



School Board President's September 25, 2017 Remarks and Updated Frequently Asked Questions

The following remarks were made by School Board President Doug Carlson at the regular monthly meeting of the Board on Monday, September 25, 2017.

"Good evening. I know that there are some individuals here who would like to speak about the ongoing negotiations toward a new contract for the teachers. In a moment, I will allow time to receive public comment on that topic. Before we begin, I would like to share what it takes to be a great school district: outstanding teachers, strategic administrators, motivated students, committed staff, supportive parents and engaged community members. A great school district is comprised of many parts.

T/E teachers are passionate about their craft. They care about our students. They are dedicated. I had the opportunity to attend curriculum night for my two children and so did several of the other Board members for their children. That evening we got a glimpse at what our children experience each day. Our students are very fortunate. The teachers were enthusiastic, energetic, and committed to help our children learn and develop. The teachers also talked about how much they like teaching here in T/E. They referenced and I would echo the motivated students and the support of parents and the broader community.

Our students are eager and motivated to learn and many excel. No matter the grade level or academic track a student is on, parents and community members support students, the teachers and the administration and Board. Again, a great school district is comprised of many parts that are engaged and care.

As many in the public know, the Tredyffrin/Easttown Education Association (TEEA) and the Tredyffrin/Easttown School District (TESD) have been negotiating terms for a new collective bargaining agreement since January. The goals of the District for negotiating are as follows:

- To ensure the sustainable success of T/E's strong educational programs
- To provide fair compensation and benefits to T/E's employees
- To respect the financial impact on District taxpayers

Consistent with these goals, the District agreed to terms with the T/E Non-Instructional Group (TENIG) in August.

In any negotiations process, each side sometimes defines the word fair differently, but both remain committed to working together until an agreement is reached. Negotiations continued during the summer, if not through in person meetings, then through the chief negotiators representing the District and the TEEA in a process agreed to by both parties. Likewise, each side remained willing to schedule face-to-face meetings at appropriate times in the process. The specific timing of those meetings was based on the availability of those representing the teachers and the District.

In the hopes of reaching a settlement, TEEA requested and the District agreed to enter into a process known as fact-finding. This is a process where an independent third party is invited to review the proposals of each side and to issue a report that hopefully provides a framework for a new contract. I know that the Board agreed to fact-finding because they hope it provides a pathway to a settlement, and I trust that TEEA hopes for the same.

Fact-finding takes some time to complete. Each side has the opportunity to prepare a proposal for the fact-finder and to defend its merits. The fact-finder then is allowed time to provide a written report with recommendations. We expect this process will play out by early November. Until then, the District remains committed to bargaining in good faith with the teachers through the fact-finding process, and we hope that the matter is resolved with as little disruption to the students and community as possible. There is some incomplete information circulating about the negotiation process which can cause individuals to draw incorrect conclusions in the absence of other information. Some of the incomplete information will be addressed in the frequently asked questions found on the TESD website under Negotiations Update. You should expect to see updates in the next couple of days. To be clear, we will not attempt to address all the requested gaps as we want to respect the fact finding process and its results.

Thank you for attending and for sharing your comments and thoughts.

Again, I would like to thank the teachers, staff, administration, students, parents and community members, including the Board for the part you each play in making T/E a great school district. We are committed and plan to move forward in a positive manner towards resolution. We are all part of a strong and proud T/E community."

Frequently Asked Questions

Q: What are the goals of the District for the teacher contract negotiations?

- A:** The District has shared its goals in prior negotiations updates. Our goals continue to be:
- ensuring the sustainable success of T/E's strong educational programs that benefit T/E students
 - providing fair compensation and benefits to T/E's professional staff
 - respecting the financial impact of any contract on T/E taxpayers.

Q: What does "working without a contract" mean? Are the teachers being paid?

- A:** Yes, teachers are being paid. It is more accurate to say that the teachers are working without a new contract. Since the current contract expired on June 30, 2017, teachers are paid according to the salary schedule that was in effect on that date. Almost 39% of the teachers currently receive salaries on step 16 of the following scale. The rows correlate with years of experience and the columns correlate with degree, including credits earned between a masters and doctoral degree.

	Bachelors	Masters	M+15	M+30	M+45	M+60	PhD
1	\$50,250	\$51,100	\$52,100	\$54,450	\$56,550	\$58,600	\$62,500
2	\$51,250	\$52,450	\$54,000	\$56,200	\$58,250	\$61,100	\$65,800
3	\$52,450	\$53,850	\$56,560	\$59,800	\$61,850	\$65,100	\$69,800
4	\$53,100	\$55,600	\$60,340	\$63,580	\$65,630	\$68,880	\$73,580
5	\$54,699	\$57,300	\$64,340	\$67,580	\$69,630	\$72,880	\$77,580
6	\$55,648	\$58,300	\$69,340	\$72,580	\$74,630	\$77,880	\$81,580
7	\$57,047	\$59,800	\$73,480	\$77,980	\$80,030	\$82,880	\$86,580
8	\$58,495	\$61,950	\$77,480	\$80,580	\$81,680	\$83,880	\$87,580
9	\$59,394	\$63,300	\$81,480	\$82,480	\$83,580	\$86,780	\$91,480
10	\$61,391	\$65,500	\$82,680	\$83,680	\$84,780	\$87,980	\$92,680
11	\$63,190	\$69,000	\$83,700	\$84,700	\$85,800	\$89,000	\$93,700
12	\$65,776	\$71,300	\$86,400	\$87,400	\$88,500	\$91,700	\$96,400
13	\$71,112	\$77,400	\$89,100	\$90,100	\$91,200	\$94,400	\$99,100
14	\$76,138	\$83,900	\$93,100	\$94,100	\$95,200	\$98,400	\$103,100
15	\$84,316	\$89,100	\$96,900	\$97,900	\$99,000	\$102,200	\$106,900
16	\$91,000	\$96,900	\$101,900	\$102,900	\$104,000	\$107,200	\$111,900

Q: Will the negotiations affect college recommendations from teachers and counselors?

- A:** No. Teachers and counselors will continue to write recommendations for students as they have done in the past. This has been confirmed by the teachers' leadership.

Q: Why not simply raise taxes to pay for the contract teachers are asking for?

- A:** School district tax rates are governed by limitations established by the Pennsylvania state legislature under Act 1 of 2006. This law limits the amount a local school district can raise taxes without a voter referendum. For example, the maximum tax increase for TESD in the 2018-19 school year is 2.4%. There are two exceptions to this limitation, but they are only permitted to fund rising pension and special education costs.

The total amount of any tax increase must cover all the incremental increases for the budgeted year, including books and supplies, utilities, transportation, and the salary and benefits increases for all employees, not just teachers. There is no special exception for a tax increase to fund the costs associated with rising student enrollment. Therefore, all new teaching positions related to enrollment must be paid for with the base increase.

Since 2006, only one voter referendum for a tax increase beyond what Act 1 permits was passed anywhere in Pennsylvania, and that was done to build a new school. The Board also recognizes that all tax increases have an impact on community members.

Q. Why not use the District fund balance reserves to pay for the increases?

- A.** First, reserves to a school district are similar to savings accounts to a family. Most families use their savings for large expenses or to assist in emergency situations. Families that use their savings accounts to pay for ongoing expenses such as mortgage payments or heating bills soon run out of savings.

Historically, the District has used reserves to pay for approximately 25% of major capital projects in our schools. This includes expansions and renovations, costly infrastructure improvements such as roofing replacements and electrical upgrades, and safety enhancements. The other 75% of the capital costs are funded through borrowing. Maintaining a healthy fund balance has enabled the District to earn a very rare “Triple A” bond rating, which makes the costs of borrowing much lower.

If the District were to use its reserves to pay for annual expenses, projections show that in a very short time the money needed to maintain and improve our school facilities would be exhausted. The District would then have to borrow more money to continue to fund its capital projects plan. The interest on the increased borrowed amount would be paid from the annual budget, which would actually reduce the available money for salaries and all other costs, including programs for students. In addition, without healthy reserves, the District risks losing its Triple A rating, and the interest costs of the new bonds would be even greater.

In short, spending the fund balance to pay for a salary increase would be very unwise. The lack of funds to support capital projects could lead to our schools receiving a lower level of maintenance, program cuts, and greater challenges to support fair wage increases to all employees in future years.

Q. Why are the teachers saying that they are 31st in the State in average teacher salary while the performance of our students is so high? Is this true?

- A.** We cannot verify the rankings referenced above, but the use of average teacher salary by itself does not paint a complete picture. Average teacher salary is generally dependent on the years of experience of each staff member and the structure of a school district’s salary schedule.

One factor contributing to a lower average salary is increasing student enrollment. Over the past 6 years, TESD has hired 49 new professional faculty, largely due to an enrollment increase of 7% during that time. Also, additional counselors and intervention teachers were hired to support students and staff, and teachers were added to reduce the instructional load for high school core teachers to pre-2012 levels.

Most of these professionals have been hired on the lower steps of the teacher salary scale, and the average salary is lower as a result. This does not decrease District costs. Every new teacher adds to the total amount spent on professional salaries. Even though hiring additional new staff has the effect of decreasing the average teacher salary, these new teachers help the current faculty and students through their work and by allowing the District to keep class sizes within the ranges of the current policy.

The ranking also ignores what a district is willing to pay its teachers who reach the highest level of experience and education. If the top 31 school districts referenced in the statewide survey were ranked according to highest salary on each District’s scale, T/E teachers would be ranked 8.

Q. Why does the District use outside labor counsel?

- A.** Since 2012, the District has been working with an experienced negotiations attorney who has proven to be instrumental in reaching the last two collective bargaining agreements with the teachers. As the District is now preparing for fact-finding, it would be unwise to bring in new counsel with no familiarity with the current and historical context of the District to help reach a fair settlement.

The TEEA has hired outside labor counsel as well. Their chief negotiator has extensive experience negotiating contracts for labor in Pennsylvania school districts, including the recent agreement with the School District of Philadelphia in June.

Q. Did the negotiations process take place during the summer?

- A.** Yes, the negotiations process continued throughout the summer according to a process agreed to by both parties.

Q. Why hasn’t the District discussed its specific bargaining proposals?

- A.** Because the TEEA and the District have agreed to proceed with fact-finding, the District currently believes that discussing its proposals in advance of the fact-finder having an opportunity to render

a decision would not advance the negotiations process. When the process is completed in early November, following a timeline dictated by the Pennsylvania Labor Relations Board (PLRB), it will either result in a new contract or continued negotiations. If there is a new contract, the matter will be settled. If negotiations continue, the proposals of both the District and the teachers will be shared with the public at that time.

Questions and Answers Regarding Fact-Finding *(reprinted from September 8 update)*

Q: How does fact-finding process work?

A: Once the request for fact-finding is received and the PLRB appoints a fact-finder, he or she has 40 days to issue a report containing recommendations for a contract. After receiving the report, each side then has 10 days to notify the PLRB as to whether or not they accept the report in its entirety. During this initial 10-day period, by law the fact-finder's report is sealed from public review. If the report is rejected by one or both parties, it will be made public. Contained in the fact-finder's recommendations will be substantive details regarding each party's negotiating positions. No less than five days and no more than 10 days after the report is made public, each side must again inform the PLRB as to whether or not it accepts the report. The entire process lasts approximately 60 days.

Q. Is the fact-finder's report binding?

A. No. However, if accepted by both parties, the fact-finder's report is binding and becomes the contract. If the fact-finder's report is rejected, it still could be used by both parties as a framework for further negotiations which could lead to a successor contract.

Q. Could the teachers' union go on strike during fact-finding?

A. No. During the fact-finding process, teachers' unions are not allowed to strike. Based on the current timeline, there can be no strike between September 19 and the date that fact-finding is complete.

Q. Can teachers demonstrate their concerns in other ways during fact-finding?

A. Yes. Teachers have the right to engage in legal activities that show their solidarity and their desire to reach a new contract agreement. Some teachers may choose to wear their TEEA t-shirts or buttons to school. Others might forgo non-mandatory activities and events. The District will make every effort to minimize the disruption to students if this does occur.

Q. Could the teachers' union go on strike if the fact-finding process does not result in an agreed-upon contract?

A. Yes. We hope that the teachers will not make this decision and that both sides will continue to work together toward a settlement. Pennsylvania laws that govern collective bargaining do allow a strike to occur if a settlement is not reached. In this case, the union is required by law to deliver written notice to the District of an intent to strike no later than 48 hours prior to the start of any work stoppage.