

WASHINGTON ELEMENTARY SCHOOL DISTRICT

GOVERNING BOARD MINUTES: SPECIAL MEETING – STUDY SESSION

2010-2011

February 1, 2011

Administrative Center
Governing Board Room
4650 West Sweetwater Avenue
Glendale, AZ 85304-1505

I. SPECIAL MEETING – GENERAL FUNCTION

A. Call to Order and Roll Call

Mr. Maza called the meeting to order at 6:00 p.m. Governing Board members constituting a quorum were present: Mr. Chris Maza, Mr. Bill Adams, Ms. Clorinda Graziano, Mr. Aaron Jahneke, and Mrs. Tee Lambert.

B. Adoption of the Special Meeting – Study Session Agenda

A motion was made by Mrs. Lambert to adopt the Special Meeting Agenda. The motion was seconded by Mr. Adams. The motion carried.

UNANIMOUS

II. STUDY SESSION

A. Employee Phased Retirement Program

Sue Snyder, Director of Organizational Development, and Nina LaPine, CCB Intervention Specialist at Manzanita School and IBN Team member, offered a presentation to the Governing Board that included:

- A summary of the issue surrounding the District's participation in *smartschoolsplus, inc.*;
- The story that included the history of the District's participation in a phased retirement program;
- The interests that the IBN Team developed, which were categorized into financial, staffing, and ethical/legal interests;
- A straw design that focused on program duration, program eligibility, and program compensation and benefits;
- The recommendation from the IBN Team represented 100 percent consensus of the team members.

The IBN Team's recommendation was proposed for discussion during the study session, which recommended that the Governing Board authorize WESD to pursue a contract with *smartschoolsplus, inc.* for the 2011-2012 school year in accordance with the guidelines set forth in the straw design.

The Governing Board posed questions.

- Mr. Jahneke inquired about the return-to-work law.
 - Ms. Graziano responded that the law allows first-year retirees who do not participate in phased retirement programs to work no more than half time.
- Mr. Adams asked about the total amount of savings that would result from participation. He also asked about market availability of teachers. He indicated trust in the IBN process.
 - Mr. Wing responded that the savings per employee falls in a range of \$12,000 to \$24,000. Dr. Cook added that for each 100 employees who participate in phased retirement, the savings is approximately \$1.5 million. Mr. Wing indicated that we still experience a teacher shortage in hard-to-fill areas such as special education and speech pathology.
- Mrs. Lambert asked how the RIF rubric would fit into the *smartschools* selection process. She also asked about performance pay and qualifying for extra work for

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extra pay. She asked about HB2027 and whether the alternative contribution rate would apply to 2012 *smartschools* employees. She inquired about placement procedures at the same sites the employees currently work.

- Mr. Wing explained that eligible *smartschools* employees would not be eligible to be RIFFED. *Smartschools* employees would not be eligible for performance pay, but they could apply for extra work for extra pay. Mr. Shumway explained HB2027 and the alternative contribution rate that would apply in July 2013 (as currently proposed) which is intended to be not less than two percent or more than the employer's contribution rate. At the current time, it is projected to be six percent. Mr. Wing further explained that it is IBN's intent to retain *smartschools* employees at their current sites, if possible.
- Mr. Adams asked if the bidding process applied to *smartschools*.
 - Mrs. Thompson responded that the District would be utilizing a cooperative contract, thus complying with procurement laws.
- Ms. Graziano asked if *smartschools* employees would participate in PLC Wednesdays. She asked if *smartschools* employees could participate in District committees such as IBN. She also asked about the application of potential furlough days to *smartschools* employees. She asked Mr. Wing if this year's candidate pool was larger, the same, or smaller than in the past. She indicated an interest in lessening an effect on younger teachers.
 - Ms. LaPine responded that *smartschools* employees would participate in PLC Wednesdays and staff meetings. She responded that IBN had not discussed participation in District committees. Mr. Shumway indicated that furlough days would be a function of the contract negotiation with *smartschoolsplus, inc.* It is not intended that *smartschools* employees would be paid for days for which regular employees are not paid. Mr. Wing stated that our candidate pools are larger in some areas but still small for the hard-to-fill areas.
- Mr. Adams asked for clarification regarding the RIF process as it pertains to *smartschools*.
 - Ms. LaPine responded that the RIF procedure is clearly defined, but that we haven't lived through the process yet.
- Mr. Maza stated that phased retirement programs are more of a business model. He shared that *smartschools* employees should be prepared, emotionally and financially, to cease work after one year. Mr. Maza expressed trust in the IBN process and that his trust in IBN affects his decision-making.
- Mrs. Lambert stated that employees may not be prepared to retire and/or participate in a phased retirement program, therefore, it is difficult to predict savings.
- Ms. Graziano inquired about the current beginning and ending salaries for teachers and expressed a concern about calculating the savings. She also asked her colleagues how they felt about encouraging double-dipping.
 - Mr. Wing responded with information about salaries and indicated that we strictly adhere to a placement protocol when we hire. Mr. Maza added that the District will write the contract parameters and will negotiate with *smartschoolsplus, inc.* Mrs. Lambert's response to the double-dipping question was that *smartschoolsplus, inc.* is another opportunity for employees.
- Ms. Graziano asked about the profit margin of *smartschoolsplus, inc.*
 - Mr. Shumway responded that seven percent of the eleven percent is required for payroll taxes. Ms. LaPine added that IBN discussed, at great length, the percentages paid to *smartschools* and to prospective *smartschools* participants.

Dr. Cook asked the Governing Board members what additional information they needed prior to or on February 10, other than IBN's recommendation regarding participation on District committees and the application of furlough days. She added that IBN would be meeting on February 3, 2011 and would discuss the outstanding issues.

III. GOVERNING BOARD AND SUPERINTENDENT ACKNOWLEDGMENTS

Board members thanked the IBN team for their efforts and for providing mindful recommendations that are in the best interest of the District. The IBN team was also thanked for their adherence to the interest-based process.

IV. ADJOURNMENT

A motion was made by Mr. Jahneke to adjourn the Regular Meeting at 7:23 p.m. The motion **UNANIMOUS** was seconded by Mr. Adams. The motion carried.

SIGNING OF DOCUMENTS

Documents were signed as tendered by the Governing Board Secretary

Jayce Shiota
BOARD SECRETARY

2/24/11
DATE

Sam Jahneke
BOARD OFFICIAL

02-24-11
DATE