



The Development of a Teacher Salary Parcel Tax:

The Quality Teacher and Education Act
in San Francisco

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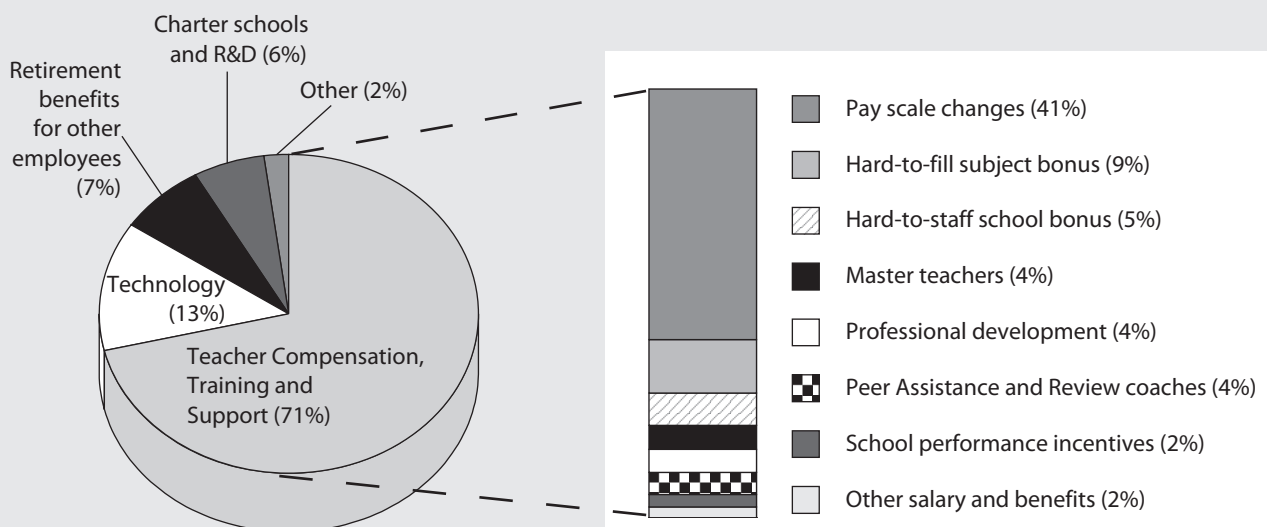


In June 2008, the voters of San Francisco, with a 69.8 percent majority, approved a parcel tax authorizing San Francisco Unified School District (SFUSD) to collect \$198 per parcel of taxable property annually for 20 years. These revenues add up to over \$500 per student per year¹ and will be used to fund a general increase in teacher salaries, as well as a number of changes in teacher compensation and support for school improvement initiatives, such as technology and charter schools. Figure 1 shows the final breakdown of the funding provided through Proposition A of 2008, also called the Quality Teacher and Education Act (QTEA).

As a parcel tax, QTEA required a two-thirds vote to pass, and thus its creation required the collaboration and coordination of many stakeholder groups in San Francisco, including United Educat

ors of San Francisco (UESF), district officials, Board of Education members, parent groups, foundations, and community organizations. The primary mechanism through which QTEA came to be passed was the early collaboration with community stakeholders in the business, nonprofit and parent community, as well as true collaboration between union and district officials. While there were significant differences in opinion throughout the development and negotiation of QTEA, all parties were able work together productively, finding compromises with which they were comfortable. The district and union found a middle ground between performance pay, which was the district's initial goal, and an across-the-board salary increase, the union's priority. Ultimately, with help from the business, nonprofit, and parent community, the two sides met in the middle, formulating a compromise that worked for teachers, the district, students, parents, and the community at large. Key circumstances and

FIGURE 1. Final Breakdown of QTEA Fund Allocation



relationships facilitated the development and passage of this parcel tax; these favorable conditions are rare and must be leveraged when they appear.

This case study will serve primarily as an historical account detailing the development of QTEA and the most salient details that led to its eventual passage, serving as an information source for SFUSD and other districts when they take on potentially controversial policy initiatives. Section One will detail how funding needs in the district and tense relationships between

the union, the district, and the Board of Education initially stalled the parcel tax and how positive changes in district leadership facilitated collaboration around its development. Section Two will discuss how the district and union, with help from external partners, built support for the parcel tax. Finally, Section Three will detail the district and union negotiation process and the final provisions of QTEA. The timing of what became QTEA followed many paths simultaneously; the timeline in Table 1 provides an over-

TABLE 1. Timeline of Relevant Dates in QTEA’s Development and Passage

Date	Event
1999	Initial conversations about using a parcel tax to fund an increase in teacher salaries begin. Lopez vs. SFUSD, an ADA facilities lawsuit, is filed. Superintendent Bill Rojas is ousted by Board of Education; his successor, Arlene Ackerman, begins soon thereafter.
11/2003	A facilities bond in response to the expected Lopez settlement is passed by voters (Prop A 2003).
3/2004	A general education measure to fund preschool, sports, libraries, arts, music, and other miscellaneous school programs is passed by voters (Prop H 2004).
7/2004	Lopez vs. SFUSD is settled. District must renovate existing facilities for ADA compliance.
2/2005	In union negotiations, district agrees to an 8.5 percent raise for teachers; it is understood that teachers cannot receive a larger raise without a parcel tax, and the Board says it will create a team to explore the option.
11/2006	An additional facilities bond is passed by voters in response to Lopez vs. SFUSD (Prop A 2006).
3/2006	Creation of a parcel tax workgroup is written into the 2007-10 UESF contract with SFUSD.
6/2006	Superintendent Arlene Ackerman resigns faced with pressure by the Board.
2/2007	Gwen Chan takes office as interim superintendent.
7/2007	Carlos Garcia takes office as superintendent.
10/2007	Parcel tax district workgroup meetings, bargaining unit meetings, and closed session Board meetings commence, continuing through February 2008. First community forum is held to get feedback on parcel tax proposal (second is in December).
11/2007	Community awareness meetings begin and continue through February (approximately 20 meetings).
1/2008	Superintendent Garcia threatens to withdraw the parcel tax proposal if the district and union cannot come to an immediate agreement on PAR provisions. District and union sign parcel tax Memorandum of Understanding.
2/2008	Final parcel tax proposal is presented to and approved by the Board of Education.
3/2008	Final proposition text is submitted to Department of Elections and Board of Supervisors by the Board of Education.
6/2008	Parcel tax is presented to voters and is passed.
10/2008	QTEA implementation decisions begin, continuing into 2009.

view of the dates relevant to the development and passage of the parcel tax.

Unless noted, data in this report were collected through retrospective interviews with

leaders from the district, the union, the Board, and stakeholder groups, and review of existing and collected documents, including meeting agendas and notes. See Table 2 for a list of those interviewed as part of this case study.

TABLE 2. Sources

NAME	TITLE
United Educators of San Francisco	
Dennis Kelly	President
Linda Plack	Vice President
Ken Tray	Political Director
San Francisco Unified School District	
Chris Armentrout	Director of Development & Local Government Relations
Davide Celoria	Assistant Superintendent, K-8
Carlos Garcia	Superintendent
Tom Ruiz	Senior Executive Director of Labor Relations
Brad Stam	Former Director of Teacher Affairs
Nancy Waymack	Director of Policy & Operations
External Partners	
Jeff Camp	Full Circle Fund
Phil Halperin	Board Chair, San Francisco School Alliance
Natasha Hoehn	Executive Director, Silver Giving Foundation
Lorraine Woodruff-Long	Former Executive Director, Parents for Public Schools
San Francisco Board of Education²	
Mark Sanchez	Former President

PARCEL TAX INCEPTION

For many years, education stakeholder groups in the district have widely believed that teacher salaries in San Francisco were too low, and that in order to increase teacher quality, teachers had to be paid more. District officials have long looked at neighboring districts to benchmark salaries. As shown in Table 3, San Francisco’s salaries, while competitive with Oakland Unified School District, were indeed lower than some neighboring districts.

Many in the district believed that in order to lure teachers to SFUSD, and retain them, the salary actually needed to be higher than in neighboring suburban districts, where the job is considered to be “easier.” Mark Sanchez, who was Board of Education president when QTEA was passed, said, “Why would [a teacher] be teaching at a really difficult school and get paid really poorly and get treated by a system that didn’t have structures in place to treat you well? ... Why would you put up with that if you didn’t need to? You could go somewhere else suburban

TABLE 3. SFUSD Teacher Salaries before QTEA Compared to Neighboring Districts

	San Francisco	Oakland	San Jose	Palo Alto ³
Lowest Offered	\$39,195	\$39,456	\$45,165	\$50,168
BA + 60 (Step 10) Offered⁴	\$60,878	\$54,328	\$74,634	\$79,863
Highest Offered	\$77,630	\$70,934	\$90,700	\$101,306

Source: EdData for 2007-08 school year, retrieved 1/16/09 from <http://www.ed-data.k12.ca.us/>

to teach or go into another profession and do better ... financially and probably emotionally.”

Informal conversations about using a parcel tax to fund teacher salaries go back a decade. Ken Tray, UESF political director, said that since 1999, “it had been a topic of discussion both with Board members and union leaders that at some point we were going to go to the voters with a proposition to fundamentally increase the compensation package for teachers.” It has been understood from the beginning that the only way to significantly increase the money available for salaries was for it to come from a parcel tax. The lack of alternative options is a direct result of California’s Proposition 13 in 1978, which set a 1 percent cap on property tax rates. As part of that legislation, the parcel tax emerged as one of few sources of discretionary tax revenue available to school districts; local governments are allowed to levy “special taxes” subject to the approval of two-thirds of the electorate. Because of this funding restriction, the parcel tax was widely seen as the mechanism through which the district would eventually be able to raise teacher salaries.

Conflicting funding priorities stall parcel tax

Despite the unanimous agreement that teacher salary increases were important and the parcel tax was necessary for such increases, it did not become a reality for nearly a decade. The delay stems largely from competing funding needs in the district. In particular, the lawsuit *Lopez vs. San Francisco Unified School District* has dominated school funding in San Francisco since its introduction in 1999. The 2004 ruling from this compliance judgment stipulated that the district renovate its facilities to conform to Americans with Disabilities

Act (ADA) standards.⁵ To do so, the school district needed to levy over a billion dollars; the approach was to fund these improvements by passing a set of bonds over a decade to renovate all of the facilities. The first bond went to the voters in 2003 as Prop A.⁶ At this time, UESF leaders Dennis Kelly and Linda Plack had just come into office, and while they supported facilities improvement, they asserted the need to find money to increase teacher salaries as well: “Facilities are important, but they don’t put a penny in the pockets of our members” (Kelly). At this time, the union was told that there would be a sequence of school funding measures before a parcel tax could be considered, but that the next fund would include some money for teacher salaries.

As expected, the next funding measure, Prop H, came out in 2004.⁷ A third of these funds was earmarked for preschool; a third for sports, libraries, art and music (SLAM); and a third for “other general uses.” Despite the creation of a community advisory committee around the use of this money, the guidelines around how the “third-third” would be allocated were unclear and led to a great deal of internal strife as groups clamored for the funds. An increase in teacher salaries was an allowable use of the money, but the union felt that the Prop H advisory committee “acted as if we had stolen money out of the kitty” when they requested funds for this purpose (Plack). This reinforced the union’s belief that there needed to be a parcel tax dedicated solely to increasing teacher salaries.

Shortly thereafter, the union entered into 2005 contract negotiations with the district. At this time, the union negotiated an 8.5 percent raise with the understanding that the Board

would look into putting a parcel tax on the June 2007 ballot. The district still needed to fulfill its obligations under *Lopez*, and another facilities bond measure (Prop A) came out in 2006.⁸ The union understood that this bond was necessary but felt that the district needed to prioritize teacher salaries: “Even if buildings may very well be falling and need improvement, without people inside working in them, it doesn’t matter what they do” (Kelly). At this point, the union felt strongly that the next school funding measure put to voters needed to be the parcel tax to support teacher salaries, and others in the district agreed.

Tense relations in district give way to trust

When discussions about the parcel tax started a decade ago, relations between the union, the board and the district were tense and marked with mistrust. Then-Superintendent Bill Rojas was a controversial figure who was ousted for mismanagement of public funds. His successor, Arlene Ackerman, was a leader whose tenure was marked with sharp union criticism concerning policies of school reconstitution and perceived anti-teacher reforms such as “curriculum-in-the-can” (Tray). Ackerman’s run as superintendent ultimately ended in her resignation in 2006. The climate during this time was not conducive to working together to achieve a collective goal; Ken Tray said, “There was not the healthiest atmosphere to move forward on something like Prop A. ... It wasn’t until there was a change in administration that anyone basically felt that we could move forward.”

In February of 2007, Interim Superintendent Gwen Chan took the reins, which turned out to be a positive change in the district. Phil Halperin, board chairman of the San Francisco

School Alliance, who has been involved with the district for many years, said, “Gwen came in and said, ‘We are all going to treat each other with respect’ and she set a very different tone. She said it to her staff but she also said it to the Board.” This approach smoothed over tense relations and paved the way for current Superintendent Carlos Garcia, who “had a good track record in working with unions” (Sanchez), and had a reputation of trust-building. Garcia started in July of 2007, and said about his start as superintendent:

I think I had a couple privileges that [other superintendents] did not have before coming here. I was a principal [in SFUSD], and when I was a principal I developed with my staff, cooperatively, the decision-making process. I left with a pretty good reputation that I was really very well open to collaboration. I have always taken pride in being a teacher who so happened to become a superintendent. I think a lot of people know that about me, especially the ones that worked with me. ... [Teachers] were all ready to move on and they gave me the opportunity to do that for them.

The union felt that Garcia was a superintendent “who on the one hand [recognized] that there is always going to be tension between management and labor — it’s the nature of the beast — but that we could work together and that teachers and school workers were not the problem. ... So there was a shift there from pointing a finger to ‘let’s work together to make schools better places to teach and learn’” (Tray).

Adding to this trust was Superintendent Garcia’s reform agenda, developed with the

support and input of the union and the community. The new strategic plan focused on three core principles: Access and Equity, Student Achievement, and Accountability.⁹ The strategic plan was developed through a process of community and teacher involvement, and it helped develop a sense of partnership among stakeholders. This process was a force of positive collaboration in the district.

These feelings of goodwill first showed positive outcomes in 2006 during the union negotiations for the 2007-10 contract. Representatives from both the union and district felt that these negotiations were truly collaborative, and both sides believed that the other was willing to compromise. As an example, the district and union were able to come to an agreement regarding how to staff the most difficult to staff schools; the newly negotiated contract contained language allowing for vacancies to be posted as they occur in 25 hard-to-staff schools. Prior to this reform, vacancies in these schools were not listed until April with other openings, as per the contract, and they were often the last filled because they were perceived as less desirable.¹⁰ Superintendent Garcia said that “this kind of kicked off on having a conversation about doing things a little bit different.”

The history of discord between the district and the union had also led to poor relations with the community. The new harmony, in turn, improved community support for the district. Dennis Kelly said, “We were very aware that the public needed to see that there was reasonable unanimity and congeniality, so we were pretty careful not to blow up the negotiations and to keep them aimed productively and relatively low-key.” During these negotiations, the agreement to pursue a parcel

tax was operationalized for the first time; the 2007-10 contract stipulated the development of a negotiating team to develop a Memorandum of Understand (MOU) detailing the terms of a parcel tax. The team was to be comprised of five people from the district and five from the union.¹¹

Both the district and union felt a sense of urgency, agreeing that the parcel tax needed to be developed and voted on quickly, while the mood in the district was optimistic and collaborative. Natasha Hoehn, the executive director of the Silver Giving Foundation (which works on educational issues in San Francisco and California), said, “There was some discussion about the superintendent and the honeymoon he enjoys and that the political ability to get something done is higher [early on] than after the [inevitable] bumps in the road.” With this motivation, the district and union moved forward in earnest to develop a parcel tax proposal to be put to San Francisco voters.

Initial visions

Conversations about the parcel tax go back a decade, and have been supported from the start by interested community stakeholders. Since 1999, community stakeholders and district leaders understood that teacher salary increases would need to come from a parcel tax, but it took approximately five years to focus the conversation on action. One of the first focused conversations about the parcel tax occurred in 2004 at the home of an interested citizen who had been involved in educational issues in SFUSD for many years. Many San Francisco leaders attended this meeting, including representatives from the union, district, and Board, as well as from the San Francisco Education Fund, the Chamber of

Commerce, and the mayor's office. This meeting and others that followed exposed some of the initial disagreements about potential uses of a parcel tax.

Baseline increases vs. performance pay

From the outset, the union, backed by the majority of the Board, wanted an across-the-board raise for teachers; central office staff, while supportive of the idea that all teachers should receive a boost, also wanted to use the parcel tax to fund differentiated pay, including performance pay for teachers. Brad Stam, who was director of Teacher Affairs in SFUSD until 2003, said that in the beginning, the district “saw [the parcel tax] as a recruitment and retention as well as a differential-compensation strategy, about enlarging the pie large enough that you could have a slice for differential compensation. ... We were coming from a place around there needs to be more accountability, more pay-for-performance elements in it for the central office to get behind it.”

The district's initial ideas about differential compensation closely resembled Denver's ProComp program, which was implemented in 2004. ProComp has four essential elements: 1) incentives for acquiring knowledge and skills, 2) bonuses for teaching in hard-to-staff schools and subjects, 3) remediation for underperforming teachers, and 4) rewards for meeting school and individual student performance goals.¹²

From the start, the union was opposed to the idea teachers have to give something in exchange for the salary increase: “To get what is actually a pretty modest earning ... that teachers have to give something — what do you mean we have to give something? Most teachers

are working their asses off as it is” (Tray). The union was particularly opposed to the performance pay proposals. Linda Plack said, “For me the implications [of performance pay] are that the teachers are not working as hard as they would or could, and if you dangled this little reward in front of them, they would make an effort. I find that unacceptable.”

It became clear to the district very early on that the issue of performance pay was a “non-starter” for the union (Tray). This belief was confirmed when the district sought the advice of Jeff Camp, who was working with Full Circle Fund (FCF), a philanthropy organization that brings business and community leaders together to lend assistance and expertise to nonprofit organizations in San Francisco. Camp worked with the Education Circle of FCF, which had recently started the Alt Comp Dialogue, “a project focused on supporting districts and unions that want to jointly develop plans for rethinking compensation in order to support shared goals for teaching and learning.” District officials had asked Jeff Camp to serve as a neutral third party and consult with them about the possibility of developing a performance pay system in San Francisco. However, Camp confirmed the performance pay was not a viable option in the district: “In an early conversation, [the union] was pretty dismissive and suspicious [of performance pay].”

The district accepted that performance pay was not going to be part of the parcel tax plan, but it remained committed to the other provisions of their vision, especially remediation for underperforming teachers and school-wide performance incentives. Over the course of the following year, the district and union, with the involvement

of community and business organizations, found ways to integrate accountability provisions and differentiated pay into the language of the proposition.

Parcel tax ‘laundry list’

Teacher accountability was a contentious issue in early conversations and was much of the focus, but early meetings also included brainstorming about additional uses for a parcel tax. These meetings included district and union leaders, Board members, and a range of stakeholders including the president of the Chamber of Commerce, parent representatives such as Parents for Public Schools, Coleman Advocates (a San Francisco based child advocacy organization), and the San Francisco Education Fund. At these meetings, “everybody was in the mood that we wanted more money for teachers. We were starting from a fairly common point. ... Teacher compensation was part of it, but it was not all of it. Everything from extending the school year to initial technology was included, sort of a laundry list” (Waymack). Because a parcel tax requires a two-thirds vote to pass, the support of nearly every stakeholder group was needed and everyone was given a voice in the design of the proposal. At these meetings, interested parties appeared to see the parcel tax as a catch-all for school reform initiatives that could not be financed with available funds. Additional potential funding elements discussed included teacher transfers to low-performing schools, accountability, professional development, technology, targeted salary bonuses, and strategies for improving working conditions in hard-to-staff schools.

In these initial meetings, while open to all suggestions, the district did not entirely lose its focus on teacher accountability. In particular, these conversations addressed the existing teacher accountability program in the district, the Peer Assistance and Review program (PAR). PAR is a state program that was started in the district in 2001 as a way for struggling veteran teachers to get additional support, and as a course of action for removing low-performing teachers who do not improve. In these early meetings, PAR was discussed as a way to increase teacher accountability and support, but it was unclear how it might be leveraged to reach these goals.

Although all stakeholders shared a vision of increasing teacher compensation, the wide range of goals the parcel tax was thought to serve left the discussions somewhat vague. With so many ideas on the table, the district and union had to synthesize their goals into an actionable plan. The work of refining the focus and developing a final proposal would take place over the course of the next two years.

IDEA TO REALITY

UESF and the district agreed to develop a parcel tax in March 2006, and the district and union signed the final Memorandum of Understanding (MOU) in January 2008. Throughout the two years between the approval of a parcel tax in concept and the approval of an actual parcel tax proposal, the district and the union reached an agreement with the help of community and business organizations. This agreement was facilitated by the pressure both parties felt to create something that voters and community stakeholders would support.

Figure 2 depicts the key elements in the parcel tax’s development and how they interacted, ultimately leading to a voter-approved proposal. The district and union negotiation around the use of a parcel tax goes back nearly a decade, when ideas for a parcel tax were varied and unrefined. Union and district negotiations around the parcel tax became more focused when financial feasibility and parent and business goals became part of the conversation. This collaboration led to a stakeholder-approved proposal, which led to a voter-approved parcel tax when paired with an effective political campaign. Throughout the process, it was essential that all parties stayed focused on collaboration and open communication.

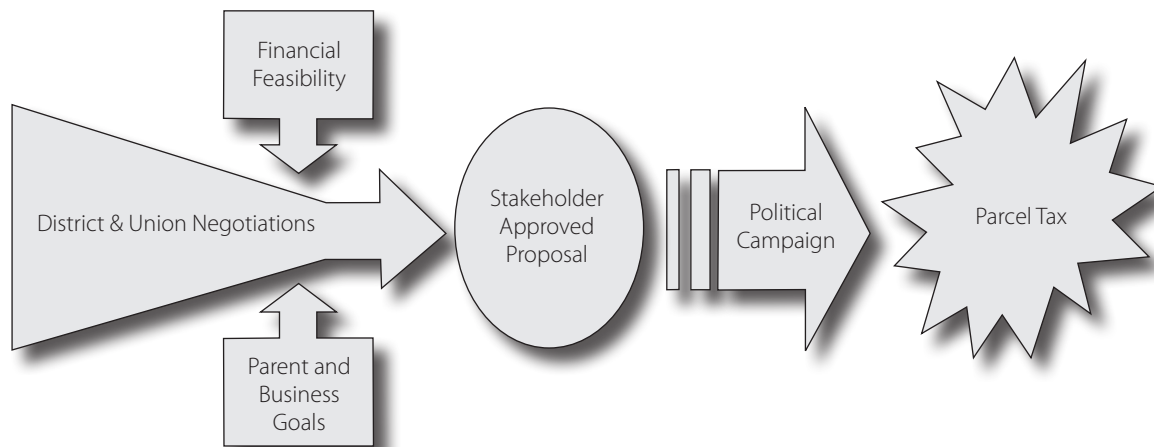
Stakeholder support

From the start, it was understood that the terms of the parcel tax had to be negotiated for wide support. A parcel tax has to pass by two-thirds vote, which means that any organized opposition can cause it to fail. Particularly, the support of the parent and business communities was essential for the parcel tax. The business

community provided much of the financing for the campaign, and they would have been the most likely group from which an opposition campaign could have come. Similarly, the parent community was a very important constituency in the campaign; the district felt that the parcel tax “couldn’t win without them” (Waymack). The business and parent perspective became clear through early community meetings convened by the district. These meetings quickly showed that parents and business leaders wanted things to be done differently.

There were two community forums before the parcel tax proposal was finalized in which the full range of community stakeholders was asked to share thoughts on the design of the proposal. At these meetings, attendees “were very clear about what they wanted to see from a parcel tax. They wanted to have teacher raises, but they wanted some more meat to it also. ... We needed to have a way to rid the schools of poorly performing teachers” (Waymack). These meetings clarified that the community would not accept an increase in pay without increased teacher accountability.

FIGURE 2. Parcel tax development and passage process



The executive director of Parents for Public Schools at the time, Lorraine Woodruff-Long, said that parents needed to see that the parcel tax would result in changes at the school level if they were going to put their weight behind it. Parents knew that the teachers in San Francisco were not getting paid enough and they wanted to fix this problem with an overall salary increase. At the same time, parents felt that teacher quality was uneven in the district: “We needed to have an honest discussion about teacher quality. ... We need to pay [teachers] more, but we also need stronger accountability” (Woodruff-Long). Parents also supported fundamental changes to the salary structure: “[Parents] want to support a parcel tax, but we need to see the teachers union agree to things that are best practices around the country ... new ways of structuring salaries to get best results for kids” (Woodruff-Long). The parents’ position was clear throughout: “[We] won’t spend any energy working for this effort if it doesn’t include some serious educational reforms” (Woodruff-Long).

Parents also believed that the district needed to do a better job attracting and retaining good teachers in the district’s hard-to-staff schools. “In our lowest-performing schools and schools with high concentrations of African American and Latino students, these teachers weren’t staying more than three years, and we weren’t getting the right results for these kids, either” (Woodruff-Long).

The business community’s perspective was unusually well-aligned with that of the parents. In part, this may be because of the city’s demographic, in that the vocal parents are also largely members of the business community: “The interesting thing about San Francisco in some ways is that, while on one hand it is progressive city, it is

also very professional. ... From that perspective, the idea of differential compensation, or pay-for-performance, has greater resonance than it does in communities where there is not as strong a professional class” (Stam).

The business community brought both votes and resources to the table; many San Francisco businesses contributed heavily to the political campaign. The business community’s ability to raise money created a powerful force, and strongly influenced the final proposal. Superintendent Garcia said: “To sell this to the business community, we had to have some sort of accountability.” Ultimately, the business community also favored extending resources to charter schools and setting aside some money for technology, which were also made part of the final proposal.

It was useful for negotiations that the call for accountability was coming from the parent, and business, community, rather than from the district. Nancy Waymack said, “We were a little bit quieter on the accountability thing, because it was a lot easier for it to come from community members than us, and probably more effective for the union to hear that from them.” While the union accepted the parent and business perspective, they were not happy about it: “At the point when we actually started going to meetings [with] representatives from the various parent groups and corporate groups, it was clear, number one, that our corporate allies were fundamentally not friends of unions” (Tray).

The preferences of the business community put substantial pressure on the union to include teacher accountability provisions in the proposal in the form of an expanded PAR program, as well as differentiated pay for teachers in difficult to staff schools and subjects. The union understood

that the parent and business community would not support a parcel tax without elements of differentiation of pay to target needs in the district and a focus on teacher accountability, and leaders were much more willing to negotiate around these features when they felt that there was an open discussion about what these provisions would look like for teachers: “I think everyone realized that we had to move forward with this while there were differences [of opinion] in what the teachers had to give. We sensed from the beginning that there’s a give and take here and we can make our case about [what] should change for teachers — as opposed to something being proposed upon us, some merit pay scheme” (Tray).

As the parent and business groups moved the union closer to the district, the Board’s position put pressure on the district’s negotiating team to move closer to the union’s perspective. The Board had the final say on the proposal, so the district and union both had an incentive to create a proposal that the Board would accept. Nancy Waymack said that the district’s position in negotiation was influenced by the Board’s position, since the Board “is generally very supportive of unions. . . . They are not going to be the Board that presents something that is on the other end of the spectrum from what the union is going to accept.” These forces helped bring the union and district closer to a compromise.

Political campaign and funding

Because a parcel tax requires a two-thirds vote to pass, a coordinated political campaign was essential. To help with this process, the district and union engaged the San Francisco School Alliance, which has a long history of supporting SFUSD. Phil Halperin, board chairman

of the San Francisco School Alliance, noted that the development of the parcel tax and the political elements went hand-in-hand: “You can’t bifurcate the two . . . because it was a political campaign from day one.” Echoing this sentiment, Superintendent Garcia said, “People deserve more and will be paid more, but we need to work it out and have a conversation to have a win-win. We have to sell this to the voter, so we have to sell it to them in a way that both parties win.”

Political agents in San Francisco, including the union and external stakeholders such as Halperin and Hoehn, shepherded the parcel tax through the political campaign.¹³ Those involved helped understand and track voter support for a parcel tax, coordinated funding, and helped run the ultimately successful campaign.

There were two polls during the parcel tax’s development which strongly influenced the process. An initial poll showed a lack of sufficient voter support for the tax. At first, only 57 percent supported for a teacher salary parcel tax; 68 percent of voters supported an increase in teacher salaries, but 73 percent believed “raises should be tied to job performance,” and 58 percent thought that “raises should be tied to the ability to teach challenging subjects” The polling results echoed the feedback from the community meetings and led to additional focus on accountability and differentiation of teacher pay.

Polls also indicated the amount of money voters would support. Initially, the district aimed for a \$265 parcel tax, but the polling made clear that voters would support the tax only at a lower level. The final amount settled on was \$198 per parcel, substantially less than originally planned. The reduction in funding that would be provided through the parcel tax significantly impacted financial planning and sharpened negotiations.

Essential to the campaign was the fundraising effort, led by Warren Hellman, of the private equity investment firm Hellman & Friedman. Hellman, a prominent San Francisco businessman, who is a graduate of SFUSD's public schools, is, in Halperin's words, "the sole big-time business guy to be behind the school district." As the financial backer of the political campaign, Hellman helped move the union and district closer together. He was seen as a neutral third party: "Warren Hellman from my perspective was an honest broker and helped pull us together" (Tray).

"You can't run a campaign without money" (Halperin), and Hellman made clear that he would only work to fund a campaign that had a good chance of winning and that could build sufficient financial support. To this end, he facilitated a compromise that would satisfy the business community. Halperin, who worked closely with Hellman in fundraising for the campaign, said that getting business people onboard was crucial to the success of the campaign, and it pushed the union toward compromise on issues including differentiated pay and accountability: "If we told [the business community] that we were just going to increase that salary, they would not have gotten behind it. They wanted to know that something was different." Superintendent Garcia said, "By putting that [accountability] piece in, we were able to get donations from [San Francisco business leaders] who would probably not have [contributed] before." As the leader of the fundraising effort, Hellman raised over \$700,000 over the course of the campaign, in addition to the \$100,000 contributed by the union.

This funding enabled a political campaign, led by Whitehurst/Mosher, a campaign-strategy and media company, which involved messaging

and efforts to increase awareness about the parcel tax. The QTEA slogan became "Every child deserves a great teacher, and every teacher deserves a living wage," and the political campaign, combined with over 20 district-sponsored community meetings and a coordinated union political effort, brought support for the parcel tax from 59 percent to 66 percent in the polls.¹⁴

FINAL DISTRICT AND UNION NEGOTIATIONS

With an eye toward parent and business perspectives and the need to satisfy the Board, which was highly sympathetic to the union, negotiations began in earnest. The formal district/union negotiations included only the 10 people named to the team in the 2007-10 contract¹⁵ but were supported by ongoing Board meetings, and meetings of internal district workgroups. There was a general workgroup, revenues and expenditures workgroups focused on how money would be collected and spent, and a communications workgroup focused on building community support for the parcel tax.¹⁶

The district and union discussions were formal bargaining meetings, but they were completely separate from the regular bargaining process. This separation was important to the union because "we did not want to tie the negotiated salaries to the parcel tax ... it would have meant that nobody would have gotten any [additional] increase for at least two years" (Kelly).

The district and union agreed early that the decisions around the parcel tax needed to be formalized, rather than leaving things to later discussion. They decided they needed a Memorandum of Understanding (MOU) to avoid misunderstandings about fund allocation as occurred

with Prop H in 2004. The contentious process of allocating those funds taught district and union officials and external partners that “you need [the proposal] to be coherent, you need it to be intelligent, you need it to be strategic and [you] need it to be in an MOU” (Halperin).

The district and union spent nearly two years negotiating the MOU: “And once again there were all sorts of obstacles that the district put in our path” (Plack). While they never lost sight of the need for collaboration and working productively toward shared goals, the substantial differences in their starting points took time and effort to bridge. Many issues required careful negotiation and compromise, but the most contentious issues were those around changes to the Peer Assistance and Review Program (PAR).

These issues remained contentious until the end. The Board was scheduled to conduct a final reading of the parcel tax proposal in February of 2008. However, there were some provisions around changes to the PAR program that the union and district negotiating team were still having trouble agreeing upon. At that point, Superintendent Garcia intervened, cancelling the reading, and insisting that he would not support a parcel tax if the district and union were not in complete agreement: “I said, ‘No if we do not have an MOU then we are not going to put [the parcel tax proposal] on [the ballot].’” The superintendent’s insistence that there would be no parcel tax without an MOU provided an additional motivation for the district and union, and in the weeks that followed, they finalized the proposal and came to a decision in time to meet with the Board and put the parcel tax on the June 2008 ballot. The final MOU was signed on January 25, 2008, and was approved by the Board on February 12.¹⁷

We now turn to discussing the process through which the district and union were able to negotiate the specific provisions of the parcel tax.

Fiscal planning

Supporting the formal negotiations, the district and the union had teams working on the financial planning of the parcel tax, both expenditures and revenues. The revenues team was in charge of researching other local parcel taxes that passed in other jurisdictions and calculating the total revenues that would be generated by the tax if passed, using various funding assumptions. The revenues team also researched other tax approaches for raising the funds for teacher salary increases. There were many options, including a square footage tax, parcel tax, a tax based on the value of the property, and separate taxes for commercial and residential. Originally a flat parcel tax was not preferred by the Board because it was not as progressive as other options. However, legal research revealed that other taxes may not have complied with California government code. Rather than risk being held up in court and prevented from collecting proceeds from the tax, the district chose to pursue a flat parcel tax.¹⁸

With this decision made, and with the results of the polls indicating the amount of flat tax that the voters would support, the expenditures team costed out various proposals, allocating funds based on the final preferences decided by the union and district. Since the money was not as much as was originally hoped, both the district and the union had to scale back their plans. “Most of us were thinking of more money than the final property tax that we got, so I think some of our schemes were more

generous at the beginning ... everyone had to pull back their expectations” (Tray).

Some elements were scaled back and others were eliminated altogether. One element widely supported in early discussions but not included in the final proposal was using parcel tax funds to extend the school year. While the extended year had support from both the district and union, it required substantial funds and was sacrificed in order to support the other initiatives. Superintendent Garcia said: “I know I gave up my big one; I wanted to be able to say that San Francisco had the longest school [year] in the country. Having recognized what our resources were, we had to throw that one in. But I think that people began to realize that it was going to have to be a compromise.”

Final provisions of the parcel tax

The district and union negotiated the terms of the parcel tax for almost two years. Because of initial disagreements about how the parcel tax funds should be used, the negotiations were contentious at times, but ultimately the two sides found compromise on all of the parcel tax elements: salary increases and bonuses, changes to the PAR program, education and support, school-wide incentives, and provisions for other district staff and programs.

Salary increases and bonuses

The majority of the parcel tax was earmarked for teacher salary increases, because, as Nancy Waymack said, “This was always the *teacher salary* parcel tax.” Entering into negotiations, the union wanted 75 percent of the revenue from the parcel tax to go to teacher compensation, but “did not specify it had to be in a salary schedule” (Kelly). This flexibility opened up the door for some changes to the salary structure, specifically in differentiating pay with strategic targeting. While differentiated pay is not something the union supported enthusiastically, some in the district felt that the union compromised at least in part because the bonuses were “not so substantial that [they] couldn’t deal with them” (Sanchez). Ultimately, bonuses were negotiated for teaching in hard-to-staff schools and hard-to-fill subjects and for teaching four or eight years in the district. (A bonus that the district supported but that did not make it into the final proposal was a salary increase for master’s degrees and Ph.Ds.) Table 4 details the compensation increase that an individual teacher can expect to gain as a result of the parcel tax.

Retention bonus. The union and the district agreed that providing a retention bonus to persuade teachers to stay was important. After reviewing data on teacher attrition, the district

TABLE 4. Final annual salary and bonus allocations for individual teachers

Amount	Awarded to:
\$500-6,300	Annual teacher salary increase (varies by step)
\$2,500	Bonus for teachers after the fourth year
\$3,000	Bonus for teachers after the eighth year
\$2,000	Hard-to-staff schools bonus
\$1,000	Hard-to-fill subjects bonus
\$1,000	Bonus for teachers working on their credential in a hard-to-staff school

and union decided that a bonus for fourth- and eighth-year teachers would be most strategic. This bonus was seen as “an incentive to keep people” at points at which they typically leave (Plack). Ultimately, this retention incentive was added as a one-time bonus rather than a permanent increase on the salary schedule, which would be too costly to maintain.

Hard-to-staff schools. The final proposal includes a \$2,000 bonus for teachers working in the 25 schools designated hard-to-staff by the district. This bonus was seen as a way to attract and retain teachers in schools that have difficulties hiring and retaining teachers. This provision was somewhat contentious; the union pointedly said, “We will not agree to anything that smacks of combat pay” (Kelly). Union leadership felt that a “combat pay” approach was counterproductive: “You go to Pit of Hell high school and we will give you \$2,000 battle pay, combat pay. . . . You condemn those schools, you say, ‘Oh, this is such a terrible place to work, the only way anybody would go there is if we give them a little bit of extra money’” (Plack).

The district and union were able to negotiate the provision by reframing it as “extra pay for extra work” — a bonus for working the additional hours that are generally needed in hard-to-staff schools. “We said that the one thing that is true is that all teachers work beyond their assigned time, and if you choose to recognize that fact and pay people for that, we can agree on that. And if you want to do that in specific schools, it’s fine, but it won’t be battle pay that you are getting paid just for walking into the schools” (Kelly). The MOU states that the bonus is for “recognition of the additional work teachers do beyond the school day.”

The articulation of this provision as additional pay for additional work is more ideological than practical. While the MOU does call for working (and reporting) more hours to receive the bonus, Dennis Kelly said he does not expect that the time will be closely tracked: “We had a little discussion about how the district has to create the forms so that the people can report the hours, but this cannot be work that the administrator demands.”

Hard-to-fill subject areas. The MOU also includes a \$1,000 annual bonus for teaching in a hard-to-fill subject area, again with the goal of attracting and retaining teachers in shortage areas. It was agreed that the district could pick up to five subject areas every year. Once the commitment is made to those teachers, their position becomes eligible for the hard-to-fill bonus for the initial year and the following two. “The criteria for those have been just the demand versus supply” (Waymack). While the designated subjects will change periodically based on need, it is expected that the bonuses will be for teachers in subjects such as math, science, and special education. The specific choice of the subjects will be determined to balance need with budget, since the bonuses distributed cannot exceed the budgeted amount.

Across-the-board salary increase. Ultimately, 71 percent of the revenue was earmarked for teachers, and 42 percent went directly into the salary schedule. The work of revising the salary schedule was no easy task and was only possible because of a combined district and union effort between Armen Sedrakian, a teacher on the union negotiating team, Nancy Waymack, and Mimi Chwang. This team transformed the “mess that existed” (Kelly) and created a much more streamlined salary schedule that balanced

TABLE 5. SFUSD Teacher Salaries before and after QTEA Compared to Neighboring Districts

	New San Francisco	Old San Francisco	Oakland	San Jose	Palo Alto
Lowest Offered	\$40,774	\$39,195	\$39,456	\$45,165	\$50,168
BA + 60 (Step 10) Offered ²⁰	\$63,500	\$60,878	\$54,328	\$74,634	\$79,863
Highest Offered	\$82,000	\$77,630	\$70,934	\$90,700	\$101,306

Source: EdData for 2007-08 school year, retrieved 1/16/09 from <http://www.ed-data.k12.ca.us/> and QTEA salary schedule.

increases for teachers across the steps. Finalizing the new salary schedule was more about financial feasibility than ideology, though the union did have a clear belief that the increase should benefit teachers of all experience levels, and that the salary schedule should provide incentives for teachers to increase their salaries through professional development. Dennis Kelly said:

[We] understood that the increments had to be relatively as stable as possible, but that they had to increase, because we were convinced that we were going to put more money at the bottom of the scale. That was part of the whole ‘recruit and retain.’ But you cannot leave the people at the other end out, so the largest increment had to be for the senior members, but it had to be fairly regular. ... You cannot take away from anybody; everybody has to advance.

The final salary schedule includes an increase of 11 percent for new teachers and 4 percent for senior teachers.¹⁹ Salary increases range from \$500 to \$6,300. (The uneven increases are because the QTEA salary schedule smoothed out some of the “weird bumps” (Waymack) that were present in the previous schedule.) These changes mean that a new teacher planning to make a

career in San Francisco could earn as much as \$92,500 extra because of the parcel tax over the course of his or her career. Table 5 shows how the changes to the salary structure make SFUSD’s salaries more competitive, as related to the neighboring districts with which SFUSD benchmarks teacher salaries.

An additional change that was made during parcel tax negotiations is that now teachers will only get salary credit for units that either are directly related to their major or contribute to an advanced credential. This change, initiated by the district, was designed to ensure that teachers only receive salary credits for coursework that relates to improving their classroom practice. The union agreed to this modification, recognizing that now there will be “more emphasis on training people to improve their skills and to get more knowledge” (Kelly).

Changes to Peer Assistance and Review

Some of the most contentious conversations surrounded the changes to the Peer Assistance and Review (PAR) program. When it became clear that accountability provisions had to be part of the proposal, the conversation turned to PAR, as PAR was the district’s existing mechanism for rehabilitating and removing, if necessary, low-performing teachers. As Nancy Waymack said, “PAR came up because accountability came up.

... We looked around and said, ‘We have a good accountability system, we have a good way to improve poor performing teachers.’ ... But it got to this point where we knew [PAR] had to have more teeth if we were going to do it and make it the accountability measure.”

Since its inception in 2001, the PAR program has been used by the district to support struggling veteran teachers and as a mechanism for removing low-performing teachers who do not improve. The PAR program is closely related to the district’s evaluation system; teachers are evaluated annually (or biannually) by their site administrator using an evaluative rubric with 31 elements based on the California Standards of the Teaching Profession.²¹ After receiving an unsatisfactory evaluation, teachers are referred to PAR, through which they receive coaching and support from a district coach. After a year of PAR participation, teachers are reviewed, and

successfully complete PAR if they meet standards on all of the teaching elements, or can be moved to dismissal if they do not. Table 6 details how PAR has been used in the past and how it will change as a result of QTEA.

One change to PAR that the district wanted to include but which was ultimately abandoned was a provision that teachers participating in PAR pay for their additional support by postponing their salary step increases during the year of PAR participation. The district’s proposal was that teachers would receive the increase upon successful completion of the PAR program as an additional incentive for improvement. However, the union did not agree to this proposal as part of the changes to the PAR program.

As part of the parcel tax negotiations, the district wanted to make PAR easier to get into and harder to get out of, both expanding PAR services to more teachers who need support and

TABLE 6. PAR before and after QTEA

Before	Changes as a result of QTEA
Annual (or biannual) review by principal using the SF teaching standards as part of the regular review process.	-
A teacher enters PAR if s/he receives an “unsatisfactory” summary evaluation, or if s/he “needs improvement” for two consecutive years.	In addition, teachers enter PAR if they “need improvement” for two consecutive <i>semesters</i> .
Teacher receives coaching and weekly visits from a district PAR coach for one year.	-
After the teacher has been in PAR for one year, the PAR panel (which is composed of representatives selected by district and union leadership) reviews the teacher’s case. If the teacher now meets standards on each of 31 competencies, s/he exits PAR successfully. If a teacher fails to meet standards, the district is free to exercise its legal option to dismiss the teacher.	In order to exit PAR, a teacher must additionally be “proficient” on all seven agreed-upon elements of the SF teaching standards. ²²
For a teacher who exits PAR successfully, s/he could re-enter PAR the very next year if the evaluation rating was once again “unsatisfactory.”	A teacher who has exited the PAR program and subsequently receives an “unsatisfactory” notice may be moved to dismissal.

facilitating a move to dismissal for underperforming teachers. While the union supported expanding the PAR program, it did not support the idea of building “more teeth” into PAR: “That is a horrible use of the PARs. . . . PAR is there as a resource to help teachers, to help teachers make it” (Kelly).

In addition, the union did not believe that the accountability aspects of PAR would not actually help improve teacher quality: “The district does not need additional programs to get rid of people; they already have that ability under law” (Kelly).²³ While the district agreed that this legal right existed before QTEA, the process of dismissing teachers was a “very cumbersome, time consuming, and expensive process, and that’s what we were trying to address” (Ruiz).

Despite the disagreements, changes to PAR had to be part of the proposal for business and community groups to lend support, so the union negotiated on this item even though it was contentious. In fact, the bargaining around PAR was not only heated prior to signing of the MOU, but it remained so afterwards as well, as provisions were finalized. The most contentious provisions of the changes to PAR were those that delineated what standards teachers had to meet for successful exit from the PAR program.

Easier referral into PAR. Prior to QTEA, teachers were referred to PAR if they had an “unsatisfactory” summary review or a “needs improvement” review for two consecutive years. As part of QTEA, the district and union agreed that teachers who receive a “needs improvement” rating for two consecutive semesters can also be referred to PAR. The district and union see the benefit of this provision to be that more teachers will now be referred into the PAR program and, as a result, have access to the supports they

need. District officials also sense that principals may have avoided giving unsatisfactory notices because of the stigma associated with referring teachers to PAR, but will be more likely to give the “needs improvement” rating: “A lot of principals, rather than giving the [unsatisfactory summary evaluation], write the ‘need improvement.’ So what we thought is that if a teacher gets two consecutive ‘needs improvement,’ they need the coaching of PAR” (Ruiz). The union is supportive of this provision as well: “If you need improvement, you need improvement” (Kelly).

Requiring “proficiency” for exit from PAR. While entry into PAR is determined by summary evaluation, exit from PAR is determined by ratings on each of the 31 elements of the San Francisco teaching-standards rubric. Each element includes a four-point scale; at the lowest point the teacher “does not meet the standard,” and the ratings increase in developmental order — basic, proficient, and expert. The key distinction between meeting the standard at a basic level as compared to proficient is consistency: a teacher at the basic level meets the standard “some of the time” or “generally,” whereas a teacher at the proficient level meets the standard “consistently” or “regularly.” Before QTEA, teachers were able to exit PAR successfully if they could demonstrate that they met each standard at a basic level. However, the district wanted to change this so that teachers had to demonstrate proficiency in several essential elements in order to exit PAR, in an effort to “raise the PAR bar” (Waymack). As Superintendent Garcia said, “We are not asking for rocket science stuff, but the basic necessities for a good teacher to be displayed regularly. If a teacher cannot do this we need to look for another that can.” This was the aspect of the negotiations that was the most difficult for the union and the district to agree upon.

The district felt that all teachers should be proficient at the most important aspects of teaching: “We all wanted our students to have better teachers and ‘basic’ just does not cut it, because I did not want a teacher that *occasionally* kept order, but *consistently*” (Garcia). However, the union was not supportive of this change to PAR initially. Eventually, the union agreed to the selection of some essential elements, but deciding how many and which of the elements were essential for proficiency was difficult because of the disagreements. “Some wanted four [proficient elements] and others wanted 40” (Garcia). After substantial conversation, the district identified 13 elements that they viewed as the most fundamental, but the union did not agree with the number of elements, or the specific elements that were chosen. According to Superintendent Garcia, the union pushed back, saying “proficient” was too high, and that 13 standards were too [many] for teachers to be proficient at.” This issue eventually came to blows, when it seemed that the district and union were not going to come to an agreement in time for the parcel tax to be put on the ballot.

The process of finding a compromise on this provision required the thoughtful negotiation of people from both the union and district side. The union negotiators worked hard to convince the district to limit the number of proficient elements, and Superintendent Garcia played a crucial role in encouraging collaboration as well by refusing to support a parcel tax without an MOU and by taking this issue to the Board: “[The union] said they would not sign [the MOU], and we told the Board that if [the union is] not going to sign it then they are not looking for social justice. ... The Board held the line, since we told them to trust us” (Garcia).

Feeling the pressure to come to an agreement, the district and union agreed to seven elements on which teachers should be proficient (reduced from the original 13):

- ◆ Organize curriculum to support student understanding of subject matter based on *Content and Performance Standards and Core Curriculum*.
- ◆ Engage students in problem solving, critical thinking and other activities that make subject matter meaningful.
- ◆ Establish and maintain standards for student behavior.
- ◆ Implement classroom procedures and routines that support student learning.
- ◆ Use results of assessment to guide instruction.
- ◆ Design long-term and individual lesson plans to foster and support student learning.
- ◆ Communicate with students and families about progress.

However, this provision remained contentious even after the measure was passed, because of misunderstandings about the meaning of the MOU. While the district understood the agreement to be that teachers had to demonstrate proficiency in the essential standards in order to exit PAR, the union argued that this was not the intent of their agreement. The MOU stated that the seven essential standards “are linked to the California Standards for the Teaching Profession and shall be required for teachers to demonstrate proficiency;” the union asserted that the contractual language “establishes a standard; it doesn’t hold anybody to it, however” (Kelly). This position was reinforced by a provision in the MOU which states that “no other changes to [the PAR program] are implied or intended.”

The union's position on this issue frustrated some district officials, who did not believe that the union was acting in good faith. Tom Ruiz said, "It does not make sense; [the union] said that is not what they meant, [that teachers have to be proficient] to get out of PAR. Then why did we spend time arguing between seven, 13, 5 [essential elements], if it was not that they had to pass all seven to exit?" Despite the union's insistence to the contrary, some in the district believed that the union's position, and perceived change, was because of pressure from their national organization. Superintendent Garcia speculated that the problem was that union leaders "are being leaned on by their national organization asking how they got the proposition out. [Teacher evaluation and termination] is not a fashionable thing to want to give up." The union stressed, however, that their position had not changed, and that they never supported the idea that proficiency on the seven elements would be required for exit from PAR.

Because of the disagreements around the intent of the MOU, negotiations on the proficiency requirement continued well after the proposition was passed. The union and district came to an implementation agreement in October 2008, in which it was decided that in the 2008-09 school year, there will be no changes to the PAR exit requirements, but that both the union and district will monitor the PAR program to understand what would have happened had the proficiency requirement been in place. In the 2009-10 school year, the superintendent, "in consultation with the president of UESF," will determine the appropriate course of action, which ranges from full implementation of the proficiency requirement for exit to continuing PAR as it was implemented in 2007-08.

Move to dismissal if "unsatisfactory" after PAR completion. Before QTEA, teachers could be referred to PAR repeatedly after having completed a year in the PAR program. The MOU changes the process so that a teacher who has exited the PAR program and subsequently receives an unsatisfactory notice may be moved to dismissal. This provision also makes the PAR Panel findings admissible in any dismissal proceedings. While there have been very few cases in which teachers have moved in and out of PAR multiple times, this provision is aimed at avoiding that situation in the future. The union and district agreed that "it does not make sense to have an everlasting process. Instead, we said if you go into PAR once and come out, that is it" (Kelly).

Voluntary participation. Union leadership wanted to introduce and emphasize a non-evaluative voluntary aspect of PAR for teachers seeking help with their practice. By allowing and encouraging teachers to participate in PAR voluntarily, the union hoped to reduce the stigma currently associated with the program: "Right now, PAR has a bad reputation: That is where you put a teacher when you want that teacher dead, and you have had enough of the administrators [making] their own case and you want somebody else to do it" (Kelly).

To carry out the expansion of PAR, both the voluntary and nonvoluntary elements, the district will hire as many as five additional PAR coaches. While the union may be conflicted about the changes to PAR, including accountability provisions was essential for securing business and parent support. In addition, many in the district feel the changes will be a positive force in improving teaching quality, especially the proficiency requirement for successful completion. Chris Armentrout,

who was PAR head coach and now serves the district as director of Development and Local Government Relations, emphasized the power of giving teachers a higher standard and helping them reach it: “Some may say you are just raising the standards because you are trying to get rid of teachers, but I think the standards that you put on a person is actually what a person will put out, so I think that is the balance.” Mark Sanchez, summing up what many expressed, said, “I think you’re just going to get a better quality teacher that’s exiting that program, and you get the accountability that everybody says they want, so I think it’s a win-win.”

Education and support

In addition to addressing salary changes and changes to the PAR program, the MOU increased professional development hours for teachers and support for instruction at the school site through the master teacher program.

Continuing education. Both the union and the district came to the table with an interest in including professional development as part of the parcel tax. The rationale behind this support was that increased professional development would both increase teacher quality over time and would also support the district’s goals under the strategic plan. The MOU states that K-12 teachers (and some other staff) will receive an additional 18 hours of continuing education supported by parcel tax revenues. As this provision is implemented, the district and union will work together on how these additional professional development hours are used at the school site.

Master teachers. The district and union agreed that the creation of a master teacher program would both help support new teachers and

the district’s reform goals under the strategic plan. The initial conception of the master teacher program was much larger than the program that ultimately became part of the MOU. The union originally wanted a master teacher paired with every new teacher, essentially building an apprenticeship program. Dennis Kelly’s discussion of this provision indicates that the union saw the master teacher program as at least as important for retaining teachers as the salary provisions in the MOU:

It is one thing to bring people into SF — everybody wants to be in SF — but it is another thing to put somebody in a position and have them stay. Why? Why is that so difficult? ... The first day of your first year of your 40-year career, you walk in the door and you are responsible for everything that you are ever going to be responsible for at the end of your career. There is no easing in, and there is no one there to guide you, there is no one there to talk to you, there is no one there to assist.

The union also saw the master teacher program as an opportunity to create teacher leadership positions in the district: “We think about opportunities within the profession, so that teachers can share their expertise that they have after having taught” (Kelly).

Ultimately, the MOU included provisions for up to 50 master teachers who would have 20 percent release time and receive \$2,500 annually to “assist other teachers at their schools or other district-designated sites.” At the time the MOU was signed, it had not yet been determined how the master teachers would be used; by 2009-10, the district will decide whether

teachers will be spread throughout the district or will be used to target support in low-performing schools.

School-wide incentives for improved student achievement

From the beginning, an essential element of the district’s accountability plan was a school-wide incentive for improvement; parents were especially supportive of this approach, which they saw as encouraging student achievement gains. The final agreement stipulates that the 20 schools that show the most improvement in a “mutually agreed upon growth measure” receive a school site block grant of \$30,000. The school site council at the receiving schools will have the authority to allocate these resources as they see fit.

While this provision was mildly contentious (Linda Plack, referring to this provision, said, “We agreed to some things we really did not like”), it met relatively little resistance. Besides the substantial support for this provision from the business and parent community, the ease of agreement on school-wide accountability was likely due in part to the breadth of measures used to identify successful schools. While the metric was not determined at the time the MOU was signed, union and district officials decided that student test scores will contribute but will not be the sole measure of school effectiveness: “It would be based on a mutually agreeable factor which could include [the California Standards Test] or it could not. ... There have been a number of things mentioned — anything from attendance to dropout rates” (Waymack). Ultimately, the school-wide nature of the incentive was far less controversial than a reward for successful teachers would have been. Nancy Waymack said: “It is not individual,

which I think is a huge deal. We talked specifically about gains, not overall performance, which is another big deal.”

Provisions for other district staff and programs

While the impetus for the parcel tax and the development of the MOU was to target funds to teachers, a relatively large proportion (28 percent) of parcel tax revenues are earmarked for other district priorities. As discussed above, the inclusion of these additional funding targets arose from the need to drum up support for the tax throughout the district and in the broader community. Dennis Kelly said:

We said that the parcel tax has to be for everybody; has to be for the teachers, for the [paraprofessionals], has to be for the substitutes, has to do something for the classified workers we do not represent, even for the field administrators. ... It was a belief that everybody should share enough and there is nobody who is well paid in the system. Another part of it was that it was political, because we had to [bring the matter before the Labor Council] to get support, and there are other unions there.

The union reported that the goal of including provisions for other workers met some district resistance in early negotiations. Union leaders say that this was one of the first contentious issues in parcel tax negotiations, but that ultimately the district understood the importance of sharing the funds with other workers. The final parcel tax agreement includes 12 additional hours of continuing education (at a rate of \$19 per hour) for paraprofessionals as well as an increase in the

amount contributed to paraprofessional retirement accounts (equivalent to what the district would otherwise pay for Social Security).

For the Child Development Program (CDP), the district and union agreed to support a plan to regularize staffing patterns that will increase the compensation paid to union members working in the CDP. The parcel tax also includes funding for six hours of professional development (at a rate of \$30 per hour) for CDP teachers.

Substitutes in the district will also receive a benefit from the parcel tax. Before QTEA, substitutes who worked 160 days were provided money for health care benefits, but the contract stipulated an overall dollar cap district-wide, which meant that few subs were actually getting full health care benefits. Under the MOU, 40 substitutes who agree to work 160 days will be provided benefits; in exchange, these substitutes will agree to be assigned to hard-to-staff schools every day. By stipulating a number of substitutes who get health care rather than a budgeted amount, the district will ensure that 40 substitutes working 160 days will receive benefits. Substitutes who were previously receiving health care benefits for working at schools that are not hard-to-staff will now lose that benefit unless they agree to be assigned to hard-to-staff schools. Substitutes who were receiving benefits under the previous policy “are not happy about that right now” (Kelly), but the union understood why this provision was important: “We understand the need of the district to have the subs in the harder-to-staff schools” (Kelly).

There were also funds allocated to academic innovation, technology and charter schools; this was a strong focus of the business community. Technology improvements comprise 13 percent of the total parcel tax allocation and will support

updates to the essential infrastructure in schools, as well as a point-of-sale system to process school meal payments and a home and school connection classroom portal. The parcel tax will also be used to fund innovative projects in the district and to supplement teacher salaries in charter schools.

SUMMARY

Passing a parcel tax is hard to do, and it was only possible in San Francisco because of thoughtful collaboration among district and union leadership, the Board, and key stakeholder groups. The depth of the collaboration was unusual, and it stemmed from the sense of goodwill in the district after a positive change in administration. The district and union both recognized the importance of including stakeholders in the process early, so that they could shape the policy, ultimately supporting it more strongly, both politically and financially.

All parties were committed to developing a parcel tax and willing to compromise in order to reach this goal, even though they started with divergent opinions concerning the best use for the tax revenues. The union and district were committed to formalizing an agreement before putting the proposition to voters, preventing disagreements down the road. However, coming to this agreement was difficult at times; passing the parcel tax required all parties to make sacrifices of things they valued in order to pursue shared goals. It therefore required trust, to ensure that parties bargain in good faith and honestly represent their interest and values. Most importantly, the district and union had to compromise in order to work toward a shared goal. Dennis Kelly summed it up, saying, “I think we really negoti-

ated the ways that you approach some things that can be polarizing and we found ways to make them work.”

Not surprisingly there is still work to do. Both the district and the union recognize the need to continue to collaborate during the implementation process and in the future. Both sides believe that more money is needed to boost teacher salaries and, ultimately, student achievement. Parents and business representatives would like to see stronger accountability provisions at some point. Phil Halperin summarized this sentiment: “Are we happy? Yes. Do we think it’s enough? No. There is never enough. Do I think it will make a difference? It will be a start.” The coming months and years will be important, as we are able to observe the effect of this hard work and collaboration.

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ENDNOTES

- ¹ Funding per student is an estimate based on parcel tax revenue projections (\$28,529,226) and current student enrollment (55,497).
- ² At the time QTEA was passed, the Board consisted of Commissioners Jane Kim, Eric Mar, Kim-Shree Maufas, Hydra Mendoza, Mark Sanchez, Jill Wynns, and Norman Yee.
- ³ Note that Palo Alto Unified is a Basic Aid district, which means that it is funded completely by local tax revenues.
- ⁴ Bachelor of Arts degree plus 60 continuing education units.
- ⁵ For the terms of the Lopez settlement, see http://portal.sfusd.edu/data/legal/FullTextSettlement_English.pdf
- ⁶ For the text of Proposition A in 2003, see <http://sfpl4.sfpl.org/librarylocations/main/gic/sfballot09.idc?id=1688>
- ⁷ For the text of Proposition H in 2004, see <http://sfpl4.sfpl.org/librarylocations/main/gic/sfballot09.idc?id=1709>
- ⁸ For the text of Proposition A in 2006, see <http://sfpl4.sfpl.org/librarylocations/main/gic/sfballot09.idc?id=1775>
- ⁹ For the complete strategic plan, see <http://portal.sfusd.edu/data/strategicplan/Strategic%20Plan%20REV9.pdf>
- ¹⁰ See article 15.6.2 in the 2007-10 teaching contract: http://www.uesf.org/pdf/contract07_10t.pdf
- ¹¹ Agreement to form a subcommittee to discuss the parcel tax was signed on March 7, 2006. See page 179 of the 2007-10 contract: http://www.uesf.org/pdf/contract07_10t.pdf
- ¹² For more on Denver’s ProComp system, see “Alternative Teacher Compensation: A Primer” by Koppich & Rigby (2009), <http://gse.berkeley.edu/research/pace/reports/WP.09-2.pdf>
- ¹³ District employees and employees of nonprofit organizations cannot participate in political campaigns within their employed role, but they can engage in political work as individuals, outside of normal work.
- ¹⁴ See <http://www.voteyesonpropa.com/> for the official campaign Web site, http://www.uesf.org/prop_a/index.html for the union’s official Prop A Web page, and for the district’s official Web page: http://portal.sfusd.edu/template/default.cfm?page=news.quality_teacher
- ¹⁵ The union team included President Dennis Kelly, Vice President Linda Plack, Vice President for Paraprofessionals Carolyn Samoa, Political Director Ken Tray, and Armen Sedrakian, a middle school math teacher; the district team included Director of Labor Relations Tom Ruiz, Human Resources Director Deborah Hirsh (who has since left the district), Assistant Superintendent for K-8, Davide Celoria, Management Assistant Mimi Chwang, and Nancy Waymack.
- ¹⁶ Myong Leigh, Deputy Superintendent of Policy and Operations chaired the general workgroup; Chris

Armentrout chaired the revenues workgroup, Nancy Waymack and Tom Ruiz co-chaired the expenditures workgroup, and Gentle Blythe, Director of Public Outreach & Communications, chaired the communications workgroup.

¹⁷ See page 182 of the 2007-10 contract for the final MOU between the district and the union: http://www.uesf.org/pdf/contract07_10t.pdf; see <http://sfpl4.sfpl.org/library-locations/main/gic/sfballot09.idc?id=1800> for the final text of Prop A; see <http://portal.sfusd.edu/apps/news/proposedtax.pdf> for the Superintendent's final proposal; and see <http://portal.sfusd.edu/data/board/pdf/minutes/February%2012%202008.pdf> for the Board meeting minutes in which the parcel tax was approved.

¹⁸ Alameda Unified School District passed a differentiated parcel tax at the same time as the flat parcel tax in SFUSD, and it is now held up in litigation (<http://alamedaeducationfoundation.org/2008/09/15/a-laypersons-guide-to-the-measure-h-lawsuits/>)

¹⁹ Comparing teachers with one year of experience and 30 on the BA+60 salary schedule.

²⁰ Bachelor of Arts degree plus 60 continuing education units.

²¹ See <http://www.uesf.org/resources/SFTeach.pdf> and Sections 16 and 41 of the 2007-10 contract.

²² This provision is still under consideration and will not be implemented until the 2008-09 school year.

²³ Ten to 20 teachers are referred to PAR each year. Of those, approximately 50 percent pass, 40 percent retire, and the remaining 10 percent drop out of the process; very few teachers are actually legally dismissed through the process, although many leave voluntarily.

