



PROPOSAL COSTING SOFTWARE

NAEN's Proposal Costing Software is a versatile tool for negotiators that provides a comprehensive method to calculate total compensation over multiple years for teachers/faculty and classified staff.

When bargaining you can quickly create "what-if" scenarios for various proposals using:

- Cost-of-living adjustments
- Salary guide changes
- Multiple insurance plans
- Associated payroll costs
- Extra duty assignments
- Integrated with budget data

**North American Association
of Educational Negotiators**

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**North American Association
of Educational Negotiators**
... your network of experts

NAEN PROPOSAL COSTING SOFTWARE

Capturing the total compensation impacts of proposals at the bargaining table is a must in these financial times.

Teacher/Faculty Negotiations Model:

The teacher/faculty model will incorporate a salary guide with up to 30 steps and 12 columns/lanes. The model will also accommodate multiple insurance plans and coverage, extra duty assignments, associated payroll costs, and both yearly and cumulative cost scenarios.

Classified Negotiations Model:

The classified model will incorporate a wage schedule with up to 30 steps and unlimited classifications. The model will also accommodate multiple insurance plans and coverage, shift differentials, associated payroll costs, and both yearly and cumulative cost scenarios.

Systems Requirements:

This software is designed as a template for Microsoft Excel. It will only run on Excel 2003 or later versions.

Technical Assistance:

A complete tutorial manual accompanies the model. Additional technical assistance can be provided upon request.

Model Capacity and Characteristics:

- Each cell of the salary guide index can be adjusted across the salary schedule as a whole or individual cells can be adjusted in each year that is modeled.
- New positions can be added in each year of the model.
- Scattergrams are automatically generated from a staff list entered by the user.
- Insurance plan premium increases can be adjusted from year to year and among the different types of insurance and plans.

Total Compensation can be tracked and modeled across each year of the agreement on a year-to-year basis as well as cumulatively for the entire term of the contract.

A single **Summary Sheet** drives the variables in creating multiple "what-if" scenarios.

Multiple year comparisons can be made to analyze both front-loaded and back-loaded proposals.

Salary Guide characteristics can be adjusted:

- Step increments
- Column/Lane adjustments
- Cost-of-Living (COLA) adjustments.

Extra Duty assignments

(e.g. coaching, co-curricular activities, etc.) can be factored into the costing scenarios.

Associated Payroll Costs

(FICA, retirement, worker's comp. etc.) can be incorporated and adjusted from year-to-year.

Insurance Contributions from both employer and employee can be tracked across multiple years. Multiple plans & coverage can be modeled: Health, Dental, Vision, Life, LTD, etc.

Additional Tools include a settlement solution impact matrix for salary guidance and health insurance bargaining and a teacher/faculty salary schedule structural analysis tool.



NAEN Sample Model – Teacher/Faculty Summary

Step Placement Year No. of Steps Given	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011
Salary Cost Summary						
Schedule Increase Cost	NA	\$4,596	\$7,580	\$9,521	\$13,296	\$13,798
Step Cost	NA	\$14,539	\$13,779	\$12,632	\$11,641	\$11,012
Total Salary	\$630,111	\$649,246	\$670,604	\$692,757	\$717,694	\$742,504
Yearly % Increase	NA	\$19,135	\$21,359	\$22,153	\$24,937	\$24,810
Yearly % Increase	NA	3.04%	3.29%	3.30%	3.60%	3.46%
Cum. Incr. from Base Year	NA	\$19,135	\$40,493	\$62,646	\$87,583	\$112,393
Cum. % Incr. from Base Year	NA	3.04%	6.43%	9.94%	13.90%	17.84%
Extra-Duty Cost						
Calculate as % of Salary?						
No. of Steps Given	NA	1	1	1	1	1
Total Salary	\$12,952	\$14,753	\$16,346	\$17,736	\$18,090	\$18,452
Yearly % Increase	NA	\$1,801	\$1,593	\$1,390	\$354	\$362
Yearly % Increase	NA	14%	11%	9%	2%	2%
Additional Salary Cost	0	0	0	0	0	0
Other Personnel Expenses (PERS, FICA, etc.)	\$176,431	\$181,789	\$187,769	\$193,972	\$200,954	\$207,901
Benefits Summary						
Employer Cap % Increase	NA	5.00%	5.00%	5.00%	5.00%	5.00%
Employer Insurance Cap	\$800	\$840	\$882	\$926	\$972	\$1,021
Lowest Employee Contribution	\$23	\$40	\$77	\$127	\$237	\$331
Highest Employee Contribution	\$218	\$249	\$304	\$377	\$524	\$654
Total Employer Contribution	\$159,528	\$167,621	\$176,250	\$185,401	\$195,417	\$205,787
Yearly % Increase	NA	\$8,093	\$8,630	\$9,151	\$10,015	\$10,371
Yearly % Increase	NA	5.07%	5.15%	5.19%	5.40%	5.31%
Total Salary & Benefits						
Grand Total	\$979,022	\$1,013,408	\$1,050,969	\$1,089,866	\$1,132,155	\$1,174,644
Yearly % Increase	NA	\$34,386	\$37,561	\$38,897	\$42,289	\$42,489
Yearly % Increase	NA	3.51%	3.71%	3.70%	3.88%	3.75%
Cum. Incr. from Base Year	NA	\$34,386	\$71,947	\$110,844	\$153,133	\$195,622
Cum. % Incr. from Base Year	NA	3.51%	7.35%	11.32%	15.64%	19.98%

TO ORDER:

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Teacher/Faculty Negotiations Costing Model – \$450 single user, \$900 multi-user
Classified Negotiations Costing Model – \$450 single user, \$900 multi-user
NAEN members receive a 10 percent discount.