

# Ohio teacher contracts: The black hole of school spending



**A review of contracts to uncover a major source of  
spending problems in Southwest Ohio's public schools**



[www.eagfdn.org](http://www.eagfdn.org)

Spring 2010

# **Ohio teacher contracts: The black hole of school spending**

## Table of Contents

District Date Summary Table...4
Introduction...5
Annual, Automatic Step Raises...6
Paid Sick Days/Personal Days...9
Severance Pay (Unused Sick Days)...10
Health Insurance...12
Association Leave Time...13
Supplemental Contracts/Stipends/Bonuses...14
Odds and Ends...15
Closing Note...17
About the Organization...18

## Contracts Reviewed:

Cincinnati City School District  
Forest Hills Local School District  
Indian Hill Local School District  
Kings Local School District  
Lakota Local School District  
Little Miami Local School District  
Loveland City School District  
Madeira City School District\*  
Mariemont School District\*  
Mason City School District  
Mount Healthy City School District  
North College Hill City School District  
Northwest Local School District  
Oak Hills Local School District  
Princeton City School District  
Reading Community City School District  
Sycamore Community City School District  
West Clermont Local School District  
Wyoming City School District

*\*denotes non-unionized district*

## DISTRICT DATA SUMMARY TABLE

<u>District</u>	<u>Total Budget</u>	<u>Total Labor Cost</u>	<u>Total # of Classroom Teachers</u>	<u>Last Raise</u>	<u>Step Increase Cost</u>	<u>Sick Days Used</u>	<u>Sick/Personal Leave Cost</u>	<u>Substitutes</u>	<u>Severance</u>
Cincinnati	\$467 million	\$159 million	1,353	2%	\$3,000,021	n/a	\$7,523,480	n/a	\$4,645,579
Forest Hills	\$74,842,000	\$62,149,000	327	2.75%	n/a	3,485	\$1,524,294	\$558,543	n/a
Kings	\$36,940,000	\$28 million	165	n/a	\$1.5 million	n/a	n/a	\$250,000	\$80,000
Madeira*	\$15,530,772	\$11,918,764	75	2%	\$128,000	n/a	n/a	\$78,000	\$74,618
Mariemont*	\$21,375,903	\$11,671,520	89	2%	\$130,000	1,090	\$369,640	\$87,200	\$95,352
Mason	\$97,687,904	\$61,225,384	471	2.5%	"not tracked"	5,659	n/a	\$1,063,797	\$139,254
North College Hill	\$23,403,735	\$11,370,898	67	1.75%	\$148,564	735	n/a	\$62,482	\$43,764
Oak Hills	\$64.2 million	\$54.9 million	308	2%	\$800,000	4,187	\$1,656,364	\$851,118	\$428,450
Reading	\$16,214,303	\$8,667,624	68	2%	\$153,000	555.5	"does not track"	\$86,949	\$155,808
Sycamore	n/a	n/a	279	n/a	~\$814,478	n/a	n/a	\$779,440	\$279,079
West Clermont	\$82,771,494	"unknown"	368	n/a	(\$720,599)	3,925	"unknown"	~\$325,775	\$380,705

\*denotes non-union district

<u>Provided minimal or no information</u>
Indian Hill
Lakota
Little Miami
Loveland
Mount Healthy
Northwest
Princeton
Wyoming

## **INTRODUCTION**

Across the U.S., state governments have been dealing with huge budget deficits caused by dwindling tax revenues and systemic spending problems. As a result, many have been forced to cut millions of dollars in state aid to K-12 public school districts.

Those cuts have left local school boards and administrators with few options, except to cut staff, increase class sizes and cancel student programs. Thousands of layoff notices have already gone out to teachers and other public school staff members, informing them their employment may be terminated at the end of the current academic year.

Many officials, including school administrators and teachers union leaders, are calling for various types of tax increases to help fill the gap in school funding. Despite the depressed condition of the business community and widespread unemployment, they argue that the only way to save our schools from financial disaster is to go back for another dip in the taxpayer well.

But the fact is that there are other logical options that could be pursued to help public school districts fill in their budget gaps. The most obvious option is cutting labor costs, particularly those that are written into local collective bargaining agreements with teachers unions.

While the terms of union labor contracts have long been considered untouchable, the time for that kind of thinking is past. Our public schools are struggling to stay afloat financially, and large percentages of their operating budgets are dedicated to labor costs. While many people don't realize it, there are many stipulations written into average local teacher contracts that force districts to spend a lot more than they otherwise would.

Annual step raises for all teachers, a generous number of paid sick and personal days, reimbursement for unused sick and personal days, health insurance costs and overage pay for teachers with slightly larger class sizes cost districts millions of dollars.

Across the nation, many school boards have turned to their local teachers unions for help, asking to renegotiate the most expensive sections of labor contracts. Some unions have cooperated and accepted concessions, but many others have declined, usually at the advice of their state leadership.

But the simple fact is that there are enough potential savings in most local teachers' contracts to help districts survive the current funding crisis. The mainstream media has not done a very thorough job of identifying the costs associated with teacher contracts and how districts might benefit from union concessions.

With several millage elections coming up in Southwest Ohio, we at the Education Action Group Foundation spent the last few weeks studying a sampling of teacher contracts from the

region, to identify areas that districts could save money if the unions would agree to renegotiate some terms.

We're not suggesting that reworked teacher contracts alone will produce enough revenue to save our schools in the long run, but we strongly argue that the potential savings could go a long way toward keeping a few more teachers on the job and a few more academic and extracurricular programs in place during this difficult financial period.

Let's look at a quick breakdown of some contract-related costs in the 2008-09 academic year for one district in our study – Oak Hills.

- \$3.9 million health insurance for teachers
- \$1.6 million sick and personal days
- \$851,118 for substitute teachers
- \$800,000 step raises
- \$428,450 reimbursement for unused sick days
- \$495,846 supplemental costs
- \$37,000 for teachers substituting during their down time
- \$1,000 for an early retirement bonus

If teachers had taken responsibility for another 10 percent of their health premiums, the district could have saved nearly \$400,000. If the 18 paid sick/personal days had been cut in half, the district might have saved \$800,000. Cutting the number of paid sick/personal days might have also trimmed about \$400,000 in substitute teacher fees. If step raises had been cut in half for a year, the district could have saved \$400,000. Cutting supplemental costs and stipends in half would have saved about \$240,000. Cutting the reimbursement for unused sick days in half would have saved about \$214,000. Forcing teachers to occasionally sub on their down time without extra pay would have saved \$37,000.

A conservative estimate is that the Oak Hills district could have saved about **\$2.5 million** in 2008-09, if the school board and union had agreed to sit down and cut labor costs, at least on an emergency basis. That may not be a fortune in school operation terms, but taxpayers probably would have liked to know that the district was doing everything possible to trim unnecessary costs, instead of just asking for more money from the cash-strapped public.

The following pages provide an easy-to-read synopsis of some of our findings. We hope our work will encourage Ohio residents and journalists to dig deeper into labor costs in their local school districts, and learn how schools could operate more efficiently if they weren't burdened with so many contractual responsibilities.

## **ANNUAL, AUTOMATIC STEP RAISES**

One of the most common complaints you hear from teachers unions is that they “haven’t had a raise in (fill in the blank) years.” By that, they mean a general percentage raise. In fact,

every school in this study, and most public schools across the nation, have automatic, annual “step” raises built into their teacher contracts.

Under the “step” system, which is based on nothing but service time and level of college degree, teacher salaries increase significantly over their first few decades of service. The basic salary scale is based on having a Bachelors degree, but Ohio law stipulates that teachers must have a Masters degree by their 14<sup>th</sup> year of service. The Masters scale in school contracts calls for higher salaries than the Bachelors scale.

When a school board does grant an across-the-board salary increase of 2 or 3 percent, like several area districts did in recent years, all of the steps in the various pay scales increase by that percentage.

Most districts only require a teacher to work a minimum of 120 days per year to move up the step pay scale the next year.

Annual, automatic step raises generally create significantly higher payroll expenses for school districts every year.

**READING** - In this small district, the Bachelors salary scale extends from \$36,190 to \$55,009 (tenth year) and \$68,317 (27<sup>th</sup> year). The Masters scale starts at \$41,619 and jumps to \$63,224 (tenth year) and \$76,637 (27<sup>th</sup> year). The top of the pay scale in Reading is \$80,763, which is for teachers with a Masters degree plus 45 credit hours in their 27<sup>th</sup> year.

This year’s step increases at Reading, which has only about 70 teachers, cost the district an extra **\$153,000**.

**NORTH COLLEGE HILL** – In this district of roughly 70 regular classroom teachers, the Bachelors salary scale starts at \$34,390 and extends to \$63,314 (23<sup>rd</sup> year). The Masters scale begins at \$38,379 and runs to \$73,287 (23<sup>rd</sup> year). Teachers with a Masters plus 20 credit hours, and 23 years of experience, top out the scale at \$75,284.

This year step increases will cost the district an additional **\$148,564**.

**OAK HILLS** - The Bachelors scale extends from \$36,963 to \$65,424 (12<sup>th</sup> year) and \$70,230 (25<sup>th</sup> year). The Masters scale jumps from \$41,768 to \$75,774 in the 25h year. The top of the scale, which is Masters plus 30 after 25 years, is \$83,167. See Example 1 on the next page.

This year step increases cost the district an additional **\$800,000**.

EXAMPLE 1

OAK HILLS LOCAL SCHOOL DISTRICT										
<b>TEACHERS' SALARY SCHEDULE</b>										
Effective July 1, 2009										
Yrs. Esp.	Index	Class II Bach.	Index	Class III 150 Hrs	Index	Class IV Masters	Index	Class V M+15	Index	Class VI M+30
0	1.0000	36,963	1.0600	39,181	1.1300	41,768	1.1800	43,616	1.2300	45,464
1	1.0900	40,290	1.1100	41,029	1.1900	43,986	1.2300	45,464	1.2800	47,313
2	1.1400	42,138	1.1600	42,877	1.2400	45,834	1.2899	47,679	1.3400	49,530
3	1.1900	43,986	1.2200	45,095	1.2899	47,679	1.3400	49,530	1.3900	51,379
4	1.2400	45,834	1.2700	46,943	1.3400	49,530	1.3900	51,379	1.4400	53,227
5	1.2899	47,679	1.3200	48,791	1.3900	51,379	1.4400	53,227	1.4900	55,075
6	1.3499	49,896	1.3700	50,639	1.4400	53,227	1.4900	55,075	1.5400	56,923
7	1.4000	51,748	1.4200	52,487	1.5000	55,444	1.5500	57,293	1.5900	58,771
8	1.5000	55,444	1.5200	56,184	1.6000	59,141	1.6500	60,989	1.7000	62,837
9	1.5500	57,293	1.5700	58,032	1.6500	60,989	1.7000	62,837	1.7500	64,685
10	1.6000	59,141	1.6200	59,880	1.7000	62,837	1.7500	64,685	1.8000	66,533
11	1.6500	60,989	1.6700	61,728	1.7500	64,685	1.8000	66,533	1.8500	68,382
12	1.7500	64,685	1.7700	65,424	1.8500	68,382	1.9000	70,230	1.9500	72,078

**KINGS** – The Bachelors scale extends from \$37,861 to \$73,300 (29<sup>th</sup> year). The Masters scale extends from \$41,799 to \$79,585 (29<sup>th</sup> year). The top of the scale, with a Masters plus 20 credit hours, is \$81,554.

Step increases cost the district an extra **\$200,000** this year.

**MARIEMONT** – The Bachelors scale extends from \$36,468 to \$59,551 (12<sup>th</sup> year). The Masters scale extends from \$41,241 to \$77,127 (27<sup>th</sup> year). The top of the scale, with a Masters plus 30 credit hours and 27 years in the district, is \$82,595.

Mariemont's payroll increased **\$130,000** this year due to step increases.

**CINCINNATI** – The Bachelors scale extends from \$36,905 to \$71,520 (27<sup>th</sup> year). The Masters scale extends from \$40,608 to \$77,317 (27<sup>th</sup> year). The top of the scale, which requires a doctorate, pays \$83,454.

The district's payroll is expected to increase by just over **\$3 million** during the 2010-11 school year.

**SYCAMORE** – The Bachelors scale extends from \$38,145 to \$68,646 (25<sup>th</sup> year). The Masters scale extends from \$39,841 to \$84,732 (25<sup>th</sup> year). The top of the scale, with a Masters plus 45 credit hours, is \$87,645.

The district's payroll is expected to increase by **\$814,478** this year.

**INDIAN HILL** – On top of normal step raises, the contract stipulates an “annual service bonus” of \$1,350 for teachers with 15-19 years of service; \$1,675 for 20-24 years; \$2,000 for 25-29 years and \$2,325 for 30 or more years.

The district paid out **\$70,468** for this benefit in the 2008-09 school year.

In the current financial crisis, an argument could be made in just about any school district to freeze step increases for a year or two, or even cut them in half, particularly if the money saved could help avoid the layoff of several teachers.

## **PAID SICK DAYS/PERSONAL DAYS**

Ohio state law automatically creates a great expense for schools by allowing public school teachers up to 15 paid sick days per year. Local school boards typically compound that cost by giving teachers three paid personal days per year, to use for any reason. A few districts only offer two personal days, but several we studied offered four.

For the majority of districts, teachers can take as many as 18 paid days off during the academic year, which typically involves 185 work days. That means they are free to take nearly 10 percent of their work year off with pay. In many districts unused personal days can be converted to unused sick days.

Several scholars around the nation have studied this trend in recent years, and have come to the conclusion that many teachers view paid sick and personal days as opportunities that should be taken. That means many take all or most of their paid days off, creating significant expense for schools, both in regular salary for days not worked, as well as the cost of substitute teachers.

**CINCINNATI** – This large metropolitan district allows three paid personal days along with the legally-stipulated 15 paid sick days. Teachers with at least 96 percent attendance during the school year also get one extra day of accumulated sick leave at the end of a school year. See Example 2 below.

The district, which has more than 1,300 teachers, paid out more than **\$7.5 million** in sick and personal day salary to teachers in the 2008-09 school year. The exact number of paid sick/personal days taken and the amount paid for substitute teachers was unavailable.

### **EXAMPLE 2**

d. Attendance Incentive

Any teacher who has 96 percent overall attendance for a school year shall have 1 day of sick leave added to his/her accumulated sick leave at the end of the school year. For this purpose, only absence due to sick leave or leave without pay shall be included in calculating the teacher's attendance rate.

**OAK HILLS** – This district also offers the 15 paid sick days plus three paid personal days. The district reported having **4,187** sick days taken by approximately 300 teachers, which means the staff averaged 12 or 13 days per teacher. The district paid out more than **\$1.6 million** in salary for sick and personal days last year, and **\$851,118** for substitute teachers.

**MASON** – Teachers in the district receive 15 paid sick days and three personal days. This district does not track the amount paid out for teachers' sick or personal leave, but reported that teachers took **5,659** sick or personal leave days in the 2008-09 school year. With 471 regular classroom teachers, educators at Mason averaged about 12 sick or personal days in the 185-day work year. The district also paid **\$1,063,797** for substitutes in 2008-09.

**FOREST HILLS** – This district offers 15 paid sick days, plus four personal days every academic year. In the 2008-09 school year, its teaching staff, with approximately 330 members, took **3,485** sick days, which averages about 11 apiece. The district paid out more than **\$1.8 million** in salary for sick and personal days, and paid **\$558,543** for substitutes.

**WEST CLERMONT** – This district offers the same 15 sick days/3 personal days policy. While district officials answered "unknown" when asked the amount of salary paid out for sick and personal days, they reported that their staff of approximately 375 teachers took **3,925** sick days in 2008-09, which averages more than 10 days per teacher. At the district's average substitute rate of \$83 per day, West Clermont paid out approximately **\$325,775** in substitute fees in 2008-09.

**SYCAMORE** – This district's teachers are also granted 15 sick days per year, and can accumulate up to 325. Sycamore teachers also get four personal days per year. In 2008-09, the district paid out **\$779,440** for substitutes to cover teacher leave.

**INDIAN HILL** – While few financial statistics were available for this district, it has one of the more generous paid leave policies we found. Indian Hill teachers get the normal 15 sick days and three personal days, as well as 3-5 paid days for the death of a family member, up to seven days for professional development (with the district picking up travel costs), and up to one year sabbatical (with at least five years experience) with the pay equaling one-third of current salary or the difference between their salary and their replacement's salary.

Schools could save a great deal of money if the state would lower the mandatory number of paid sick days, and contracts did not grant as many paid personal days. There is strong evidence that if districts continue to offer these days, teachers will use most of them.

### **SEVERENCE PAY (UNUSED SICK DAYS)**

In an attempt to convince teachers to report to work as much as possible, every contract we reviewed allowed teachers to accumulate unused sick days, usually up to several hundred, and sometimes with no limit. When they retire, they are allowed to cash out a fraction of their

unused sick days as severance pay. The severance is usually based on last and highest salary, which means a teacher could have banked a sick day in 1985, then get reimbursed at his current wage level. These payout costs are significant for districts every year.

**OAK HILLS** – When they leave the district teachers are paid for 25 percent of their unused sick days, up to 63 days. Those who retire with the maximum number of unused sick days can also claim an extra three unused sick days. The district reported paying out **\$428,450** in this category after the 2008-09 school year.

**CINCINNATI** – Teachers hired before May 27, 2004 can accumulate an unlimited number of unused sick days and be reimbursed for half of them at their final rate of pay. Teachers hired after that date can be reimbursed for a quarter of their unused sick days at their final rate of pay. The district paid out more than **\$4.6 million** in this category after the 2008-09 school year.

**MARIEMONT** – Teachers in this district are paid 27 percent of their unused, accumulated sick leave when they retire. The district paid **\$95,352** in this category for the 2008-09 school year.

**WEST CLERMONT** – Teachers can claim one-fourth of their accumulated unused sick time, up to a maximum of 62 days. The district paid out **\$380,705** in this category following the 2008-09 school year. See Example 3.

**EXAMPLE 3**

<b>15.03</b>	<b><u>SEVERANCE PAY</u></b>
15.0301	A member who is employed in the District, and upon leaving the employ of the District, retires and participates in the State Teachers Retirement System, State of Ohio, shall receive severance pay in an amount equal to one-fourth (1/4) of the member's accumulated but unused sick leave to sixty (60) days in 2007-2008 and sixty-two (62) days in 2008-2009.

**READING** – Teachers can claim up to one-fourth of unused sick days, up to 68 days. Those that have accumulated the maximum number of 272 unused sick days can be reimbursed for one-fourth of the value of 72 days. The district paid out **\$155,808** in this category following the 2008-09 school year.

**SYCAMORE** – Teachers can claim one-third of unused sick days at their rate of pay upon retirement. Teachers can accumulate up to 325 unused sick days. The district paid **\$279,079** for this benefit for the 2008-09 school year.

**MASON** – Teachers with at least a decade of service with the district can claim a quarter of their unused sick days at their rate of pay upon retirement, up to a maximum of 60 days. Mason paid out **\$139,254** for this benefit at the conclusion of the 2008-09 school year. A second benefit allows teachers to cash out their unused personal days at the end of each school year at the substitute rate of pay. The district paid **\$31,965** for that benefit last year.

Given the severity of the financial crisis, an argument could be made that school districts should be able to waive these costs for a year or two, lower the percentage paid to retiring teachers for unused sick days, or at least postpone the payments until the crisis has passed.

## HEALTH INSURANCE

There's no argument that the skyrocketing cost of health care and insurance has been crippling schools throughout the nation. But teachers' contracts consistently call for the district to pay around 90 percent of individual teachers' health care coverage. These costs put a significant dent in a school district's budget.

**KINGS** – The district pays 85 percent of health insurance premiums for employers who work more than 18.75 hours per week. Employee co-pays range from \$10 for certain prescriptions to \$75 for emergency room visits. The district paid **\$2.4 million** for health coverage in 2008-09.

**LAKOTA** – Three different health plans offered and the district pays between 88 and 90 percent of premium costs. The district paid **\$8.9 million** for health coverage in 2008-09. See Example 4 below.

### EXAMPLE 4

ARTICLE XV - INSURANCES		
15.01 Health Care		
15.0101	The Board shall provide the plan(s) offered by the Butler Health Plan (medical and dental).	
15.0102	The Board will provide health insurance programs, as follows, with the following Board-employee contribution rates, effective September 1, 2009:	
Plan	2008-2009	2009-2010
Basic	90/10	90/10
Choice	90/10	89/11
Classic	90/10	88/12

**OAK HILLS** – The school board pays 90 percent of a teacher's single, double or family health benefit. The district paid out slightly more than **\$3.9 million** for health coverage in 2008-09.

**INDIAN HILL** – Board provides PPO and HMO plans and covers 85 percent of premium costs. The district paid **\$1.8 million** for health care coverage in 2008-09.

It's obvious that districts could save a great deal of money if teachers and other employees accepted responsibility for an extra 10-15 percent of their health care premiums, at least on a temporary basis.

## **ASSOCIATION LEAVE TIME**

Many school districts are in the habit of granting at least a few paid days off to teachers union officials to conduct union business throughout the school year. In some of the contracts we examined, only a few days are granted. But other districts grant 10 or more paid days off per year for union business, and a few allow a significant time of paid leave all year long for union presidents. In a couple instances, the union must reimburse the district for some of the costs associated with union leave time, but in most cases the districts pick up the tab, including the expense of substitute teachers.

**LAKOTA** – The union president is granted one-half leave time, meaning that person teaches only a part-time schedule and gets the rest of the day off to conduct union business. One of the president’s school hours is a planning hour without students. The president is also granted a “home base” location within a building and access to all communication systems in the district.

The union reimburses the school board for a quarter of the president’s salary and fringe benefits at the first step of the Bachelor’s scale. The district covers the cost of finding a teacher to cover the non-teaching half of the president’s schedule. In the 2008-09 school year, the Lakota district spent about **\$48,000** on salary and benefits for the president, while the union reimbursed the district just over **\$10,000**.

**OAK HILLS** – Union designees get a collective total of 25 days with pay and fringe benefits to conduct union business. No reimbursement from the union is called for in the contract. In 2008-09 this benefit cost the district about **\$2,500**.

**WEST CLERMONT** – Union designees get a collective total of 18 days with pay and fringe benefits, with no reimbursement from the union. Another seven days are available if the union agrees to cover the cost of a substitute teacher. The district answered “unknown” when asked how much this policy cost in the last full school year.

**PRINCETON** – The district grants union designees up to 30 cumulative paid days off to attend union conferences, meetings or conventions. Unused leave time can accrue up to a maximum of 40 days. The cost is covered by the district. School officials declined to provide the amount this policy cost the district last year, or any other financial information.

**NORTHWEST** – The union gets a collective total of 29 days of release time each year with pay and benefits. The union is only required to reimburse the district for the last four days. Additionally, teachers who are delegates to OEA conventions get a collective 20 days per year with pay and benefits. No dollar figures available on the cost of this policy. See Example 5 on the next page.

EXAMPLE 5

<b>3.14</b>	<b>LEAVE</b>
3.1401	The Association shall be granted the right of the President of the Association or his/her designee to receive upon his/her written request to the Personnel

	Administrator twenty-five (25) days leave without loss of pay each school year to attend to Association business. Additional days, not to exceed four (4) days leave each school year, shall be granted for such purposes at no loss in pay provided the Association reimburses the Board for the cost of substitutes.
3.1402	When the Association is a participant in a grievance hearing, court hearing, or impasse hearing, three (3) members or fewer as requested in writing by the Association President or his/her designee, shall be granted released time without loss of pay to attend each session of each hearing when the hearings are conducted during the member workday.
3.1403	All requests for said leave shall be made, in writing, to the Personnel Administrator by the Association President or his/her designee.
3.1404	Each elected delegate or alternate to the bi-annual OEA conventions shall be granted two (2) days without loss of pay for actual attendance at these conventions each school year to a collective maximum of twenty (20) days. The Association President or his/her designee shall send written notification of the members attending the OEA conventions to the Personnel Administrator.

**FOREST HILLS** – The union gets a total of 14 paid days off for designees to conduct union business. The cost is covered by the district. No dollar figure is available on the cost to the district.

A case could be made that unions, which collect dues and have their own budgets, should pay their own officials, rather than counting on taxpayers to subsidize their activities on school time. In the current economic climate, many taxpayers would probably object to the idea of paying a union president a full-time salary and benefits for only teaching part-time.

## **SUPPLEMENTAL CONTRACTS/STIPENDS/BONUSES**

Every school district pays out a significant amount of money for supplemental costs, like salaries for athletic coaches or student group advisors, teacher tuition reimbursements, or stipends for teachers to serve on special committees or perform extra functions like being a department chair or tutor.

**CINCINNATI** – The district pays out a great deal of money for hundreds of extracurricular positions, like athletic director (\$5,737), varsity football coach (\$5,096), varsity basketball coach (\$4,144) band director (\$3,114), choral director (\$662) and test coordinator (\$934). The contract also stipulates that the district set aside \$150,000 per year for “summer professional

development opportunities” for teachers. Teacher evaluators get \$3,000 per year, teachers can receive \$2,000 per year as a professional development incentive, and the board allocates \$1.1 million per year for “Career in Teaching” program. Teachers with 100 hours of “in-service instruction” get \$750, then \$250 for each additional 100 hours. New teachers in “identified need areas” like science get extra \$2,000 per year for first three years.

The district paid out **\$5.3 million** in supplemental contracts and **\$2.4 million** in stipend pay in the 2008-09 school year.

**KINGS** – Besides coaches and advisors, a sampling of extra payments stipulated in the contract include \$1,000 for teachers who announce their retirement early, a \$1,500 bonus each year for up to five years for teachers who attain “national board certification,” \$1,200 per year for serving on a local professional development committee, \$1,500 for being a high school department chair and \$1,500 per year for being a lead tutor. A total of \$45,000 is set aside by the board each year for teacher tuition reimbursement.

The district reported paying out **\$545,000** for special contracts and stipends on 2008-09.

**OAK HILLS** – The contract calls for many extra payments, including \$1,109 to \$1,286 to be a “grade core leader,” \$544 to \$1681 to be a building subject coordinator, \$544 to \$631 to be a safety patrol, \$500 to be a peer coach and \$25 to belong to a local development committee.

The district reported paying out **\$495,846** in supplemental contracts and stipends in the 2008-09 school year.

An argument could easily be made that teachers could get by without receiving so many extra payments for various functions. Millions of dollars could be saved in this general category.

## **ODDS AND ENDS**

**CLASSROOM OVERAGES** – Many districts have contract language stipulating the maximum class size for each grade level, and call for some type of action to correct the situation if those numbers are violated. While most district contracts don’t call for financial penalties, the **Cincinnati** district must pay teachers \$135 for every extra student beyond the negotiated number in a classroom. The district paid out **\$115,935** under this category in the 2008-09 school year.

**SUBSTITUTE PAY FOR DOWN-TIME TEACHERS** – When teachers are forced to cover for another teacher during their down periods: **Oak Hills** (\$25 per hour) paid **\$37,089** under this policy in the 2008-09 academic year. **Forest Hills** (\$15.42 per hour) paid out **\$4,564**. **Mariemont** paid their staff teachers **\$1,170** to substitute in 2008-09. Other examples, without actual dollar figures, are **Kings** (\$25 per hour) and **Loveland** (\$14 per hour, allowed to refuse assignment). See Example 6 on the next page.

EXAMPLE 6

**ARTICLE 16 — SUBSTITUTES**

- A. The Board shall attempt to provide substitutes for all teachers.
- B. A teacher agreeing to substitute for an absent teacher during his/her preparation period or whose special is cancelled resulting in a loss of planning time shall be paid twenty-five (\$25.00) dollars for each incident that he/she accepts such duty.

**PROFESSIONAL LEAVE** – The **Forest Hills** district paid out **\$166,029** in 2008-09 for teachers to take paid leave for various functions, including union conferences. The **Mason** school district reimbursed teachers **\$75,000** last year to attend conventions, conferences or seminars, including union events. **Mariemont** doesn't have a union, but paid out **\$11,738** for professional leave.

**EARLY RETIREMENT/ EARLY NOTICE OF RETIREMENT** – **Oak Hills** (\$1,000 early notice) paid out **\$6,000 last year**. Other examples are **Kings** (\$1,000 early notice), **Loveland** (teachers retiring in first year of eligibility get \$8,000); **Reading** (\$1,000 early notice); **Kings** (\$1,000 early notice).

**TEACHER TUITION REIMBURSEMENT** – **Forest Hills** (up to \$1,500 per year per teacher); **Indian Hill** (up to four semester hours per school year); **Kings** (\$45,000 per year set aside); **Loveland** (up to three credit hours per teacher per year).

**PAID SABBATICALS** – Examples include **Indian Hill**, **Mount Healthy**, **Loveland** (teachers with at least five years can take up to a year for professional growth with one-third of salary or difference between salary and substitute rate).

**NATIONAL BOARD CERTIFICATION** – **Kings** (\$1,500 per year up to five years for teachers with certification). The **Kings** district paid **\$13,500** for that program in 2008-09. **Loveland** (\$1,000 per year with no limit); **Mason** (\$2,500 per teacher per year with no limit). The **Mason** school district paid out **\$67,000** for this policy in 2008-09.

**CLOSED NEGOTIATION CLAUSES** – Several districts have contract language stipulating that details pertaining to contract negotiations not be released to the public, despite the fact that they are negotiating over tax money. They include **Kings**, **Mason** and **West Clermont**. See Example 7 from the **West Clermont** contract below.

EXAMPLE 7

3.06

**NEWS RELEASES**

No information pertinent to matters then under negotiations shall be given or released to the news media or general public during negotiations and prior to the declaration of impasse without the mutual consent of the parties. Once a declaration of impasse has been made, either party may make whatever news releases it deems appropriate without the consent of the other.

**FORGIVING DRUG POLICY** – In the **Sycamore** district, teachers are not allowed to “unlawfully manufacture, distribute, dispense, possess or use” illegal drugs or alcohol. If they violate this policy, they are expected to “satisfactorily participate in a drug abuse assistance or rehabilitation program.” This suggests that a teacher could sell drugs to a student and avoid termination if they agreed to treatment.

**PRIORITY PLACED ON UNION CONVENTIONS** – In Cincinnati, the contract stipulates when and how many teachers are allowed release time for Federation conferences and conventions. See Example 8 below.

**EXAMPLE 8**

Conference leave shall not be granted during the first week of the school year unless the Federation’s national convention is scheduled that week.

So if an American Federation of Teachers convention is called, some teachers would be allowed to miss the first week of school.

**NON-UNION SCHOOLS** – **Madeira**, a non-union school, paid six figures (\$128,000) for salary step increases from 2008-09 to 2009-10. **Mariemont**, the other non-unionized school in this analysis, paid \$130,000 in step increases for the same timeframe. That’s in line with most union schools. Those districts also must abide by the state law giving teachers 15 sick days per year, which helps explain the \$78,000 and \$87,200 in substitute costs incurred by Madeira and Mariemont respectively last year. The districts do not offer association leave time (no union), overage payments for class sizes, early retirement bonuses, national accreditation bonuses or attendance bonuses.

**CLOSING NOTE**

In the course of our study, we contacted officials at all 19 districts, asking for actual financial statistics to illustrate the costs of various teacher contract provisions. While they had more than three weeks to respond, just over half of them did so. We very much appreciate the cooperation of the school officials who took the time to provide us with valuable information.

Even without a full response, it’s clear from the information we gathered that school districts in Southwest Ohio could be run more cost efficiently if there was a joint commitment from school boards, administrators and teachers unions to do so.



## **About the Organization**

Education Action Group Foundation, Inc. is a Michigan-based 501(c)(3) public charity. It has been researching and promoting school spending reform for nearly three years. A similar analysis of Michigan teacher contract was conducted in the winter of 2010.

Originally focused solely on Michigan schools, EAGF has since also begun analyzing school spending across the nation. The organization also publishes several websites, including NEAexposed.com and AFTexposed.com, two weekly newsletters, the EAG Insider (Michigan) and the Ed Reform Radar (national). The websites and newsletters focus on the agenda and tactics of the national teachers' unions.

EAGF is currently producing a feature-length documentary film on American public education, focusing on Michigan, Indiana and Illinois.

This project was funded by The Foundation for Educational Choice of Indianapolis, Indiana.