600.

VI. TENTATIVE AGREEMENTS

A. CFT Proposal: Definition of Immediate Family (Article VII, Section C.1)

Synopsis: CFT proposed and on June 5, 2013 the parties tentatively agreed to the language below. This language expands the definition of immediate family within the Sick Leave provision of the collective bargaining agreement.

Tentatively Agreed Language: “Every full-time certificated teacher employed by the District less than ten (10) years shall, without deduction in pay, be entitled to twelve (12) days sick leave per year. Every full-time certified teacher employed by the District for ten (10) years or more but less than twenty (20) years shall, without deduction in pay, be entitled to fifteen (15) days sick leave per year. Every full-time certified teacher employed by the District for twenty (20) years or more shall, without deduction in pay, be entitled to twenty (20) days sick leave per year. Every part-time certified teacher employed 50% or more of the time shall, without deduction in pay, be entitled to a pro rata proportion of days sick leave per year as such part-time employment bears to full-time employment, e.g., a half-time teacher shall receive six (6) days sick leave per year. Sick leave (leave necessitated by personal illness, quarantine at home, or serious illness or death in the immediate family or household) shall be cumulative without limit. Immediate family shall be here understood to include an employee’s spouse or partner in a civil union, child, step-parent, step-child, grandchild, mother, father, brother, sister, aunt, uncle, niece, nephew or grandparent of either the employee or employee’s spouse or partner in a civil union.”

Cost Implications: Minimal. Additional access to sick leave could increase the cost of substitutes, currently \$92 per day at a minimum.

B. CFT Proposal: Extra Duty Compensation (Various Sections)

Synopsis: CFT proposed an increase in the rate for extra duty compensation from \$30/hour to \$35/hour. CFT members earn the extra duty compensation rate for additional work performed under certain circumstances, including internal substitution, summer school, staff development programs, and curriculum development.

Tentatively Agreed Language: The parties tentatively agreed on June 13, 2013 to increase the extra duty compensation rate from \$30/hour to \$32.50/hour.

Cost Implications: In the 2012-13 school year, CFT members qualified for extra duty compensation totaling nearly \$800,000. The District's calculation of the total new money cost to the District of the increase in the rate for extra duty compensation for three years is \$222,225.

C. CFT Proposal: Increase in HRA (Article VIII, Section D)

Synopsis: CFT proposed an increase in the Board contribution to each member's Health Reimbursement Arrangement (HRA) from \$300 each year to \$400 each year. The District researched the provision of the existing HRA which allows each member to rollover any existing balance to the next year and found that the rollover provision would make the existing HRA illegal under the Affordable Care Act. As part of the negotiations related to the Board contribution to each member's health insurance premium, the parties tentatively agreed on June 25, 2013 to eliminate the HRA. Members will have the opportunity to draw down existing balances.

Cost Implications: The cost of the existing HRA for each member was \$300 per year in addition to a \$36 per year administrative fee. The District's calculation of the total savings to the District for the eliminated annual cost of the HRA for CFT membership for three years is **\$856,800.**

D. CFT Proposal: Transition Mentors (New)

Synopsis: The parties tentatively agreed on September 10, 2013 to provide a Transition Mentor for the first semester to each non-novice teacher in his or her first semester of service to the District at the non-novice teacher's request. The Transition Mentor would receive a stipend of \$500.

Tentatively Agreed Language: Non-novice teachers in their first semester of service shall be provided a Transition Mentor at the non-novice teacher's request. The Transition Mentor will be paid a stipend of \$500 for the semester.

Cost Implications: The District's calculation of the total new money cost to the District for the Transition Mentors for three years is \$230,142.

E. Board Proposal: Military Leave (Article VII, Section J)

Synopsis: The Board proposed and the parties tentatively agreed on September 10, 2013 to the language below which clarifies current practice regarding military leave. The changes are meant to reflect legislative changes to military leave provisions since the collective bargaining agreement was last updated.

Tentatively Agreed Language:

1. Members of the Illinois National Guard and Armed Reserve Forces: An employee who is an active member of the Illinois National Guard or any branch of the Armed Reserve Forces who is mobilized during the school year ~~for such reasons as civil disturbances or results of weather conditions~~ shall be granted a military leave at full pay ~~for a maximum of two weeks~~. An amount equal to the salary and other allowances while on active duty shall be deducted from the teacher's salary. The military leave will expire at the time of the demobilization ~~of the Illinois National Guard or respective units thereof.~~
2. An employee taking a military leave will notify his/her Principal and the Superintendent or his designee of the date(s) needed for the military leave as early as possible. One (1) copy (or photo static copy) of verifying orders will be forwarded to the Superintendent or his designee via the respective principal.
- ~~3. An amount equal to the salary and other allowances while on active duty shall be deducted from the teacher's salary.~~
- ~~4. An employee shall be granted a military leave without pay for the purpose of conscription or recall to active duty in the military forces of the United States.~~
53. All accumulated benefits and rights of employment previously gained shall be retained upon return.

4. Earnings and TRS contributions for employees taking military leave will be reported to TRS in accordance with TRS guidelines.

Cost Implications: None.

F. Board Proposal: Instructional Technology Coaches (Article VIII, Section H.6)

Synopsis: The Board proposed and the parties tentatively agreed on June 17, 2013 to the language below regarding an extended calendar for Instructional Technology Coaches. This is a formality designed to reflect the Spring 2013 Memorandum of Agreement entered into between the parties regarding the work calendar of Instructional Technology Coaches.

Tentatively Agreed Language: Instructional Technology Coaches shall be given an extended contract of twelve (12) days allocated before the school year begins and after the school year ends to be determined by the appropriate supervising administrator.

Cost Implications: Based on current daily rates for existing Instructional Technology Coaches, the District's calculation of the total new money cost to the District for the extended contracts for Instructional Technology Coaches for three years is \$44,041.

VII. 3-YEAR COST OF BOARD PROPOSAL AND ALL TENTATIVE
AGREEMENTS

Salary Increase	\$3,540,741
Health Insurance Increase	\$1,142,400
Transition Mentors	\$230,142
Extra Duty Compensation Increase	\$222,225
Instructional Technology Coaches Increase	\$44,041
Health Reimbursement Arrangement	<u>-\$856,800</u>
TOTAL	\$4,322,749

VIII. CONCLUSION

The Board has a strong belief in and respect for its teachers and wants to compensate them fairly for their work. This is demonstrated by the District's generous existing compensation and benefits package as well as its continued offer of base raises, step raises, and lane raises at a time when other districts are cutting back on some or all of these types of raises. The Board does not intend for its fiscally responsible offer to be perceived as anything other than the District looking to do its best to maintain and improve the educational environment the community has come to expect.

The District understands its fiduciary responsibility to Unit 4 taxpayers. These taxpayers provide the District with approximately 72% of its revenue to operate its educational program. The District recognizes this significant and important contribution and is committed to maximizing the reach of those dollars to benefit our students, staff and community.

In order to ensure the protection of the educational benefits and opportunities the community has come to expect for Unit 4 students, it is incumbent upon the Board to come to an agreement that lives within the financial means of the District. If the District does not exercise appropriate financial restraint, additional cuts will have to be made to staffing and programs.

The Board is committed to looking out for all students and other community stakeholders. The decisions made by the Board are grounded in facts and reason. The Board takes seriously its responsibility to be a conscientious steward of the District's finances and remains focused on its primary mission – providing the highest quality education for the 9,700 students it serves.