

# RETIREES CALSTRS LIMITS IMPACTING INTERIM ASSIGNMENTS

## Statement of the Problem:

With significant numbers of experienced administrators reaching retirement age, California community colleges and schools are facing a crisis. Under current law, retired administrators can assist districts on a limited-term basis to temporarily fill the gap between the departure of an administrator and the hiring of the next. However, the rules governing retirees are inequitable and highly favor one system over the other.

While CalPERS retirees may work in an interim assignment for 960 hours, approximately a half year at full time, CalSTRS retirees are limited to a set salary amount that equates to far less time in the district. The current CalSTRS earnings cap of \$45,022 allows districts often only three months to fill a position in these critical leadership roles.

Filling an interim position with a retiree who was previously a long-term successful employee brings an invaluable amount of experience and understanding to both a K-12 and a Community College district during times of transition. The usual time frame to develop an adequate qualified applicant pool for a permanent educational administrator position is 6 months or more depending upon the district's process.

- There may be current district faculty or staff members who are capable of filling an educational administrator position; however, appointing an interim from within creates the issue of having another vacant position.
- There are times when the obvious choice for an interim position becomes a candidate for the permanent position. In this case, the Board may be unwilling to place that individual in the interim position to avoid the appearance of bias in the recruitment process.
- Interim assignments often must address difficult situations that require the District Board to bring in someone with the skills, training, understanding, and experience to perform. An experienced interim educational administrator or retired faculty member can complete or resolve accreditation issues, budget issues, organizational issues, personnel issues in the most expeditious way.

In addition, the availability of qualified credentialed applicants for an educational administrator position is limited. Consequently, a significant number of educational administrator recruitments are extended. During that time, districts will churn through two, three, or more administrators due to the current CalSTRS earning limitation.

## **Proposed Solution:**

To be effective, 960 hours of full time employment is the absolute minimum for educational and credentialed administrators to be effective; making this change to the Education Code would put CalSTRS retirees on equal footing to CalPERS retirees.

## **Board Discussion—Pros and Cons of seeking Legislation:**

Following is a proposal prepared by School Services of California, Inc. to address the need for legislation including the costs and expansion of the existing contract required to do that.

### ***Proposed Method to Accomplish Work***

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As legislative advocates, the first step in sponsoring legislation will entail working with ACCCA to design legislation and to develop a detailed legislative plan of action.

#### ***Creation of Advocacy Plan of Action—Winter 2019***

As soon as possible, we will draft the position paper, talking points, factsheets, and establish a calendar of activities. We will suggest a timeline and activities that we believe will be critical to our efforts. These documents will be the cornerstone of our representation services.

A key part of this advocacy plan will be to find allies and attempt to neutralize opponents. Potential allies include:

- ACSA
- Community College League of California
- Chancellor Eloy Ortiz Oakley
- CSBA

#### **Potential opponents include:**

- CTA
- FACCC
- Other labor groups

The California State Teachers' Retirement System (CalSTRS) and the Department of Finance (DOF) position will be critically important. In aligning the effective date to the rollout of their

data system—2022-2023—the administrative change could be cost neutral to CalSTRS, a key consideration. The DOF will also have the opportunity to voice its support or opposition based on their analysis of whether there would be a cost or benefit to the state of allowing more CalSTRS retiree work. For example, the state does not contribute on behalf of a retired versus an active CalSTRS member a state savings; however, the DOF may be concerned that fewer active CalSTRS members and corresponding contributions will result in an unstable CalSTRS funding level.

### ***A Presence in Sacramento—Spring 2019***

With a strong legislative position paper in hand, we will arrange Capitol visits and meetings with legislators, members of the Administration, and leaders in state government including CalSTRS. We will include ACCCA members in those meetings. We will schedule and meet with newly elected legislators with the goal of developing a cadre of elected officials who will work with us in support of our proposal for equity between the two retirement systems.

### ***Legislation—2019-20***

Once we have identified our key legislative supporters, we will seek a legislative informational hearing regarding the state of California's aging education workforce. We will sponsor legislation that provides equity between the California Public Employees' Retirement System and CalSTRS retiree work. Because the CalSTRS earning limitation is in the Education Code, it can only be changed through the legislative process. We will work to secure an author of the bill, build support from stakeholder groups and the Newsom Administration, and advocate as the bill moves through the legislative process.

Advocacy includes, but is not limited to, meeting with legislators of the various legislative committees where the bill will be heard, arranging for testimony at the committee hearings, working with committee staff on the analysis, securing support letters from stakeholders, testifying at committee hearings, and communicating with ACCCA members.

We will develop an appropriate schedule of in-person or conference call meetings with ACCCA members.

### ***Communication—Throughout***

Real-time, often daily, access to our team and corresponding access by our team to ACCCA's point person is fundamental to our services. We will provide our personal cell phone numbers and use email, phone calls, personal visits, and meetings to keep you informed.

We will keep you up-to-date on the broader range of issues that are working their way through the Capitol. This will help you to see the state's competing priorities and how our bill might compare in a broader sense. We will also coordinate messaging with the public relations effort.

## ***The SSC Team***

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SSC's advocates have broad experience in working directly with the Legislature, and our strengths include being able to mobilize divergent groups around complex and sometimes divisive issues. Our legislative staff understands the intricacies of the legislative process, and more importantly, the politics of the State Capitol. Finally, we have exceptional working relationships with the statewide educational organizations and have the ability to bring the appropriate parties to the table.

In order to fully support the needs of ACCCA during this pursuant of sponsored legislation, we propose an SSC team that includes two members of our governmental relations division—**Michelle McKay Underwood** and **Kyle Hyland**.

Michelle McKay Underwood, Director, Governmental Relations, has been with SSC since 2006 and provides legislative advocacy services on behalf of SSC legislative clients by representing their interests in front of the Legislature, Administration, and various state departments in Sacramento. One of Michelle's recent successes was to secure the retirement benefits for community college administrators whose membership eligibility in the CalSTRS had come into question. She actively advocates on behalf of ACCCA, Special Education administrators, other district associations, as well as representing Oakland Unified School District and Fresno Unified School District. Prior to joining SSC, Michelle served as Membership Director for the California Coalition for Youth, an advocacy association of nonprofit organizations.

Kyle Hyland, Analyst, Governmental Relations, supports the governmental relations team by coordinating legislative and policy issues of interest to SSC's clients, including performing research and analysis, developing conclusions, preparing client communications and reports, preparing documents to support or oppose legislative or policy matters, and monitoring meetings of administrative and policymaking bodies. Prior to joining SSC, Kyle served as Special Assistant to the Executive Team at the Foundation for California Community Colleges. Kyle received his Bachelor's degree in Political Science at the University of California, Davis, and is currently pursuing his Master's degree in Public Policy and Administration at California State University, Sacramento.

## ***Cost Estimate***

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No matter the hours, SSC is committed to accomplishing a goal. Our team works until the job is done. We propose a contract for January 15, 2019, through December 31, 2019. During this time period, in addition to our monthly contract of \$3,633, we would propose an additional monthly retainer of \$2,617, [\$31,404 in additional annual expense] plus actual expenses that are preapproved by ACCCA.