

MEMORANDUM OF UNDERSTANDING
BETWEEN
UNITED EDUCATORS OF SAN FRANCISCO
AND
SAN FRANCISCO UNIFIED SCHOOL DISTRICT
REGARDING DEFERRED NET PAY AND
ADDITIONAL EMPOWERSF IMPACTS

The District moved to a pay model called Deferred Net Pay (DNP) when it implemented EMPowerSF in January of 2022. In this model, the District and United Educators of San Francisco (UESF) negotiated a pay schedule in which most certificated unit members have 1/12th of their pay deducted every month, and the last paycheck of the year is made up entirely of the deducted pay. This model allows for more accurate accounting, as well as consistent pay across 12 months of the year. When the system went live in January 2022, there was a failure on the part of the District to account for the fact that DNP would be implemented across 6 months from January through July of 2022 instead of 12 months. As a result, without a solution or intervention in place, most certificated unit members will receive a smaller check in July of 2022 estimated to be close to 30 percent of a full paycheck.

This Memorandum of Understanding Regarding Deferred Net Pay and Additional EMPOWERSF Impacts (MOU) mitigates the impacts of a smaller July paycheck and recognizes that this is a one-time issue. For the 2022-2023 school year, Deferred Net Pay will be implemented over the full 12 months, resulting in 12 approximately even paychecks and the correct net pay for the month of July. This MOU also resolves additional impacts regarding the District's implementation of EmPowerSF.

1. Communication:

- a. The District shall update the webpage on sfusd.edu/empowersf that addresses EMPower issues on an ongoing basis. The webpage will include status updates regarding timelines for resolution. The link to this page will be clearly messaged out by SFUSD through District communication channels like OASIS and will be

accessible via the EMPower Homepage. On this webpage, there will also be a full listing of all the meanings of the various abbreviations used by payroll and all the deductions, organized as before-tax and after-tax.

- b. The District agrees to provide a video guide on navigating paychecks. The video will also include a mock pay stub. This video will be linked on the website and be included in District communications.
- c. The District will create an interactive spreadsheet where members can estimate their July paycheck with the ability to add deductions and taxes.
- d. The District will hold two more centrally organized in-person intake clinics where members can meet with a live individual to go over any questions they have with their pay in May and June 2022. The District shall consult with UESF to determine the best start and end times and location for the in-person intake clinic.
- e. The District shall collaborate with the UESF to solicit questions from unit members and produce a video that answers them. The video shall be posted on the website and be included in District communications.

2. DNP Calculation

- a. The District and UESF agree to meet and confer no later than November 1, 2022 to discuss the DNP multiplier that should be used effective July 1, 2023. The meet and confer shall include analysis regarding the current multiplier used over a 12 month period and the costs and risks associated with changing the multiplier.

3. Early Education Employees

- a. Certificated members who are working in the Early Education Department should not be affected by DNP. Any payment withheld from unit members in Early Education for DNP must be paid to those members by June 30, 2022 or else those payments will be subject to the 15% interest fee per annum applied to pay errors from a previous MOU.

4. Paystubs

- a. The District shall convene a working group composed of one representative from

each of its collective bargaining agreements to study and make recommendations regarding what information should appear on paystubs for certificated and for classified employees. UESF shall have two representatives in this working group - one representative from the certificated unit and one representative from the classified unit.

- b. The first working group session shall take place no later than September 1, 2022 with the goal of making recommendations by October 31, 2022. Based on the recommendations, a timeline for implementation will be developed and shared out based on the complexity and feasibility of the recommendations.

5. Agreement to Amend January 28, 2022 MOU

- a. On January 28, 2022, the District and UESF agreed to a Memorandum Of Understanding Regarding Staffing Stabilization Funds (January 28, 2022 MOU) in which the District agreed to pay each classified and certificated unit member a total of \$4,000 payable in two installments of one-time off the salary schedule payments of \$2,000 each. The January 28, 2022 MOU provides as follows: the first installment will occur no later than June 30, 2022 and the second installment will occur no later than November 30, 2022 (second installment).
- b. The District and UESF hereby agree to amend the January 28, 2022 MOU to accelerate payment of the second installment. The parties agree that the District shall pay the second installment to each classified and certificated unit member in July 2022.

6. Additional Compensation for Certificated Unit Members Affected by Implementation of DNP

- a. The District agrees to pay all certificated unit members who are affected by the implementation of DNP an additional one-time off the salary schedule payment of \$2,000. This additional one-time payment shall be in addition to the compensation agreed to in the January 28, 2022 MOU, and subsequently amended in paragraph 5 above. For purposes of this MOU, affected certificated unit members means

those unit members who are eligible for DNP.

7. Outside partnerships

- a. The District shall explore a partnership with ~~(the City of San Francisco~~ to set up a loan program for UESF Certificated staff who need financial assistance to off-set the lower paycheck in July as a result of Deferred Net Pay.
- b. The District shall explore a partnership that provides financial consultation, including for taxes, provided by an outside organization for all members at no cost to the member.
- c. The District and UESF agree to Meet and Confer to review partnerships for input on communications, details of service, etc.

8. Health Insurance Deductions

- a. The District shall ensure that no certificated staff member has their health benefits coverage canceled due to the smaller July paycheck.
- b. The District and UESF agree to Meet and Confer to review the list of impacted members whose previous pay periods reflect deduction amounts that exceed \$5,000, for the purpose of coordinating outreach and communications to the employee.

San Francisco Unified School District

United Educators of San Francisco

Daniel Menezes, Lead Negotiator

Cassondra Curiel, President

Date:

Date: