

MASC Summer Institute Preparing for Collective Bargaining

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Elizabeth B. Valerio



Disclaimer:

The information in this presentation is provided for training and educational purposes only and should not be considered legal advice.

Agenda

- Brief Refresher on Complying with the Open Meeting Law in negotiations
- Good Faith Bargaining and Mandatory Subjects of Bargaining
- Establishing a Bargaining Team and Initial Steps
- Comparable Communities and Competitor Districts
- Budget and Financial Information
 - The Inflation Argument, COLAs, and the MIT Calculator
- Proposals

Brief Refresher on Complying with the Open Meeting Law in Negotiations

Subcommittees Must Comply with the Open Meeting Law

- All meetings of the subcommittee including subcommittees for collective bargaining must be posted.
 - Post meeting of the subcommittee
 - Open Session and Executive Session pursuant to MGL c. 30A, sec. 21(a) purpose(3)
 - Post meetings for collective bargaining with the union
 - Open Session and Executive Session pursuant to MGL c. 30A, sec. 21(a) purposes (3) and (2)
 - Add purpose (7) to the executive session when you are reviewing and approving executive session minutes from the prior executive session meeting(s).
- Minutes must be taken for each open and executive session. Take and keep open session minutes separate from executive session minutes.

Open Session Motion for Executive Session

[Remember: The above motion and roll call vote must be included in the open session minutes.]

Chair's Statement in Open Session Following the Roll Call Vote for Executive Session

The Negotiating Sub Committee will be entering into executive session pursuant to M.G.L. c. 30A section 21(a) for the following purposes:

____Purpose (3) to discuss strategy with respect to and in preparation for collective bargaining with the (Insert Name of Union) because an open discussion may have a detrimental effect on the bargaining position of the Committee;

__Purpose (2) to conduct a collective bargaining session with the (Insert Name of Union); and;

__ Purpose (7) to review and approve the executive session minutes from the following negotiating subcommittee meeting(s): $\langle insert\ date(s) \rangle$.

The Negotiating Subcommittee will not be reconvening in open session.

[Remember: The above statement must be included in the open session minutes.]

Open & Executive Session Minutes



Subcommittees are required to take minutes of all open and executive sessions including negotiation sessions.



The open session minutes must include the names of all subcommittee members who are present.



The executive session minutes must include the names of all subcommittee members who are present, all administrators, labor counsel and others present for the Committee, and all individuals present for the Union.



All documents, including proposals, must be maintained as part of the minutes.

Good Faith Bargaining and Mandatory Subjects of Bargaining

Good Faith Bargaining

- Meet at reasonable times
 - But not during the employees' working hours
- Prepared to bargain
 - To make and respond to proposals
- Have authority to reach tentative agreements subject to approval by the Committee
- Provide information when requested
- Remember:
 - At this time, negotiation sessions can be virtual (Google, Zoom, or other similar link).
 - Post sessions in accordance with MGL c. 30A section 21(a) Purposes (2) and (3)
 - No quorum of the School Committee at the bargaining table.

Good Faith Bargaining

Does <u>not</u> require concessions

Requires bargaining over mandatory subjects of bargaining

Providing information

Mandatory Subjects of Bargaining



Wages



Hours



Terms & Conditions of Employment

For example: layoffs (if not already in the CBA); contracting out bargaining unit work; class size; compensation for added duties; initial wages for new positions; length of workday

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Performance Evaluations



Note: Do not give up management rights during bargaining!

Non-Mandatory Subjects of Bargaining

Core managerial rights such as:

- Decision to abolish positions
- Decision to reorganize
- Right of Superintendent to appoint teachers
- Curriculum
- Level of Service Decisions staffing levels

Ground Rules

Non-Mandatory Subjects of Bargaining

If the School Committee is not required to bargain because the issue is a core managerial decision, the Committee may still have an obligation to bargain over the impacts of the decision on employees' wages, hours, workload, and other working conditions.

Satisfying Your Bargaining Obligations

- By Agreement or
- By Completing the Impasse Procedures:
 - 1. Mediation
 - Fact Finding
 - 3. Bargaining over Fact-finder's Report
 - 4. Implementation of the Committee's last best on the record offer

Mediation & Factfinding

Mediation

- Parties may file a petition for mediation jointly or unilaterally.
- The DLR assigns a mediator.
- The mediator determines whether the parties are at impasse and attempts to help the parties reach agreement.
- If the parties cannot reach agreement at mediation, the mediator will report to the DLR with a recommendation for fact finding.

Factfinding

- The DLR initiates fact finding based on the mediator's report.
- The appointed fact-finder holds a hearing and issues a report.
- Parties share equally in the fee for the fact-finder
- The fact-finder's report is private (only the parties see the report) for 10 days.
- If the parties do not reach agreement within 10 days after the DLR receives the fact-finder's report, the report becomes public.
- The parties may be directed to return to mediation unless the DLR believes that additional mediation would not resolve the impasse.
- If no agreement is reached the DLR certifies that the bargaining obligations have been satisfied and the Committee can implement its last best on-the-record offer.

Establishing a Bargaining Team and Initial Steps



Establishing the Committee's Bargaining Team



Follow the Committee's policy to appoint members to subcommittees



Remember to have fewer than a quorum of the full school committee on the bargaining team



Everyone on the bargaining team is required to support (i.e., vote to approve) the agreement reached in negotiations as part of the obligation to bargain in good faith.



The bargaining team should have support from:

the superintendent/assistant superintendent, the school business administrator, the Human Resources Director The Committee's labor counsel

A Note about the Municipal Representative [M.G.L. c. 150E section 1]



The Municipal Representative has a right to:

Attend all meetings of the full school committee where collective bargaining is being discussed;

Vote on collective bargaining matters



The Municipal Representative does **NOT** have a right to:

Be on the bargaining team for the Committee, but the Committee may designate the Municipal Representative as one of its bargaining team members.



The Municipal Representative has no more and no fewer rights than any other member of the School Committee with respect to collective bargaining.

Initial Steps – Preparation

Select a Bargaining Team Communication Strategy

Collect Data & Gather Input

Review District CBAs

Review Litigation
Matters

Establish Short-Term and Long-Term Goals and Draft Proposals

Determine Funding Resources

Be Prepared to Calculate Costs

Work with the Committee's Labor Counsel

Prepare proposals and proposed Ground Rules

Review All District CBAs



- Is there language that the District wants to change or eliminate in multiple collective bargaining agreements?
- Is there illegal or obsolete language in the CBAs?

Review Litigation Matters



- Review grievances, arbitrations, and unfair labor practice charges from the prior contract term.
- Determine if there are grievances, arbitrations and/or unfair labor practice charges the District may want to resolve through bargaining.

Objectives and Draft Proposals



Establish or review short-term and long-term objectives.



Prepare and review initial draft proposals and interests with the full school committee.

Determine Funding Resources

- Determine funding resources.
 - Identify likely and possible reductions in anticipated revenues and increases in costs.
 - Determine if the funding is onetime or recurring
- Calculate the cost of a zero (i.e., no change to the wage table)



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Remember **no** increase to the salary table still has a cost!

For example, a teacher at Masters+45 Step 12 this year earned \$93,703. Next year, this teacher moves to Step 13 at \$97,451 in the same column/lane. This is an increase of \$3,748 (4%) increase to the teacher even if there is no increase to the salary table.

						M+60
Step	Bachelor	Masters	M+15	M+30	M+45	Doctorate
1	\$54,080	\$55,702	\$57,373	\$59,095	\$60,868	\$62,694
2	\$56,243	\$57,931	\$59,668	\$61,458	\$63,302	\$65,201
3	\$58,493	\$60,248	\$62,055	\$63,917	\$65,834	\$67,809
4	\$60,833	\$62,658	\$64,537	\$66,473	\$68,468	\$70,522
5	\$63,266	\$65,164	\$67,119	\$69,132	\$71,206	\$73,343
6	\$65,797	\$67,770	\$69,804	\$71,898	\$74,055	\$76,276
7	\$68,428	\$70,481	\$72,596	\$74,774	\$77,017	\$79,327
8	\$71,166	\$73,301	\$75,500	\$77,765	\$80,098	\$82,500
9	\$74,012	\$76,233	\$78,520	\$80,875	\$83,301	\$85,800
10	\$76,973	\$79,282	\$81,660	\$84,110	\$86,633	\$89,232
11	\$80,052	\$82,453	\$84,927	\$87,475	\$90,099	\$92,802
12	\$83,254	\$85,751	\$88,324	\$90,974	\$93,703	\$96,514
13	\$86,584	\$89,181	\$91,857	\$94,612	<mark>\$97,451</mark>	\$100,374

Remember no increase on the salary table still has a cost!

For example, a teacher at Masters Step 3 this year earned \$60,248. This teacher now has 15 additional credits and moves to M+15 Step 4 next year at \$64,537. This is an increase of \$4,289 (7%) increase to the teacher even if there is no increase to the salary table.

						M+60/
Step	Bachelor	Masters	M+15	M+30	M+45	Doctorate
1	\$54,080	\$55,702	\$57,373	\$59,095	\$60,868	\$62,694
2	\$56,243	\$57,931	\$59,668	\$61,458	\$63,302	\$65,201
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12	\$83,254	\$85,751	\$88,324	\$90,974	\$93,703	\$96,514
13	\$86,584	\$89,181	\$91,857	\$94,612	\$97,451	\$100,374

Longevity

Years of Service	Annual Longevity Payment
10 but less than 15	\$2,500
15 but less than 20	\$5,000
20 but less than 25	\$7,500
25 or more	\$10,000

							TOTAL
Step	Bachelor	Masters	M+15	M+30	M+45	M+60/Doctorate	I O II I
1	2	1	2	0	0	0	5
2	0	2	0	15	0	0	17
3	0	3	0	20	0	0	23
4	0	5	6	23	0	0	34
5	0	8	15	16	0	0	39
6	0	0	20	12	0	0	32
7	0	10	0	10	0	0	20
8	0	0	6	2	0	10	18
9	0	3	5	22	0	0	30
10	0	5	0	28	15	0	48
11	0	7	1	30	20	21	79
12	0	12	0	25	5	9	51
13	8	25	30	75	40	30	208
TOTAL	10	81	85	278	80	70	604

- 604 FTEs
- 34% are on the top step (highest paid step) in their column
 - 208 employees are on Step #13
- 66% are still advancing through the steps
 - 396 employees have not reached the top Step
- 11.5% are in the highest paid column
 - 70 employees are in the highest paid column

Step	Bachelor	Masters	M+15	M+30	M+45	M+60/Doctorate	TOTAL
1	0	0	0	0	0	0	0
2	0	1	0	1	0	0	2
3	0	0	0	2	0	0	2
4	0	5	1	3	0	0	9
5	0	0	1	6	0	0	7
6	0	0	5	2	0	0	7
7	0	5	0	0	0	0	5
8	0	0	5	0	0	10	15
9	0	0	3	10	0	0	13
10	0	0	0	12	15	0	27
11	0	3	0	3	20	21	47
12	0	1	5	5	5	9	25
13	10	66	65	234	40	30	445
TOTAL	10	81	85	278	80	70	604

- 604 FTEs
- 74% are on the top step (highest paid step) in their column
 - 445 employees are on Step #13
- 26% are still advancing through the steps
 - 159 employees have not reached the top Step
- 11.5% are in the highest paid column
 - 70 employees are in the highest paid column

Seniority List

- The Scattergram shows placement on the salary table. Steps do not necessarily correspond to years of service.
- New employees to the District may be placed on steps based on their experience prior to employment in the District.
- Look at the District's seniority list to determine longevity.
- For example:
 - Terry Teacher is on step 10 this year. Terry has only been in the District for 5 years but was placed on Step 5 when she started because she had 5 years of teaching experience in another public school District in Massachusetts. Terry must work for the District for another 5 years to be eligible for longevity

What is the Cost of a Zero?

For example:

4% for each employee advancing through the steps

Plus

3% for each employee advancing a column/lane

Plus

Employees entering the first Longevity gate (10 years of service)

Plus

Employees advancing from one longevity gate to the next

Be Prepared to Calculate Costs

- Cost of step advancements, lane/column advancements, and longevity
- Cost out each proposal from the Union and the District
 - Wages, Stipends, Hourly rates, etc.
 - Fringe Benefits
 - Increased leave
- If the proposal is to provide more preparation/collaboration time during the student day, calculate the cost of the additional educators needed to teach the students in order to provide for the additional prep/collaboration time during the day
- Be prepared to analyze the cost beyond the contract term

Comparable Communities and Competitor Districts



Identify Comparable Districts

Districts can identify comparable districts by reviewing:

Municipal population

Municipal tax base

District size (student population) and grades

Percent of residential, commercial, and industrial property supporting tax base

Median household income



The Massachusetts Division of Local Services website is a resource available to access each of these data points and compare communities. (https://www.mass.gov/service-details/community-comparison-report)

Competitor Districts







THEY ARE NEIGHBORING DISTRICTS
WHERE YOUR DISTRICT COMPETES FOR
EMPLOYEES

Collect Internal and External Data

Internal

- Internal salary/wage comparisons
- Number of days in the work year
- Number of steps and lanes
- Health insurance premium contribution rates
- Paid leave time and paid parental leave days

External

- External salary /wage comparisons
- Number of days in the work year (each extra workday = $\frac{1}{2}$ %)
- Number of steps and lanes
- Health insurance premium contribution rates
- Paid leave time and paid parental leave days

Collecting External Data

Collective bargaining agreements are often available on school district websites

Organize the data to determine where your District falls compared to comparable districts

Organize the data to determine where your District falls compared to competitor districts

When reviewing external collective bargaining agreements look at total compensation (total number of workdays, work hours, health insurance premium contributions rates, etc.)

Comparable Districts Comparison at MA Column

Districts	Number of Workdays	First Step MA	Top Step MA	MA Top Step Daily Rate	Ranking by Daily Rate at MA Top Step
Your District	<mark>182</mark>	\$55,702	<mark>\$91,181</mark>	\$500.99	3
Baldwin	184	\$59,999	\$93,500	\$508.15	2
Cortland	183	\$57,500	\$89,750	\$490.44	4
Empire	184	\$61,000	\$94,500	\$513.59	1
Fuji	181	\$52.435	\$84,500	\$466.85	6
Gala	183	\$55,500	\$88,200	\$481.97	5
Average	183	\$57,023	\$90,272	\$491.84	

Comparable Districts Comparison at MA Column Top Step

Districts	Number of Workdays	Hours Per Work Day	Top Step MA	MA Top Step Daily Rate	Rank by Daily Rate	Hourly Rate	Rank by Hourly Rate
Your District	<mark>182</mark>	<mark>6.75</mark>	\$91,181	\$500.99	3	<mark>\$74.22</mark>	<u>1</u>
Baldwin	184	7.00	\$93,500	\$508.15	2	\$72.59	2
Cortland	183	7.00	\$89,750	\$490.44	4	\$70.06	6
Empire	184	7.20	\$94,500	\$513.59	1	\$71.33	5
Fuji	181	6.50	\$84,500	\$466.85	6	\$71.82	3
Gala	183	6.75	\$88,200	\$481.97	5	\$71.40	4
Average	183	6.866	\$90,272	\$491.84		\$71.90	

A Note About the DESE Data on Average Teacher Salary



Average salary does not reflect the salary table for teachers; it reflects the District's scattergram –i.e., where teachers fall on the salary schedule.



A District will have a higher average teacher salary when most teachers are at the highest step on the salary table.

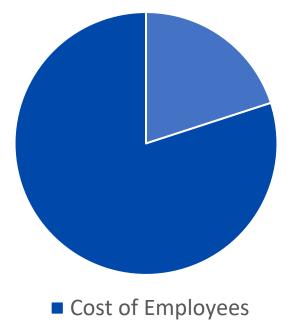


A District will have a lower average teacher salary when most teachers are in the steps but not at the highest step.

Budget & Financial Information

Collective Bargaining & Committee's Budget

• Generally, 75% - 85+% of the Committee's budget will be consumed by employee costs; most of the employees are covered by a collective bargaining agreement.



Be Prepared with Information

☐Budget or proposed budget
☐What is available?
☐What are the limits?
☐ Communicate with your municipality's Finance/Advisory Committee.
□Cost of step and lane advancement and longevity
☐What is the cost of wages without a COLA? (This is the cost of zero)
□Cost of a 1% increase
□Number of employees at each step and lane on the salary table
(This is referred to as a scattergram)
Are a majority of employees at the top step?

Be Prepared with Information

- ☐ Municipality's or District's anticipated reductions in revenues:
 - □Chapter 70 funds
 - □Local Receipts
 - ☐State aid to the municipality
- ☐ Municipality's free cash and stabilization funds Be prepared to explain why these are not sources of revenue that can be depleted to support ongoing obligations such as salary increases

Free Cash & Stabilization Funds



Municipality's Free cash

Free cash is a municipality's remaining, unrestricted funds from the previous fiscal year.

Free cash is a one-time, non-recurring revenue source and should not be relied upon for recurring expenses such as wage increases.



Municipality's Stabilization Funds

Stabilization funds are created to save funds for emergencies or unforeseen expenses (i.e., a "rainy day fund").

Stabilization funds are for future use and should not be relied upon for funding wages and continuing obligations.

Responding to the Inflation Argument

Inflation and Collective Bargaining

Unions have used high rates of inflation as a justification for higher COLAs

Unions are proposing COLAs of 7% or higher per year for teachers and 10% or higher per year for paraprofessionals

Employers should be prepared to show their budget limitations

Employers should be prepared to show the overall increase including the value of step increases in addition to any cost-of-living increase

Historical National Inflation Rates

Year	Inflation Rate (%)
May 2008	4.2%
May 2009	-1.3%
May 2010	2.0%
May 2011	3.6%
May 2012	1.7%
May 2013	1.4%
May 2014	2.1%
May 2015	0.0%
May 2016	1.0%
May 2017	1.9%
May 2018	2.8%
May 2019	1.8%
May 2020	0.1%
May 2021	5.0%
May 2022	8.6%
May 2023	4.0%
May 2024	3.3%

Current Rate of Inflation

Consumer Price Index (CPI) measures the change in prices paid by consumers for a wide range of commonly bought goods and services. It is a key measure of inflation.

Nationally, the inflation rate rose 3.3% over the 12 month period ending May 2024.

The inflation rate rose 3.8% over the past 12 months in the New England area for the period ending May 2024.

Rising costs of energy and food are at the forefront of inflation.

Transportation Services was the largest factor in the monthly increase in the index for all items less food and energy

Cost of Living Adjustment (COLA)

- COLA increases are applied to the salary table
- Unions want to tie the COLAs to the rate of inflation
- Inflation is at 3.8% as of May 2024 in the New England Region
 - The inflation rate for the Boston area is 4.0% as of May 2024
- Remember:
 - Employees receive increases with step and lane advancements
 - COLAs do not need to be the same for all steps and lanes
 - COLAs do not need to match the rate of inflation and when inflation was close to zero, unions still received COLAs

Living Wage and Responding to the MIT Calculator

MIT Calculator & Living Wage

There has been an increased emphasis by Unions on ensuring that the lowest paid employees receive a "living wage"

"Living wage" has also served as a political tool and rallying point for unions

There are differing views on what a "living wage" is and how to calculate it

Living Wage as a Union Goal in Collective Bargaining

Calculated at 5 geographic levels:

 Metropolitan, county, state, regional, and national levels Adjusts the living wage according to twelve different family compositions

• Expenses and incomes vary depending on the number of children and the number of working adults in a family

Problems with the MIT Living Wage Model as a Guide for Collective Bargaining

- Key assumption:
 - An adult works full-time which is considered 2,080 hours per year. (40 hours/week x 52 weeks/year= 2080 hours/year)
- Fluctuates dramatically based on family structure and geographic location.
- Many school employees work less than fulltime
 - For example, a paraprofessional may work 6.5 hours/day for 182 days which is 1,183 hours per year or 57% of a full-time employee's work year.

$$\frac{1182}{2080} = \frac{N}{100}$$
 N=57%

Anticipate the following Proposals from the Union:

Temporary/Permanent Change in Lieu of higher COLAs

Work year reduction ("if you can't give us money give us back time"). Each day equals 0.50% in salary.

Increase in paid leave entitlements – parental leave, bereavement leave, sick leave and personal leave

Reduction in/elimination of less desirable duties or certain after school meetings or other requirements.

Additional time for preparation and/or collaboration during the student day, often requiring additional teachers.

Setting Limits

Consider:

- Shorter contract duration
- Pilot programs- Expiring upon a specific date or condition
- Sunset provisions Expiring upon a specific date or condition

Remember:

- Do not agree to proposals that are bad policy
- Watch out for proposals that are in lieu of COLAs
 - Increases in leave time or expansion of leave use
 - Permanent reduction in the number of days in the work year
 - Elimination of duties, after-school meetings, parent conferences, etc.

Adjusting the Salary Table as an Approach to Changes in the Market Rate for the Position

Adjusting the Salary Table

One approach to addressing changes in the market rate for the position is by adjusting the existing salary table.

To do this, employers will typically eliminate the entry step in the salary table, add a new top step, and add a cost-of-living adjustment.

There are different methods for adjusting the salary matrix

Example 1 (Step 1 Elimination)

STEP in FY23	STEP in FY24
Step 1	ELIMINATED (New hires to start at Step 2)
Step 2	Step 2
Step 3	Step 3
Step 4	Step 4

Example 2 (Add New Top Step)

STEP in FY23	STEP in FY24
Step 1	Step 1
Step 2	Step 2
Step 3	Step 3
Step 15	Step 15
N/A	Step 16

Use Clear Examples

Changes to the Salary Table can be confusing and result in future grievances or litigation.

Examples are an important for clearly expressing how employees will be placed on the new salary table and move throughout that table.

Examples can include:

- Movement charts based on placement on existing scale to new scale
 - Examples in written proposal
 - Full chart to supplement

Dos and Don'ts

Do



- Use examples to ensure everyone understands how changes to the salary table will be implemented.
- Supplement with a full movement scale chart that describes where employees will be placed on the new scale and how they will advance on that scale.
- Use clear language when drafting a MOA that describes the change to the table and/or include the new table in the MOA. Include examples if appropriate.
- Take contemporaneous notes during bargaining.
- Assess everyone's understanding of how the new salary table will operate.

Don't



- Don't use unnecessarily complicated language in drafting
- Don't take short cuts
- Don't assume that the union understands the implementation
- Don't finalize a MOA where there are different interpretations of how the new salary table will be implemented.

Drafting Proposals and Counterproposals

Proposals and Counterproposals

- Draft clear proposals to avoid future litigation. If current language exists in the contract, the proposed changes should show the deleted language and the new language
- Have the Committee's labor counsel draft/review the Committee's draft proposals
- Avoid lazy drafting (For example: The Committee will maintain the practice with respect to transfers in effect on April 1, 2022.)
- If certain changes are temporary be sure to include the date on which they expire. For example, if the Committee has a counterproposal to increase the number of personal days from 2 to 3 for the duration of the 3-year contract only, the language might read as follows:

The Committee will increase the number of personal days from 2 to 3 per work year for the 2024-2025, the 2025-2026, and the 2025-2026 work years only.

It should <u>not</u> read as follows:

The Committee will increase the number of personal days from 2 to 3 per year of this contract.

Remember



No quorum of the Committee at the bargaining table.



Calculate the costs for each proposed change



Always ask - How will the proposed change impact the education of students in our district?

Hypothetical Questions and Hypothetical Answers



Elizabeth B. Valerio, Esq. Elizabeth.Valerio@VDHBoston.com

Valerio Dominello & Hillman, LLC One University Avenue, Suite 300B Westwood, MA 02090 (617) 862-2005

VDHBoston.com