



JOINT NEGOTIATIONS UPDATE

FROM LOS ANGELES UNIFIED SCHOOL DISTRICT AND
UNITED TEACHERS LOS ANGELES

ANNUALIZED PAY

January 29, 2008



District and UTLA Agree on Implementation of Annualized Pay

Negotiation teams for the District and Union have been meeting for the last several months in a joint effort to resolve issues concerning implementation of the parties' Collective Bargaining Agreement calling for the annualization of pay (Article XIV, section 32.1) within the District's new Human Resources Payroll System.

Based on the information presented by the District and reviewed by the parties during negotiations on January 25 and 29, 2008, the parties are pleased to report their mutual acknowledgment that the system to be implemented July 1, 2008 meets the intent of the parties as set forth in Article XIV, section 32.1.

Major Features of Annualized Pay

- Ø Employees will be paid their base salary table rate of pay in 12 pay checks of equal amounts (referred to here as "annualized pay"), beginning in July and ending in June *regardless* of the individual employee's workyear.
- Ø Employees will receive a paycheck for their annualized pay in July and August even if they do not work in July or August.
- Ø Paychecks will indicate the employee's annualized pay and, separately, any additional compensation (e.g., summer school, intersession, auxiliary pay).
- Ø An employee will continue to receive annualized pay even if changes occur during the year such as movement on the salary schedule (based on additional units) or changes in tracks. Any change in salary, such as for salary schedule changes, will be shown separately from the annualized pay, and then folded into such pay the following July.
- Ø Employees whose schools switch from a multitrack to a single track calendar will also be paid in 12 checks of equal amounts.

Next Steps: Continued Discussions and Testing of System

As provided in section 32.1, "The parties will be continuing their review of specific pay practices to effectuate" the contractual agreement to annualize pay as implementation proceeds. UTLA and the District will therefore continue to confer over any issues, improvements or modifications to the new pay structure. In addition:

- Ø The District will begin testing each "piece" of the program that makes up the payroll system to ensure that it will perform as expected by July 1, 2008, including successful implementation of the agreed upon changes for annualized pay.
- Ø A committee comprised of representatives of all employee groups will continue to meet to design a "pay stub" that is user friendly and contains information of interest to employees.
- Ø The District will, in coordination with UTLA, provide communication and training to educate employees about the major features described above.

The District and UTLA anticipate a payroll system that is transparent and accurate for all employees.