

**FACT FINDING DISCUSSION AND RECOMMENDATIONS**

Between	)	Re: Case No. LA-IM-3829-E
	)	
<b>Long Beach Community</b>	)	
<b>College District</b>	)	
	)	
and	)	
<b>Long Beach Council of</b>	)	
<b>Classified Employees</b>	)	
<b>Local 6108 CFT AFT</b>	)	
	)	

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Impartial Chair

Bonnie Prouty Castrey  
 Post Office Box 5007  
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District Panel Member

John Gray, President  
 School Services of California  
 1121 L Street, Suite 1060  
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Carolyn Richie  
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 Los Angeles County Field Office  
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 Cerritos, CA 90703

Hearings Held

February 18-19, 2015  
 Long Beach Community College District  
 Liberal Arts Campus  
 4901 East Carson Street  
 Long Beach, CA 90808

## **BACKGROUND**

Long Beach Community College District (District or Employer) and the Long Beach Council of Classified Employees, AFT 6108 (Union or AFT), an affiliate of the California and American Federation of Teachers, are the parties in this fact finding matter. The 431 classified staff in this bargaining unit are members of AFT.

From the history provided to the Panel at the Hearing and in the voluminous, well prepared binders from both parties, it is clear that these parties negotiations have been very challenging as the "Great Recession" is just now showing an upturn in the economy. During the Recession Community College Districts, have sustained huge cuts in funding, which have caused employees to suffer cuts in staffing, demotions and loss of pay. It has been and continues to be difficult economic times for schools as the funding level is not even returned to the 2007-08 Fiscal Year level and these parties are bargaining for 2014-2015. In spite of increases in state revenue, school districts remain in challenging economic times as the budgets are not expected to be restored to the 2007-08 levels until 2020-2021.

The issues before this Panel are Salary, Retiree Health and Welfare including movement to an alternative health plan,

Medicare enrollment and an increase in the Retiree payments to the plans, Leaves, Time for Negotiation Preparation, Time to attend Union Meetings.

The parties commenced bargaining on March 12, 2014 and held ten negotiating session until mutually declaring impasse on July 15, 2014. They met in mediation October 6 and November 8, 2014. When no progress was made to settle this matter, the parties were certified to Fact Finding by the Mediator. Subsequently, the parties proceeded to Fact Finding (UX 1 and 2; DX B).

The District selected John Gray, the President of School Services of California as the District Panel Member and the Union selected Carolyn Richie, of CFT to be their Panel Member. The Panel Members then selected Bonnie Prouty Castrey as the Impartial Chair and so notified PERB.

The Panel met in conference to determine the process for the day of hearing and then held a hearing with the parties on February 18-19, 2015. Both parties presented their documentation and facts regarding the issues before the Panel. The Panel Members then attempted to help the parties to reach a mediated settlement in Fact finding. When that effort was not fruitful, the Members put the parties back into direct negotiations under our jurisdiction. When they still were unable to reach an agreement, the Panel studied both parties submissions thoroughly and the Chair drafted this Report and Recommendations. The

Recommendations for settlement were provided to the parties to give them one more opportunity to settle this dispute prior to issuing this Report and Recommendations. As of June 9, 2015, the Panel was notified that the parties did not reach an Agreement and therefore this Report and Recommendations are issued on June 10, 2015.

In this matter, the Panel is guided by the California Government Code Section 3548.2 of the EERA which states in pertinent part:

In arriving at their findings and recommendation, the Fact Finders shall consider, weigh, and be guided by all the following criteria:

1. State and federal laws that are applicable to the employer.
2. Stipulations of the parties.
3. The interests and welfare of the public and the financial ability of the public school employer.
4. Comparison of the wages, hours, and conditions of employment of the employers involved in the fact finding proceeding with the wages, hours, and conditions of employment of other employees performing similar services and with other employees generally in public school employment in comparable communities.
5. The consumer price index for goods and services, commonly known as the cost of living.

6. The overall compensation presently received by the employees, including direct wage compensation, vacations, holidays, and other excused time, insurance and pensions, medical and hospitalization benefits; the continuity and stability of employment and all other benefits received.
7. Any other facts, not confined to those specified in paragraphs (1) to (6), inclusive, which are normally or traditionally taken into consideration in making the findings and recommendations."

#### **STIPULATIONS OF LBCCD AND LBCCE L 6108**

1. The Long Beach Community College District ("District") is a "public school employer" within the meaning of Section 3540.1(j) of the Educational Employment Relations Act.
2. The Long Beach Council of Classified Employees/AFT/AFL-CIO ("LBCCE" or "Union") is a "recognized employee organization" within the meaning of Section 3540.1(I) of the Educational Employment Relations Act and has been recognized as the exclusive representative of the "wall to wall" classified bargaining unit.
3. The District and LBCCE are sometimes referred to in this factfinding jointly referred as "the parties".
4. The parties to this factfinding have complied with the public notice provisions of the Government Code section 3547 (EERA, "Sunshining" requirement)
5. The parties have complied with the Educational Employment Relations Act with regard to the selection of the Factfinding Panel and are timely and properly before the Panel.
5. The parties have complied with all the requirements for selection of the Factfinding Panel and have met or

waived the statutory time limitations applicable to this proceeding.

6. Mediation was completed by the parties and the mediator certified the parties to factfinding on November 5, 2014, the parties duly requested factfinding in this matter. The factfinding hearing date of February 18, 2015 was mutually agreed to by the parties.
7. The Union's representative in factfinding is Ms Carolyn Richie and the District's representative is Mr. John Gray.
8. By letter dated January 13, 2015, PERB confirmed in a written letter, the mutual agreement, by the parties to Ms. Bonnie Castrey as Chair of the Factfinding Panel.
9. The current collective bargaining agreement between the parties is for the term from July 1, 2011 to June 30, 2014. The current collective bargaining agreement at Article XXVI, Agreement Continuation and Duration, states in material part:  
  
"A. This Agreement shall be in effect from the date of final ratification and shall remain in effect for the term of three (3) years and until June 30, 2014."  
  
10. The following Articles are at issue for factfinding:
  1. Article III, Organizational Rights and Security
  2. Article IX, Pay and Allowances
  3. Article XI, Health and Welfare Benefits
  4. Article XIII, Leaves
  5. Article XXVII, Negotiations

### **ISSUES AND RECOMMENDATIONS**

The following is a discussion of the outstanding issues with recommendations following the analysis.

## **DISCUSSION AND RECOMMENDATION**

### Article III Organization Rights and Security

The Union is negotiating for more release time for Bargaining Unit Members to meet. They are proposing to increase from two (2) meetings annually to two per campus annually for a total of four (4) meetings per year.

The District wants to reduce the release time to 1 hour and to incorporate the differing hours for the 5/40 and 4/10 work weeks.

### **Article IX Pay and Allowance**

The cost of 1%, including statutory benefits is \$277,364 (UX Tab B and DX Tab 1, page 25).

The District has offered 2% retroactive to July 1, 2014 and 2% off schedule. The 2% off schedule would become permanent and ongoing in 2015-16, if at P1 the District sees a 4% increase over P1 in 2013 (DX page 25).

The Union is negotiating for 6% on schedule (UX Issue Statement).

The Union has not had an across the board wage increase since the 2008-2009. Moreover, they have sustained layoffs of staff during the recession, in order for the District to remain solvent, as well as loss of pay, through "bumping down" into lesser pay grades in order to work (UX tab F). They point out that certificated Faculty received between 4% and 25% in November

2014, depending on the step they were at on the salary schedule. While ongoing cost for that certificated bargaining unit is at least \$1,423,616, the cost for this school year is less at \$962,253 as the increase was effective November 1, 2014 (UX tab D).

The District is a Merit System District and points out that due to a classification study, conducted by the Personnel Commission, some employees who were recommended for increases due to their job duties received from 1.99% to 55.57%. Upon clarifying questions, they also agreed that only three employees were affected in the 40.37%-55.57% and that one of the three individuals was moved into the management of the District (DX Tab 1, page 12, including Chairs notations of three individuals).

The District also points out that 47% of this bargaining unit are receiving Longevity step increases on the salary schedule for a total of 198 of the 421 employees. Those longevity increases occur at 10, 15, 20, 25 and 30 years.

The Union points out that, as this is a Merit System District, that the five initial steps have 4.9% between steps as determined in Merit System Districts.

In looking at the adopted budget for 2014-2015, there is a one time ending reserve projected of \$21,201,743 in Unrestricted Dollars.

The District points out that much of this ending balance comes from changes at the state level, in the State's funding of the deficit factor. They also restored some of the classified positions, which increased cost and will decrease that ending balance to about \$17,842,975, an operating deficit, which spends down the projected reserve. The restoration of some classified positions accounts for \$777,155 of the total increase (DX handed out at hearing, pages 3,4 and 5)

**Article 11 Health and Welfare**

The issue in this article is about the Retiree payments to their benefit package and whether or not to change the package.

Currently, classified retirees, who retired in 2008 or by June 30, 2014 are required to contribute 3% for a single plan, 5% for one dependent and 7% for a family plan. The language of Article XI, Section E. Medical Insurance Premiums Upon Retirement of Unit Member at 3 states:

Employees retiring after July 1, 2008

a. Employees retiring after July 1, 2008 shall contribute to the cost of the medical premium at the dollar amount equivalent to 3 percent (single payer), 5 percent (employee + 1 dependent), and 7 percent (employee + 2 or more dependents) of the premium costs as of July 1, 2008.

b. As an immediately vested right, retiree medical benefit contributions will not apply to employees retired as of June 30, 2008 as well as any employee who beginning on July 1, 2008 as well as any employee who beginning on

July 1, 2008 has twelve (12) or more years of permanent full-time classified bargaining unit service with the District on or before June 30, 1996. (CBA pg 27, UX)

The District sees this as a major cost item. They also argue that all retirees should pay the same percentage amount, for benefits, for all classified bargaining unit members who retire on or after July 1, 2014.

The Union argues that classified employees retire with lower pensions and that the current percentage is fair to those retirees, therefore maintaining the current arrangement is important for all future classified retirees. The District also argues that all Medicare eligible retirees must be required to enroll in a Medicare eligible plan offered by the District (DX Tab E, pg 22).

It is important to note that all classified bargaining unit members who are still employed are paying the increased percentages currently (DX Tab F2, page 31).

#### **Article XIII Leaves**

In this issue, the District is desirous of deleting the partial day leaves as it costs them some \$79,885 and they equate this to lost productivity. During 2012-2013 members took 2,839 hours of partial day leave. They argue that this leave is used extensively and want the language deleted.

The Union maintains that this language is discretionary on the part of the District, that bargaining unit members cannot simply take partial days; hence, the District management must approve it for the employee (DX tab F3, pg 40).

#### **Article XXVII Negotiations**

Currently the Agreement provides that there is reasonable time for negotiations and the time is limited to the dates which the parties agree to.

The Union has proposed that for every four hours of agreed upon negotiation time, the Union has 1 and  $\frac{1}{2}$  hours of preparation time provided and if the mutually agreed upon time is less than four hours, the Union has 1 hour of preparation time. They need more preparation time to work on the negotiations (UX Tab L).

The District argues that it is not an overwhelming amount of time and the Union already has 1040 hours which they can use for this purpose or other Union business (DX Tab G, page 52).

#### **RECOMMENDATIONS FROM THE CHAIR**

Having read and studied all of the District and Union exhibits and in consideration of the losses this unit has sustained and the massive cuts to the State wide Community College Budgets, over the years of recession, of over 809 million dollars, which is slowly being restored; the Chair recommends that the parties agree to the following in order to concentrate

all the available dollars on the current employees and to increasing their salary schedule:

For FY 2014-15

1. Salary increase of 4% across the board, on schedule, retroactive to November 1, 2014.
2. Retirees, in this Classified Unit, as of July 1, 2015, shall pay the same rate as all Classified employees and as they are currently paying for health benefits at, 4% for single, 6% for additional dependent and 8% for family plans.
3. Upon reaching age 65, all retirees and dependents, who are Medicare eligible, must apply for Medicare in one of the District's Medicare eligible health care plans.
4. Union will drop issues for negotiation time and organizational time for meetings.

Leave language as it is, in the current Agreement.

5. District will drop the proposal on leaves as management has discretion and control of this matter.

Leave language as it is, in the current Agreement.

For 2015-16

As the parties have previously, tentatively agreed to a three year contract, the Chair further recommends that they agree to a July 1, 2015, COLA increase, which is 1.02%, to close the contract for FY 15-16.

And for 2016-17 that the parties:

Re-open per the language in their tentative agreement for the 2016-17 Fiscal Year.

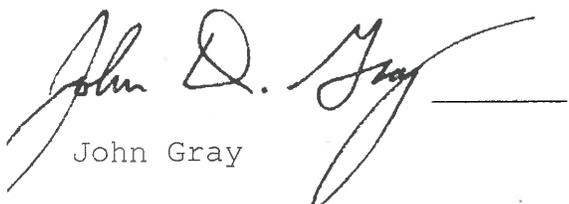
The Panel Members representing the District and Union have met with the Chair in Executive Session by telephone conference call and email exchanges, on May 26, June 1-10, 2015 to thoroughly discuss and finalize this Report and Recommendation. Based on the above Recommendations of the Chair they concur or dissent as follows:

For the District:

X Concur  
       Dissent

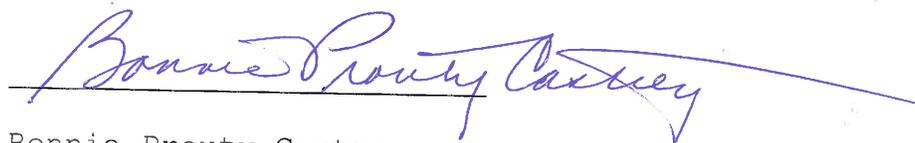
For the Union:

X Concur  
       Dissent

  
John Gray  
District Panel Member

  
Carolyn Richie  
Union Panel Member

Issued on June 10, 2015 by

  
Bonnie Prouty Castrey,  
Panel Chair