

Status of Negotiations between the District & AFT

The District and AFT are now entering the fact-finding phase of negotiations. In this phase, a three-member expert panel conducts a hearing on the issues and makes a non-binding recommendation to the parties.

Prior to the factfinding hearing, the District and AFT are required to exchange their current best offers. The District's pre-factfinding offer will be located on the CCSF homepage under Public Information, Status of Negotiations with AFT. ***Rather than being incremental, we are putting everything on the table now – to be as clear as possible and with the hope to expedite resolution.***

The key economic elements of the offer are as follows:

- ***The District is offering equal salary increases for full-time and part-time faculty.*** Until now, the District has been focused on increasing full-time faculty salaries, because full-time faculty salaries at CCSF are approximately 11% below the median of faculty at bay area community colleges ("Bay 10"), while part-time faculty salaries at CCSF are approximately 35% above the Bay 10 median. Despite this inequity, AFT adamantly maintains that salary changes for full and part-time faculty should be the same. In light of this strong sentiment, the District is now offering the same salary increases for full and part-time faculty.
- ***The District is offering to increase all faculty salaries by 7.19% over two (2) years and also to provide additional one-time payments totaling 5.36% over the same two (2) years.*** The total cost of the District's pre-factfinding offer over the two years is \$15.8 million. This offer is \$8.0 million higher than our offer before mediation, and represents the maximum the College is able to offer. Offering larger, ongoing salary increases beyond what is been proposed would be fiscally imprudent because:
 - ***The District's enrollment has declined by 9,000 full-time equivalent student (FTES), which represents a \$40 million revenue loss in annual funding between the first year of stability funding and when stability funding ends on July 1, 2017.*** Unless enrollment rebounds tremendously in 2016-17, the District faces a significant budget deficit as soon as 2017-18. This will drastically threaten our ability to serve our students in the future.
 - ***The District cannot use its reserves to fund ongoing salary increases.*** FCMAT recently audited CCSF's financials finding that "CCSF is maintaining appropriate reserves," and stated that those reserves "...may be inadequate to address the fiscal issues the [d]istrict faces." In general, reserves should be viewed as one-time money. One-time money is never used to fund ongoing expenses such as salaries. The District cannot use its reserves to fund ongoing salary increases. Our offer does utilize some reserves for one-time payments to faculty, but not for ongoing salary adjustments. The reserves must be used to cushion the loss of stability funding and the drop in enrollment. FCMAT firmly recommends that the District hold steady and not dip into reserves and "not ignore the deficit spending reflected in the multiyear financial projections."
- ***The District's offer is partially funded through scheduled reductions in classes.*** The impact of our accreditation crisis, the strong economy, and the elimination of "repeatability" have caused our enrollment to decrease from 32,000 to closer to 23,000 FTES. Partially reducing the schedule does not mean we cannot meet the needs of our current enrollment with space for growth as well. If we do not reduce our schedule of classes to match our enrollment, the monies are not available to pay additional salaries. The District is committed to gradually adjusting the schedule over a number of years in a manner that minimizes the impacts on students and programs. Enrollment initiatives to accelerate growth are underway to mitigate this reduction.