



Denver Public Schools
Professional Compensation System for Teachers

ProComp

MEETING MINUTES

ProComp Trust Board of Directors FY19 Meeting #3

Tuesday, January 22, 2019
6:00 – 7:00 pm
Conference Call

In Attendance (via conference call): Tom Buescher, Lisa Flores, Scott Murphy, Cecilia Miller, Mark Ferrandino, Erik Johnson, Lawrence Garcia

Others: Chris Kampe, Emily Marcus, Cara Sterling

Called to order: 6:03 PM

Buescher: Please see email sent by Chris this morning. The agenda for this meeting is to have Cara Sterling discuss her legal opinion and let the Board ask questions, have discussion, and determine if there needs to be next steps.

Sterling: ProComp expenses incurred before the contract expired on January 18th will be eligible to be invoiced and paid by the ProComp Trust consistent with then-current terms of the ProComp Agreement. With no governing ProComp agreement, we now have no terms to make payments to the District from the Trust. The Trust continues to exist during this wait and hold period. There are three prongs to terminate the trust and only one has been met at this time: (1) all the collective bargaining agreements providing for contributions to the Trust have expired, (2) all Trust assets have been disbursed and (3) the Trustees, District and Association agree to the termination of the Trust.

Miller: Will ProComp payments be made for the end of January?

Kampe: Yes, payments will still be made for the end of January. Incentives go out once per month on the 22nd of the month paycheck. These amounts are for the period earned in the prior month. For the January 22nd paycheck, the incentive amounts were earned in December, when the agreement was still in place. For base salary, hours worked the 1 – 15 of the month are paid on the 22nd and hours worked the 16th to the end of the month are paid the 7th of the following month.

Buescher: The agreement expired as of midnight on January 18th. It would appear there would be 3 business days in this pay period prior to expiration. So the next paycheck may have an impact.

Sterling: Correct. The parties may come to an agreement that includes retro payment.

Ferrandino: Cara can you please clarify: the district could pay, with risk, the money if they want to, but it would not be guaranteed that they would be paid back by the Trust?

Sterling: In the email sent today, there is no mention of that. I think reasonable minds would agree this can be done. It would be helpful if in the agreement there was clear language for reimbursement.

Buescher: Any agreement that is reached in the future should be very clear on what date it is effective to give more direction.

Sterling: Going back to the email I sent today, on sharing my opinion with the Board of Education, I have no problem but would want the Trust Board to waive privileged information to share my opinion.

With regards to questions related to the Mill Levy, the Trust would stay in tact without a ProComp Agreement, but it could not collect future Mill Levy dollars. The language in the ballot states that tax increases terminate if ProComp terminates.

Murphy: Certification of the mill occurred in December, right? How could we stop collection in March / April? What would happen to the proceeds if we did not reach agreement?

Ferrandino: We are collecting Mill Levy for the current year, in the current year; there is no lag in collection. We could mill for the amount through January 18th, but after that time, could we mill for the rest?

Sterling: Some of these questions have not yet been contemplated. If we get to that point, we need to get all the information needed for most prudent action.

Ferrandino: The city would have to be involved. There may be implications based on how the 2016 Mill Levy was written.

Garcia: Can you explain more why you think we cannot collect?

Sterling: The language says the tax increase shall terminate if ProComp system for teachers terminates. The system is governed by parties in the ProComp Agreement rather than the Trust Agreement.

Ferrandino: Given Cara's opinion on this, it's important the Board understands what is going on. I would like to share this all with them. Do we have a motion? Any objection to sharing with the Board?

Motion to waive attorney/client privilege related to Cara Sterling's legal opinion on this matter (email sent to Trust Board this morning) to share with the Board of Education and DCTA.

1st: Ferrandino

2nd: Murphy

Voice Vote: All Approve – Motion Passes

Garcia: My understanding is we would need to vet a new agreement once/if we have one.

Buescher: We will wait and call a meeting once there is an agreement or if the need arises. If we do need to meet while there is a strike going on and the meeting needs to be in person, we should not do it on DPS property. No one should be expected to cross a picket line. It will be held at a neutral location.

Adjourned: 6:24 PM