

Top of the News

Spreading the word about a long-term fix for funding

It's business as usual in Juneau this year, with parents, school board members and educators trekking down for the annual begging routine. As this issue was going to press, lawmakers had heard hours of impassioned testimony on the need for adequate funding. But so far they had failed to come close to investing an adequate amount.

The \$70 million that was on the table in mid-March "doesn't meet the needs of a single district in Alaska," President Bill Bjork told the Senate Finance Committee in formal testimony.

But in schools around Alaska, our members are hearing – and delivering – a message of hope that things can be different for our schools. That we CAN turn around two decades of stagnant funding and get our schools back up to adequacy. Because of Alaska's great wealth, we have a number of options for crafting a long-term solution for adequate funding.

"Adequacy" means that schools have the resources to give opportunities for *all* students to achieve up to standards – leaving no child behind.

Because we as teachers and education support professionals are the ones who live and breathe the funding shortages on a daily basis, we are also the ones to lead the charge in turning things around. We can do this by organizing within our own ranks and reaching out to the community.

The work has already begun.

A number of members are spreading the word, using a half-hour presentation – complete with script, video and hand-outs. We are looking for others to step forward and volunteer to give our presentation, first to colleagues and then to other groups such as PTAs.

To find out more, and to get the materials you need to help get the word out, contact Communications Director Virginia McKinney in the Anchorage office or at virginia.mckinney@neaalaska.org.



AEA member Marian Taylor gives a presentation to colleagues about the need to organize ourselves and reach out to the community to achieve a long-term solution for adequate funding.

Trial date set in landmark funding lawsuit

Procedural wrangling was the order of the day in mid-March, as attorneys for the state tried to block *Moore vs. State of Alaska* from coming to trial. The Superior Court judge heard oral arguments in the state's motion to dismiss the suit and is expected to issue a ruling within three to six months.

Meanwhile, April 17, 2006, has been calendared for the trial itself. In the coming months, you can expect to hear about ongoing tactics by the state in further efforts to derail our suit.

The groundbreaking school funding lawsuit was filed last August by educators, school districts and parents. It challenges the constitutionality of K-12 funding on the basis of adequacy: because the state does not invest enough money in its schools to provide an adequate education for all students.



Bill Bjork

'Defined contribution system would shift all investment risks to the employee.'

From the President

'The line is drawn. The curse, it is cast.'

By Bill Bjork, NEA-Alaska President

This Bob Dylan line says it all: The fight for our retirement systems has begun in the Alaska Legislature. Your involvement is critically needed because time is short.

Both houses of the legislature have introduced draft legislation that would decimate the Teachers Retirement (TRS) and Public Employees Retirement (PERS) Systems. Several nasty themes echo through both halls of the legislature.

1. Take money from all current employees' checks to help pay off the multi-billion dollar shortfall.

2. Institute lower Tier 3 for TRS and Tier 4 for PERS for new employees. The proposed defined contribution systems shift all investment risk to the employee.

3. Reduce school district contributions far below current levels.

4. No retiree medical coverage until age 65 for employees hired after this July 1st.

5. Replace the TRS, PERS, and Pension Investment Boards with a nine-person management board appointed by the governor.

The cumulative effect of the changes is a bureaucratic takeover of our retirement systems. A management board appointed by the governor and beholden to him would make all retirement-related decisions, including how much money should be deducted from current employees' checks.

The proposed cuts and restrictions present many unintended consequences, but would certainly *undercut school districts' ability to attract new teachers and ESPs*, thereby undermining the quality and professionalism that mark our schools today.

The purpose of a good retirement system is to attract and retain a well-qualified, stable workforce. These draft changes undermine that public policy.

It is time for every teacher and education support professional to monitor the Legislative Contact Structure (LCS) messages and communicate with your elected representatives and senators! (To sign up for LCS messages, e-mail lynne.jackson@neaalaska.org.) Act now. The legislature will complete its deliberations by May 10th.

Guest Editorial

Act now to protect your retirement

By Dorothy Wells



Dorothy Wells

One of the hot issues in Juneau this spring is the TRS and PERS retirement system. You've probably been hearing about the so-called "crisis" in the pension funds and the sudden "need" to diminish benefits for future retirees by adding new tiers – or worse, moving from the current defined benefits program to defined contributions.

Now suddenly because of three years of poor investment earnings, a time when almost everyone in the market lost money, several legislators are concerned because the employer contribution rates have increased in the past two years.

Looking at the long term, however, the average earnings over 10 years for all systems has been almost 9% a year. And the earnings for FY '04 were more than 15%. Why throw an excellent system, which has worked for years, out the window? The TRS system, without the pre-funded medical, is currently almost 90% funded, an excellent ratio compared to most systems.

Instead of scrapping an excellent retirement system, which continues to attract young people to Alaska, we should concentrate on correcting abuses to the system. For example, legislators continue to introduce bills (at least five current bills) which

enhance benefits for current retirees and don't consider the long-term impact on the funding ratio.

Also, many people who are not career employees are allowed to participate in both TRS and PERS: city councils, school boards, borough assembly and commission members, and legislators. While many of these people receive minimal pensions, their health insurance coverage is worth about \$10,000 a year.

On top of this, poor advice by actuaries sanctioned early buyouts, with retirement bonuses offered by districts. These had a disastrous impact on the systems. The current retire/rehire practice is also damaging the funding ratios.

Let's work together to fix these problems first – particularly those which affect health care costs – before putting the burden on future employees. Most Alaskan employers want a stable, quality workforce comprised of people who will stay and contribute to Alaska's communities. Proposing another tier with fewer benefits is not the answer.

Retired teacher Dorothy Wells taught in Fairbanks for 23 years. She served on the Teachers' Retirement System Board for 20 years and was elected by TRS to the Alaska State Pension Investment Board, where she serves as vice-president.

How to speak up and protect your retirement

Using our LCS (Legislative Contact System at www.neaalaska.org), write the House State Affairs Committee, particularly Rep. Paul Seaton and the Senate Finance Committee, particularly Sen. Bert Stedman. You can do this with just a few clicks. Express your opposition to the proposed changes and urge them to stop the abuses and close the loopholes before mortgaging the future of working Alaskans.

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Bill Bjork, President
Tom Harvey, Executive Director
Virginia McKinney, Communications Director
Barbara Young, Editor

NEA-Alaska at Work for You

➤ **Dillingham EA** recently reached a tentative three-year agreement. Improvements in this new contract include salary increases, insurance improvements, 3% longevity for those on top of schedule, and a retirement incentive. **Nenana EA** also reached a tentative three-year agreement with improvements in salary, insurance coverage changes with an insurance committee appointed to research new plans, 125 flexible spending plan, and retained agency fee. Congratulations Dillingham and Nenana!

➤ **Big wins in Lower Yukon arbitrations.** Two years of contract violations and arbitrary treatment by the school district look to be coming to an end for the 85 members of Lower Yukon EA. On the heels of a second major arbitration win by NEA-Alaska, the LYSD superintendent has been put on administrative leave until the end of the school year.

In early February a federal arbitrator ruled in our favor on a grievance filed over a wave of involuntary transfers. Over the past two years, there have been about 40 in the 11-site district, as opposed to one or two involuntary transfers annually in prior years. In a flagrant contract violation, the superintendent had been involuntarily transferring teachers into vacant positions without bothering to post those positions and offering teachers the opportunity for voluntary transfers. Among those involuntary transfers were LYEA President Peggy Cole and her husband, Ken, who were forced to move from Emmonak to Mountain Village.

"This is not just a victory for LYEA, it is a victory for all small locals," said Peggy. "It will send a message to other districts that if they blatantly violate the contract, we'll call them on it. AND, we won't give up until we've resolved the issue."

The arbitrator has asked for a separate hearing on a remedy for the many members harmed.

The earlier big win happened just two days before that arbitration was scheduled to begin. Per the contract, single teachers who have not requested to live alone pay just half the rent that couples do, even when the single doesn't have a housemate. A unilateral announcement by the school district had informed members that everybody would henceforth have to make full rent payments. On the eve of what would have been a certain loss in arbitration, the district backed down.

➤ **Mt. Edgecumbe teachers win first arbitration.** The Teachers' Education Association of Mt. Edgecumbe (TEAME) filed a grievance in August after the administration moved their planning time to before the beginning of the student's day. TEAME's history since their first collective bargaining agreement has the teachers' prep period within the students' day. The contract language states that "... each teacher ... shall have ... one full class period daily ...". There is also a provision in the agreement that requires that the administration must notify the teachers of their assignment by July 1st of each year. The arbitrator ruled that the administration violated both provisions of the agreement and awarded each teacher his/her per diem for school year 2004-05. This constitutes 25%

additional salary for each teacher this school year.

TEAME President Kathleen McCrossin attempted to warn the administration that their action was a violation of the agreement. She met with the superintendent and then wrote two letters advising him of the violation. All went unheeded. The outcome is that the administration must now find more than \$200,000 to compensate the teachers for this violation.

➤ Locals should be holding **local elections for RA delegates**. NEA RA will be held in Los Angeles, June 30-July 6th. Letters were mailed out to all locals in February stating how many delegates your local was entitled to or if your local could cluster with other locals for representation at RA. Contact your local president if you are interested in running for NEA RA.

NEA-Alaska will fund up to two nights hotel expenses and the conference fee for up to two NEA-Alaska members who are not delegates to attend one of NEA RA's preconference events at the NEA RA in Los Angeles, California. All travel expenses will be the responsibility of the member. Interested members should contact President Bill Bjork (bill.bjork@neaalaska.org) by May 1st to be considered.

➤ PERS/TRS Board meetings are open to the public. With the continued discussion of a potential move from our current defined benefit plan to a defined contribution plan, now is the time to get involved and voice your opinion. The following is a list of scheduled meetings through June 30, 2005.

April 25 Joint PERS/TRS Boards

April 26-29 PERS Board

May 25-26 ASPIB

June 22-24 ASPIB

June 27-30 PERS Board

➤ **2005 Participant Satisfaction Survey –**

NEA-Alaska Health Trust. We are proud to announce the Annual NEA-Health Plan Participant Survey is available online. We value your feedback, and would appreciate if you took a few moments to respond to the questions. Only one response per member, per computer will be accepted. The link is available until April 15, 2005 at the NEA-Alaska Plan homepage at www.neaplan.com.

➤ **Annual OIC Verification Card.** EBMS recently mailed annual Other Insurance Coverage Cards (OIC) to NEA-Alaska Health Trust members for verification of other insurance. This verification provides participants with the opportunity to update their electronic claims file one time each year for all family members. Each year EBMS receives more than 10,000 pieces of returned mail. This procedure protects plan assets and helps to control costs. Please return the completed card as soon as possible or contact the EBMS Claims Center at 866-247-1443 to avoid any delays in processing your claims.



Close to 30 AEA members recently spent two full days receiving training in basic rights to prepare them to handle rights issues in their buildings.

TRS/PERS benefit check disbursement dates

April 22
May 24
June 23
July 22
August 23
September 23
October 24
November 23
December 22



NEA
Alaska
Health Plan

NEA-Alaska at Work for You (continued)

➤ **Are you expecting?** Priority Maternity Care is a program that provides a means to assess and manage risk in the first trimester of pregnancy while there is still time to obtain the most positive affect on the health of the baby. NEA-Alaska Health Plan members can call CARE LINK during the first trimester of their pregnancy to speak with a nurse for a confidential, personal telephone interview to identify medical history and lifestyles that could have an impact on the outcome of your pregnancy. Members who participate receive a complimentary copy of *Baby & Me, The Essential Guide to Pregnancy* by Deborah D. Steward, a nine-month pregnancy calendar and \$100. For more information contact CARE LINK at (800) 777-3575. See the centerfold for additional details.

➤ **Online Health Services.** Did you know that you can check your claims history, current deductible, out-of-pocket amounts, and view your Summary Plan Description online? You can also change your address and request new ID cards. Call (907) 274-7526 or 1-866-247-1443 to learn more and obtain your password.

Resources

➤ Applications for the 2006 **Presidential Awards for Excellence in Mathematics and Science** teaching program for grades 7-12 are due May 1, 2005. Each award winner receives a \$10,000 award and invited to a recognition event in Washington D.C. March 2006. For information and nomination forms, please visit <http://www.nsf.gov/pa> or email Donald.hoff@vcsu.edu.

➤ Do you teach math, science or special education? Have you taught for five years in a Title I school? If you answered yes to both of the questions, you may be eligible for new loan forgiveness limits recently signed into law. **The Taxpayer-Teacher Protection Act** authorizes up to \$17,500 in loan forgiveness to eligible highly qualified math, science and special education teachers. The increase amount of teacher loan forgiveness is available to new borrowers. For detailed information on the program and to find out if you qualify, please call the Department's Federal Student Aid Customer Service hotline at 1-800-433-7327 or visit <http://www.ifap.ed.gov/dpccletters/GEN041.html>.

NEA-Alaska and KPEA work to protect Kenai members

Three years ago, the Kenai School District implemented a reduction-in-force (RIF) plan that laid off four tenured teachers and involuntarily transferred more than 20 others in violation of KPEA's collective bargaining agreement. In response to this illegitimate RIF plan, KPEA, with assistance from NEA-Alaska, filed grievances and prevailed in arbitration. The arbitrator ordered the district to give back the jobs to the tenured teachers and to rectify the involuntary transfer of three others.

When the district dragged its feet over compliance with the arbitrator's decision, we weren't willing to leave matters unresolved. Instead, NEA-Alaska and KPEA asked the Superior Court to enforce the arbitrator's decision. The court agreed with us and upheld the arbitration decision and told the parties to try to settle the case. As a result of our advocacy, the district has recently offered to settle with one of the teachers, but there remains one teacher that the district continues to refuse to honor the arbitrator's decision.

The parties are waiting for the judge to enter a final order. It is anticipated that the district will appeal the matter to the Alaska Supreme Court once the final order is entered. This case is a good example of how working together, NEA-Alaska and its local affiliates fight to ensure that school districts live up to their agreements, no matter how long it takes.



Young students in Bethel celebrate Read Across America by visiting the Senior Center on March 2nd.

(Abby "Qirvan" Augustine photo)

Don't let rising health care costs turn your life upside-down.

If you're hospitalized because of a serious illness, accident or injury, you may not only be impacted physically, but financially as well.

Sure, your current health insurance will likely pick up most of the tab ... but what about other expenses like travel, lost income, hotel for family members, child care services, etc.?

With the NEA MemberCare[®] In-Hospital Plan, you'll worry less about these kinds of expenses. That's because this supplemental plan pays you a cash benefit in addition to your current health insurance benefits.

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With the NEA MemberCare In-Hospital Plan, • You are guaranteed acceptance if you're under age 70 • You pay a low group rate • You choose the level of daily hospital benefits, from \$20 to \$120, based on your budget

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Request # 27247/27244/1001/38619

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