

GOVERNING BOARD AGENDA ITEM AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10

DATE OF MEETING: January 25, 2022

TITLE: Approval of Contract Forms for 2022-2023 Fiscal Year; Direction to

Administration to Issue Appropriate Contracts to Renewing Contracted Staff; and Modification of Previously Approved Retention Stipend Amounts for Returning

Employees to be 4% in FY 2022-2023 and 5% in FY 2023-2024.

BACKGROUND:

General Information about Employee Contracts

Amphitheater Public Schools typically issues employment contracts to returning certificated, professional and administrative personnel in April. The meet and confer process completes in March to enable the Governing Board to approve a compensation plan for the following fiscal year in April. Employment contracts generally issue after that April meeting.

Employees prefer this timeline because it enables them to know the precise salary being offered to them with the offer of contract. Administration has generally honored this preference for employees, although there were some years when offers of contract issued before the Governing Board approved the compensation package for the following fiscal year. Those years, while few and far between, were necessitated by delays in the state's approval of an educational budget or extended meet and confer committee discussions. In those years, contracts had to be issued before the Governing Board had approved a compensation plan; otherwise, the school year would have ended and staff left without any written guarantee of employment in the following school year.

Important Term Contained in All Employee Contracts

For this reason, a term is included in all employee contracts that enables contracts to be issued before the final compensation plan for the contract period is approved by the Governing Board. This term has been included in employee contracts for several year now. It guarantees to pay the employee the <u>minimum</u> salary identified in the contract <u>plus</u> any compensation increase <u>subsequently</u> <u>approved</u> by the Governing Board as part of the compensation package for that contract period. Specifically, the relevant contract term says:

District is providing this contract to [EMPLOYEE] to confirm [EMPLOYEE]'s appointment for the 2022-2023 school year. [EMPLOYEE] understands that the District has used [EMPLOYEE]'s current salary, or if new to the District, the approved [EMPLOYEE] starting salary for the 2021-2022 fiscal year, here to enable the parties to confirm employment before the Governing Board approves the 2022-2023 employment compensation package. The parties intend, however, that the [EMPLOYEE] salary for this contract be the amount approved for [EMPLOYEE] by the Governing Board as part of the 2022-2023 compensation package and that said amount shall not be less than the salary stated above for [EMPLOYEE]'s full-time employment for the 2022-2023 fiscal year. In the event there is a difference between the salary amount stated here and the amount approved by the Governing Board to be paid as salary to

[EMPLOYEE], then the amount approved by the Governing Board shall govern. [EMPLOYEE] will not be mandated to file additional paperwork/amendment to receive the additional monies as these sums will be automatically directed to [EMPLOYEE] in accordance with this contract.

It is important to know this contract term is there. It will be important this year because offers of contract will be made in February instead of April. This term will enable employees to accept their contracts before the Governing Board has approved an employee compensation package for FY 2022-2023 because it provides the employee with an offer of employment that includes:

- 1. Written confirmation of the minimum salary that they will earn during the contract term, plus
- 2. A written guarantee that the employee will be paid <u>more *if*</u> the Governing Board <u>subsequently</u> approves a compensation increase for the employee as part of the FY 2022-2023 compensation plan.

This term has been employed successfully several times in the past to enable compensation increases for teachers. This is because the term demonstrates a clear intent by the parties to the contract that the salary include any compensation increases permitted through a subsequent Board-approved compensation package. Most recently, the term was used to pay \$1,000 or \$500 longevity stipends to veteran teachers in FY 2019-2020 which were approved after the school year ended and the teachers had already accepted their contracts.

Explanation Why Offers of Contract Will be Made in February This Year

This year more than ever, the District felt the effects of the decade-long national teacher shortage. Schools started the year with teacher vacancies. Classes were closed after school started because the teachers could not be located to teach those classes. This required students to be reassigned and existing teaching staff to work harder to assist those students to adjust to their new classes. The inability to fill teacher vacancies negatively impacts students, staff, and schools.

Efforts to fill vacancies before school started last August were further thwarted by the new summer school program added at every school site last year. In addition to hiring for next school year, school administrators and Human Resource personnel worked faster and longer in the normal spring/summer busy "hiring" season to advertise positions, interview candidates, hire summer school employees and supervise new summer school programs after an already exhausting 2020-2021 school year. The number of employees processed through the Human Resources Department increased exponentially last spring and summer as a result of the new summer school programs. The District's Human Resources Department operates with only 3 HR Specialists.

The spring and summer months are historically the busiest for the Human Resources Department as they process employees and new hires to be ready for the following school year. Last April - August, school administrators and Human Resource personnel had no choice but to work harder and faster, sometimes at dangerously heighted stress levels, to process all of the employees and new hires for the summer school programs and the current school year. This happened because the federal Elementary and Secondary School Emergency Relief (ESSER) funds were provided to the District last into the year last fiscal year so Administration had little time for planning and processing for the new summer programs.

This year, the District made the decision early to continue to offer those summer programs, which has provided more time to plan and organize the hiring processes for FY 2022-2023 as well. Cognizant of how many employees will be needed for the summer programs and how difficult it is to hire teachers after school starts, contracts for returning employees will be offered in February this year to enable school administrators to better know their hiring needs for next school year before the end of February. This will enable school administrators

to be proactive to fill vacancies early and use spring job fairs to their advantage. This should put schools in the advantage of being able to start the school year with a full staff, to be able to decrease the amount of pressure currently being experienced by teachers as the District continues to return to pre-pandemic traditions.

Retention Stipend Term Contained Only in Returning Employee Contracts

As an incentive to accept their offer of contract, a term is also included in all returning employee contracts that authorizes a 4% retention stipend for FY 2022-2023. The term states:

"[EMPLOYEE] shall also qualify for the additional 2022-2023 stipend approved by the Governing Board that is equivalent to 4% of [EMPLOYEE]'s projected annual pay, to be calculated on the basis of [EMPLOYEE]'s projected base daily rate of pay multiplied by [EMPLOYEE]'s projected number of work days for the year. This stipend shall be over and above whatever base compensation terms are approved by the Governing Board for the 2022-2023 fiscal year."

Current employees who accept their offer of contract and remain with the District in FY 2022-2023 will qualify to receive the 4% retention stipend.

Proposed Forms of Contract Presented with This Agenda Item

Administration is presenting two (2) versions of each form of contract with this agenda item and recommends approval of both versions. The first version is for use with returning employees. It is identified in the title of each contract with the term "Returning Employee". If approved, the appropriate version of the "Returning Employee" contract will be issued to qualified employees who worked for the District as a permanent employee in FY 2021-2022 and return to work for the District in a contract eligible position in FY 2022-2023. All versions of the "Returning Employee" contracts include the 4% retention stipend term quoted in the section above.

The second version of the proposed contracts is for new to the District hires and it does not include the 4% retention stipend. It will be issued to people who are approved to be hired as a new employee into a contract eligible position in FY 2022-2023. These new hire versions include the term "New Hire" in the heading.

The proposed forms of contract for consideration by the Board are listed below. The contract version for use with returning employees is denoted with "RE" and the contract version for use with new hires is denoted with a "NH".

- RE Administrator 10 mos
- NH Administrator 10 mos
- RE Administrator 12 mos
- NH Administrator 12 mos
- RE Administrator ASRS Retiree Return to Work - 10mos
- NH Administrator ASRS Retiree Return to Work 10mos
- RE Administrator ASRS Retiree Return to Work - 12mos
- NH Administrator ASRS Retiree Return to Work 12mos
- RE Cabinet

- NH Cabinet
- RE Cabinet ASRS Retiree Return to Work
- NH Cabinet ASRS Retiree Return to Work
- RE Multi-Position Officer
- NH Multi-Position Officer
- RE Multi-Position Officer ASRS Retiree Return to Work
- NH Multi-Position Officer ASRS Retiree Return to Work
- RE PENT 10 mos
- NH PENT 10 mos

- RE PENT 12 mos
- NH PENT 12 mos
- RE PENT ASRS Retiree Return to Work 10 mos
- NH PENT ASRS Retiree Return to Work
 10 mos
- RE PENT ASRS Retiree Return to Work
 12 mos
- NH PENT ASRS Retiree Return to Work
 12 mos

- RE Teacher Part Time
- NH Teacher Part Time
- RE Teacher ASRS Retiree Return to Work
- NH Teacher ASRS Retiree Return to Work
- RE Teacher Short Term
- NH Teacher Short Term
- RE Teacher Standard
- NH Teacher Standard

These are the same forms of contract previously approved, with applicable dates changed as needed for FY 2022-2023 and the retention stipend set at 4% for returning employees, for all certificated, ASRS Retiree Return to Work teachers, professional and administrative staff.

Approval to Issue Contracts to Returning Employees

Through this agenda item, Administration also requests authority to issue the appropriate "Returning Employee" contract to all qualified employees who will continue their employment with the District next fiscal year. These include all employees currently in an employment contract with the District except: (1) short-term contract employees (this includes ASRS Retiree Return to Work contract employees), and (2) employees who have been approved to, or provided notice of intent to, separate this year. There is a different process in place for issuance of short-term contracts, including ASRS Retiree Return to Work contracts, which occurs later in the spring after staffing plans are finalized, but employees currently on a short-term or ASRS Retiree Return to Work contract should be assured that any contract issued to them for next year will include the 4% retention stipend provision in it as long as employment is continuous.

Once approved, Administration will arrange for the appropriate contract offer to be issued electronically to qualified returning employees through the District's enterprise resource planning (ERP) software named "Infinite Visions". A.R.S. § 15-381.01(B) permits contracts to be issued electronically, rather than printed and delivered via interoffice mail. Administration has successfully issued offers of contract electronically through iVisions for more than a year.

Electronic contracts are more efficient both for Human Resources and the recipient employee. Qualified employees will receive an email from the Human Resources Department that contains a link to their specific contract. The employee can access their specific contract, review and accept it electronically by selecting the "accept" option in iVisions, and print a copy for themselves. Employees no longer need to travel to the District's Administrative Offices to turn in a signed contract as in the past.

There is one caveat, which is that the iVisions contract template only provides a single signature line for the District. For this reason, the Governing Board delegated authority to the Governing Board President last year to sign approved employment contracts on behalf of the Board, as permitted by Arizona state law, so that iVisions could to issue contracts electronically. It is recommended that the Board delegate that same authority to the Governing Board President again this year so that iVisions can be utilized again for efficiency purposes.

Arizona Laws Governing Offer and Acceptance of Contracts

A.R.S. § 15-381.01 states:

"The teacher's acceptance of the contract must be indicated within fifteen business days from the date of the teacher's receipt of the written contract or the offer of a contract is revoked. Receipt under this subsection will be deemed to have occurred when the written contract is personally delivered, placed in the teacher's school provided mailbox, including electronic mail, or two days after being placed in a United States postal service mailbox. The teacher accepts the contract by signing the contract and returning it to the governing board or by making a written instrument that accepts the terms of the contract and delivering it to the governing board. If the written instrument includes terms in addition to the terms of the contract offered by the board, the teacher fails to accept the contract."

This means that offers of contracts need to be accepted within the requisite 15 business days to avoid the offer automatically expiring. The email provided with each offer of contract will clearly identify the deadline date and time for accepting the contract.

RECOMMENDATION:

Administration recommends that the Governing Board take the following actions regarding this agenda item:

- 1. Approve the forms of contract as presented for use with certificated, ASRS Retiree Returning to Work Teachers, professional, and administrative staff for Fiscal Year 2022-2023.
- 2. Delegate signatory authority for these forms of contract to the Governing Board President for the electronic issuance of contracts.
- 3. Amend the 3% retention stipend approved on April 13, 2021 to be 4% for FY 2022-2023 to be paid from the District's ESSER II funds for returning employees in all positions (classified, certificated, professional, and administrative) as well as for returning substitutes) and direct Administration to announce before any FY 2022-2023 employment contracts issue when that 4% retention stipend will be paid to returning employees and to returning substitutes.
- 4. Approve setting aside sufficient funds from the District's ESSER III funds for a similar 5% retention stipend to be issued to returning employees in FY 2023-2024, and direct that Administration present an agenda item to the Governing Board in FY 2022-2023, simultaneous with its request for approval of forms of contract for FY 2023-2024 agenda item, that permits the Governing Board to consider and approve the issuance of that 5% retention stipend at that time.
- 5. Direct that the appropriate form of contract, together with any compensation package approved for Fiscal Year 2022-2023, be issued to renewing (not short-term) members of certificated, professional, and administrative staff for Fiscal Year 2022-2023.

INITIATED BY:

Michelle H. Tong, J.D.,

Associate to the Superintendent and General Counsel

Date: January 23, 2022

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