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Considerations in Negotiations and Collective Bargaining: A review of preparation, process and current economic circumstances facing New Jersey public school districts in negotiations

Questions and Answers March 2018

As many members of our Clinton Township community are aware, the Board of Education and the Clinton Township Education Association (CTEA) are engaged in the collective bargaining process and are working diligently to come to a contract settlement. Any labor agreement must ultimately balance the needs of the students, our staff, and taxpayers. Current economic realities, including continuing increases in health care benefits, a high increment salary guide cost, and constraints of a 2% General Fund Tax Levy CAP on our budget, are providing many challenges for both the Board and CTEA. The Board is fully committed to finding a mutually acceptable agreement, within the most efficient timeframe possible, bearing in mind the vagaries of two-party negotiations.

Often, as members of the Board move through our community, we are asked many questions regarding negotiations with the CTEA. To help provide as much accurate information as is legally permissible, the Board conducted a presentation on Monday, February 26, 2018 entitled, "Considerations in Negotiations: A review of preparation, process and current economic circumstances facing New Jersey public school districts in negotiations."

During the presentation, experts in the area of labor negotiations and healthcare benefits shared their knowledge about contract negotiation process, statistics, negotiation law, healthcare benefits, and they provided an update on the current negotiations between the Board and CTEA. The Board also answered many of the most common questions that we field regarding the negotiations process. This document is a longer supplement of that presentation. It is in a question and answer format based on those questions relative to the Board of Education and CTEA collective bargaining process.

Questions are placed in four separate categories; they include the following:

Section 1: Overview of Collective Bargaining Process/Negotiations

Section 2: General and Financial Considerations Involving Negotiations and the Budget

Section 3: Clinton Township Education Association Employee Benefits

Section 4: Current Negotiation Update

Each question below is an active link. To reveal the answer, please click on the question.

Section 1: Overview of Collective Bargaining Process/Negotiations

- 1. Why do we negotiate, and what is collective bargaining?
- 2. How many school districts are currently negotiating in New Jersey?
- 3. Who represents the Board during negotiations?
- 4. What are the stages of negotiations?
- 5. Why can't a third party, like a mediator, force the Board and the CTEA to come to an agreement?
- 6. <u>How does the Board prepare for negotiations? What steps do they take in order to begin negotiations?</u>
- 7. When do negotiations typically begin in Clinton Township?
- 8. What is a Salary Guide?
- 9. What is Chapter 78?
- 10. What is a Uniserve representative and what does he/she do?

Section 2: General and Financial Considerations Involving Negotiations and the Budget

- 1. What are the "general considerations" reviewed by the Board prior to negotiations?
- 2. What are the key "financial considerations" that the Board reviews prior to negotiations? Why are they important to understand? How do they impact the budget and negotiations?

Please find below an explanation of the considerations and impact that each of these financial elements has on the budget and negotiations. They are:

- 1. 2% General Fund Tax Levy CAP
 - Can you explain the 2% General Fund Tax Levy CAP and how it impacts the District's budget and negotiations?
- 2. Comparison Staff Salary and Impact on Budget 2016-17 and 2017-18
 - What is the impact of the staff's salary on the budget?
- 3. Impact of Staff Salary, Increment Cost to the District and Future Salary Increases
 - Can you explain how the increment cost related to the teacher's salary guide impacts the budget?
- 4. Current and Future Healthcare Benefit Costs
 - How does staff benefits impact the budget?
- 5. Impact of Pending Cadillac Tax
 - What is the Cadillac Tax and why is the Board concerned with it now, if it won't go into effect until 2022?

- 6. Cost of Sick Bank Benefit (compensated balances)
 - How does the Clinton Township Association's Sick Bank benefit impact the District's budget?
- 7. Cost of Tuition Reimbursement Benefit
 - What is the Clinton Township Education Association's (CTEA) Tuition Reimbursement benefit? How much does it cost the District?
- 3. How does the staff's salary, the increment cost related to the teacher's salary guide, and healthcare benefits impact the District's budget and negotiations?
- 4. What is the impact to the District if the General Fund Tax Levy CAP exceeds 2%?

Section 3: Clinton Township Education Association Employee Benefits

- 1. How much does employee benefits cost the District?
- 2. What is the expected increase in healthcare benefits for calendar year 2019?
- 3. What can school districts do to help manage the rising costs associated with healthcare benefits?
- 4. What healthcare benefit plan is the District enrolled in? What is included in the current healthcare benefit package for the Clinton Township Education Association (CTEA)?
- 5. Why is the District enrolled in the State Employee Health Benefit Plan?
- 6. What is the average percentage that a member of the CTEA contributes to the healthcare premiums? How much does the District pay for employee benefits?
- 7. What is the 10 year historical trend for increases in healthcare benefit cost under the State Employee Health Benefit Plan?
- 8. Why is the District enrolled in the State Employee Health Benefits Plan (SEHBP) and not in a less expensive plan?

Section 4: Current Negotiations Update

- 1. What is the current status of negotiations between the Board and the Clinton Township Education Association (CTEA)?
- 2. <u>Is the impasse document that the Board filed, requesting a mediator, available to the public? Did the Board file an addendum with the impasse form?</u>
- 3. What are the Chronology of Events and Background Associated with this Negotiation?

- 4. <u>Did the CTEA file an unfair labor practice against the Board? What was the outcome and</u> are the findings public?
- 5. Why does a mutual agreement between the Board and the CTEA always take so long?
- 6. Why does the administrators' contract always negotiate so much faster than with the CTEA?
- 7. We have heard the leadership of the Board has been in place for the last 10 to 15 years, and this is why negotiations continues to have problems coming to resolution. Is this true?
- 8. Can the Board and the CTEA negotiate in public?
- 9. What does it mean when people say teachers are working without a contract? Are teachers getting paid? Will they get retroactive pay?
- 10. If every teacher were to get a raise, how much extra would it cost the District?
- 11. Why has the Board not been vocal about negotiations and updating the community on its status?
- 12. Why doesn't the Board tell the community what the teachers are asking for during negotiations?
- 13. What are the benefits to the Board to prolong negotiations?
- 14. Why has the Board cancelled so many negotiations meetings?
- 15. What does the term "core values" between the Board and the CTEA mean?
- 16. Why does the Board only hire one labor attorney?
- 17. We have been told that the District has lost a lot of teachers and staff members in the CTEA during the last several years because they do not receive a fair wage for a fair daysworth of work. Is this true?