MINUTES

2010 COMMISSION

August 14, 2008
Room 783—Docking State Office Building

Members Present

Rochelle Chronister, Chairperson Dr. Ray Daniels, Vice-Chairperson Representative Clay Aurand Representative Sue Storm Dennis Jones Stephen Iliff Carolyn Campbell Lee Urban Barb Hinton

Members Absent

Emile McGill

Staff Present

Sharon Wenger, Kansas Legislative Research Department
Martha Dorsey, Kansas Legislative Research Department
Reagan Cussimanio, Kansas Legislative Research Department
Theresa Kiernan, Office of the Revisor of Statutes
Dale Dennis, Kansas State Department of Education
Janet Henning, Legislative Educational Planning Committee Assistant

Others Present

Scott Frank, Legislative Division of Post Audit
Diane Gjerstad, Wichita Public Schools
Terry Forsyth, Kansas National Education Association
Dodie Wellshear, United School Administrators/Kansas
Bill Reardon, Kansas City, Kansas, Public Schools
Val DeFever, Schools for Quality Education
Mike Nulton, USD 242 Weskan
Steve Watts, USD 292 Wheatland
John Dougherty, Emporia State University

Mike Reecht, K-12, Inc.
Mark Tallman, Kansas Association of School Boards
Gary George, USD 233, Olathe
Dorothy Evon, Kansas National Education Association
Wade Anderson, Kansas National Education Association
Kelly Cure, Little Government Relations

Afternoon Session

The meeting of the 2010 Commission was called to order by Chairperson Chronister.

Chairperson Chronister asked if there were any additions or corrections to the minutes of July 10-11, 2008. Dennis Jones moved to accept the minutes as recorded. The motion was seconded by Carolyn Campbell. <u>The motion carried</u>.

Scott Frank, Manager, School Audits, Legislative Division of Post Audit (LPA), reported to Commission members on the requested information comparing the amount of funding the state has put into K-12 education over the last several years to the amount LPA estimated was needed based on the outcomes-based approach of the January 2006 cost study, *Elementary and Secondary Education in Kansas: Estimating the Costs of K-12 Education Using Two Approaches* (Attachment 1).

Teacher Salary and Employment Information from Other States

Sharon Wenger, Research Analyst, Kansas Legislative Research Department, spoke to Commission members regarding teacher pay differentials. Ms. Wenger reported she had researched several publications and information from other states regarding teacher pay differentials. In a recently published *Rewarding Teacher Excellence* by Allan Odden and Marc Wallace, the authors stated that paying teachers in high-poverty and low-performing schools is a requirement for improving proficiency. The authors also acknowledge the difficulty in finding teachers in certain subject areas, *i.e.*, mathematics and science. Paying wage premiums also should be done to recruit teachers to fill these subject area shortages.

Another researched report from Dr. Michael Podgursky, University of Missouri-Columbia, reviewed U.S. teacher data from the national Center for Education Statistics and reported that 12 percent of U.S. school districts (25 percent of teachers) report bonuses of some sort for teaching in shortage fields, primarily special education, math, science, and English as a second language.

Ms. Wenger presented information from a recent presentation to the House Appropriations Committee. Dr. Andy Tompkins, on behalf of the Kansas Council of Education Deans, presented several recommendations intended to deal with teacher shortages which included offering financial incentives, such as hiring bonuses and differential pay for teachers in high-needs and high-shortage areas.

A number of states have loan forgiveness programs to address subject-area shortage areas that include math and science and require a minimum number of years of service to the public schools in return (Attachment 2).

Theresa Kiernan, Senior Assistant Revisor of Statutes, Office of Revisor of Statutes, reported to Commission members on several bills which were introduced to address the teacher shortage.

HB 2870 would have allowed school districts to establish a pay differential or bonuses for teachers in hard-to-fill teaching disciplines. A second provision in the bill would have created a state-funded grant to reimburse districts paying annual bonuses to math and science teachers. The bill would have amended the definition section of the Professional Negotiations Act (PNA), KSA 72-5413, to exclude bonuses and the pay differential authorized by the bill from the definition of "terms and conditions of professional service" making those items nonnegotiable under the PNA (but could be negotiated outside of the PNA). An existing provision in state law permits the negotiation of bonuses if both parties agree to the negotiation. Following the introduction of HB 2870, the Office of the Revisor of Statutes became aware of an administrative decision interpreting the current definition in KSA 72-5413.

The Kansas Department of Labor in an administrative order issued on May 11, 2007, concerning the *United Teachers of Wichita (UTW) v. USD 259 (Board)*, found that since the parties could not agree that bargaining was appropriate on the subject of incentive or retention bonuses, it was within the Board's authority to take unilateral action on this permissive topic, regardless of the parties' prior willingness to negotiate in an attempt to reach common ground. A permissively negotiable subject is not transformed into a mandatorily negotiable subject by negotiation of the subject amongst the parties.

After considering all of the evidence of record, the Department of Labor found that it was clear the \$1,500 payment to teachers working in schools with high percentages of at-risk pupils, in the manner devised by the Board, constituted an employment incentive or retention bonus within the purview of Kansas statute; and that the action of the Board did not constitute a prohibited practice.

As a result of the Department of Labor's decision, which was not appealed by the UTW, there was no need to proceed with that portion of the bill authorizing the payment of a bonus or pay differential (<u>Attachment 3</u>).

Martha Dorsey, Research Analyst, Kansas Legislative Research, distributed an e-mail regarding how other states get around their unions not wanting them to pay differential salaries for hard-to-fill positions, *i.e.*, science, math and special education teachers (<u>Attachment 4</u>).

Improving School Finance for Student Achievement

Mark Tallman, Assistant Executive Director/Advocacy, Kansas Association of School Boards, spoke to Commission members about improving school finance for student achievement. Mr. Tallman told Commission members that the percentage of Kansans with high school diplomas and college degrees is at an all-time high. Kansas ranks in the top 20 nationally and top three regionally.

Mr. Tallman further stated that Kansas ACT scores have increased at twice the national rate in the past decade. Kansas ranks near the top of National Assessment of Education Progress (NAEP) mathematics test scores.

However, some of the challenges that remain include:

- The number of high school dropouts;
- Rising enrollment, especially Hispanics from Mexico;
- Continuing increase in Adequate Yearly Progress (AYP) requirements;
- The need for increased special education (autism) and other services (dyslexia);

- Increased need for health (nutrition, physical education) safety (bullying) and other social and economic issues (financial literacy, math/science);
- Cumulative impact will require more staff and more retraining and restricting what schools do and how they do it; and
- Increasing costs of food, fuel, utilities, and health care.

Mr. Tallman stressed we must answer these challenges because education has become the most significant social and economic dividing line in the nation. States with higher educational attainment have significantly higher per capita income, especially among states with high and rising income rankings (Attachments 5, 6, and 7).

Mr. Tallman discussed the increasing reliance on Local Option Budgets (LOBs). He made several points in this regard, including:

- More LOB makes the school finance system more inequitable; and
- Raising the LOB maximum will increase inequities, shifting funding to property taxes.

Collective Bargaining and the Collaborative Process

Dr. Wade Anderson, Kansas National Education Association, spoke to Commission members about bargaining and the collaborative process. Bargaining is defined as a process designed to manage conflict and produce a consensus document outlining the work relationship among the parties.

Dr. Anderson stated that, in general, teachers are teachers because they want to help students to learn and develop into successful and contributing members of society.

Dr. Anderson outlined the seven elements of negotiation:

- Relationship;
- Communication;
- Interests:
- Options:
- Legitimacy; and
- Commitments.

Dr. Anderson stated successful bargains occur when the settlement is the best possible for both parties (Attachment 8).

Dr. Anderson also gave an overview to Commission members of the Partnership in Collaboration-Kansas, Inc. (PICK) (Attachment 9).

Dr. Anderson also made the following points:

- Kansas school district boards must work to increase overall teacher salary schedules, rather than increase differential pay;
- Differential pay is only effective where it is sizeable;
- Health insurance and differential pay should not be removed from negotiated items; and
- KNEA is willing to talk about alternative forms of pay.

A question-and-answer session followed the presentation.

Dr. Anderson also provided the following handout material:

- USD Salary Schedule Analysis for Kansas, 2007-2008;
- The 5th Annual Kansas National Education Association Report, "Kansas Teachers' Salary Rankings and Compensation Structures," October 2008;
- More Than an Apple a Day, A Member Guide to Health Care and Health Insurance; and
- KNEA Negotiation and Research Report, "Teachers, Principals and Superintendents 2006-07 Actual and 2007-08 Contracted Average Salary, Supplementals, and Fringe Benefits for Kansas Unified School Districts," March 2008.

(All publications are on file with the Kansas National Education Association.)

A question-and-answer session followed the presentation.

Chairperson Chronister advised Commission members of an overview of topics for the 2010 Commission 2008 Interim Session (<u>Attachment 10</u>).

The meeting was adjourned at 3:50 pm. The next meeting is scheduled for September 11, 2008.

Prepared by Janet Henning Edited by Sharon Wenger

Approved by Commission on:
October 9, 2008
(date)

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