

GREEN SHEET

OFFICIAL NEWSLETTER • DEARBORN FEDERATION OF TEACHERS • AFT LOCAL 681, AFL-CIO

October 2007

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Dearborn, MI

Membership Meetings

2007—2008 Meetings

October 2007

19 Fall Party 7:00 P.M. Park Place

30 General Membership 4:00 P.M. Fordson

November 2007

27 General Membership 4:00 P.M. MBCC

January 2008

22 General Membership 4:00 P.M. Lowrey

February 2008

26 General Membership 4:00 P.M. Lindbergh

March 2008

25 General Membership 4:00 P.M. Stout

April 2008

22 General Member 4:00 P.M. Bryant

May 2008

27 General Membership 4:00 P.M. EFHS

June 2008

4 Year-End Celebration 3:00 P.M. Park Place

Homecoming 2007

MANY, MANY THANKS to all of the following people who generously gave of their time this summer to volunteer at the DFT Homecoming Booth!

Jacqui Garcia, Wyatt David, Mary Varady, Corey Lake, Jan Ten Eyck, Kathy Duquette, Theresa Distelrath, Linda Hipple, Kevin Harris, Dave Atkins, Cheryl Caillouette, Chris Willard, Kathleen McCormick, Marcia Mark, Karen Julian, and my good friend and former "Homecoming Queen", Jane Mazza!

Once again our booth was very successful, we had a lot of visitors and it was a lot of fun! CONGRATULATIONS to our prize winners:

Noah Kubitz (Long), Neal Warren (Bryant), Paige Kuczarski (Divine Child), Mariam Ghulais (Cotter Preschool), Bill Seeley (Whitmore-Bolles), Corrinne Topolski (Westland), Carter Conover (Nowlin), Austin Daniell (Emmanuel Lutheran - Dearborn), Devon Caillouette (Lindbergh), Troy Seaburg (Allen Park), Randi (Islamic Academy - Dearborn), Sean (Woodhaven), Amanda (Bloomfield Hills), Julie (Grand Haven), Michael (Sacred Heart - Dearborn)

Budget Agreement

The Michigan Legislature and Gov. Jennifer Granholm reached agreement on the 2008 state budget that involved cuts, reforms and additional revenues. The agreement ended a brief shutdown of state government. The agreement calls for another \$400 million in state spending cuts. The state's income tax will move from 3.9 percent to 4.35 percent, still lower than the 4.4 percent it was set at in 1999. The agreement also enacts a new 6-percent state tax on many services that were not taxed before. The proposal hopes to raise \$1.35 billion in new revenues.

The legislation also allows districts to pool employees' health costs and also mandates that employers competitively bid for insurance coverage. This aspect of the bill faced the most opposition because it requires the Michigan Education Special Services Association, a third-party health administrator affiliated with the Michigan Education Association school employees union, to release claims data. Supporters say this could save millions of dollars each year. Claims data will be aggregate so as to protect the identity of individual employees. The Legislature also reformed the state's school employee retirement system. The new program will model that used for other state employees. Retired school employees will now have a percentage of their health care costs paid by the state each month. The percentage will be on a scale system and tied to how many years the employee worked, according to Booth Newspapers.

Incentives for Count Day

Many public school districts made efforts to provide incentives for students to attend school on count day in hopes of receiving as much funding from the state as possible, according to The Detroit News .

State funding for schools is determined, in part, on a per-pupil basis. This per-pupil funding is determined through a blended enrollment count on the second Wednesday in February and the fourth Wednesday after Labor Day of the following school year. Schools take 25 percent of their enrollment in February and combine it with 75 percent of the enrollment the next fall, The News reported .

School districts are anticipating a freeze in the foundation allowance from the state this year and used creative incentives to make sure students were present for the count. In Hazel Park, for example, elementary schools aligned student picture day with count day and middle school students were given a pizza party. The district lost about 200 students last year and is anticipating a loss of about another 100 students this year, according to The News.

Students at Detroit Public Schools' Pasteur Elementary were treated to a picnic at a church across the street from the school and had a chance to play football and other games, The News reported. DPS enrollment has dropped about 10,000 students a year for the past several years and the district recently closed 33 schools.

Healthcare and Pension

Ownership moving to Unions

GM will pay \$35 billion toward a new health care trust fund to be administered by the UAW. The UAW now gains ownership of its' members health-care resources and UAW President Ron Gettelfinger has told his members that the trust fund will last 80 years. Union membership has been declining for years and the UAW has been particularly hard hit. The UAW currently represents about 74,000 workers, down from 246,000 in 1994. This agreement divests \$50 billion in long term liabilities which would have only grown as health-care costs rise and retirees live longer. GM believes that this agreement will allow them to be more competitive in the global market.

United Parcel Service Inc.'s five-year tentative contract agreement with the Teamsters will allow it to pay \$6.1 billion to gain greater control of some pensions and will provide pay and benefit increases for workers. The contract, if approved by the employees, would fulfill UPS's decade-old goal of withdrawing from the Central States Fund, a multiemployer pension plan for 42,000 Teamsters members at the company. UPS wants to gain greater stability in pension costs by shifting the workers to a new plan run by the company and the union.

Grievances

According to Vice President David Atkins, no grievances are pending.

It's NCLB Renewal Time Again

It is time to reauthorize the Elementary and Secondary Education Act of 1965, known today as the No Child Left Behind Act. George Miller (D) from California, chairs the House Education Committee and has released a reauthorization draft proposal.

The discussion draft allows school districts to apply for federal funds to be used to give exemplary teachers bonuses of up to \$12,500 per year (and exemplary principals bonuses of up to \$15,000 per year.) It would require teachers to be rated as “exemplary” based on a number of factors, including student learning gains, evaluations conducted by the principal, and evaluations conducted by master teachers. The discussion draft prohibits school districts from rating teachers exclusively on the basis of student test scores.

In order to be eligible for these additional funds for teacher bonuses, school districts would be required to improve their schools’ working conditions through a range of activities, such as:

- o reducing class size;
- o ensuring the availability of classroom materials, textbooks and other supplies;
- o improving or modernizing facilities;
- o improving school safety; and providing matching funds.

Each school district that chooses to apply for these funds must work with the local teacher organization to design its performance pay system. Among the other criteria that the school district, in collaboration with the teachers’ union, must take into consideration as part of the evaluation system is National Board for Professional Teaching Standards certification.

Mr. Miller’s plan also allows for local assessment of educational progress. Currently, each state is required to develop its own plan to answer the demands of NCLB and is responsible for developing norms and applying them to every district. Instead of all Michigan students taking the same assessment tests, the proposed plan would allow Dearborn to create its own tests. This would eliminate district to district comparison that many parents use to judge good schools. Each state defines proficiency differently. This has led to enormous numbers of students being defined as proficient by their state but far from proficient when given the National Assessment of Educational Progress. Allowing local assessment may make matters worse.

The NCLB act was designed to help close learning gaps in racial and ethnic groups but states have allowed schools to omit significant numbers of low performing students by setting large minimum sizes (n – sizes). Michigan uses an n size of 30 for students with disabilities, Ohio use 45, California uses 100. If a school in California does not have at least 100 students with disabilities, the subgroup scores are omitted for the purposes of meeting AYP.

Changes made to school employee's retirement law

At the end of the long marathon set of legislative sessions to resolve the state's financial deficit, several bills negatively affecting the retirement benefits of future school employees were tie-barred to the state income tax bill (HB 5194) and the state sales and use tax bill (HB 5198). The legislation affecting new school employees is described briefly below:

- SB 546 (Sen. Wayne Kuipers, R-Holland) establishes a graded scale premium for school employees hired after June 30, 2008. This legislation, which the Governor signed into law as PA 110 of 2007, would prevent those school employees who vest with less than 10 years of service from having their school retiree health insurance premiums subsidized at all; however, it is our understanding that they could still purchase this insurance at full cost. The graded scale premium commences with 30% of the premium being paid by the system at 10 years of service and an additional 4% per year for each year thenceforth, bringing members to 90% after 25 years of service. These new provisions appear not to be applicable to disability retirees nor to the surviving spouses in duty death situations. The new law also requires members who retire earlier than they otherwise could have because of purchasing service credit to pay full premiums on their retiree health benefits until they reach the age and service combination under which they could have otherwise retired.

- SB 547 (Sen. Wayne Kuipers, R-Holland) requires members who are hired on or after July 1, 2008 to have at least two full years of service credit before they can purchase service credit. More significantly, it also increases the amount of member contributions required by employees hired after June 30, 2008. Members whose annual compensation is \$5000 or less will continue to pay 3% of their compensation (\$150). Members who earn over \$5000 but less than \$15,000 will pay \$150 on the first \$5000 of pay and 3.6% of the difference on the remainder, up to a maximum of \$510. **The change comes in the amount paid for compensation over \$15,000, which will increase from 4.3% of the excess over \$15,000 to 6.4% of the excess.** See chart below for a graphic explanation of these changes.

Current MIP Payments

\$5,000 or less = 3% of compensation, up to \$150

\$5,000 to \$15,000 = \$150 plus 3.6% of compensation between \$5,000 and \$15,000, up to \$510

Over \$15,000 = \$510, plus 4.3% of compensation over \$15,000

MIP Payments New Hires (7/1/2008)

\$5,000 or less = 3% of compensation, up to \$150

\$5,000 to \$15,000 = \$150 plus 3.6% of compensation between \$5,000 and \$15,000, up to \$510

Over \$15,000 = \$510, plus 6.4% of compensation over \$15,000

- HB 5799 (Rep. Lorence Wenke, R-Kalamazoo) was passed by both houses but then called back by the Senate. This legislation would have further limited post-employment work by school retirees and was commonly called the "double-dipping legislation". Because it was called back, this legislation was not enacted.

The original graded scale premium legislation was 3% a year starting at 30% with 10 years of service, requiring 30 full years of service to arrive at a premium that would be 90% funded. Moving this figure to 4% once members had more than ten years of service was one of the changes we fought for, once it was evident that some form of graded scale premium would be enacted.

Jeffery Oshnock, Editor
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