

File No. 101493

Committee Item No. _____
Board Item No. _____

COMMITTEE/BOARD OF SUPERVISORS AGENDA PACKET CONTENTS LIST

Committee: Rules

Date February 3, 2011

Board of Supervisors Meeting

Date _____

Cmte Board

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OTHER

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| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>Charter Amendment</u> |
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Completed by: Linda Wong

Date January 31, 2011

Completed by: _____

Date _____

An asterisked item represents the cover sheet to a document that exceeds 25 pages. The complete document is in the file.

[Charter - Compensation of Board of Education members]

CHARTER AMENDMENT

PROPOSITION _____

Describing and setting forth a proposal to the qualified voters of the City and County of San Francisco to amend the Charter of the City and County of San Francisco by amending Sections 8.100, 12.202, and A8.502, to increase the compensation for members of the Board of Education from a monthly stipend of \$500 to \$50,000 per year, allow members to participate in the City's employee health and pension systems, establish training and professional development requirements, and require the City annually to appropriate to the Unified School District an amount sufficient to pay the salaries and benefits of the members of the Board of Education.

The Board of Supervisors hereby submits to the qualified voters of the City and County, at an election to be held on November 8, 2011, a proposal to amend the Charter of the City and County by amending Sections 8.100, 12.202, and A8.502, to read as follows:

Note: Additions are *single-underline italics Times New Roman*.
Deletions are ~~*strikethrough italics Times New Roman*~~.

Section 1. Findings.

(a) The Board of Education of the San Francisco Unified School District has a profound responsibility to create and foster the conditions in which each of the City's public school students can achieve his or her full potential. Schools are responsible not only for academic achievement, but for recreational activities, the physical and mental health of students at school, and their overall social and emotional needs. Decisions made by the Board of Education will have long-lasting effects on the future of the City. Recognizing the importance of this service, it is the intent of the voters to set high standards for the qualifications and performance of members of the Board of Education.

(b) Members of the Board should have experience with the public schools, preferably in San Francisco, as well as a strong knowledge base of educational and community issues. Members should be committed to their own professional development. They need to maintain a strong knowledge of educational and community issues, develop expertise in complex educational policy issues, advocate for schools and students, represent San Francisco public schools at all levels of government, and visit schools and community programs. The challenges faced by the City's public schools require this high level of professionalism, which in turn requires an increasing commitment of time as the role of schools in our society continues to expand.

(c) In order to attract new candidates who represent the broad spectrum of the San Francisco public school community and to retain incumbent members who are willing and able to provide this high level of professional public service, it is necessary and appropriate to raise the compensation for Board of Education members, which was set at \$500 a month in 1983 and has not been increased since then. In addition, the voters find that in order to maintain the level of professionalism required of Board of Education members, new members should be required to complete appropriate training upon their election or appointment to the Board.

Section 2. The San Francisco Charter is hereby amended by amending Sections 8.100, 12.202, and A8.502, to read as follows:

SEC. 8.100. UNIFIED SCHOOL DISTRICT.

(a) Governance. The Unified School District shall be under the control and management of a Board of Education composed of seven members who shall be elected by the voters of the Unified School District *and who shall serve full time in that capacity.* A student representative shall serve on the Board in accordance with state law. No member of this Board shall be eligible to serve on the Governing Board of the Community College District.

(b) Salary. Beginning July 1, 2012, the annual salary ~~The compensation~~ for each member shall be \$50,000 ~~\$500 per month~~. Beginning July 1, 2013, the Controller shall annually adjust the salary amount to reflect increases in the Consumer Price Index during the prior calendar year, provided that the cost-of-living adjustment shall not exceed 5 percent for any one year. The student representative shall not be considered a member of the Board of Education for purposes of subsections (b), (c), and (d). The terms of office in effect for Board members on the date this Charter is adopted shall continue.

(c) Benefits. Members of the Board of Education in office on and after July 1, 2012 shall be entitled to participate in the City's Health Service System and Employees' Retirement System as provided in Sections 12.202 and A8.502, respectively, and shall be considered to serve full time for that purpose.

(d) Training and Professional Development. Any person elected or appointed for the first time to the Board of Education on and after July 1, 2012 must, within six months of taking office, successfully complete the California School Boards Foundation's New and First-Time Board Members Institute or equivalent training provided by the Foundation or a successor organization as designated by the California State Superintendent of Public Instruction, in order to continue receiving the annual salary provided in subsection (a). If a member of the Board of Education does not successfully complete the training within six months of first taking office, he or she shall be eligible only for a monthly stipend of \$500 until he or she has completed the training.

Each member of the Board of Education shall complete a minimum of 10 hours of professional development activities each year. The Board of Education shall compile a list of programs satisfying this requirement and offered by approved providers, which may include the Unified School District itself, organizations of which the District is a member, and accredited institutions of higher education. The Board may approve other programs and providers on a case-by-case basis. Each member of the Board shall submit to the Board an annual certification

of his or her completion of the required professional development activities, which certification shall be a public record.

(e) City Funding. For Fiscal Year 2012-2013 and each fiscal year thereafter, the City budget shall appropriate sufficient funds to the Unified School District to pay the salaries of the members of the Board of Education for that fiscal year, and the amount that the City would pay as employer for the health and pension benefits provided under subsection (c). This requirement shall be suspended by operation of law for the fiscal year following adoption of any parcel tax after January 1, 2011 to benefit the Unified School District. That suspension shall continue until the fiscal year following the expiration of the parcel tax. During any suspension of the City's contribution under this subsection or under subsection (f), the Unified School District shall continue to pay Board of Education members their full salary under subsection (b) and shall pay to the City the amount that the City would pay as employer for the health and pension benefits provided under subsection (c).

(f) Expenses. No later than March 15, 2012, the Controller shall recommend to the Board of Education policies to govern and control the reimbursement of expenses incurred by its members. The Controller may thereafter recommend amendments to those policies to the Board of Education at any time.

No later than May 1, 2013, and May 1 of every year thereafter, the Controller shall certify to the Mayor and Board of Supervisors whether the Board of Education adopted the recommended policies and any subsequent amendments within 45 days of their submittal to the Board of Education and whether the Board complied with the policies as amended during that fiscal year.

If the Controller certifies that the Board of Education did not adopt the recommended policies or any subsequent amendments within 45 days or did not comply with them during that fiscal year, the Mayor and Board of Supervisors, through the adoption of a resolution, may suspend the City's appropriation to the Unified School District under subsection (e) in whole or

in part for the upcoming fiscal year. The Mayor and Board of Supervisors, through a subsequent resolution, may modify or lift the suspension at any time prior to the end of the fiscal year to which the suspension applied. The Mayor and Board of Supervisors may not suspend the appropriation for more than one year at a time.

If a resolution suspends all or part of the City's appropriation to the Unified School District under this provision, the Mayor and Board of Supervisors may transfer the amount that would otherwise have been appropriated to the Unified School District to the Children's Fund established in Charter Section 16.108, or any successor legislation, to be used for the purposes provided in that Section.

(g) The Board of Supervisors may adopt ordinances to implement the requirements of this Section.

SEC. 12.202. MEMBERSHIP IN HEALTH SERVICE SYSTEM.

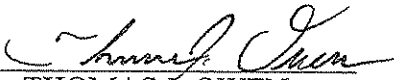
The members of the System shall consist of all officers and permanent employees of the City and County, the Unified School District, the Community College District, members of the Board of Education on and after July 1, 2012, and such other officers, employees, dependents and retirees as provided by ordinance.

SEC. A8.502. RETIREMENT OF ELECTIVE OFFICERS.

Elective officers, including members of the Board of Supervisors in office on and after July 1, 2000 and members of the Board of Education in office on and after July 1, 2012, but excepting members of all other boards and commissions and any elective officers who are members of the Public Employees' Retirement System, shall be members of the San Francisco City and County Employees' Retirement System under the miscellaneous plan in effect on the date such officer assumes office. Time during which said members have rendered service as elective officers shall be included under Subsection (g) of Section A8.509, Section A8.584-7 or

the miscellaneous plan in effect on the date such officer assumes office, in addition to other time now so included. Contributions required to provide benefits based on service rendered as an elective officer prior to the effective date of membership in the Retirement System, shall be paid to the Retirement System in a manner consistent with contributions required of miscellaneous members for temporary service as provided in this Charter and the administrative code.

APPROVED AS TO FORM:
DENNIS J. HERRERA, City Attorney

By: 
THOMAS J. OWEN
Deputy City Attorney

LEGISLATIVE DIGEST
(First Draft, dated 11/23/2010)

[Charter - Compensation of Board of Education members]

A proposal to amend the Charter of the City and County of San Francisco at an election to be held on November 8, 2011, by amending Sections 8.100, 12.202, and A8.502, to increase the compensation for members of the Board of Education from a monthly stipend of \$500 to \$50,000 per year, allow members to participate in the City's employee health and pension systems, establish training and professional development requirements, and require the City annually to appropriate to the Unified School District an amount sufficient to pay the salaries and benefits of the members of the Board of Education.

Existing Law

The Charter provides that members of the Board of Education shall be paid \$500 per month. The money to pay the Board members comes from the Unified School District's budget. Members may participate in the City's Employee Health Service System, but not the Retirement System, and they are not considered to serve full time for these purposes. The Charter does not include any professional development or continuing education requirements for Board members.

Amendments to Current Law

Beginning July 1, 2012, the proposal would raise the annual salary of members of the Board of Education to \$50,000. The Controller would annually adjust that amount to reflect increases in the Consumer Price Index during the prior calendar year, provided that the cost-of-living adjustment would not exceed 5 percent for any one year. The proposal would also allow members of the Board of Education to participate in the City's Health Service System and Employees' Retirement System, and state that members would be considered to serve full time for those purposes.

In order to received the higher salary, any person elected or appointed for the first time to the Board of Education on and after July 1, 2012 would have to, within six months of taking office, successfully complete the California School Boards Foundation's New and First-Time Board Members Institute or equivalent training. Otherwise, the member would be eligible only

for a monthly stipend of \$500 until he or she has completed the training. Thereafter, each member of the Board of Education would be required to complete a minimum of 10 hours of professional development activities each year.

Beginning with Fiscal Year 2012-2013 and each fiscal year thereafter, the proposal would require the City to appropriate sufficient funds to the Unified School District to pay the salaries of the members of the Board of Education for that fiscal year, and the employer's share of their health and pension benefits. The City would not be required to pay this money to the Unified School District during any time when the Unified School District was receiving the proceeds of a parcel tax adopted after January 1, 2011 to benefit the District.

Finally, the proposal would require the Controller to recommend to the Board of Education policies to govern and control the reimbursement of expenses incurred by its members. Each year, the Controller would certify to the Mayor and Board of Supervisors whether the Board of Education had adopted the recommended policies and whether the Board complied with the policies as amended during that fiscal year. If the Board of Education did not, the Mayor and Board of Supervisors could suspend the City's appropriation to the Unified School District under the amendment in whole or in part for the upcoming fiscal year.

City and County of San Francisco



San Francisco City and County
Employees' Retirement System
Office of The Executive Director

December 16, 2010

Ms. Angela Calvillo
Clerk of the Board of Supervisors
CITY AND COUNTY OF SAN FRANCISCO
#1 Carlton B. Goodlett Place
Room 244, City Hall
San Francisco, CA 94102

RECEIVED
BOARD OF SUPERVISORS
SAN FRANCISCO
2010 DEC 17 AM 9:55
BY [Signature]

Re: PROPOSED CHARTER AMENDMENT - FILE NO. 101493

Dear Ms. Calvillo:

This is in response to your office's request for the Retirement System's review and comments on proposed Charter amendment (your file number 101493). The request was received by the Retirement System electronically on December 6, 2010.

The proposed Charter amendment would allow members of the Board of Education serving on or after July 1, 2012 to participate in the San Francisco Employees' Retirement System beginning on July 1, 2012. The proposed amendment would also allow Board of Education members serving on or after July 1, 2012, the opportunity to purchase prior service credit in the same manner as other Miscellaneous Plan members. Our review is limited to the proposed amendment to San Francisco Charter Section A8.502.

The cost of extending membership in SFERS to the seven members of the Board of Education is de minimus. Based on the most current SFERS Actuarial Valuation as of July 1, 2009, the normal cost of such membership would be approximately 18.18% of a combined salary of \$350,000 (7 x \$50,000) per year, of which the employer would be required to pay 13.56% or \$47,460, based on the current contribution rate. SFERS will provide updated costs to the Board of Supervisors after the July 1, 2010 SFERS Actuarial Valuation is presented to and adopted by the SFERS Retirement Board at its January 11, 2011 meeting.

The Retirement System will be available for inquiries at the Rules Committee hearing on this item.

Respectfully submitted,

Gary A. Amelio
Executive Director

- cc: The Honorable David Campos, Rules Committee and Sponsor
- The Honorable Michaela Alioto-Pier, Rules Committee
- The Honorable Eric Mar, Rules Committee and Sponsor
- The Honorable Bevan Dufty, Sponsor
- The Honorable John Avalos, Sponsor

C: Rules members &
Supr. Avalor

Fw: Charter Amendment - Compensation of Board of Education Members (1st Draft)

Lisa Ghotbi to: Linda Wong

12/14/2010 12:07 PM

Linda,

I'm responding on behalf of Catherine Dodd who is out of the office on an leave of absence.

Board of Education members are already considered participants in the Health Service System so there are no issues or concerns here.

The eligibility change and financial impact to HSS relates to their status as new members in the Employee Retirement System, they will now be eligible for retirement health benefits accordingly.

If a financial impact estimate is required, we could work on this after the new year when our CFO returns from vacation.

Hope this is helpful. Let me know if you have any follow-up questions.

*Thank you and have a wonderful day,
Lisa*

Lisa Ghotbi
Chief Operating Officer
San Francisco Health Service Systems
1145 Market, 2nd Floor, San Francisco, CA 94103
(415) 554-0606 Phone (415) 554-1721 Fax

----- Forwarded by Lisa Ghotbi/HSS/SFGOV on 12/14/2010 11:52 AM -----

From: Catherine Dodd/HSS/SFGOV
To: "Lisa Ghotbi" <Lisa.Ghotbi@sfgov.org>, "Robin Courtney" <robin.courtney@sfgov.org>
Date: 12/11/2010 10:09 PM
Subject: Fw: Charter Amendment - Compensation of Board of Education Members (1st Draft)

Can u take a look at this?
Sent from Catherine Dodd's blackberry
Linda Wong

----- Original Message -----

From: Linda Wong
Sent: 12/06/2010 04:23 PM PST
To: Ben Rosenfield; Peg Stevenson; Monique Zmuda; Starr Terrell; John St.Croix; Edwin Lee; Bill Wycko; John Rahaim; Harvey Rose; Cheryl Adams
Cc: Angela Calvillo; Gabriela Loeza; Ken Bruce/BudgetAnalyst/SFGOV@SFGOV; Debra Newman; Leigh Kienker/CTYPLN/SFGOV@SFGOV; AnMarie Rodgers; Catherine Dodd; JaneKim@sfusd.edu; cascoe@sfusd.edu; CarlosGarcia@sfusd.edu; Gary Amelio; Rick Caldeira
Subject: Charter Amendment - Compensation of Board of Education Members (1st Draft)

Pursuant to Board of Supervisors Rules of Order Sections 2.28.4 and 2.28.6, attached is a copy of the Charter Amendment, File 101493 for your review and comments.

Please review immediately and provide any written comments by December 16, 2010, to the Rules Committee Clerk, Room 244, City Hall or by email to Linda.Wong@sfgov.org.

