

SEA's FAQs about the SERP and the Tentative Agreement:

SERP: Supplemental Early Retirement Plan

Q: Who is eligible for the SERP?

A: SEA Bargaining Unit Members who are contract employees of the District as of October 22, 2018 and, as of retirement or resignation date, are 55 and have 5 years of district service or are 50 and have 30 years of district service.

Q: Is the SERP being managed through STRS?

A: No. PARS, Public Agency Retirement Services, is managing the early retirement incentive.

Q: Why aren't years of service credit being used as an option for this early retirement incentive?

A: Only STRS can offer years of service credit. STRS is not a part of this incentive since some people may have qualified for both years of service credit and a payout of a percentage of their final pay. That would not produce savings for the district, which is the reason to offer an early retirement incentive. A 2013 case changed the law and now allows an employee to qualify for both credits, so both are no longer offered.

Q: How does this SERP relate to my STRS retirement benefit?

A: The SERP is separate from your STRS retirement benefit. It does not affect it. The SERP is like a bonus that is paid out over a long period of time.

Q: What is the incentive?

A: Those who resign/retire by Dec. 31, 2018 (First Incentive) will receive the 85% of their Final Pay option entitling them to select one of the payment options explained in the PARS packet that eligible employees will receive in the mail during the week of Nov. 5. Those who resign/retire by June 30, 2019 (Second Incentive) will receive the 60% of their Final Pay option entitling them to select one of the payment options explain in the PARS packet that eligible employees will receive in the mail during the week of Nov. 5.

Q: How is my Final Pay defined?

A: The salary incentive Final Pay shall be defined as the employee's 2018-2019 salary as achieved on October 8, 2018 multiplied by the employee's Full Time Equivalence (FTE) not to exceed 1.0 FTE. It will not be inclusive of extra duty, overtime, differential or any other supplemental pay.

Q: Huh?

A: 85% or 60% of your annual salary.

Q: How many SEA bargaining unit members must participate in order to meet the District's fiscal and operational objectives?

A: For the plan to be cost effective for the District, approximately 105 SEA/SCGA Bargaining Unit Members would be needed to participate in the plan.

Q: How many unit members are eligible for the incentive?

A: 456 SEA/SCGA bargaining unit members are eligible for the incentive.

Q: When is the enrollment deadline?

A: The submission deadline for both the first semester and second semester incentives is December 12, 2018.

Q: What happens if I submit my resignation/retirement papers to the District and decided I want to rescind my choice?

A: Resignations/retirements are irrevocable and may not be rescinded unless the District withdraws the SERP incentive.

Q: How could the SERP be withdrawn?

A: If the level of acceptable participation to the District has not been reached as of the enrollment deadline, the District may withdraw the SERP, provided it notifies enrolled employees of the withdraw no later than December 18, 2018. If the District withdraws the SERP, resignations will automatically be rescinded.

Q: If I accept the incentive, will I be able to work?

A: Participants may not ever return to work for the District in any capacity except substitute service if they accept the incentive. Those who resign may be able to find employment elsewhere. Those who retire should investigate their options through STRS.

Q: When will I begin receiving my payout?

A: Participants under either plan option will receive their first payment on August 1, 2019. Payouts will occur pursuant to the option selected by the participant, over no less than a five (5) year period.

Q: What assistance will be available to help me understand the SERP?

A: PARS will hold group orientation meetings and one-on-one employee workshops to help employees. Also, contact PARS at 800-731-7884 or plansupport@pars.org.

Q: Will the SERP be made available to the Adult Education teachers as well?

A: Yes, the same SERP is available to Adult Education teachers who qualify, including Temporary AE teachers who qualify.

Q: If I don't fit the eligibility requirements and I just resign, will I still get the incentive?

A: No. You must fit the eligibility requirements. The actuaries' cost analysis was based on clearly defined eligibility rules. Now they must be followed.

Tentative Agreement

Q: What are the highlights from this TA for our unit members?

A: The District had asked our unit members to take two furlough days to help with achieving a balanced budget for '18-'19. In return, there will be no layoffs of probationary or permanent bargaining unit members this year, if enough SEA/SCGA unit members retire/resign. Our unit members have been offered an Early Retirement Incentive. Our unit members will have their health benefits cap increased from \$14,130 to \$15,130 for January 2021.

Q: Are newer teachers in danger of receiving pink slips in March?

A: Not if the SERP (Supplemental Early Retirement Plan) is successful. At the end of the enrollment period (Dec. 12), a fiscal analysis will be conducted to determine the savings (or cost) to the District. The TA states that, if the Board adopts the SERP on Dec. 17, 2018, the District commits to not do any 7-12 certificated reductions in force during the 2018-19 school year (March 15 or May 15 notices).

Q: Does the above commitment to not do any reductions in force apply to Adult Education?

A: No. The cuts to Adult Education, including the "release" of 30 temporary AE teachers at the semester, is a decision the District intends to move forward.

Q: Is the increase of \$1,000 on the Health Benefits cap dependent on the SERP?

A: No. The increase of \$1,000 on the Health Benefits cap is contingent on the District receiving a positive certification on the SUHSD 2020-2021 budget.

Q: What highlights are there for the Adult Education teachers?

A: The changes in Article 4 that will be part of this ratification include a pathway to permanent status. While not yet ratified, the District did abide by our TA and use our definition of Temporary vs. Permanent in order to identify teachers as Probationary who would not have been prior to this Agreement, thus saving them from being "released" from their position in December.

Q: What happened to the 1% off-schedule payment that was on the table from the District before the misfeasance?

A: This agreement resolves all open contract negotiations for the 2017-2018 and 2018-2019 agreement. The District could not pay the 1% off-schedule now, obviously. The Bargaining Team aggressively sought future financial increases and, when we were faced with losing the SERP, the promise of no lay-offs, and the \$1,000 increase to our health benefits in 2021, we knew we had reached the best deal for our members.

Q: What did the survey results about the two furlough days reveal?

A: The results of the three survey questions are as follows:

- Are you willing to accept SUHSD's proposal of two (2) furlough days as part of the solution to the current financial crisis?
 - 569 responses: YES:75.7% ; NO:24.3%

- Are you open to reducing the work year from 187 to 185 days as a ONE-TIME solution?
 - 569 responses: YES:80% ; NO:20%
- Are you open to reducing the work year from 187 to 185 days as an ON-GOING solution?
 - 569 responses: YES:54% ; NO:46%

Q: What language will continue in the Special Ed article until we have a successor agreement?

A: - The pilot of a support program for the ED programs at the middle schools as defined in Art. 37.1.A.1.
- Continue the pool of an additional 100 days for SpEd teachers' IEP days when sites finish their allotment of nine days per SpEd teacher, as per Art. 37.2.B, and tracking of the number of IEP days taken

Q: Are the two furlough days this year one time only, or on-going through to the next years?

A: The furlough days were bargained to be only this year; a one-time action. They will occur on January 14 and 15, 2019. The student year will not be changed.

Q: How much will my salary be reduced due to the two furlough days?

A: Your work year will be reduced from 187 to 185 days. That is a reduction of 1.07% of your annual salary.

Q: When will this reduction in my salary be taken from my pay?

A: To reduce the impact of the reductions in earnings, employees pay warrants will be adjusted/recalculated to equally spread out the reduction in earnings over the January through June pay warrants.

Q: Will my reduced work year affect this year's service credit to STRS?

A: No. When furlough days are mandatory, as they are when they are part of a negotiated agreement as ours will be, those days do not lower the year any fractional amount for STRS service credit.

Q: I see that there are to be no reductions in force during the 2018-2019 school year if the SERP is successful, but does that mean I'll have a job next year, in 2019-2020?

A: If the SERP is successful, there will be no notices of layoffs of probationary or permanent bargaining unit members distributed this year; either in March or May. Absent individual personnel circumstances, this means in general that your position is secure for next year: 2019-2020. Layoff notices apply to employment in the following year.

Q: Can you provide some more detail related to the line in the TA that identifies the suspension of induction if there are RIFs?

A: The Induction Program costs over \$1million annually. Before last year, the program was funded through a grant, but beginning last year it was funded wholly out of the General Fund. As we were bargaining last year, our goal was to apply some of the revenue the

District received to wages or to provide health benefit relief for families through an HSA. The District would regularly show us how they had already spent the year's revenue and the \$1million for the Induction Program was always on the list. This is a very expensive program, costing about \$5,000 per Inductee. If we have funds to provide this service, it is worthwhile, but we need to look at the cost versus the benefit that it provides. Having our new teachers go through Sweetwater's program at no cost to them and receive the credit they need to clear their credentials is certainly an attractive recruiting tool. ☺ But lay-offs are not a very good recruiting tool. ☹ In a RIF (Reduction in Force), those lowest in seniority are the first to go. Many of those who would receive pink slips would be those in the Induction Program. How would we justify their lay-off with keeping a program that costs twice as much as other induction programs? It is more desirable to keep our new members employed than it is to provide an additional benefit to those who would remain. We couldn't be sure the District would make this same choice, so we made it in our TA.