

## The following language is from the Chancellor's News Brief, 05/30/14:

### District Position on COLA

Our usual practice is to provide updates on negotiations as required and permitted in the closed session of the Board of Trustee meetings. However, because of some recent publications, I want to be sure that the District's position is clearly stated.

In the recent "Table Talk, Special Edition COLA Update" distributed on May 29, 2014, there are some statements that may not reflect the entirety of the District's position. While I will not attempt nor is this intended to respond to each point, it is important that each position be clearly stated and contextualized appropriately.

CFCE's response to the District's position are in the bubbles below:

The CFCE contract, Article 19.4, states classified employees shall receive COLA when funded by the state. At this time the District is holding your money hostage for the year 2013-2014 since receiving COLA is a contractual right. The District offered an "increase" for the permanent removal of the COLA language.


### District Statement #1

Based on a year-end fiscal review, the District has offered all employees, (including CFCE, ACE and CDMA) a 1.57% salary increase for 2013-14, which is equal to the state budget allotment for the Cost of Living Adjustment ("COLA").

### District Statement #2

The District's offer is not a one-time increase. The increase offered to all units is a permanent 1.57% on-schedule salary increase that is retroactive to July 1, 2013. That offer has been tentatively agreed to by the Meet & Confer unit of CDMA (as stated in last week's News Briefs).

1. The District's offer was a one-time "increase" in the sense it is a one-year offer for the past year, 13-14;
2. The District's offer included a stipulation that the COLA language would be removed from the contract we are currently negotiating;
3. **COLA is in the current contract;** it should already be on our paychecks. That is why CFCE was forced to file a grievance/lawsuit.
4. Article 19.4 is not currently open to negotiate.

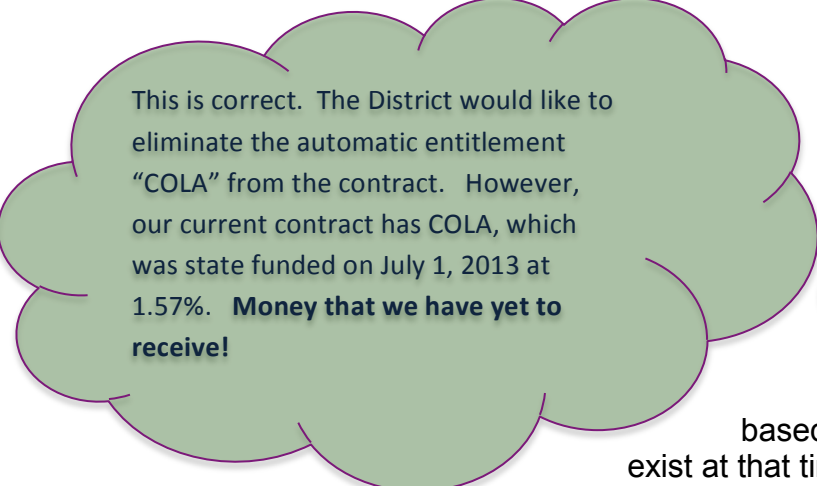


The current negotiated contract states that **classified employees shall receive COLA “when funded.”** 2013-2014 is the first year in seven years that COLA was funded at 1.57%.

### ***District Statement #3***


The District has further made clear with CFCE its willingness to negotiate salaries and benefits during each subsequent year covered by the collective bargaining agreement. the District is concerned about

However, language guaranteeing an automatic COLA for future years. Because of the complexities of the state budget process, a statutorily-determined COLA may or may not be funded. The purpose of the COLA is to mitigate the effects of inflation across the spectrum of the District's spending plan and one of the few ways the District has to buffer the effects of increases in the costs of fringe benefits and other annual expenses related to employment.



This is correct. The District would like to eliminate the automatic entitlement “COLA” from the contract. However, our current contract has COLA, which was state funded on July 1, 2013 at 1.57%. **Money that we have yet to receive!**

### ***District Statement #4***

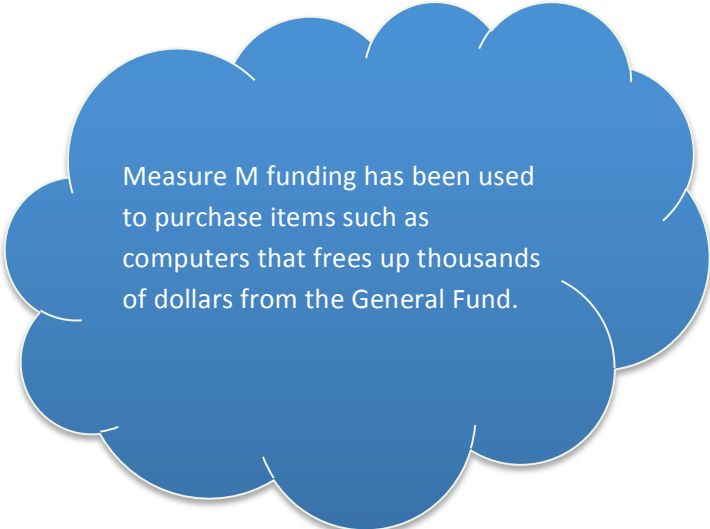



In order to effectively plan and manage the budget, the District intends to eliminate the automatic entitlement “COLA” from a contract and negotiate salary and benefit compensation with each bargaining unit on a year-by-year basis based upon the economic circumstances that exist at that time.

The District has never been served with a lawsuit by CFCE with regard to COLA. It is our position that a lawsuit seeking COLA retroactive to July 1, 2013 will result in nothing more than what has already been offered by the District.

### ***District Statement #5***

Measure M funding by law is only available for projects identified in our master plan and on the official ballot language approved by the voters. Measure M funds are not to be used for general fund expenditures.



Measure M funding has been used to purchase items such as computers that frees up thousands of dollars from the General Fund.

Classified employees agreed to five furlough days to help the District should Proposition 30 not pass. We agreed that if Proposition 30 did pass we would return to the table to negotiate a reduction in the number of needed furlough days. The District continued to insist there was no money and had an ending balance of \$37,660,081. CFCE had to fight an additional 9 months after the passage of Proposition 30 to get our money (that wasn't needed by the District) returned to us!

### District Statement #6

Proposition 30, as passed by the

creation of an Education Protection Account (EPA) and included an increase in the sales tax that will sunset in 2016 and an increase in the income tax which will sunset in 2019. The passage of this measure allowed the community college system and the Coast district to avoid deep budget reductions. Further, funds under the Proposition 30 EPA are required to be used for instructional purposes and must be earned through additional FTES growth.

### Can we stretch our **paycheck** further???

A classified employee in the E-48 range in the beginning of 2007 earned \$55,677.00.

Below is a chart showing the decrease in salary over the past seven years when adjusted for inflation:



Year	Beginning Salary	Adjusted Salary	Inflation Percent
2007	55,677.00	55,677.00 - 1,837.00 = \$53,840.00	3.3%
2008	55,677.00	55,677.00 - 3,786.00 = \$51,828.00	3.5%
2009	55,677.00	55,677.00 - 3,340.00 = \$52,282.00	-0.8%
2010	55,677.00	55,677.00 - 4,009.00 = \$51,668.00	1.2%
2011	55,677.00	55,677.00 - 5,512.00 = \$50,165.00	2.7%
2012	55,677.00	55,677.00 - 6,626.00 = \$49,051.00	2.0%

The E-48 range as of July 1, 2013 now earns an adjusted salary of \$49,051.00

That's a decrease of \$6,626.00!!!