

MEMORANDUM

TO: Members of the Representative Council

FROM: Lewis A. Robinson
Executive Director

DATE: January 31, 2011

RE: Executive Director's Report

A. Grading Day

Monday, January 24, 2011 was scheduled as a grading and planning day on the 2010/2011 school calendar. That day was also designated as a furlough day, the third of four such days for the 2010/2011 school year. Prior to the first grading and planning day of the year, PGCEA members contacted our office to see if the grading and planning days could be taken at home as opposed to reporting to work on those assigned days. PGCEA worked with the administration to develop a plan that would allow our members to do their grades from home on the scheduled days. Since January 24 was already designated as a furlough day, PGCEA requested that the district extend the window for when grades would be due. Our position was that we did not want any of our members to feel compelled to work on a furlough day—that would have to be their option. As a result, the reporting date was moved to Tuesday, January 25, and instead of the window closing at the close of business, it was extended to 11:59 pm on Tuesday.

In our opinion, this was an appropriate compromise to accommodate our desire to have the two remaining grading and planning days designated as non-report days. Given our recent history with the calendar driven by snow, ice and other emergencies, adding days to the calendar did not seem productive, and that was the option we would have been left with.

April 1 is the next scheduled grading and planning day, and unit members will be able to take care of whatever duties they have at home on that day.

B. Absence Without Authorized Leave

By now each employee should have received a copy of a new district Administrative Procedure (4153) which becomes effective February 1, 2011. The problem, as the district has articulated to PGCEA, is employees exhausting their accumulated leave balances and not reporting to work without having received any authorization from the appropriate leave granting authority to take leave without pay. In such a case, where an employee has exhausted all available leave, they still must have approval to be on leave without pay. The problem, as indicated to PGCEA through leave documents and research provided by the district, is that it has grown to the level that it has and is creating a significant financial burden.

The essence of this new procedure is to put very clear rules in place so that employees know ahead of time what they are facing, discipline-wise, if they find themselves in this position. The steps that will be taken are progressive in nature. PGCEA did have a number of questions and concerns that were addressed with the administration to bring clarity to this new procedure and to make sure there were no intrusions on negotiated items. We are also in the process of getting a legal opinion on it as well.

Members should understand that this procedure is not intended to address situations in which an employee has an accumulated leave balance, but just does not follow the proper procedure to access their leave. The focus is strictly on those situations where the employee has no leave balance remaining, does not show up for work and has not obtained an approved leave for time off. Unfortunately, this situation has accounted for thousands of loss days in each of the past few years costing millions of dollars and it applies across all employee groups not just our own members.

C. Gazette Article

Recently, The Gazette ran a series of articles and posted a database entitled, "What They Earn," which supposedly was a piece to advise the public on where their tax dollars are being spent by local governments. This was, in our opinion, a clear attempt to point the finger at government employees and to make them the scapegoat for poor management decisions and a faltering economy. The Gazette requested data from Frederick, Montgomery and Prince George's County governments, school systems and municipalities. Unfortunately, this is not the first time one of the local papers has done this, but it has been a number of years since it was done. As budgets become tighter and tighter, the media searches out any possible story they can create.

PGCEA is disappointed that The Gazette chose to take such action and to not do so without any additional background information provided to in any way balance the information. Simply posting the numbers in the manner that they did does not provide an accurate analysis of why some teachers make more than others.

Under the “Maryland Public Information Act,” the newspaper had the right to request such information as school system employees are classified as public employees, which means information like salary should be a matter of public record because they are paid using taxpayer money. As such, the school district and county governments were obligated to comply under the law; they have no choice in the matter.

PGCEA has put together a sample postcard or letter for our members to use to respond to The Gazette, and we are talking with other public employee unions to join us. If you are outraged over this intrusion, we urge you to send them the postcard provided, and which can be found on our website at www.pgcea.org. You are urged to refrain from reading their paper and supporting their sponsors.

D. **PGCPS Budget**

Dr. Hite released his budget proposal for 2011 – 2012 school years in December, and as PGCEA reported, it represented bad news for employees and the community. The budget was built off trying to close a \$140 million budget deficit, and what the superintendent released did not propose closing that gap. Dr. Hite decided to wait until the district had additional information from the state that would be provided once the Governor announced his budget. A little over a week ago, the Governor did make his announcement, and as predicted, it was also not good news. The bottom line for Prince George’s County is that an additional 2.4%, or \$20.8 million, was lost in state funding from projections.

In our prior announcement, we indicated that a number of cuts were already planned, such as continuing not to fund stipends and differentials that are not being funded this year, cutting out middle school athletics and other programmatic cuts. As we have examined that proposal more closely, there are other areas that we want to make our members aware of. The following are job cuts currently spelled out in the first proposal; again I stress the first proposal as the next will add to the following.

- Cut 34 data coaches
- Cut 45 secretaries
- Reduce guidance staffing formula resulting in a cut of 12 positions
- Cut MEANS program 35 positions
- Cut 75 custodial staff

These are just some position cuts that show up in the first proposal. We fully expect that at one of the February Budget Work Sessions, we will see a large number of additional cuts into personnel.

E. Pension Reform

The Governor, in releasing his budget, also brought forward his plan for pension sustainability. While he opposed shifting costs onto local governments and school boards, which was one of our greatest fears, there are benefit changes that dilute the retirement security of our current active members. What follows is a brief summary of what is being proposed by the governor:

- No changes for current retirees.
- Retains the defined benefit concept of retirement.
- Current active employees will be provided two options to choose from to designate their future benefits.
- Continue to pay 5% contribution, but receive reduced multiplier of 1.5% down from the current 1.8%, or
- Increase the contribution to 7%, and receive the current multiplier of 1.8%. So, what is the impact of the multiplier? Employee earning multiplier of 1.8% for 30 years would receive a benefit = 54% of salary (1.8% multiplier x 30 years). Employee earning multiplier of 1.5% for 30 years would receive a benefit = 45% of salary (1.5% multiplier x 30 years).
- New teachers would have a 10-year vesting requirement up from the current 5 years. So, an employee must now work 10 years as opposed to 5 years before they are eligible for a non-forfeitable retirement benefit.
- Early retirement age increased from the current 55 years to 60 years of age.
- Retirement benefit calculated on highest 5 years of salary rather than current 3 years.
- A conditional COLA for retirees based on investment returns.

In our opinion this is a terrible rollback of one of the hardest fought victories we have had in many years when we improved the pension system just a few years ago. Now they want to roll these changes back and create a plan with a new lower benefit, higher cost with extended waiting periods and unstable COLA. This will not work, and expect to hear a lot about how you can be involved. Please go to our website or the MSEA website (www.mseane.org) and join the "Keep the Promise Campaign."