

**TENTATIVE AGREEMENT  
BETWEEN  
OAKLAND EDUCATION ASSOCIATION  
AND  
OAKLAND UNIFIED SCHOOL DISTRICT**

**ARTICLE 24 –SALARY AND BENEFITS**

**Replace 24.1 with the language below:**

**2014-15**

For the 2014-15 school year, all schedules, substitute rates, and adult education hourly rates shall be increased as follows:

- 2% effective July 1, 2014
- 1% effective February 1, 2015
- 2.5% effective June 30, 2015 at 11:59 PM

**2015-16**

For the 2015-16 school year, all rates and schedules shall be increased as follows:

2.5% effective January 1, 2016. This compensation shall be tied to preparation for the implementation of Article 10.9.

For the balance of this Article, “unrestricted funds” means all funds granted to Oakland Unified School District (OUSD) by the state on an on-going or one time basis which are legally available for use as salary compensation to all unit members including, but not limited to, all increases in Local Control Funding Formula (LCFF) components including the base grant, concentration grant, supplemental grant and grade span adjustment, but excluding state lottery funds and mandated cost reimbursements.

All calculations involving the cost of a 1% salary schedule increase shall be based on the cost of salary and statutory benefits for all Oakland Education Association (OEA) unit members at the time of the calculation. Therefore, although all examples below use \$1.5 million as the cost of 1% of salary and statutory benefits for all OEA unit members, this amount will change each year consistent with the application of salary increases.

## 2014-15 Additional Compensation

In addition, all unit members shall receive additional compensation per the following conditions:

For the 2014-15 fiscal year, unrestricted funds in excess of the District's projected funding under LCFF for 2014-15 shall be allocated to Oakland Education Association (OEA) unit members as follows:

1. Subtract the 2014-15 unrestricted funds as projected as of the District 2014-15 third interim report (\$296,316,598) from the 2014-15 unrestricted funds as determined in the 2015-16 State Budget passed into law and signed by the Governor (the "2014-15 Adjustment");
2. Multiply the 2014-15 Adjustment by thirty-three percent (33%).
3. Divide the result of 2 above by the cost of a 1% salary schedule increase

The resulting percentage increase, if any, shall be provided to OEA unit members as a one-time payment, paid on or before October 31, 2015. However, if this increased amount is calculated as 0.25% of salary or less, the parties shall meet to determine the best use of these funds. Such use may include but is not limited to issuance of a one-time payment to members, supplies and materials for members, technology purchases or such other uses as may be mutually agreed to.

### Example of One-time Payment: (The numbers used in this example are for illustrative purposes only)

State Budget Allocation for 2014-15:	\$ 306,316,598
District 3 <sup>rd</sup> interim Projection for 2014-15:	<u>-\$296,316,598</u>
Difference:	\$ 10,000,000
OEA %	<u>X 33%</u>
Total One-time Payment to OEA Members:	\$ <b>3,300,000</b>
Total One-time Payment to OEA Members:	<b><u>\$3,300,000</u></b>
Cost of 1% for all OEA members:	<b><u>\$1,500,000</u></b>
Total One-time Payment to OEA Members:	<b><u>2.2%</u></b>

## 2015-16 Additional Compensation

- A. For the 2015-16 school year, on-going unrestricted funds in excess of the District's projected unrestricted funding under LCFF for 2015-16 as of the 2014-15 third interim report (\$320,370,623) shall be allocated to Oakland Education Association (OEA) unit members as follows:

The 2014-15 third interim projected unrestricted funds for 2015-16 shall be subtracted from the unrestricted funds provided as per the State Budget allocation for the 2015-16 school year by the budget passed into law and signed by the Governor for the 2015-16 school year. 39% of the difference shall be used to provide a salary schedule increase to OEA unit members.

State Budget allocation for 2015-16: \$330,370,623

Exa  
mple  
:

(The numbers used in this example are for illustrative purposes only)

Nine	2014-15 District 3 <sup>rd</sup> Interim projection for 2015-16:	<u>-\$320,370,623</u>
ty		
perc	Difference:	\$10,000,000
ent	OEA %	<u>X 39%</u>
(90%	Total On-going Payment to OEA Members:	<b>\$3,900,000</b>

) of this increase shall become effective July 1, 2015 in order to assure that the expected funding is realized.

**Example: \$3,900,000 x 90%=\$3,510,000 = 90% of increase**

The amount generated by this calculation shall be divided by the cost of 1% of salary and statutory benefits for all OEA unit members to produce the amount of an on-going salary increase.

- B. The balance of the salary schedule increase or portion thereof, if any, shall be determined through the following calculation:
  - i. Subtract the 2015-16 ongoing unrestricted funds projected in the 2014-15 third interim report from the actual 2015-16 ongoing unrestricted funds in the 2015-16 first interim report (the "2015-16 Actual Difference");
  - ii. Multiply the 2015-16 Actual Difference by thirty-nine percent (39%).
  - iii. Subtract from the result of (ii) above, the 90% payment made in Step A
  - iv. Divide the result of (iii) above by the cost of 1%.
  - v. The salary increase resulting from this calculation shall be applied to all rates and schedules effective January 1, 2016.

**Example 1: Revenue Meets Projection (The numbers used in this example are for illustrative purposes only)**

Funds for on-going salary increase :	<u>\$3,510,000</u>
Cost of 1% for all OEA unit members:	<u>\$1,500,000</u>
On-going salary schedule increase for all OEA unit members effective July 1, 2015:	<b>2.34%</b>

Increase in unrestricted funds in the Governor's 2015-16 Budget above the 2014-15 third interim projected unrestricted funds for 2015-16.	\$10,000,000
	<u>X 39%</u>
	<b>\$ 3,900,000</b>

Amount of additional ongoing unrestricted funds projected at 2015-16 1 <sup>st</sup> interim above the 2014-15 third interim projected increase ongoing unrestricted funds for 2015-16:	\$10,000,000
	<u>X 39%</u>
Total Amount:	<u>\$ 3,900,000</u>
90% certainty amount effective July 1, 2015:	<u>-\$ 3,510,000</u>
Funds for additional increase effective January 1, 2016:	<b>\$390,000</b>

Amount of increase effective January 1, 2016:	<u>\$390,000</u>
Cost of 1% for all OEA members:	<u>\$1,500,000</u>
Additional ongoing percentage as of January 1, 2016:	<b>.26%</b>

**Example 2: Less Revenue than Projected (The numbers used in this example are for illustrative purposes only)**

Increase in unrestricted funds in the Governor's 2015-16 Budget above the 2014-15 third interim projected unrestricted funds for 2015-16:	\$10,000,000
	X 39%
	<b>\$ 3,900,000</b>

Amount of additional ongoing unrestricted funds projected at 2015-16 1 <sup>st</sup> interim above the 2014-15 third interim unrestricted funds projected for 2015-16:	\$ 9,800,000
	X 39%
Total Dollars to OEA:	<u>\$ 3,822,000</u>
90% certainty amount effective July 1, 2015:	<u>-\$ 3,510,000</u>
Funds for additional increase effective January 1, 2016:	<b>\$312,000</b>

Amount of increase effective January 1, 2016:	<u>\$312,000</u>
Cost of 1% for all OEA members:	<u>\$1,500,000</u>
Additional ongoing percentage as of January 1, 2016:	<b>.21%</b>

**Example 3: More Revenue than Projected (The numbers used in this example are for illustrative purposes only)**

Amount of additional ongoing unrestricted funds projected at 2015-16 1 <sup>st</sup> interim above the 2014-15 third interim unrestricted funds projected for 2015-16	\$10,300,000
OEA %	X 39 %
Total Dollars to OEA:	<u>\$ 4,017,000</u>
90% Certainty Amount effective July 1, 2015:	<u>-\$ 3,510,000</u>
Difference from 39% and the 90% Certainty Amount:	\$ 507,000
	\$ <u>507,000</u>
Cost of 1% for all OEA members:	<u>\$ 1,500,000</u>
Ongoing percent increase	<b>.34%</b>

**2015-16 One Time Funds:**

In addition, one-time unrestricted funds will be provided to OEA unit members as a one-time payment using the calculation below and be paid effective January 1, 2016. This calculation shall include solely those funds added subsequent to the Governor's January 2015 budget proposal.

- C. A one-time increase, if any, shall be determined through the following calculation:
  - i. Subtract the 2015-16 one-time unrestricted funds projected in the 2014-15 third interim report from the actual 2015-16 one-time unrestricted funds in the 2015-16 first interim report (the “2015-16 One Time Difference”);
  - ii. Multiply the 2015-16 OneTime Difference by thirty-nine percent (39%).
  - iii. Divide the result of 3 above by the cost of 1%

The resulting percentage increase, if any, shall be provided to OEA unit members as a one-time payment, paid on or before October 31, 2016.

Any additional ongoing unrestricted funds for 2015-16 allocated as of 2016-17 budget adoption in excess of the amount calculated in C above (1<sup>st</sup> interim 2015-16), shall be treated as additional one-time unrestricted funds for the purpose of this calculation and applied per the preceding paragraph. Payment of these unrestricted funds, if any, shall be made on or before October 31, 2016.

**2016-2017 Additional Compensation**

- A) The on-going increase to OEA members for the 2016-17 school year shall be calculated as follows:
  - i. Subtract the 2015-16 on-going unrestricted funds projected by the then current LCFF calculator provided by the Fiscal Crisis & Management Assistance Team (FCMAT) as of May 1, 2016 from the 2016-17 on-going unrestricted LCFF funds provided as per the State Budget passed into law and signed by the Governor for the 2016-17 school year.
  - ii. Subtract from the amount in (i) above the dollar amount of increases to the Health and Welfare Fund as set forth in *[the new Health and Welfare Article calculation provisions]*. This shall be referred to as the “2016-17 Increase.”
  - iii. 30% of the first \$5 million of the 2016-17 increase shall be dedicated to the OEA bargaining unit as an increase to all rates and schedules.
  - iv. 42% of the next \$4 million of the 2016-17 increase shall be dedicated to the OEA bargaining unit as an increase to all rates and schedules.
  - v. 48% of the next \$5 million of the 2016-17 increase shall be dedicated to the OEA bargaining unit as an increase to all rates and schedules.
  - vi. 39% of any additional amounts of the 2016-17 increase shall be dedicated to the OEA bargaining unit as an increase to all rates and schedules.
  - vii. The calculation shall be made as follows:

**Example 1: Total Revenue Meets Projected Revenue for Salary Increases (The numbers used in this example are for illustrative purposes only)**

	Budget Act for 2016-17:	\$345,370,623
	2015-16 Third Interim projection for 2015-16:	<u>-\$330,370,623</u>
	Difference:	\$ 15,000,000
Cost of additional contribution to District Health Benefits:		<u>\$ -1,000,000</u>

Net remaining increase: \$ 14,000,000

On-going Unrestricted Funds	Amount	Percentage of amount to OEA	Total to OEA
1 <sup>st</sup> Tier Increase	\$5,000,000 x	30%	\$1,500,000
2 <sup>nd</sup> Tier Increase	\$4,000,000 x	42%	\$1,680,000
3 <sup>rd</sup> Tier Increase	\$5,000,000 x	48%	\$2,400,000
<b>Total Projected</b>	<b>\$14,000,000 x</b>	<b>39.9%</b>	<b>\$5,580,000</b>

The amount generated by this calculation shall be divided the cost of 1% of salary and statutory benefits for all OEA members to produce the amount of an on-going salary increase.

Funds for on-going salary increase :	\$5,580,000
Cost of 1% for all OEA members:	\$1,500,000
On-going salary schedule increase for all OEA members:	<b>3.72%</b>

90% of this increase shall become effective July 1, 2016 in order to assure that the expected funding is realized.

Example: 3.72% X 90%= 3.35%

The balance of the 2016-17 salary schedule increase or portion thereof, if any, shall be determined through the following calculation:

- i. Subtract the 2015-16 on-going unrestricted funds projected by the then current LCFF calculator provided by the Fiscal Crisis & Management Assistance Team (FCMAT) as of May 1, 2016 from the 2016-17 first interim report of the on-going unrestricted LCFF funds on or before December 15, 2016.
- ii. Subtract from the amount in (i) above the dollar amount of increases to the Health and Welfare Fund as set forth in *[the new Health and Welfare Article calculation provisions]*. This shall be referred to as the “2016-17 Adjusted Increase.”
- iii. Calculating the Adjusted Increase:
  - a. 30% of the first \$5 million of the 2016-17 Adjusted Increase shall be dedicated to the OEA bargaining unit as an increase to all rates and schedules.
  - b. 42% of the next \$4 million of the 2016-17 Adjusted Increase shall be dedicated to the OEA bargaining unit as an increase to all rates and schedules.
  - c. 48% of the next \$5 million of the 2016-17 Adjusted Increase shall be dedicated to the OEA bargaining unit as an increase to all rates and schedules.
  - d. 39% of any additional amounts of the 2016-17 Adjusted Increase shall be dedicated to the OEA bargaining unit as an increase to all rates and schedules.
- iv. Subtract from the result of (iii) above, the 90% payment made in Step A
- v. Divide the result of (iv) above by the cost of 1%.
- vi. The salary increase resulting from this calculation shall be applied to all rates and schedules effective January 1, 2017.

**Example 2: More Revenue than anticipated (The numbers used in this example are for illustrative purposes only)**

Increase in on-going unrestricted funds at the 2016-17 first interim: **\$16,000,000**  
 Less increases health benefits contribution: **-\$1,000,000**  
 Net Increase for use towards salaries: **\$15,000,000**

<b>On-going Unrestricted Funds</b>	<b>Amount</b>	<b>Percentage of amount to OEA</b>	<b>Total to OEA</b>
1 <sup>st</sup> Tier Increase	\$5,000,000 x	30%	\$1,500,000
2 <sup>nd</sup> Tier Increase	\$4,000,000 x	42%	\$1,680,000
3 <sup>rd</sup> Tier Increase	\$5,000,000 x	48%	\$2,400,000
4 <sup>th</sup> Tier Increase	1,000,000 x	39%	\$390,000
<b>Total Projected</b>	<b>\$15,000,000 x</b>	<b>39.8%</b>	<b>\$5,970,000</b>

Funds for on-going salary increase: \$5,970,000  
 Cost of 1% for all OEA members: \$1,500,000  
 On-going salary schedule increase for all OEA members: **3.98%**

On-going salary schedule paid to OEA members in July 1, 2016: **3.35 %**  
 On-going salary schedule paid to OEA members in January 1, 2017: **.63 %**  
**Total amount of ongoing salary increase to OEA: 3.98 %**

**Example 3: \$1 Million Less Revenue is Received than Projected (The numbers used in this example are for illustrative purposes only)**

Increase in on-going unrestricted funds at the 2016-17 first interim: \$14,000,000  
 Less increases health benefits contribution: **-\$1,000,000**  
 Net Increase for use towards salaries: **\$13,000,000**

<b>On-going Unrestricted Funds</b>	<b>Amount</b>	<b>Percentage of amount to OEA</b>	<b>Total to OEA</b>
1 <sup>st</sup> Tier Increase	\$5,000,000 x	30%	\$1,500,000
2 <sup>nd</sup> Tier Increase	\$4,000,000 x	42%	\$1,680,000
3 <sup>rd</sup> Tier Increase	\$4,000,000 x	48%	\$1,920,000
4 <sup>th</sup> Tier Increase	\$0	39%	0
<b>Total Projected</b>	<b>\$13,000,000 x</b>	<b>39.8%</b>	<b>\$5,100,000</b>

Funds for on-going salary increase: \$5,100,000  
 Cost of 1% for all OEA members: \$1,500,000  
 On-going salary schedule increase for all OEA members: **3.4%**

On-going salary schedule paid to OEA members in July 1, 2016: **3.35 %**

On-going salary schedule paid to OEA members in January 1, 2017:	<b>.05 %</b>
<b>Total amount of ongoing salary increase to OEA:</b>	<b>3.40 %</b>

In addition, 30% of any unrestricted one-time funds will be provided to OEA members as a one-time payment using the same calculation as above and be paid effective January 1, 2017, provided however, the District shall receive for 2016-17 \$5,000,000 in ongoing and/or one-time unrestricted funds net of any payments associated with Section A above prior to any one-time funds being allocated to OEA.

24.2.3

All unit members will be paid in accordance with the appropriate salary found in the Appendices. (See Appendix 1.) **Effective July 1, 2015, all Adult Education unit members will be paid in accordance with the "Salary Schedule Adult Contract Teachers" schedule. (See Appendix 1.4.)**

24.2.4.2

Adult Education unit members working less than seventy-five (75%), **but more than thirty eight (38%)**, of the full-time equivalent hours shall receive credit for a year of experience on the salary schedule for each two (2) years of service below seventy-five (75%).

<b>Kei Swensen</b>	<b>Date</b>	<b>Brigitte Marshall</b>	<b>Date</b>
<b>OEA Bargaining Chair</b>		<b>OUSD Spokesperson</b>	
<b>Steve Randall</b>		<b>Gregory J. Dannis</b>	
<b>OEA Bargaining Team</b>		<b>OUSD Lead Negotiator</b>	