

## Principles and Process of PUSD/PFT IBPS Negotiations

- IBPS Team members are: PUSD Superintendent and Cabinet, PFT President and appointed members of PFT Executive Council.
- IBPS Fiscal Sub Committee members are: Malliga Tholandi, Candy Smiley, Joy Ramiro, and Joe McEachron.
- The IBPS Team meets on a regular basis to review state and district budget information along with fiscal data presented by the IBPS Fiscal Sub Committee.
  - The IBPS Fiscal Sub Committee meets prior to the full IBPS Team meetings to review, confirm, and agree on all district financial data for presentation to the full IBPS Team.
- A Benchmark (“fair share”) percentage was established using statewide norms and historical data specific to PUSD.
- This unique PFT Benchmark represents the percent of all district unrestricted (Base Grant) expenditures used for total teacher compensation.
- Using the Benchmark (“fair share”), the IBPS Team determines the amount of **new** unrestricted revenue to be allocated to teachers.
  - The unrestricted revenue does not include LCFF Supplemental revenue.
- Predicted expenses of normal on-going costs are deducted from the revenue allocated to teachers.
  - Examples of normal on-going costs are increases in health and welfare costs and salary schedule maintenance (step and column movement, retirement/replacement teachers and/or new teachers).
- If the allocation to teachers exceeds the predicted expenses then negotiations begin on how the excess will be applied to total teacher compensation.
  - If the allocation does not exceed predicted expenses then negotiations begin on how to meet district financial obligations.
- Negotiations continue until a tentative agreement is reached.
  - Any tentative agreement must be ratified by teachers and approved by the school board.
- The following year, when the fiscal year ends, a “True Up” is conducted by the IBPS Team.
- The True Up examines and confirms the district’s previous year’s:
  - unaudited actual expenses
  - actual unrestricted revenue
- If the True Up shows a significant discrepancy in the previous year’s predicted vs. actual revenue or expenses then, if mutually agreed, the terms of the previous agreement are adjusted, up or down.
  - This adjustment, up or down, starts negotiations for that year.

### In Short

- The IBPS Team uses a “fair share” Benchmark percent of revenue along with predicted expenses to negotiate a data driven tentative agreement.
- The following year, the IBPS Team confirms their data driven decision using a “true up” of actual revenue and expenses.
- This process is unique to our district. It requires a transparent budget system, an open exchange of data, and a substantial knowledge of school budgets.
- This process has, for 17 years, produced financially responsible agreements:
  - during good and very bad financial times
  - that benefit the whole district
  - while keeping negotiations both non-adversarial and collegial