

East Greenwich School Committee

Monday, June 7, 2010

East Greenwich High School

300 Avenger Drive

East Greenwich, RI 02818

ANY ITEMS ON THE AGENDA MAY BE SUBJECT TO A VOTE

6:00p.m. Executive Session, RIGL 42-46-5 (a) (2) Custodian Contract Negotiations and Possible Litigation

7:00p.m. Regular Meeting

I. Pledge of Allegiance to the Flag

The June 7, 2010 School Committee meeting was held at the East Greenwich High School Auditorium. The meeting commenced with the Pledge of Allegiance to the flag. Chair JeanAnn Guliano called the meeting to order at 7:09p.m. Also present were Vice-Chair, Anne Palumbo, Susan Records, Robert Durant, Mrs. Winters, Mrs. Gifford and Mr. Martin as well as Maryanne Crawford, Director of Administration Dr. Victor Mercurio, Superintendent of Schools, and Mr. Robert Wilmarth, Director of Administration.

II. Public Comments

III. Custodian Outsourcing

Mr. Robert Coutu, Head Custodian at Meadowbrook Farms School, stated that one would need five years experience for a welding job at Electric Boat and there are only a few jobs available. He also mentioned an email that says custodians were lazy. He spoke about the recycling done at Frenchtown School and Meadowbrook Schools and feels they are not lazy. Mr. Coutu mentioned custodian, David

Sheldon at Meadowbrook who is very dedicated to his job, and is great with kids. He wondered what will happen when David doesn't have a job and needs to sell his house. Mr. Coutu also feels the comment by a Finance Committee member was inappropriate about some of them becoming welders. Mr. Garrett Neaves, Grandview Drive, stated that he received an email from Finance Committee Member Tom Stocker advocating privatization and he argued against it. He stated that the School Committee is still responsible either way by focusing on educational objectives. He added that if the custodians were non-union they would work for the town. He feels it is a great opportunity to show we can elect people without an adversarial negotiation with the union. Mr. Neaves stated the School Committee is the problem and if it's all about the union he'd vote for privatization.

Mr. Jeffrey Cianciolo, Cresthill Drive, stated the school committee runs because they want to give back to their community. He stated they shouldn't attack them personally. He respects them. Mr. Cianciolo also stated that the duty and obligation for the School Committee is for parents who moved to East Greenwich who want high quality schools. He noted that unfunded costs can still go up but there is an opportunity to save money by outsourcing. It allows them to continue to continue the core educational program. He also stated that the savings may allow School Committee to add a new program.

Kathleen Smith, Waterford Drive, stated that we can't put a price on a child's safety. She noted that people moved here because of the

school community and our custodians keep children safe besides providing after hours service to the school. She asked if every employee would have a background check and when. Mr. Robert Dilorio, Mawney Street, stated that with the enhanced Blue Cross Plan it brings their wage to \$8.50 per hour, not \$15.00 per hour. He also stated that with SSC, if an employee is out for 3 days, they lose all their vacation time.

Mr. John Liedecker, from NEA, doesn't think School Committee members are bad people. He noted that sometimes there are adversarial positions. He noted that the custodians continue to make substantial concessions. This is about families and they need good benefits. Mr. Liedecker stated that CIGNA isn't a player in RI. If an employee of CSS takes Blue Cross of Tennessee the cost is \$1000.00 per month. He is not convinced the savings with outsourcing are there. He noted a \$10,000 error in the spreadsheet. He also stated that the custodians came up with \$80,000 of concessions when negotiating a contract. He said that doesn't include potential exposure of the outstanding litigation. He stated that concessions were made in overtime and rentals, and cutbacks on benefits. Sue Verdon, President of the East Greenwich Support Staff, asked the School Committee to stay in negotiations with the custodians. She stated custodians are very dedicated and hard workers.

Mrs. Guliano stated that she has some questions about the Blue Cross of Tennessee plan. Dr. Mercurio noted that the Committee was charged to outsource and ESC and SSC sent in bids with SSC emerging as the more qualified of the two. A site visit revealed this

company has the potential to do the job. Because of budget cuts we had to look at outsourcing. He also noted that the next fiscal cycle will be even more tumultuous and we need to have the Basic Education Plan (BEP) met. The teaching and learning landscape is changing rapidly. We also need to plan for curriculum over multiple years. Dr. Mercurio stated that he appreciates the custodians but can't ignore the complexity of student needs and this is only part of the solution. Mrs. Guliano stated that the revised proposal was a recommendation from the finance Committee but then the Town Council cut our budget another \$400,000 and we didn't want to eliminate programs for kids. We needed to find things that don't impact our kids. She added that we went back to both companies to say we they needed to pay them a fair wage and hire all our people. SSC will pay new hires between \$12.00 and \$15.00 per hour and their proposal provides for an additional 4.5 employees and additional hours. It was noted that SSC's health care provider, CIGNA, is not recognized in RI as meeting the definition of health insurance. SSC also provided Blue Cross but it is a very expensive option. More information is needed on this plan. Mrs. Guliano stated the school department could realize savings of over \$900,000 over three years, and there could be additional savings. Jennifer Steward, a Vice President with SSC, stated that they are a 40 year old company from Tennessee and they want all current employees to work for them. She noted that the Blue Cross plan is Tennessee but works in all states. They also conduct background checks, immigration checks and drug testing if requested by the district. She noted that

custodian's benefits could cost them between \$328 and \$917 per month. Mrs. Gifford asked what percentage of custodians across the country take advantage of the Blue Cross plan. Jennifer stated that not many school districts take Blue Cross, they take CIGNA

Claudia Smith, a paraprofessional in East Greenwich, is concerned that the School Committee would vote on something that adds another layer of management.

Mr. John Liedecker, NEA Representative, asked if the School Committee is subsidizing any portion of the hourly wage. The answer is no. It was noted the company will offer a wage of \$15.90 because they don't offer a 401k.

David Sheldon, custodian at Meadowbrook, asked about the incentive to keep current workers when they can hire new people at less money. Mr. Durant stated the company doesn't have the incentive to let them go. The savings goes to the school department. Mrs. Gifford stated the company will save by the benefits. Mr. Durant noted that the agreement was that our workers would only be terminated for cause.

Christine Shaw, East Greenwich High School teacher, would like to see data in other states where they operate. She added that a cut in wages is a slap in the face and she is concerned about workers going on state programs.

Mrs. JoAnn Mallozzi, a Cole teacher, tells her students that when you make a decision you make an informed decision. She feels the School Committee doesn't have the information now and they are operating in a vacuum.

Pam Mateer, Meadowbrook teacher, asked if a three year contract with SSC will mean the custodians will keep their jobs for three years.

Mr. Durant explained it's a fixed cost contract and average employees in RI are at-will employees. She also asked if the company provides cost of living increases as well as data that say they treat their employees fairly. Shawn Phinney, Meadowbrook parent, feels there is no clarity among the people here. Mrs. Guliano stated this was done because we are facing huge deficits in coming years. She noted that the amount of service will increase from this company because there are more custodians which will lead to cleaner buildings. The negative is that it changes our current employees' jobs. The revised proposal still isn't fair to custodians but district-wide it's a reasonable decision. Mrs. Records made a motion which was seconded by Mr. Durant to approve the alternate plan for outsourcing custodian services to SSC pending successful contract negotiations with SSC. Mrs. Records stated that she applauds Mrs. Guliano and the Finance Committee for responding quickly. She noted they all worked hard to find a compromise. She stated these are hard economic times and there are no real answers as to how to meet our budget. She added that the School Committee has committed to the community that they won't cut programs for kids. Mr. Martin stated that this is a very difficult vote and the performance of custodians has not been brought up. It's all about saving money. He added the custodians will be worse off. He stated that the custodian's performance has been more than satisfactory. Now he feels we send a message that performance doesn't count as

much as money. His position is not to favor outsourcing and feels custodians are an essential part of the school. Mr. Martin stated we are doing a disservice to the custodians and the East Greenwich Public Schools. They shouldn't be threatened by outsourcing if they've done a commendable job. Mrs. Palumbo stated there are questions answered and says no thank you to outsourcing. Mrs. Winters stated her job is to be fiscally responsible to taxpayers and due diligence has been done on the part of the Finance Committee and the School Committee. It's a financial decision only. Mrs. Gifford stated that what is going to change are lower salaries and fewer benefits. She noted she is a physician and when you give people fewer health care benefits it causes real human suffering. She noted that CIGNA is not an insurance plan it's a limited benefit plan. She cited the amounts paid by CIGNA versus another plan. She feels this isn't the way we want to treat current employees. New employees would be eligible for assistance such as Medicaid and food stamps. Mrs. Gifford stated that the alternate plan has a lack of clarity and doesn't feel the school Committee should support it since they don't have the full information. She added that a portion of this money is going to Tennessee and would like to see the dollars stay in RI. Mr. Durant stated that he disagrees with what Mrs. Guliano said about the comment about custodians becoming welders. He said that the comment wasn't insensitive, it was only an alternative. He added that the food outsourcing was entirely different since you are at the whim of kid's tastes. He cares deeply about the East Greenwich Schools but he has to worry about his family and if his kids aren't getting the

best education he is doing them a disservice. He feels the custodians performed admirably and they are not within the target of the educational mission. Mr. Durant feels many RI communities have failed miserably in their mission to education kids and we should be adding programs. It's an opportunity for us to take the bull by the horns and achieve savings now. Mrs. Guliano stated that if the decision is to move forward a lot of work needs to be done on health care. Mrs. Gifford stated the similarity is in the lack of clarity between the Aramark contract and this one.

The vote to outsource was as follows: Mr. Durant, Mrs. Winters, Mrs. Records and Mrs. Guliano voted yes, and Mr. Martin, Mrs. Palumbo, and Mrs. Gifford voted no. The motion passed.

IV. 2011 Budget

Mrs. Crawford gave out a spreadsheet to the Committee. We will only be receiving \$234,000 in state Aid to Education. We plan to apply for a variance for bus monitors and provide door to door service on the mid morning run only. She added there will be a \$58,000 health care savings and we went out to bid but only Blue Cross submitted a bid. Also, following the numbers for the past three years we will be able to have a 0.4 French teacher instead of a 0.8 teacher. Mrs. Crawford noted that professional development of \$25,000 was put back in. Mrs. Lois Chavez, Foreign Language Department Head, asked about the implications long term, noting that the numbers at Cole are high now. Mr. Jeff Cianciolo feels we should look at something for education with the cost savings such as CPT. Mrs. Guliano wants to hear back from the CPT Group and re-visit it.

Mr. Martin is concerned that once we cut part of the French position, we may have trouble bringing it back a year from now. Dr. Mercurio stated that reducing and increasing is not uncommon and we'll address it then. Mrs. Chavez noted that the French teachers themselves have done a wonderful job going into the elementary schools.

V. Custodian Contract-Mr. Durant made a motion which was seconded by Mrs. Winters to table this discussion. The motion passed unanimously.

VI. On a motion made by Mr. Durant and seconded by Mrs. Winters, the Committee voted unanimously to adjourn at 9:10 p.m.