Superintendent Monitoring Report
Policy Title: EL 8 Compensation and Benefits
May 11, 2022

This is my report on Executive Limitation Policy 8, presented in accordance with the Board's monitoring schedule. I certify that the information contained in this report is true.

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Thomas DeBalsi

With respect to employment, compensation, and benefits to employees, consultants, and contract workers, the Superintendent of the Town of Hartford School District shall not cause or allow jeopardy to financial integrity or to public image.

Further, without limiting the scope of the foregoing by this enumeration, the Superintendent shall not:

1. Change the Superintendent's own compensation and benefits.

Interpretation: The responsibility to establish the Superintendent's compensation and benefits is specifically reserved to the Board.

Evidence: The Superintendent signed a five-year contract with the Board commencing on July1, 2020 and ending on June 30, 2025. The Superintendent's compensation for the period from July 1, 2020 through June 30, 2025 has been established in writing by the Board for inclusion in the Superintendent's contract. The Board will need to determine if a new contract will be offered and what the compensation will be for the first year of the new contract per Policy GP 4 - Agenda Planning, subsection 5. The Superintendent's contract is filed in the Central Office and can be reviewed by the Board at any time. Moreover, payroll data is available at the Board's request to confirm that actual compensation and benefits paid on behalf of the Superintendent in fact match the provisions of his contract. Should a change in the Superintendent's compensation or benefits ever be warranted, the Board Chair should communicate such changes in writing to the Director of Finance.

<u>I report compliance.</u>

2. Promise or imply permanent or guaranteed employment.

Interpretation: The Superintendent shall not offer permanent employment contracts for employees**.**

Evidence: For unionized personnel (administrators, teachers and support staff), employment is governed by collective bargaining agreements which detail requirements for supervision and evaluation. While continuing employment is typically presumed, satisfactory performance is an important requirement for continued employment. Annual employment contracts detailing the coming year's wages are offered within budget parameters for those staff members being continued the next year. The Superintendent notifies employees not being continued due to reductions in force or performance related matters in a timely manner, as required in the collective bargaining agreements. The Superintendent is clear when making temporary, long-term substitute offers of employment so there is not a question about presumed continuance.

Administrative staff at the superintendent's office has generally been offered two-year employment contracts, with a salary commitment just for one year. In FY22 the Director of Finance is in his first year of a one-year contract. The Director of Secondary Curriculum, Instruction and Assessment is in his second one-year contract. The current acting Director of Elementary Curriculum, Instruction and Assessment is retiring and the new Director will begin in July. She has been offered a one-year initial contract, as is customary. The decisions by the Superintendent to renew administrative contracts and establish their duration are based on the needs of the organization and the performance of the administrators. Terms and conditions of administrative contracts are reviewed annually by the Superintendent and meet legal requirements in terms of notice for non-renewal.

Non-union support staff employees are offered one-year contracts reflective of the written terms and conditions governing their employment. These terms and conditions are reviewed annually and replicate the support staff contract terms but these employees are treated as exempt.

<u>I report compliance.</u>

> **3. Establish or change compensation and benefits that deviate materially from the geographical or professional market median for the skills employed.**
>
> **Interpretation:** The Superintendent shall not change the compensation and benefits for District employees for the period from July 1, 2022 to June 30, 2023 or establish new provisions that are not reasonably consistent with those paid employees performing like work in other districts deemed comparable.

Evidence: I certify that employee compensation and benefits for all unionized and non-unionized employees meet the above criterion. To achieve this result for unionized employees, the Superintendent supports, along with legal counsel, the School Board's decision-making process by providing the Board with current and relevant comparative data from across the State and in the Windsor County region. For non-unionized employees, a similar methodology is used when establishing salary and benefit packages. The Superintendent receives a comparative statewide data from the Vermont Superintendents Association, analyzing by position Central Office and building-based administrators and Central Office support staff. The Superintendent believes the levels of compensation in the various positions are appropriate and competitive.
In 2020 the District successfully completed negotiations with the Hartford Educators' Associations for the teachers units, with a three-year agreement for the period July 1, 2020 through June 30, 2023. Currently we are preparing for negotiations for successor agreements to the teacher's, administrator's and support staff agreements.

<u>I report compliance.</u>

> **4. Create obligations over a longer term than revenues can be safely projected, in no event longer than one year and in all events subject to losses in revenue.**
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> **Interpretation:** The Superintendent shall not commit to employment, consultant and contract terms beyond one year.

Evidence: I certify that obligations for compensation and benefits have not been incurred beyond the limits stated. Further, the District's on-going budget monitoring process is based on an analysis of District revenues and expenditure priorities. The Superintendent would present a plan to reduce obligations in the event of an unbudgeted loss of revenue. Annual independent audits look for exceptional changes in salaries and benefits, especially those paid to administrators and finance-related staff. Any concerns found would be noted by the auditors and reported to the Board. Additionally, the auditors choose a small, random sample of employees from each category of employment and trace wages and benefits back to budgetary expenditures.

Each school year, the District establishes contracts with external service providers or consultants that are retained within budgetary restraints to provide direct service to students, professional development for teachers and administrators, or facilities maintenance. These contracts are needs-based and, in most cases, are either terminated or renewed annually. As appropriate, certain contracts are based upon requests for proposal or bids, and may be multi-year to best meet on-going service needs.

I report compliance.

5. Establish or change pension benefits so as to cause unpredictable or inequitable situations.

Interpretation: The Superintendent shall not establish or change pension benefits without Board approval. Furthermore, the Superintendent shall not cause unpredictable or inequitable situations to arise or be maintained.

Evidence: Teachers and administrators (with the exception of the Director of Finance) are members of the Vermont State Teachers' Retirement System. Contributions to the system on behalf of the District for all such licensed staff have historically been made by the State's General Fund to the Retirement System. Starting in FY16, the District's federal grant budgets were required by the State to fund the retirement contributions for teacher salaries paid in whole or part from IDEA-B and Title I or II grants, the initial rate being 12.84% of salary in FY16 and 11.59% in FY17. Also, teachers and administrators are required to make their own contribution of 5% of their gross wages to VSTRS.

In addition to membership in the State retirement system, the District makes a tax sheltered annuity contribution from 2.5 to 5.5% for administrators, based upon years of service. The Superintendent does not alter these limits.

Union and non-union support staff are not members of the State Municipal Employees' Retirement System. Mandatory employer contributions up to 9% of wages, depending upon the plan selected, would have been a District general fund expense rather than a State expense, as is the case with teachers.

I report compliance.

I report Compliance with Executive Limitations Policy 8 – Compensation and Benefits.

Respectfully Submitted,

Tom DeBalsi
Superintendent