**Rationale for Proposal By: 191**

**Concern:** A brief description of the concern, including how prevalent of an issue it is and how it impacts our ability to work both effectively and efficiently. The concern also needs to state whether it is covered under PELRA to be addressed through negotiations or if it is a concern that needs to be addressed through other means:

 *Subdivision 1.* ***Inherent managerial policy.*** *A public employer is not required to meet and negotiate on matters of inherent managerial policy. Matters of inherent managerial policy include, but are not limited to, such areas of discretion or policy as the functions and programs of the employer, its overall budget, utilization of technology, the organizational structure, selection of personnel, and direction and the number of personnel. No public employer shall sign an agreement which limits its right to select persons to serve as supervisory employees or state managers under section 43A.18, subdivision 3, or requires the use of seniority in their selection.*

*Subd. 2.* ***Meet and negotiate.*** *(a) A public employer has an obligation to meet and negotiate in good faith with the exclusive representative of public employees in an appropriate unit regarding grievance procedures and the terms and conditions of employment, but this obligation does not compel the public employer or its representative to agree to a proposal or require the making of a concession.*

*In addition, a public employer may, but does not have an obligation to, meet and negotiate in good faith with the exclusive representative of public employees in an appropriate unit regarding an employer contribution to the state of Minnesota deferred compensation plan authorized by section 356.24, paragraph (a), clause (4), within the limits set by section 356.24, paragraph (a), clause (4).*

**The District is facing an ongoing budget deficit for fiscal year 2022. This deficit remains after making budget reductions in the spring of 2020 and 2019. Over the past six years enrollment has dropped nearly 1,500 students. The revenue generated by students has declined over 17%.**

**Desired Outcome:** A brief description of a vision of what conditions would look like if the concerns were addressed.

**Maintain a competitive salary and benefit package to attract and retain staff while maintaining an operating budget that allows for a positive educational experience for our students. The Board’s goal for a total salary and benefit increase over two years will not exceed 6.5% or $4.75 million.**

**Proposed Language:** Written proposed contract language to solve the concern. This is the language that will change with proposals from each party. Please include the location of the language, i.e. Article, Section, Subd.

**Any economic item will be considered as a part of the total salary and benefit package parameter set by the Board.**

**Implications of Proposed Language:** Identify implications for student achievement, staff engagement and financial impact.

**We desire to attract and retain quality staff while providing a positive educational experience for our students.**