

# Sucking the Life Out of America's Public Schools

*The Expense of Teachers Union Contracts*



*Part 8*

**United Educators of San Francisco Contract**

**EAG**  
news.org

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## **San Francisco district wasted big money on union perks, despite huge deficit and budget cuts in 2010-11**

Prior to the 2010-11 school year, the San Francisco Unified School District made a series of painful spending cuts to help eliminate a \$113 million budget deficit over two years.

The district notified 900 employees – including 318 full-time teachers, 139 teacher aides, 109 instructional support staff members, 98 principals and assistant principals, 22 counselors and 10 librarians – of their impending layoffs before the new school year, according to media reports.

Other budget-cutting actions included unpaid furloughs for teachers and other employees, increases in K-3 class sizes, and cuts in programs for underserved students, art and music, safety and violence prevention, summer school, student transportation and special education.

But somehow the school district still found the money to spend \$134 million on salary for employees (or others) who coached sports teams or advised other extracurricular groups, \$8 million (including insurance) for substitute teachers, more than \$800,000 on bonuses for teachers with national board certification and more than \$500,000 for teacher “retention bonuses.”

Those expenditures, and others outlined below, were all the result of provisions in the United Educators of San Francisco’s collective bargaining agreement (CBA).

We studied a copy of the recently expired teachers union CBA, then used a public information request to measure the amount of money spent on various provisions in the 2010-11 school year. We present our findings in this report.

It should be noted that the list of labor expenses in this report is only a sampling. It took months to get answers from the school district regarding our limited number of financial questions. There were dozens of other expenditures we were not able to obtain dollar figures for.

But based on the amount of information we received, it’s clear that the school district, with the cooperation of the teachers union, could have eliminated all or most of the \$113 million budget deficit without layoffs, furlough days, drastic budget cuts, or lowering anyone’s base salary.

That would have taken courage on the part of school officials and cooperation from the teachers union, but nobody was ready to step up and question the bloated labor budget.

We encourage citizens to do some digging and learn more about where their education tax dollars go. The following dollar figures were provided by the San Francisco Unified School District.

### ***TEACHERS UNION LABOR COSTS***

**Total expenditures for the San Francisco school district in 2010-11 were \$909,592,342. Total labor costs for the district were \$507,440,007. The total amount spent by the district on salaries, benefits and other expenses for employees covered by the teachers union CBA was \$292,086,380. That means teachers union labor costs comprised about 57 percent of all labor costs and about 32 percent of the entire district budget.**

## ***EMPLOYEE HEALTH INSURANCE***

According to the CBA, “The board shall provide all regularly assigned teachers a paid health service plan, including prescriptions. Teachers shall select one of the health plans available through the health service system, city and county of San Francisco, and contribute at the rates applicable to the selected plan. The district contributes to the rate for each teacher as provided by the city charter. The contribution by the district shall be the maximum allowed by the city charter.”

**The last sentence above says it all. The San Francisco school district paid out \$44.8 million for health insurance premiums for employees covered by the teachers union CBA in 2010-11. That was 76 percent of the total cost of premiums. The employees paid a combined \$14.7 million, which equaled only 24 percent.**

## ***EXTRACURRICULAR COSTS***

We found no chart in the CBA establishing clear pay rates for teachers and others who coach or oversee extracurricular student activities. But there are obviously a lot of activities, and the money paid to those who oversee them is apparently a major drain on the school budget.

**The San Francisco school district paid out \$134 million in salary and benefits for employees covered by the teachers union collective bargaining agreement to coach school sports teams or advise other extracurricular groups. That’s far too much money to spend on non-essential services that could be provided by volunteers (or staff members agreeing to lower compensation) during a period of financial emergency.**

## ***AUTOMATIC, ANNUAL RAISES***

Most school districts across America deal with this annual expense. Under terms of the CBA, most teachers get an annual raise, based on number of years served and college credits earned, with no consideration for performance or effectiveness.

**The San Francisco school district paid out \$257,302 in automatic, annual raises to teachers and other employees covered by the teachers union CBA in 2010-11. That’s a small amount for such a large district, but still a significant investment.**

## ***PROFESSIONAL LEAVE***

The CBA says “regularly assigned teachers may have paid release time to attend professional meetings and conferences. Full or partial reimbursement may be made for conference fees and expenses.” The contract also says teachers may have up to two days per year “to visit and observe classrooms, schools or programs, which can only be visited effectively during the school day.”

**The San Francisco school district paid out slightly more than \$2 million in salary to employees covered by the teachers union contract for professional leave in 2010-11.**

## ***SUBSTITUTE TEACHER COSTS***

The CBA gives all teachers 10 days of sick leave allowance at the beginning of each 180-184 day work year. They can also be used as personal days or saved and carried over from year to year. We found no language limiting the number of sick days that can be used per year.

We asked the district to tell us how many sick and personal days teachers took in 2010-11.

The initial response was more than 9 million, which was obviously an error. The district then reported that the teachers collectively used 14,642 combined sick and personal days, which averages out to about four paid days off per instructor. We're not sure if we trust that total, either. That's not many compared to other districts – Los Angeles teachers averaged 12 absences per day in 2010-11 – and only partially explains the large amount of money paid out for substitute teachers.

Rates for "Day-to-Day" substitute teachers range from \$107.94 per day to \$165.22 per day, which is not out of the ordinary for a very large school district.

We believe much of the expense may come from the CBA provision that provides benefits to longer-term substitutes. Three groups – 40-day subs, 160-day subs and Core subs – are provided benefits like health insurance and vision and dental coverage.

Another clue could be the amount paid out for teacher "professional leave" - \$2 million, as noted above. The district was unable to tell us how many professional days were taken, but the amount of salary paid to teachers for those days suggests that the number is high and contributed significantly to sub costs.

**The San Francisco school district paid out \$8 million for substitute teachers in 2010-11.**

### ***NATIONAL BOARD CERTIFICATION BONUSES***

According to the CBA, "a teacher who holds current (National Board) certification shall receive an annual salary payment of \$5,000 above regularly salaried schedule placement, provided that the teacher is teaching in a position for which he or she holds a current California teaching credential."

**The San Francisco school district paid out \$803,973 for national board certification bonuses for teachers in 2010-11.**

### ***DREAM SCHOOL INCENTIVES***

According to a school spokesperson, "Dream Schools were a part of an initiative by former Superintendent Arlene Ackerman to support the lowest performing and underserved schools." The incentives appear to be compensation for extra work assigned to staff in these schools. The CBA says "Mandatory staff development days shall be compensated at the per diem rate. All other required work beyond the work day/work week shall be paid as extended hours." At least one published article suggests that many of the district's "Dream Schools" continue to function at low academic levels.

**The San Francisco school district paid out \$458,930 in "Dream School incentives" in 2010-11.**

### ***UNION LEAVE TIME***

According to the CBA, the school district pays teachers who are also union officers or representatives full time salaries plus benefits when they are away from work conducting union business. That includes full-time leave for the union president and shorter-term leaves for other union representatives. The union is required to repay the district by the end of the year, based on compensation that would be paid an entry-level teacher. The district clearly loses money under this arrangement, because teachers who are union officials generally make significantly more than entry-level teachers.

**The San Francisco school district paid out \$83,594 in salary and benefits for leave time for the teachers union president and \$222,999 in leave time for other union officials in 2010-11.**

### ***STIPENDS FOR LEAD TEACHERS***

We searched the CBA for a simple definition of “lead teacher” without success. But it does mention annual “stipends” for K-8 lead teachers (\$5,000) and high school lead teachers (\$3,000). We’re not sure how these rounded dollar figures add up to the total below, but that’s the amount reported by the school district.

**The San Francisco school district paid out \$117,093 in extra salary or “stipends” for “lead teachers” in 2010-11.**

### ***RETENTION BONUSES***

We searched the collective bargaining agreement for a definition of what qualifies certain employees for “retention bonuses,” without success. But several salary charts in the contract mention “one-time retention bonuses during the fifth year” in the district of \$1,250 and “one-time retention bonuses during the ninth year” in the district of \$1,500. As far as we can tell, qualified employees include fully credentialed teachers, high school department heads, head counselors and deans, social workers, nurses, supervisors of child welfare and attendance, and credentialed psychologists, speech pathologists and autism behavior analysts.

**The San Francisco school district paid out \$528,500 in retention bonuses to teachers and other employees covered by the teachers union contract in 2010-11.**

### ***RETIREMENT INCENTIVE STIPENDS***

According to the CBA, “any certificated staff member who notifies the district’s Human Resources Department no later than 5 p.m. March 1 on his or her plan to retire on or before June 30 ... shall receive a \$600 retirement stipend.”

**The San Francisco school district paid out \$252,801 for retirement incentive stipends in 2010-11.**

### ***EARLY RETIREMENT PROGRAM***

The collective bargaining agreement says teachers who are at least 55-years-old with at least 10 years of service in the district may qualify for the early retirement incentive program and then serve as “consultants” to the district.

**The San Francisco school district paid out \$101,094 for the early retirement incentive program in 2010-11.**

## **HOW THE DISTRICT COULD HAVE SAVED MONEY**

In 2010, the San Francisco school district was trying to eliminate a \$113 million deficit over two years. We believe that goal could have been reached, with money left over, by cutting or eliminating the unnecessary expenses listed in this report, not to mention many other labor expenses not listed. It wouldn't have been necessary to cut anyone's base salary, lay off any teachers or cut into the school calendar.

Cut the extracurricular salary budget by one half	\$67 million
Cut substitute costs in half by limiting paid sick days/ending sub benefits	\$4 million
Increase employee insurance contributions from 24 to 30 percent of premiums costs	\$3.15 million
Suspend National Board Certification bonuses	\$803,973
Suspend retention bonuses for employees	\$528,500
Suspend Dream School incentive program	\$458,930
Suspend automatic, annual raises for teachers	\$257,302
Suspend retirement incentive stipends	\$252,801
Suspend stipends for lead teachers	\$117,093
Suspend early retirement program payments	\$101,094
Make union pay full cost of union official release time	\$100,000 (est.)
<b>TOTAL SAVINGS</b>	<b>\$76.7 million</b>

## ABOUT EAGNEWS.ORG



EAGnews.org is a service of Education Action Group Foundation, a Michigan-based 501(c)(3) non-partisan non-profit organization. It has been researching and promoting school spending reform for more than four years.

Originally focused solely on Michigan schools, EAGnews.org has since begun analyzing school spending and education reform across the nation. The organization has three regular publications: **Focus on Reform** (national), the **Ed Reform Radar** (national) and **Wisconsin School Reformer**. The newsletters focus largely on the agenda and tactics of the national teachers' unions, as well as reform efforts around the country.

EAG's research and writing are regularly seen on websites such as Breitbart.com and Townhall.com. Kyle Olson, publisher of EAGnews.org, appears in a weekly segment on **Fox & Friends** called "The Trouble with Schools" on the Fox News Channel.

EAG recently published a book, "**Indoctrination: How Useful Idiots Are Using Our Schools to Subvert American Exceptionalism**," which can be purchased at Amazon.com.

EAG also produced a short documentary film, "**A Tale of Two Missions**," with Fox News analyst Juan Williams, which examines the fight for school choice in Chicago. It can be viewed at **TwoMissionsMovie.com**.

EAGnews.org is currently producing a series of reports exposing school spending habits tied to teachers contracts from large districts around the country.

Visit **EAGnews.org** for more research, reporting, analysis and commentary.