

MEMORANDUM OF AGREEMENT (the "Agreement") entered into this ___ day of February, 2020 by and between the Council of School Supervisors and Administrators of the City of New York (the "CSA") and the Board of Education of the City School District of the City of New York (the "Board" or "Department") modifying the collective bargaining agreement between the Board and the Union that expired on April 22, 2019, as set forth more particularly below.

1. INTRODUCTION

The collective bargaining agreement between the Board and the Union, which expired on April 22, 2019 shall be succeeded by successor agreements that shall continue all their terms and conditions except as modified or amended below.

2. TERM

The term of the successor agreement shall be from April 23, 2019 through January 28, 2023.

3. WAGES AND ECONOMICS

- a. The general increases, effective as indicated, as customarily done, shall be:
 - (i) Effective on April 23, 2019, Employees shall receive a rate increase of 2%.
 - (ii) Effective on July 23, 2020, Employees shall receive an additional rate increase of 2.5%.
 - (iii) Effective on September 23, 2021, Employees shall receive an additional rate increase of 3%.
- b. In addition to the general increases described in Section 3a, Elementary and Junior High School principal salaries shall be adjusted consistent with Appendix A, attached hereto.
- c. The \$708 annuity fund contribution will increase by 2%, 2.5% and 3% on the applicable dates and will be remitted to the Compensation Accrual Fund on behalf of each eligible employee and the additional \$136 per employee per year will increase by 2%, 2.5% and 3% on the applicable dates and shall be remitted to the welfare fund.
- d. On July 23, 2020 there shall be a one-time payment of \$2.28 million into the Administrative Fund. The amount of such contribution shall be subject to the additional parental leaves for employees with an eligible event occurring between October 1, 2019 and February 22, 2020, as indicated in Section 4.

4. PAID PARENTAL LEAVE

Effective February 23, 2020, CSA represented employees who are in active status shall, in addition to all other leave benefits, including maternity leave, be entitled to receive up to 25 work days of Paid Parental Leave ("PPL") once per rolling 10 month period at 100% of regular

salary. Paid Parental Leave is defined as leave for the birth of a child to an eligible employee (biological parent) or the placement of a child with an eligible employee for adoption or foster care (each of which is a “qualifying event”) and excludes other types of family leave.

If a qualifying event occurred between October 1, 2019 and February 22, 2020 (inclusive), eligible employees are entitled to use 25 work days of Paid Parental Leave within six (6) months of the qualifying event.

A. Definitions

“Child(ren)” means a biological, adopted or foster child of the eligible employee. For the purposes of Paid Parental Leave, a child must be under the age of 18.

“Eligible Employee” means any full time DOE employee in the collective bargaining unit represented by CSA.

“Parent” means the person identified on the child(ren)'s birth certificate, adoption certificate or certified copy of a foreign adoption order that has been registered in New York State, or certified copies of initial and continuing family court orders of foster care placement. If the child subject of a qualifying event is parented by, adopted by, or placed in foster care with two eligible employees, both employees may seek to use parental leave.

“Paid Parental Leave” is defined as leave for the birth of a child(ren) to an eligible employee or the placement of a child with an eligible employee for adoption or foster care and excludes other types of family leave.

"Qualifying event" means the birth of a child(ren), the formal adoption of child(ren) under the age of 18, or the placement of child(ren) under the age of 18 in foster care, that takes place on or after October 1, 2019. Eligible employees are entitled to Paid Parental Leave for one qualifying event per child.

“One qualifying event per child” means in the cases of multiple births, all children are treated as one qualifying event. In the cases of multiple children being adopted or placed under foster care, all children being adopted or placed in foster care on the same day are treated as one qualifying event. In the cases of multiple qualifying events for the same child by the same employee, the eligible employee will be entitled to only one instance of PPL. For example, if the qualifying event is the placement of a child with an eligible employee for foster care, the eligible employee uses PPL during that qualifying event, and such placement subsequently becomes an adoption of that same child by the same employee, the adoption will not be considered a qualifying event, and the eligible employee will not be entitled to additional PPL for the adoption.

B. General Provisions

1. The start date of an eligible employee’s use of Paid Parental Leave is at her/his option, as long as no more than 25 work days are used and the period of usage extends no longer than six months after the first day of usage. Any portion of the 25 work days not taken in this six month period is forfeited. With the permission of their supervisor, which shall not be unreasonably withheld, CSA employees can elect to take the 25 work days on an intermittent basis during the 6

month period after the qualifying event and pursuant to a schedule that is agreeable to both the employee and supervisor.

2. Eligible employees may only use Paid Parental Leave once per rolling 10 month period, which is the 10 month period measured backward from the date the employee begins using Paid Parental Leave. Each additional qualifying event beyond the rolling 10 month period will result in a new 25 work day PPL entitlement.

3. An employee may use Paid Parental Leave without using accrued sick or annual leave. An employee will accrue annual and sick leave during the Paid Parental Leave period in accordance with the applicable leave regulations, provided, however, that the employee will not be credited with the annual and sick leave time accrued while on Paid Parental Leave until the employee returns from Paid Parental Leave or such other approved leave as shall continue after Paid Parental Leave. Eligible employees may also use accrued leave, child care leave, and any other applicable leave benefits in accordance with existing rules and policies.

4. Eligible employees may use Paid Parental Leave immediately after hire, provided that the qualifying event occurs on or after the date they start working.

5. PPL shall run concurrently with leave provided pursuant to the Family and Medical Leave Act ("FMLA"), if the employee is eligible for FMLA leave.

6. If the Paid Parental Leave is interrupted or ceased as a result of the child(ren) no longer being under the care of the eligible employee, the eligible employee must immediately notify the Human Resources Department of his/her agency and end his/her PPL.

7. Employees who receive Paid Parental Leave, partially or in whole, must return to work for at least six months at the end of the period of Paid Parental Leave or any period of approved paid or unpaid child care or other leave that continues after the Paid Parental Leave. Any payments made for Paid Parental Leave to an employee who does not return to work must be returned to and are recoverable by the Department.

8. An employee who returns from Paid Parental Leave must be restored to his or her previous position.

C. Procedures.

Certification of Eligibility

1. When the Paid Parental Leave is foreseeable, an employee must give his/her Employer at least 30 calendar days advance notice before the leave begins. This requirement may be waived at the discretion of the Chancellor or his/her designee.

2. Eligible employees must provide timely documentation as determined by the DOE in consultation with the CSA of the qualifying event, such as a birth certificate listing the eligible employee as a parent, a certified copy of an adoption order listing the eligible employee as a parent, a certified copy of a foreign adoption order that lists the eligible employee as a parent, a certificate of adoption or adoption decree listing the eligible employee as a parent, or certified

copies of initial and continuing family court orders of foster care placement naming the eligible employee as a foster parent. Such documentation must be provided within 15 calendar days from the Employer's request, where practicable. The leave may be applied retroactively following receipt and verification of the documentation.

3. Eligible employees will be required to sign an acknowledgment that indicates they are seeking to use Paid Parental Leave for the birth of a child to the eligible employee (i.e., a biological child born into the care and custody of the employee), or the placement of a child with the eligible employee for adoption or foster care. Where the qualifying event involves the placement of a child with the eligible employee for adoption or foster care, the eligible employee will also have to certify that should the adoption or foster care placement cease during the PPL period, the employee will immediately notify the Employer. If a child ceases to remain in the employee's care during PPL, the employee shall notify the Employer and either return to work or apply to use other leave as appropriate.

5. ADMINISTRATIVE FUND

As soon as practicable, contributions to be made pursuant to Article III of the Collective Bargaining Agreement and Section 3 of this Agreement shall be made to the Administrative Fund for distribution to the Welfare Fund and the Retirees Welfare Fund.

6. TENURE

The Department shall establish a tenure framework consistent with applicable sections of the New York Education Law and all applicable APPR agreements between CSA and Department that will provide guidance regarding school based and non-school based supervisory tenure decisions. The Department will develop such a framework for the commencement of the 2020-2021 school year and will consult with the CSA regarding how to provide notification of the tenure framework to CSA-represented employees annually at the start of the school year. Nothing in this agreement precludes the Department or the Chancellor from revising the tenure framework. The Department agrees that it will consult with the CSA regarding any revision and further agrees that any revisions shall take effect at the start of the next school year unless an earlier effective date is required by New York State law or regulations or the parties agree otherwise. Nothing in this agreement is intended to diminish the authority of the Chancellor or any Superintendent with respect to a final determination regarding the granting or denial of completion of probation for any supervisor and factors relevant to this decision.

7. ASSISTANT PRINCIPAL EVALUATION

The parties agree to establish a joint Labor Management committee comprised of equal numbers of representatives selected by the CSA President and the Chancellor to develop a new evaluation system for Assistant Principals, subject to the approval of the CSA President and the Chancellor. This committee shall meet regularly according to a schedule agreed to by the parties to ensure implementation of this framework no later than the commencement of the 2020-2021 school year. If the parties come to agreement on a new evaluation system for Assistant Principals the new evaluation system will be effective the start of the next school year and newly hired assistant

principals and assistant principals serving in their first, second, or third year of probation shall have a four year probationary period. Those probationary Assistant Principals who are in their fourth and fifth year shall serve an additional probationary period of six months, exclusive of summer months, or shall complete probation based on the original date of completion, whichever is earlier.

8. EXTENSION OF PROBATION

All proposed extensions of the probationary period of any supervisor shall be given to the supervisor and CSA in writing, along with a written statement of reasons for the extension, no later than 7 days prior to the completion of the probationary period, to afford the employee sufficient time to consult with their representatives.

In the event a supervisor is given an extension agreement within 7 days prior to the date of completion of probation, the CSA agrees that the employee's completion of probation date will automatically be extended by 7 days to afford the employee the opportunity to consult with their representatives unless the parties agree otherwise.

It is expressly understood that an employee cannot claim tenure by estoppel or completion of probation if an extension agreement is given within 7 days prior to the original completion of probation date.

In the event a supervisor is given an extension agreement but is not provided a written statement of reasons along with the proposed extension of probation as provided for above, the CSA will notify the Chancellor's (or his /her designee) and Superintendent's offices in writing of the DOE's failure to provide a written statement of reasons, and the DOE agrees it will provide the written statement of reasons by close of business on the next business day. The supervisor will have 7 days to review the proposed extension and statement of reasons and the parties agree that the supervisor's completion of probation date will automatically be extended by 7 days to afford review. The parties further agree that the supervisor and Union may not claim tenure by estoppel or completion of probation during the 7 day time frame.

9. PRINCIPAL OBSERVATIONS

Either an Executive Superintendent, Superintendent or Deputy/Assistant Superintendent may conduct Principal Performance Observations ("PPO") except that any first-year probationary principal or principal who received an Ineffective or Developing in the Measures of Leadership Practice in the prior school year must have had at least one Principal Performance Observation performed by a Superintendent. On an annual basis prior to any initial Principal Performance Observation taking place each principal will have an individual, in-person, meeting with either their Superintendent or Deputy/Assistant Superintendent at least ten (10) school days prior. In addition, any first-year probationary principal or principal who received an Ineffective or Developing in the Measures of Leadership Practice in the prior school year shall have this meeting with his/her Superintendent. Nothing herein is intended to alter or change current requirements for Principals who are the subject of a Principal Improvement Plan.

The Central APPR Committee (“APPR Committee”) shall meet at a minimum two (2) times per year to discuss any issues including the review of anomalies and disparities between school supervisor overall ratings and the overall ratings for the supervisor’s teaching staff, including instances of disparate MOSL results defined herein as a Principal receiving an Ineffective MOSL when no teacher in that school receives lower than Effective or instances when a Principal receives Developing MOSL when no teacher in that school receives lower than Highly Effective.

10. HARD TO STAFF DIFFERENTIAL

Commencing in the spring of 2020, in addition to the Hard to Staff school differential currently in the collective bargaining agreement, the Chancellor has the sole discretion to designate a separate cohort of schools (“Hard to Staff Schools, Administration”) and principals who serve in a designated Hard to Staff, Administration, school will be eligible to receive a Hard to Staff, Administration, school annual salary differential, paid in equal installments in regular DOE paychecks. For each school year the Chancellor shall have the sole discretion to determine the Hard to Staff, Administration, schools, if any, that will be eligible and the amount of differential, which shall be no less than \$10,000 and no more than \$15,000. The Chancellor will consult with the CSA prior to designating such schools and the differential amount. The determinations as to the schools and amounts shall be final and not grievable. All Principals serving in the Hard to Staff, Administration, schools, including transfers and new hires shall be eligible to receive the same annual salary differential except as designated below.

To receive the differential Principals must have earned a rating of Highly Effective or Effective or Developing or Satisfactory where applicable and be in active service. For Principals in designated schools who start after the school year, or leave the school before the end of the school year, the differential will be prorated. Principals serving in Master or Model or Ambassador Principal Positions are not eligible to receive the Hard to Staff, Administration, differential even if they are serving in those positions in Hard to Staff designated schools.

This provision will expire on January 27, 2023 unless the parties agree to continue it by written agreement.

11. LEAD EDUCATION ADMINISTRATOR POSITION

The parties agree that the Department may establish the position of Lead Education Administrator. In addition to their regular duties and responsibilities as an Education Administrator, Lead Education Administrators will provide day-to-day organization and coordination of assignments to other Education Administrators as defined herein. Pedagogical Managers, not Lead Education Administrators, shall serve as the rating officer or supervisor of other Education Administrators.

Lead Education Administrators may not conduct or participate in disciplinary conferences of other Education Administrators represented by CSA.

The posting for these Lead Education Administrator positions shall be jointly created by the DOE and CSA. The number of Lead Education Administrators if any, and the individual selections for the position of Lead Education Administrator are not subject to the grievance or

arbitration process. The parties agree that the creation of a Lead Education Administrator position cannot usurp or replace any other position that would otherwise be represented by the CSA. The Lead Education Administrator is a three-year assignment, subject to annual renewal, at the discretion of the Chancellor or his/her designee. The Lead Education Administrator can be removed from their assignment at any time at the discretion of the Department of Education.

Lead Education Administrators shall receive additional compensation in the amount of \$15,000 per year above the maximum EA 4 salary in effect at the time of commencement of service in the position. In the event a selection for a Lead Education Administrator is made after September 1st, the additional compensation shall be prorated accordingly.

Only those Education Administrators with a Satisfactory rating in the prior school year shall be eligible to serve as Lead Education Administrators. An Education Administrator who does not maintain a rating of Satisfactory will be ineligible to continue in this position.

This provision will expire on January 27, 2023 unless the parties agree in writing to continue it.

12. NON-DISTRICT 75 ASSISTANT PRINCIPAL SPECIAL EDUCATION PILOT PROGRAM

The parties agree that as soon as practicable but no later than the 2020-2021 school year the parties shall institute a pilot program for all Non-District 75 Assistant Principals of Special Education that will allow these Assistant Principals the option of not working during the summer on an annual basis. Both the Assistant Principal and the Principal of the school must annually agree to a ten-month schedule in order for it to be implemented, and the district superintendent must also approve. Assistant Principals of Special Education who wish to not work in July and August must request to do so in writing to the Principal and District Superintendent prior to March 1 of a given year. The Superintendent or designee will decide the request to participate in this program and inform the Assistant Principal of the decision no later than April 1st of the given year. In the event an employee's circumstances change and the employee would like to rescind his/her request to participate in this pilot, the employee must provide a written request no later than July 6th and requests to rescind shall not be unreasonably denied.

The parties agree to work together to ensure that information about changes in salary or other relevant information are communicated to Assistant Principals of Special Education in advance of March 1 of a given year to ensure that Assistant Principals of Special Education make an informed decision. All participants in this program shall be considered to be continuously employed by the Department.

The above pilot program does not apply to Assistant Principals of Special Education assigned to District 75 schools, and will expire on January 27, 2023 unless the parties agree in writing to continue said program.

13. EXCESSED ASSISTANT PRINCIPALS

The DOE agrees that each spring no later than June 15, each Assistant Principal currently in excess ("Excessed Assistant Principals") as of June 1 of that year shall receive their assignment

for the following year and for each Assistant Principal newly placed into excess by the existing June 15 notification deadline the Department will use its best efforts to provide an assignment by June 30 for the following year and in no event later than July 15.

The parties also agree that in the event that during the following year there is an unexpected retirement where the employee fails to give 30 days' notice, resignation where the employee fails to give 30 days' notice, or emergency situation as defined by the Chancellor in consultation with the CSA President, the Chancellor or his/her designee may temporarily assign an Excessed Assistant Principal to a different school, after consultation with the CSA President, for a period of up to 30 days.

14. REVERSION RIGHTS

Effective upon the execution of this Agreement, the parties agree that the document annexed hereto as Appendix B sets forth rights of reversion for all current and future supervisors. The DOE will provide this information to current and future supervisors and will consult with the CSA about the manner and format of this notification.

15. SAFETY AND SECURITY

The DOE and the CSA agree that it is generally best practice to have at least one Assistant Principal per school. The Chancellor or his/her designee will consult with the President of the CSA, or his/her designee, annually each spring prior to issuing instructions to Superintendents and other appropriate offices about the need to require from any school without at least one Assistant Principal a plan to ensure a safe and secure environment at all times. The Superintendent will review and either approve or not approve the plan. The determination of the Superintendent shall not be grievable or arbitrable.

The parties agree that schools must be equipped to address the importance of ensuring appropriate school climate, maintaining a safe and secure environment, and maintaining compliance with relevant rules and regulations. Subject to all necessary approvals as part of budget and staffing process which shall not be unreasonably withheld, school principals, at all school levels, shall have the option and discretion to create an Assistant Principal responsible for Climate, Culture and Security.

16. ANTI-RETALIATION

DOE shall maintain an environment that promotes an open and respectful exchange of ideas that is free of harassment, intimidation, retaliation and discrimination. All employees are permitted to promptly raise any concerns about any situation that may violate the collective bargaining agreement, rule/law/regulation, or Department policy or that relates to their professional responsibilities or the best interests of their students. The harassment, intimidation, retaliation and discrimination of any kind because an employee in good faith raises a concern or reports a violation or suspected violation of any Department policy, rule/law/regulation or contractual provision or participates or cooperates with an investigation of such concerns is prohibited.

17. INSTRUCTIONAL SUPPLIES

The Department agrees that it will issue annual guidance to principals about funding and budgeting instructional supplies, including the funds available for instructional supplies and where they are within the overall school budget.

18. PLACEMENT OF EXCESSED STAFF

The Department will issue annual instructions to the field that the placement of excess staff in schools with outstanding budget appeals as of August 1 or the first work day following August 1 of a given year, (one week prior to the close of the Open market transfer period) shall be no earlier than October 15. The Department will consult with the CSA regarding these instructions prior to issuance.

19. LITIGATION

CSA will dismiss, with prejudice, the following action: PERB U-36780.

20. GENERAL

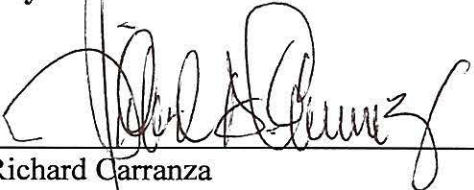
Nothing in this Agreement shall constitute a waiver or modification of any provision of any memorandum of agreement, collective bargaining agreement, letter or other agreement or practice between the Department and CSA except as expressly set forth herein.

In the event that any provision of this Agreement is found to be invalid, such invalidity shall not impair the validity and enforceability of the remaining provisions of this Agreement.

**Council of Supervisors and
Administrators Local 1, AFSA, AFL-CIO**

By: 
Mark Cannizzaro
President

**The Board of Education
As Employer**

By: 
Richard Carranza
Chancellor

City of New York

By: 
Renee Campion
Commissioner
Office of Labor Relations

Adopted by the Board of Education

By: _____
Vanessa Leung
Chairperson of the Board

Appendix A

<u>4/23/2019</u>	<u>7/23/2020</u>	<u>2/23/2021</u>	<u>9/23/2021</u>
2.00%	2.50%		3.00%

Principal of Junior High
Schools

Years of service as
principal of
intermediate
or junior high schools

	<u>4/23/2019</u>	<u>7/23/2020</u>	<u>2/23/2021</u>	<u>9/23/2021</u>
1	\$154,786	\$158,656	\$159,438	\$164,221
2	\$155,715	\$159,608	\$160,829	\$165,654
3	\$156,868	\$160,790	\$161,978	\$166,837
4	\$158,191	\$162,146	\$164,398	\$169,330
5	\$158,191	\$162,146	\$164,398	\$169,330
5 YR. Long.	\$162,705	\$166,773	\$169,025	\$174,096
10 YR. Long.	\$164,791	\$168,911	\$171,163	\$176,298
15 YR. Long.	\$170,631	\$174,897	\$177,149	\$182,464
10 YR. Long. As	\$3,241	\$3,322	\$3,322	\$3,422
5 Long. Value	\$4,514	\$4,627	\$4,627	\$4,766
10 Long. Value	\$6,600	\$6,765	\$6,765	\$6,968
15 Long. Value	\$12,440	\$12,751	\$12,751	\$13,134
22 DOE Longevity	\$6,615	\$6,780	\$6,780	\$6,983

Principal of Elementary Schools

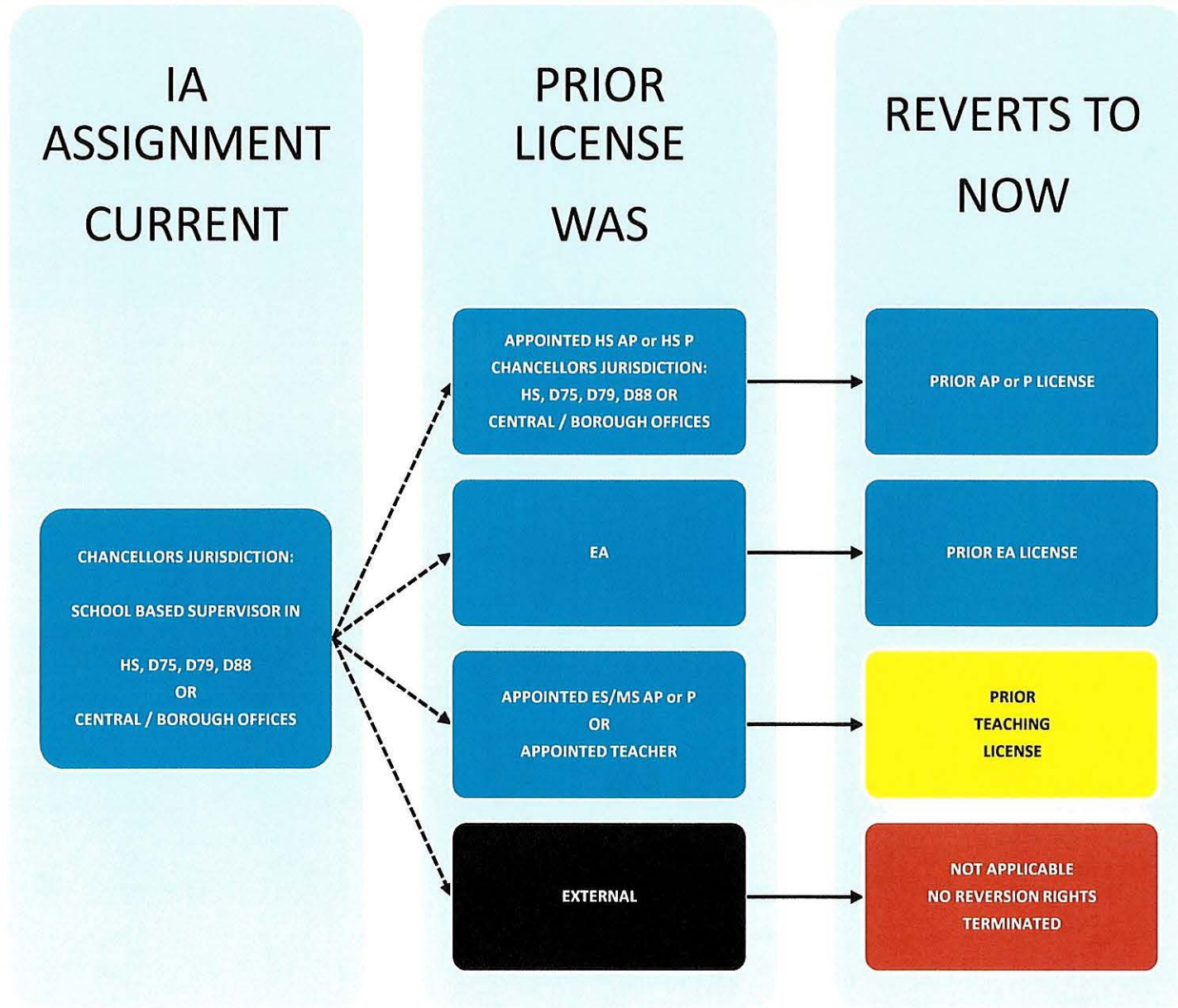
Years of service
as such

	<u>4/23/2019</u>	<u>7/23/2020</u>	<u>2/23/2021</u>	<u>9/23/2021</u>
1	\$150,333	\$154,091	\$155,087	\$159,740
2	\$150,788	\$154,558	\$156,547	\$161,243
3	\$151,133	\$154,911	\$158,096	\$162,839
4	\$151,603	\$155,393	\$159,893	\$164,690
5	\$151,603	\$155,393	\$159,893	\$164,690
5 YR. Long.	\$156,117	\$160,020	\$164,520	\$169,456
10 YR. Long.	\$158,203	\$162,158	\$166,658	\$171,658
15 YR. Long.	\$162,303	\$166,361	\$170,861	\$175,987
10 YR. Long. As Principal	\$4,319	\$4,427	\$4,427	\$4,560
5 Long. Value	\$4,514	\$4,627	\$4,627	\$4,766
10 Long. Value	\$6,600	\$6,765	\$6,765	\$6,968
15 Long. Value	\$10,700	\$10,968	\$10,968	\$11,297
22 DOE Longevity	\$6,615	\$6,780	\$6,780	\$6,983

Appendix B

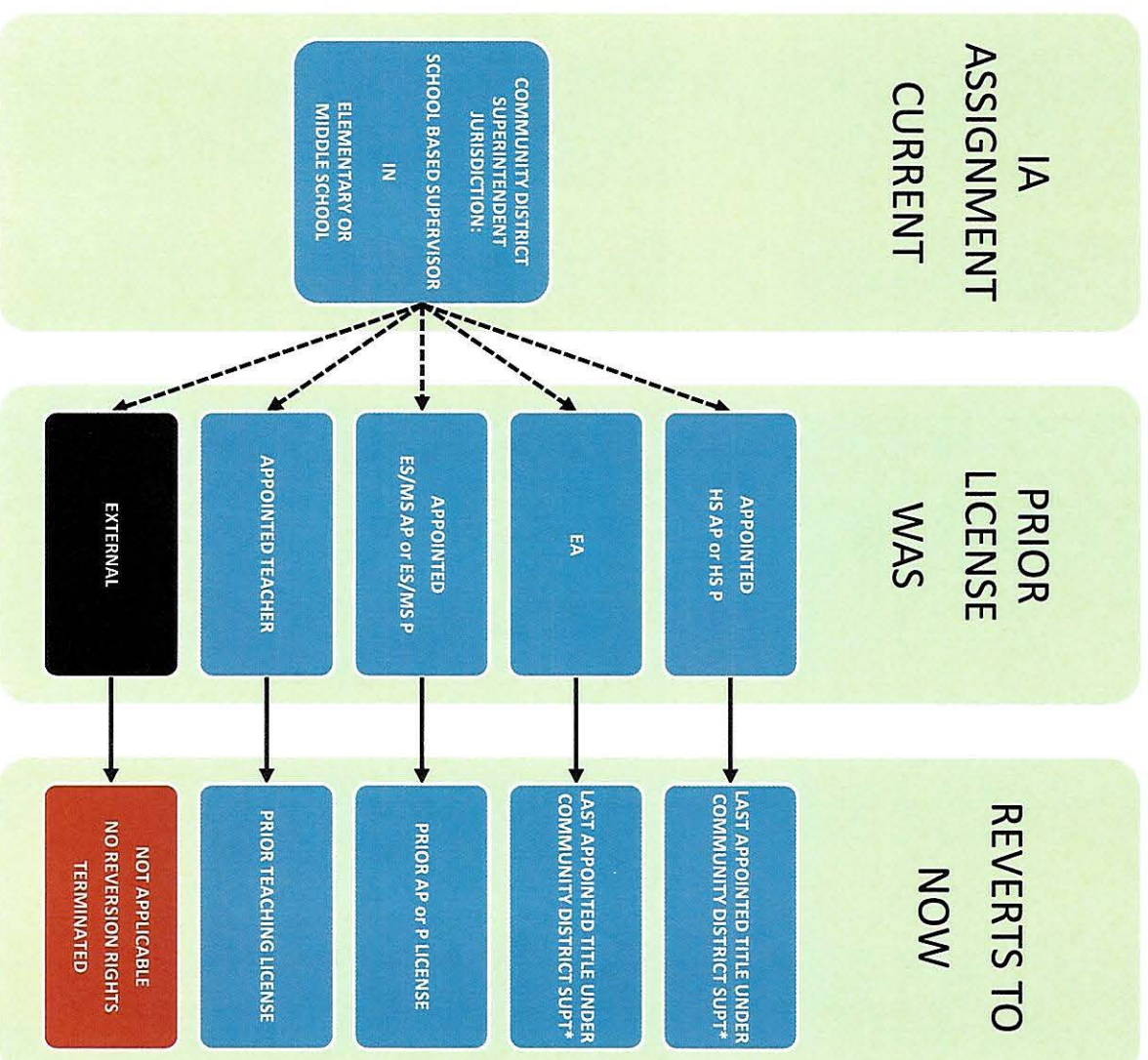
INTERIM ACTING NOT SELECTED

IF REVERTING TO A PRIOR LICENSE, CURRENT VALID NY STATE CERTIFICATION IS REQUIRED



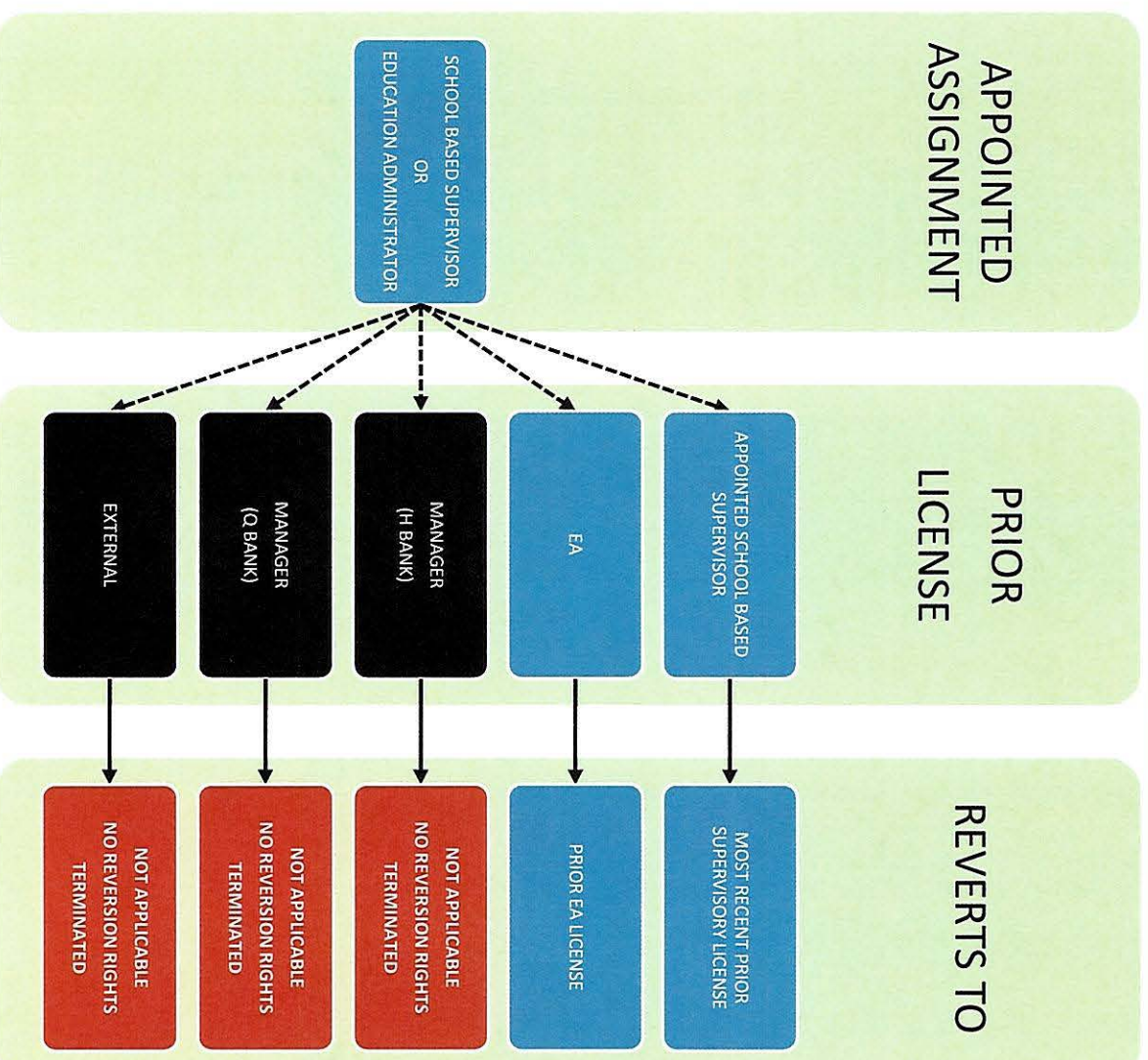
INTERIM ACTING NOT SELECTED

IF REVERTING TO A PRIOR LICENSE, CURRENT VALID NY STATE CERTIFICATION IS REQUIRED



APPOINTED SUPERVISOR (DENIED COMPLETION OF PROBATION OR DISCONTINUED)

IF REVERTING TO A PRIOR LICENSE, CURRENT VALID NY STATE CERTIFICATION IS REQUIRED





**Department of
Education**

Chancellor Richard A. Carranza

February 7, 2020

David Grandwetter
General Counsel
Council of Supervisors and Administrators
40 Rector Street
New York New York 10007

Dear Mr. Grandwetter:

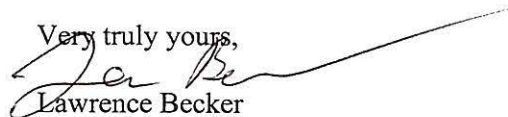
The parties agree that the Union Initiated grievance dated December 5, 2019 regarding whether, pursuant to Article 5 of the collective bargaining agreement, there is a limit on the hours the DOE can meet with principals is withdrawn without prejudice.

Each side reserves its arguments and right to assert these arguments in all appropriate forums during the duration of this collective bargaining agreement. Both parties share a mutual desire to ensure principals are in their schools buildings for a majority of their work time. Therefore, for the duration of the current collective bargaining agreement, each side will forgo asserting claims regarding the issue of meetings and the interpretation of Article 5, in any forum, as long as the schedule set forth herein is adhered to.


Commencing April 1, 2020, there will be one required meeting per month for principals to meet as a group with their district Superintendent or other DOE officials during the workday for professional development, trainings or to obtain relevant information, except for the months of October, January and March when there may be two such required meetings in those months. This does not include meetings mandated by state or federal agencies that could not otherwise be covered during a regularly scheduled superintendent meeting or voluntary meetings that principals can elect to attend. The parties agree that on or before the first day of each term superintendents will provide a schedule of meetings. In the event a meeting date must be changed the superintendent will provide at least two weeks' advance written notice.

During the month of July, the DOE may schedule professional development sessions for principals. These professional development sessions will take place over a period of one week during the workday. Make up sessions may be scheduled throughout the month of July for those principals who were unable to attend the scheduled professional development sessions.

Very truly yours,


Lawrence Becker
Chief Executive for Labor Policy

Agreed and Accepted by:


For CSA

Dated: 2/12/20



**Department of
Education**

Chancellor Richard A. Carranza

February 7, 2020

David Grandwetter
General Counsel
Council of Supervisors and Administrators
40 Rector Street
New York New York 10007

Dear Mr. Grandwetter:

The Department agrees to issue the Labor Frequently Asked Questions on an annual basis and update as necessary and as determined by the Department.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Lawrence Becker', written over the typed name.

Lawrence Becker
Chief Executive for Labor Policy

C. R. Carranza
M. Cannizzaro
R. Campion
K. Solimando
T. Hanna



**Department of
Education**

Chancellor Richard A. Carranza

February 7, 2020

David Grandwetter
General Counsel
Council of Supervisors and Administrators
40 Rector Street
New York, New York 10006

Dear Mr. Grandwetter,

I am writing this side letter to confirm, effective on the execution of the parties memorandum of agreement, reversion rights for certain school supervisors, the right an employee has to revert to a prior appointed position in the event that they are removed from their interim-acting position.

In the event that a school supervisor moves from an appointed position within the jurisdiction of a community school district Superintendent to an interim-acting position within the jurisdiction of the Chancellor, the Department agrees that it shall advise the supervisor in writing of his/her reversion rights either (a) prior to the employee becoming an interim-acting supervisor or (b) within 10 days after the employee's commencement of service as an interim acting supervisor, and of the opportunity to consult with CSA about the same.

If advised within 10 days of commencement of service, the interim-acting supervisor will have an additional 10 days to consult with the CSA to determine whether s/he wishes to remain in the interim-acting position or return to their former appointed position. If they elect to return, the Department and CSA agree that the supervisor may be required by the Department to serve in the interim-acting position for a reasonable period of time to enable the Department to find a replacement interim-acting supervisor.

The above also applies when an appointed supervisor moves from a position under the jurisdiction of the Chancellor to an interim-acting position under the jurisdiction of a community school district superintendent.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Lawrence Becker'.

Lawrence Becker

Chief Executive for Labor Policy

C. R. Carranza
M. Cannizzaro
R. Campion
K. Solimando
T. Hanna



OFFICE OF LABOR RELATIONS

40 Rector Street, New York, N.Y. 10006-1705
nyc.gov/olr

ROBERT W. LINN
Commissioner
RENEE CAMPION
First Deputy Commissioner
CLAIRE LEVITT
Deputy Commissioner
Health Care Cost Management

MAYRA E. BELL
General Counsel
GEORGETTE GESTELY
Director, Employee Benefits Program

June 28, 2018

Harry Nespoli, Chair
Municipal Labor Committee
125 Barclay Street
New York, New York

Dear Mr. Nespoli:

1. This is to confirm the parties' mutual understanding concerning the health care agreement for Fiscal Years 2019 – 2021:
 - a. The MLC agrees to generate cumulative healthcare savings of \$1.1 billion over the course of New York City Fiscal Years 2019 through 2021. Said savings shall be generated as follows:
 - i. \$200 million in Fiscal Year 2019;
 - ii. \$300 million in Fiscal Year 2020;
 - iii. \$600 million in Fiscal Year 2021, and
 - iv. For every fiscal year thereafter, the \$600 million per year savings on a citywide basis in healthcare costs shall continue on a recurring basis.
 - b. Savings will be measured against the projected FY 2019-FY 2022 City Financial Plan (adopted on June 15, 2018) which incorporates projected City health care cost increases of 7% in Fiscal Year ("FY") 2019, 6.5% in FY 2020 and 6% in FY 2021. Non-recurring savings may be transferrable within the years FY 2019 through FY 2021 pursuant only to 1(a)(i), 1(a)(ii), 1(a)(iii) above. For example:
 - i. \$205 million in FY 2019 and \$295 million in FY 2020 will qualify for those years' savings targets under 1(a)(i) and 1(a)(ii).
 - ii. \$210 million in FY 2019, \$310 million in FY 2020, and \$580 million in FY 2021 will qualify for those years' savings targets under 1(a)(i), 1(a)(ii), 1(a)(iii).
 - iii. In any event, the \$600 million pursuant to 1(a)(iv) must be recurring and agreed to by the parties within FY 2021, and may not be borrowed from other years.

- c. Savings attributable to CBP programs will continue to be transferred to the City by offsetting the savings amounts documented by Empire Blue Cross and GHI against the equalization payments from the City to the Stabilization Fund for FY 19, FY 20 and FY 21, unless otherwise agreed to by the City and the MLC. In order for this offset to expire, any savings achieved in this manner must be replaced in order to meet the recurring obligation under 1(a)(iv) above.
 - d. The parties agree that any savings within the period of FY 2015 - 2018 over \$3.4 billion arising from the 2014 City/MLC Health Agreement will be counted towards the FY 2019 goal. This is currently estimated at approximately \$131 million but will not be finalized until the full year of FY 2018 data is transmitted and analyzed by the City's and the MLC's actuaries.
 - e. The parties agree that recurring savings over \$1.3 billion for FY 2018 arising under the 2014 City/MLC Health Agreement will be counted toward the goal for Fiscal Years 2019, 2020, 2021 and for purposes of the recurring obligation under 1(a)(iv) above. This is currently estimated at approximately \$40 million but will not be finalized until the full year of FY 2018 data is transmitted and analyzed by the City's and the MLC's actuaries. Once the amount is finalized, that amount shall be applied to Fiscal Years 2019, 2020, 2021 and to the obligation under 1(a)(iv).
2. After the conclusion of Fiscal Year 2021, the parties shall calculate the savings realized during the 3 year period. In the event that the MLC has generated more than \$600 million in recurring healthcare savings, as agreed upon by the City's and the MLC's actuaries, such additional savings shall be utilized as follows:
- a. The first \$68 million will be used by the City to make a \$100 per member per year increase to welfare funds (actives and retirees) effective July 1, 2021. If a savings amount over \$600 million but less than \$668 million is achieved, the \$100 per member per year (actives and retirees) increase will be prorated.
 - b. Any savings thereafter shall be split equally between the City and the MLC and applied in a manner agreed to by the parties.
3. Beginning January 1, 2019, and continuing unless and until the parties agree otherwise, the parties shall authorize the quarterly provision of the following data to the City's and MLC's actuaries on an ongoing quarterly basis: (1) detailed claim-level health data from Emblem Health and Empire Blue Cross including detailed claim-level data for City employees covered under the GHI-CBP programs (including Senior Care and Behavioral Health information); and (2) utilization data under the HIP-HMO plan. Such data shall be provided within 60 days of the end of each quarterly period. The HIP-HMO utilization data will also be provided to the City's and MLC's actuaries within 60 days of the execution of this letter agreement for City Fiscal Year 2018 as baseline information to assess ongoing savings. The HIP-HMO data shall include: (i) utilization by procedure for site of service benefit changes; (ii) utilization by disease state, by procedure (for purposes of assessing Centers of Excellence); and (iii) member engagement data for the Wellness program, including stratifying members by three tranches (level I, II and III). The data shall include baseline data as well as data regarding the assumptions utilized in determining expected savings for comparison. The data described in this paragraph shall be provided pursuant to a data sharing agreement entered into by the City and MLC, akin to prior data agreements, which shall provide for the protection of member privacy and related concerns, shall cover all periods addressed by this Agreement (i.e., through June 30, 2021 and thereafter), and shall be executed within thirty days of the execution of this letter agreement.

4. The parties agree that the Welfare Funds will receive two \$100 per member one-time lump-sum payments (actives and retirees) funded by the Joint Stabilization Fund payable effective July 1, 2018 and July 1, 2019.
5. The parties recognize that despite extraordinary savings to health costs accomplished in the last round of negotiations through their efforts and the innovation of the MLC, and the further savings which shall be implemented as a result of this agreement, that the longer term sustainability of health care for workers and their families, requires further study, savings and efficiencies in the method of health care delivery. To that end, the parties will within 90 days establish a Tripartite Health Insurance Policy Committee of MLC and City members, chaired by one member each appointed by the MLC and the City, and Martin F. Scheinman, Esq. The Committee shall study the issues using appropriate data and recommend for implementation as soon as practicable during the term of this Agreement but no later than June 30, 2020, modifications to the way in which health care is currently provided or funded. Among the topics the Committee shall discuss:
 - a. Self-insurance and/or minimum premium arrangements for the HIP HMO plan.
 - b. Medicare Advantage- adoption of a Medicare Advantage benchmark plan for retirees
 - c. Consolidated Drug Purchasing- welfare funds, PICA and health plan prescription costs pooling their buying power and resources to purchase prescription drugs.
 - d. Comparability- investigation of other unionized settings regarding their methodology for delivering health benefits including the prospect of coordination/cooperation to increase purchasing power and to decrease administrative expenses.
 - e. Audits and Coordination of Benefits- audit insurers for claims and financial accuracy, coordination of benefits, pre-65 disabled Medicare utilization, End Stage Renal Disease, PICA, and Payroll Audit of Part Time Employees.
 - f. Other areas- Centers of Excellence for specific conditions; Hospital and provider tiering; Precertification Fees; Amendment of Medicare Part B reimbursement; Reduction of cost for Pre-Medicare retirees who have access to other coverage; Changes to the Senior Care rate; Changes to the equalization formula.
 - g. Potential RFPs for all medical and hospital benefits.
 - h. Status of the Stabilization Fund.

The Committee will make recommendations to be considered by the MLC and the City.

6. The joint committee shall be known as the Tripartite Health Insurance Policy Committee (THIPC) and shall be independent of the existing "Technical Committee." The "Technical Committee" will continue its work and will work in conjunction with the THIPC as designated above to address areas of health benefit changes. The Technical Committee will continue to be supported by separate actuaries for the City and the MLC. The City and the MLC will each be responsible for the costs of its actuary.
7. In the event of any dispute under sections 1-4 of this Agreement, the parties shall meet and confer in an attempt to resolve the dispute. If the parties cannot resolve the dispute, such dispute shall be referred to Martin Scheinman for resolution consistent with the dispute resolution terms of the 2014 City/MLC Health Agreement:
 - a. Such dispute shall be resolved within 90 days.

- b. The arbitrator shall have the authority to impose interim relief that is consistent with the parties' intent.
- c. The arbitrator shall have the authority to meet with the parties as such times as is appropriate to enforce the terms of this agreement.
- d. The parties shall share the costs for the arbitrator (including Committee meetings).

If the above conforms to your understanding, please countersign below.

Sincerely,

Robert W. Linn

Agreed and Accepted on behalf of the Municipal Labor Committee

BY: 
Harry Nespoli, Chair