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## Monitoring Report

### Policy Title: 2.7 Compensation and Benefits

This is the annual report on compliance with the School Board's Executive Limitation policy 2.7 Compensation and Benefits for the Fiscal Year 2020. I certify that the information contained in this report is true and validated by the Superintendent and Executive Director of Finance Nathan Lavery.

Tom Flanagan, Superintendent

Date March 9, 2021

Policy Statement:

**With respect to employment, compensation, and benefits to non-unionized employees, consultants, contract workers, the Superintendent 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.
2. Promise or imply permanent or guaranteed employment.
3. Establish or change compensation and benefits that deviate materially from the geographical or professional market for the skills employed.
4. Create greater obligations over a longer term than revenues can be safely projected, and in all events subject to losses in revenue.

<b>Limitation:</b>	1. Change the Superintendent's own compensation and benefits.
<b>Status:</b>	Compliance

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

**Evidence:** The Superintendent is under contract with the Burlington School District through June 30, 2021. The Superintendent’s wage and benefits are established in this contract. The Board voted to authorize this contract on December 11, 2017 (action reflected in [Board minutes](#)). The Superintendent’s contract is on file with the Human Resource Services Department and can be provided to Board members upon request. The Superintendent’s current rate of pay is \$163,508 (pursuant to [Board action](#) on August 13, 2019). Any additional compensation, such as performance pay pursuant to the contract, must be authorized by the Board.

<b>Limitation:</b>	2. Promise or imply permanent or guaranteed employment.
<b>Status:</b>	Compliance

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

**Evidence:** For unionized personnel, the term of employment is governed by collective bargaining agreements. None of the [collective bargaining agreements](#) provide for permanent employment, however, contracts are generally renewed unless the position is temporary or eliminated, or the employee’s performance is not satisfactory. Approximately 5% of employees are nonunion. Non-unionized staff are typically provided assurance of employment for only one year. Annual employment contracts detailing the coming year’s wages are offered within budget parameters for those staff members being continued the next year. Temporary and long-term substitute contracts indicate that they are at will and are of limited duration. Senior administrative staff are typically provided a two-year employment contract, with a salary commitment for only one year. The Superintendent establishes compensation for the succeeding year by March 1. 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. The Superintendent has not offered contracts to any staff in excess of these terms.

Sample Personal Services [NonUnion Contract](#)

<b>Limitation:</b>	3. Establish or change compensation and benefits that deviate materially from the geographical or professional market for the skills employed.
<b>Status:</b>	Partial compliance

**Interpretation:** Wage rates and benefits shall be paid in accordance with collective bargaining agreements. Wage rates and benefits for non-unionized staff shall be reasonably consistent with those paid to employees performing similar work in the local job market.

**Evidence:** For most employees, wages and benefits are established in [collective bargaining agreements](#). These contracts provide a mechanism for the resolution of disputes between the parties over the amount or administration of wages and benefits. The annual raise provided to most unionized and non-unionized staff was 3.5%. Bargaining with the Bus Services employees is in the post-fact finding stage. 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 VSA data is self-reported from schools and does not take into account differing job descriptions and duties for similarly titled positions hence often the report is comparing apples to oranges. HR uses other sources such as the Bureau of Labor Statistics to get more accurate and appropriate salary ranges. Additionally, HR compares the actual job duties of similar positions by consulting with school districts in Chittenden County. HR provides salary range information to hiring administrators. A compensation/classification plan with a corresponding compensation policy/procedure is very important to ensure fair and equitable pay and aids in efforts to attract the best and most qualified applicants. This most significantly impacts non-union staff who seek comparability in compensation. Funding for a compensation study was not supported in the current year's budget. The Superintendent is exploring temporary reductions in other administrative areas in order to fund a compensation study. A study would provide hard data to enable any corrective action and measurable compliance with this limitation.

<b>Limitation:</b>	4. Create greater obligations over a longer term than revenues can be safely projected, and in all events subject to losses in revenue.
<b>Status:</b>	Compliance



**Interpretation:** The Superintendent shall not enter into long-term contracts with vendors that exceed a period for which revenues can be reasonably projected.

**Evidence:** In general, vendor contracts run on a fiscal year basis. When contracts cross fiscal years, as is most common with construction contracts, the total term of the contract is typically less than two years. In limited instances, BSD may enter into longer contracts in order to gain favorable pricing and ensure continuity of services. Even in these instances, the contract periods fall well within our ability to make reasonable revenue projections. The process of projecting revenues is complicated by the fluid legislative environment and the state and federal level, therefore we can never be fully confident of future revenues. Contracts for grant-funded services never extend beyond the grant term, nor do they exceed the funding award.