

**POLICY:** 3.4 COMPENSATION AND BENEFITS  
**POLICY CATEGORY:** SUPERINTENDENT LIMITATIONS  
**PERIOD MONITORED:** May 13, 2013 – May 12, 2014  
**BOARD MEETING DATE:** May 12, 2014

This is my monitoring report on the Board of Education's Executive Limitation policy "Compensation and Benefits." I certify that the information contained in this report is true and complete, and presented in accordance with the routine monitoring report schedule. This report will monitor the policy starting at its more detailed prohibitions and end with the global prohibition.

A handwritten signature in black ink, reading "Michael F. Paskewicz". The signature is written in a cursive style with a large initial 'M' and 'P'.

Michael F. Paskewicz  
Superintendent

May 12, 2014

### **3.4.1 POLICY LANGUAGE**

The Superintendent shall not operate without written policies which clearly identify compensation and benefits for staff.

#### **INTERPRETATION:**

I interpret this *policy wording* to mean:

The Superintendent and administrative staff follow the wages and benefits stated in the respective master agreements or contracts of staff in the district.

#### **DATA REPORTED:**

Compensation and benefits are clearly defined in all negotiated agreements and contracts and have been approved by the Board of Education.

#### **CONCLUSION STATEMENT:**

The organization met expectations.

### **3.4.2 POLICY LANGUAGE**

The Superintendent shall not change his/her own compensation and/or benefits.

#### **INTERPRETATION:**

I interpret this *policy wording* to mean:

The Board of Education sets the annual compensation and benefits package for the Superintendent. The financial enhancements, in addition to base salary, do not exceed those received by other employees except as outlined in the employment contract executed by the Board and Superintendent.

#### **DATA REPORTED:**

I have not initiated any changes to my base salary and/or other financial enhancements outside of those outlined in the executed contract between myself and the Board of Education. Changes to the annual contract are initiated by the Assistant Superintendent of Business Services and reviewed for quality assurance by Payroll.

Further, our financial auditors and the Workers' Compensation auditors annually review the Superintendent's contract.

**CONCLUSION STATEMENT:**

The organization met expectations.

**3.4.3 POLICY LANGUAGE**

The Superintendent shall not promise or imply guaranteed employment.

**INTERPRETATION:**

I interpret this *policy wording* to mean:

Superintendent policies, Master Agreements and other employment related contracts do not contain language that indicates entitlement to employment beyond the current fiscal year, and provides for staff reduction as may be required.

**DATA REPORTED:**

Administrative – Employees within this classification are “year-to-year” (July 1 – June 30 or August 1 – July 31). Each employee within this classification is provided an updated contract on an annual basis.

Certified Staff – State statute outlines that all new teachers, regardless of their previous experience, are subject to non-renewal during the first five years of employment with the District. Upon completion of the probationary period, teachers are subject to Act 4 of 1937 and the Teacher Tenure Act PA 194 of 1999 and therefore, subject to dismissal only on statutory ground. The State School Code and the Master Agreement state that the removal of tenured staff may be made only for a reason that is not arbitrary or capricious.

In the case of a “staff reduction”, Administrative Guidelines equivalent to the former contract language related to the reduction of staff shall be used to implement the required reductions.

Support/Classified Staff – Reductions in force can be accomplished as outlined in the Master Agreement.

**CONCLUSION STATEMENT:**

The organization met expectations.

**3.4.4 POLICY LANGUAGE**

The Superintendent shall not ratify collective bargaining agreements.

**INTERPRETATION:**

I interpret this *policy wording* to mean:

The Superintendent or his/her designee may negotiate collective bargaining agreements with the respective units. Tentative agreements may be reached but final approval must be granted by the Board of Education.

**DATA REPORTED:**

A three-year agreement was reached with the Northview Education Association and was ratified by membership and the Board of Education on March 27, 2013. All other employee groups except Food Services reached agreements and were approved by the Board. Food Services contract was just extended.

**CONCLUSION STATEMENT:**

The organization met expectations.

**3.4.5 POLICY LANGUAGE**

The Superintendent shall not deviate from contractual agreements.

**INTERPRETATION:**

I interpret this *policy wording* to mean:

Formal grievances regarding the implementation of the negotiated agreements with employee groups are less than 1% of the total employee population or fewer than 4 formal grievances (429 employees).

**DATA REPORTED:**

No formal grievances were initiated during the monitoring period. One grievance from Transportation is currently being held until May 13, 2014 to allow time to see if a reasonable solution may be found.

**CONCLUSION STATEMENT:**

The organization met expectations.

**3.4.6 POLICY LANGUAGE**

The Superintendent shall not administer policies in an inconsistent or inequitable manner.

**INTERPRETATION:**

I interpret this *policy wording* to mean:

Fewer than four formal grievances are filed by employees related to inconsistent or inequitable administration of policies. This is .012% of the employee population.

**DATA REPORTED:**

No formal grievances have been filed.

**CONCLUSION STATEMENT:**

The organization met expectations.

**3.4.7 POLICY LANGUAGE**

The Superintendent shall not establish current compensation and benefits which materially exceed the geographic or professional market for the skills employed.

**INTERPRETATION:**

I interpret this *policy wording* to mean:

Salary plans and other financial enhancements, as part of total compensation will not exceed or be below the Kent Intermediate School District (KISD) market by 10% as summarized for each of the employee groups. The target of a 10% spread for the summarized salary and benefits survey data is reasonable because of our organizational value of neither being at the top nor the bottom of the KISD geographic market.

Benefits data for three employee groups demonstrate competitiveness based on settlements within Kent County for similar groups.

**DATA REPORTED:**

Per Kent ISD, salary for Northview employee groups is at the mid point of comparable groups. Benefits are comparable.

**CONCLUSION STATEMENT:**

The organization met expectations.

**3.4.8 POLICY LANGUAGE**

The Superintendent shall not create obligations over a longer term than revenues can be safely projected, in all events subject to losses in revenue.

**INTERPRETATION:**

I interpret this *policy wording* to mean:

Total compensation costs, inclusive of accrued benefits paid out on an annual basis, are analyzed and integrated into budget planning for the current fiscal year and one year projections. The one year projection is reasonable due to the financial instability of the State of Michigan. The one year projection is based upon Michigan Department of Education data, current legislation impacting school finance, as well as historical trends of pro-rations issued by the State after the school district fiscal year has begun.

**DATA REPORTED:**

The salary schedules used in the district have built-in increases for compensation on an annual basis. The overall increase received on an annual basis is subject to funding/revenue provided by the State. Total cost of “contracts” and pay plans are analyzed annually to include benefit costs. Budget planning takes into consideration annual and one year projections that include compensation and benefits.

Currently the district has implemented a “hard-cap” for insurance.

**CONCLUSION STATEMENT:**

The organization met expectations.

**3.4 GLOBAL POLICY LANGUAGE**

With respect to employees’ compensation and benefits, the Superintendent shall not cause or allow fiscal integrity or public image of the District to be jeopardized. Accordingly, the Superintendent shall not:

**INTERPRETATION:**

I submit the Board’s policy has been comprehensively interpreted and data reported in the preceding sections.

**CONCLUSION STATEMENT:**

The organization met expectations.