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# WISCONSIN EDUCATION ASSOCIATION COUNCIL

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Affiliated with the National Education Association

*Every kid  
deserves a  
Great School!*

## Senate Education Committee Testimony In Favor of Senate Bill 200

By  
**Terry Craney, WEAC President**  
**Wednesday, June 13, 2001**

I would like to thank Chairperson Grobschmidt and members of the Senate Education Committee for this opportunity to speak today. My name is Terry Craney, I am president of the Wisconsin Education Association Council. I am here to speak in favor of 2001 Senate Bill 200 relating to repeal of the QEO law.

From 1978 to 1993, Wisconsin's collective bargaining law provided a non-confrontational arbitration process to resolve contract disputes between teachers and school boards. The 1993 "Qualified Economic Offer" law changed that process. It allows school boards to unilaterally impose pay and benefit packages on teachers provided certain minimal criteria are met.

Great schools depend on three main components: a high quality staff, the promotion of classrooms that work for kids and an educational system that benefits everyone in the community. WEAC believes that the QEO law is harming the quality of education in our great schools. Today you will hear testimony by dedicated educators from across the state. They will tell you their personal stories about how the QEO law is harming the quality of education in Wisconsin.

The QEO law is destroying the collective bargaining relationship at the local level by singling out teachers as the only class of public employees to have compensation packages capped. The state law has prevented the time-honored local collective bargaining process from running its course. While student academic performance across Wisconsin remains high, employee morale is at an all-time low. This situation will make it increasingly difficult to recruit and maintain quality staff in our schools.

Terry Craney, President  
Michael A. Butera, Executive Director

The unfairness of the QEO law is already leading to labor unrest across the state. If this pattern continues it will not benefit the children in our classrooms. It will not benefit anyone in our communities.

If a school board imposes a QEO, teachers are left with no legal means to achieve resolution. Teachers cannot petition to take the contract dispute to arbitration, and they cannot, by law, strike.

Under the QEO, school boards must continue to negotiate. However, once wages and benefits meet the QEO criteria, teachers are left with no bargaining leverage to effectively negotiate compensation issues or other educational issues.

Because the QEO formula subtracts benefits and experience steps, salaries do not increase 3.8 percent. Since the QEO law went into effect, Wisconsin teachers have received an increase in starting pay of 1.9 percent per year. Furthermore, the law is arbitrary and fails to take into consideration issues such as inflation and the growth of comparable salaries and benefits in other occupations in the state or community. The law effectively guarantees that teacher salaries will continue to fall behind inflation. Employees who fall behind can never catch up under the QEO.

Wisconsin teacher salaries have fallen below the national average, according to a new national study. The National Education Association's Rankings of the States report says the average Wisconsin teacher's salary in 1999-2000 was \$41,153. That is 1.4% below the national average of \$41,724.

Wisconsin teacher salaries have historically been slightly above the national average since the 1970s, except for 1997-98, when the average fell just \$120 below the national average. In 1998-99, the Wisconsin average climbed slightly above the national average again. But the 1999-2000 average salary is the worst showing for Wisconsin teacher salaries in recent history.

Twenty-four states, including Wisconsin, saw average teacher salaries decline over the last decade, when adjusted for inflation. Average Wisconsin salaries dropped 2.2% between 1989-1990 and 1999-2000, when inflation was considered.

Teachers are left behind. Wisconsin teachers are among the best in the nation, and their salaries should be well above average, not below average.

The QEO law also contains a flawed "cast forward" costing formula that credits monies toward the QEO that teachers never receive. This happens because each year higher-paid senior teachers retire and are replaced by lower-paid beginning teachers. The QEO formula does not use these actual costs. Turnover savings are ignored. The result is less money paid to teachers.

To further complicate matters, insurance costs have started increasing again and total benefits have risen substantially more than 1.7 percent in nearly every district in the state. Under the QEO law, school boards are allowed to pay for health benefits by taking money from salaries. Thus rising insurance costs are resulting in actual salary reductions for some teachers under the QEO.

No other category of workers — inside or outside the education profession — is subjected to a state law that caps their pay. As pay levels continue to erode, teachers suffer and the capability of the profession to attract quality candidates is diminished.

For 15 years prior to 1993, Wisconsin had a fair system for resolving teacher contract disputes called binding arbitration. If a school board and local association could not reach an agreement, they would submit their final offers to a neutral third-party arbitrator appointed by the state. The arbitrator would select one of the final offers. Over those 16 years, the awards were evenly split between school boards and teachers, and Wisconsin teacher salaries increased at about the national rate. There was no labor unrest, no strikes, and no disruption of education.

Prior to 1977, Wisconsin experienced a series of teacher strikes. The most noteworthy was the 1974 Hortonville strike. All 84 Hortonville teachers were fired, and the strike turned violent. As a result, the State of Wisconsin passed the arbitration law to restore labor peace.

The Legislature and governor must move now to restore a fair collective bargaining law in Wisconsin. The future of our great schools depends on it.

Thank you again chairperson Grobschmidt and members of the Senate Education Committee for this opportunity to speak to you today.

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June 13, 2001

Patrick A. Connolly  
105 Charolais Drive  
Slinger, Wisconsin 53086

## THE QUALIFIED ECONOMIC OFFER

Good afternoon. My name is Patrick Connolly. I am a UniServ director for North Shore United Educators, and I have held that position for twenty-five years. My duties are to represent and assist teachers, school secretaries and aides in their employment matters. I work with employees in eleven suburban school districts north of Milwaukee along Lake Michigan from Shorewood on the south to Port Washington-Saukville to the north in Milwaukee and Ozaukee counties.

One of my chief duties is to assist local associations in the collective bargaining of their employment contracts. I work on a daily basis with local negotiators, local bargaining teams, elected leaders and members. For the past seven and one-half years I have been in a position to closely observe how the Qualified Economic Offer has negatively impacted the lives of teachers and harmed education in Wisconsin. I have seen how it has pitted teacher against teacher; how it has damaged relationships between teachers and school board members and school administrators; how it has reduced the real value of teachers' salaries; how it has hurt teacher retirement benefits; and how its has created low teacher morale which detracts from quality education and the maintenance of Great Schools in Wisconsin.

In my testimony today, I hope to provide this committee with a perspective of the QEO from the teachers' point of view and with examples of the harm it has done.

I recognize there are some who do not subscribe to the process of collective bargaining and who believe that teachers should not have the right to negotiate employment contracts. Those people will be satisfied with the Qualified Economic Offer because the QEO effectively eliminates collective bargaining for teachers. It establishes a ceiling on total teacher compensation beyond which a school board need not go. A school board need not bargain; it need only determine to offer a QEO. This is precisely what the vast majority of school boards have done for the past seven and one-half years in every school district in Wisconsin.

Under the QEO, all items of negotiations which have an economic impact are subject to the ceiling and not open to arbitration. As a practical matter, this means that nothing is subject to arbitration or negotiation. Everything is unilaterally determined by school boards.

It has been argued that the Qualified Economic Offer provides a total compensation increase of 3.8% which is a satisfactory increase for teachers. There are several points I would make in this regard. First, the QEO does not provide a 3.8% increase in total compensation to returning teachers. The 3.8% figure is developed from a worksheet which contains employee compensation data that does not project the true employee costs to the school district for the year in question. The costs to the school district are overstated because the worksheet does not account for any employee turnover savings in salary or fringe benefits due to retirements or attrition. This accounts for the fact that in many school districts, average teacher salaries have actually declined in recent years, in some cases by as much as fifteen percent.

As a result of the wage caps and the flawed methodology for determining them, actual salary rates for teachers have increased by approximately 1.5% per year under the QEO regime. This has occurred during a period of unprecedented

prosperity in Wisconsin and, indeed, across the nation. During this same period average incomes in Wisconsin have increased between 5% and 6% per year. Such disparate treatment of teachers cannot be considered fair nor can it be considered good public policy if, indeed, the legislature places a high value on the recruitment and retention of a highly educated and qualified teaching staff in school districts across the state; if the legislature is truly serious about maintaining Great Schools for Wisconsin's children.

In almost all cases the bargaining environment has deteriorated within local school districts. School boards meet in March or April and determine that they will only offer the QEO. Afterward the parties engage in a few perfunctory meetings in order to address the school calendar and a few housekeeping items, and then the district announces its QEO intentions. In some cases the school boards may perceive a financial advantage to the district if it can persuade the teachers to cash in their insurances in return for a portion of the savings in after-tax dollars. In such cases the discussions may continue, but these discussions should not be confused with real negotiations. In a few cases the parties may discuss how certain aspects of the schools operations may be modified to the advantage of both parties, but with regard to compensation those discussions eventually boil down to the QEO. Any exceptions to what I have just described are so few as to be statistically negligible.

This sort of bargaining environment places the school board in an all-powerful position where it is perceived by the teachers to be arrogant and unresponsive. Collective bargaining should be a process where both employers and employees respect each others dignity. It should be an opportunity for the parties to address the problems that each bring to the table. It should be a process where the employer must take into account the legitimate economic needs of its

employees, and where the employees must take into account the legitimate needs of the employer. Such a process does not exist under the QEO.

The QEO breeds contempt on both sides. For the parties in any process there is a natural tendency for the all powerful to have contempt for the powerless. And there is the inevitable tendency for the powerless to have contempt for those they perceive as arrogant and unresponsive to their legitimate needs. In short, the QEO has bred mutual contempt by the parties in an area of public concern that demands mutual respect.

Furthermore, the QEO has bred contempt by both parties for a pseudo-negotiating process that can not work and that makes a mockery of true collective bargaining.

The anger of the teachers has been further exacerbated by school board practices away from the bargaining table, which are governed by the QEO. Currently, art teachers, music teachers and physical education teachers are experiencing cut backs in staff while at the same time their class sizes are increasing without increased compensation and while additional class time is being assigned without additional compensation. Some physical education teachers will be teaching more than six hundred students per week, placing those teachers in impossible situations with regard to instruction, discipline and grading; it will be problematic as to whether those teachers will even be able to identify all their students by name. Under the QEO there is no way for teachers to address these kinds of problems at the bargaining table in a meaningful way.

Under the QEO teachers have been forced to cope with the reality of the compensation limits in ways that are quite harmful to relationships with their colleagues. In many cases salary schedules have been restructured in order to shift limited dollars to the maximums of the schedules so as to enhance career earnings

and improve retirement benefits. This has been a common practice throughout Wisconsin in recent years. In these circumstances, teachers new to the district observe how their salaries have been eroded.

Last week I spoke to a young teacher who has been teaching in Wisconsin for just a few years. He told me he was aware that the value of the salary rates at each step of the schedule had been steadily declining as he had advanced. It was clear to him that if the situation did not change, he could not remain a teacher much longer.

Those teachers who have taught in Wisconsin for many years are perhaps the most bitter. Those who have retired are well-aware that the 1.5% annual salary increases have affected their final average salary and thus their retirement benefits. They know that their standard of living will have been affected for as long as they live. They regard this as shabby treatment by the legislature and the local school board after thirty to thirty-five years of exemplary service to the community and to society.

I have a friend who is by every measure an outstanding teacher, perhaps one of the best in the world. He is regarded as a leader in his discipline. He has been in demand to travel around the country providing training to colleagues and judging student work. He has published articles in education magazines. For their achievements, his students have won thousands of dollars in award money for the school district where he taught. He has trained hundreds of student teachers during his career which will enable his skills and abilities to live on in the classroom, touching thousands of children into the future. While virtue is its own reward, and he can take great pride and satisfaction in his dedication to the teaching of children, he has confided in me that the QEO has proven to him that neither the legislature nor his school board care in any tangible way for what he contributed in over

thirty-five years of service. He has calculated his retirement benefits, and he knows how badly he has been hurt.

This spring across Wisconsin teachers have been greeted at the bargaining table with a QEO in the first negotiation session. In order to fit the total compensation package within the limits set by the artificial construct of the QEO worksheet, many of these Qualified Economic Offers result in actual reductions in actual teacher salaries. All steps of the salary schedule will be reduced for next year. Many teachers will not only earn less in salary than they earned last year, but their salary will be further reduced by the increase in their contribution toward health and dental insurance premiums. Such treatment by the legislature and local school boards speaks loudly to teachers about how much their service is valued by those institutions charged with the responsibility of educating Wisconsin's children. Ironically, the hardest hit will again be those who have given the most service.

At the same time that teachers are being presented with QEO's and salary reductions at the bargaining table, they pick up the newspaper and read where administrators have received substantial salary increases in recent years compared to teachers. They learn that school boards have found ways to circumvent the QEO restrictions when it comes to paying management personnel. They observe that school administrators in some cases are being paid three and four times the salary that some teachers earn. They note that a superintendent may have received a salary increase of over \$20,000 in four or five years. While the administrators may be worth very penny they are paid, the legislature and the local school board do not promote harmony in a school district when they dispatch the opposite treatment to teachers as they do to administrators.

The situation under the QEO which I have described adds up to low morale

among the teachers of Wisconsin. This low morale is manifested in hundreds of ways, some are subtle and some are overt. Clearly, under the QEO Wisconsin has an unjust system for determining teacher compensation. It cannot be good for the education of children to have their teachers treated as they are.

I am not so naive as to imagine that everyone will think the QEO is a bad thing. Some will applaud it because it has effectively eliminated collective bargaining which they oppose. Some will support the QEO because it harms public school teachers, and they think bashing public schools and public school teachers is a good thing. Indeed, teacher bashing has become a cottage industry for some editorial pages, think tanks and Sunday morning squawk shows. But the truth is that in Wisconsin we have arguably the finest education system in the world, second to none.

The other day I read where according to one set of objective measures of student achievement, the public school systems in the midwestern states of Iowa, Minnesota and Wisconsin are second only to the education system in Singapore. Certainly, Wisconsin's is first among the outstanding public school systems here in the Mid-west. The test scores tell me this even though I was educated in Iowa. And I do not accept that Wisconsin's public school system ranks second to any other system in the world.

In any case, we have an education system that we should rightfully be proud of. We have a teacher cadre we should rightfully be proud of. We should treat our teachers with respect. The legislature should eliminate the QEO and afford teachers the dignity of freely bargaining over their wages, hours and conditions of employment. Thank you.

## **Revenue Controls have Spread Teachers Salaries Near the End of "No Return"**

Edward Johnson  
W8638 Adams Beach Drive  
Clintonville, WI 54929-8503  
715-823-6733

Honorable legislators:

Whatever one thinks of Teachers Salaries, in Wisconsin the average salaries have lost to inflation. You have, or will hear much regarding that issue. When the press states the average salary is about \$40,000, they may be close.

But what is not reported and has happened to Salaries are the exorbitant ranges in salary - ranges that defy logic and reason.

While salary adjustments are based upon locally bargained contracts (salary included), we see in Wisconsin a beginning salary range of over \$7,000. What's even more devastating to the profession would be the ranges at the top salary schedules. There the "spread" has surpassed \$33,000 - for providing educational opportunities within the state.

I dare bet if employees at - say - Chevrolet - one city to another in the same or surrounding states made \$23.00 more in city A than city B there would be general pandemonium. Well, that's just what has happened in Wisconsin.

Imagine putting in a committed time in districts such as Pittsville, Cassville, Cashton, or Gilmanton and knowing someone at Nicolet, Elmbrook, or Whitefish Bay makes \$30,000 more with similar education and experience - what a shock. The legislative body and Wisconsin residents need to become knowledgeable and sensitive to such a travesty.

While there may be rationale for districts having somewhat different salary levels, I can't imagine why such ranges would be so apparent in Wisconsin. How can schools where the salary schedules top out at a mere \$40,000 attract and maintain a quality, consistent staff? It's a proven fact even the average paying districts are finding it difficult to get sufficient candidates to fill positions.

Within Wisconsin's higher education I have not seen a range in college tuition being more than small trivial amounts. My second daughter, Aubrey, is checking out schools in Wisconsin and Minnesota. Tuition rates do not exceed more than \$1,000. Tuition, room and board do not exceed \$2,500. So why such a range in teaching children in different places around "God's Country"?

Today's teacher must look beyond the base salary to determine their quality of life - and their retirement years. Retirement computations are based upon one's highest three (3) years salary.



It's tough to sell teaching in poorer paying school districts when the monthly retirement stipends may be as much as \$2,800 per month different - the reason being that he chose to stay at that district.

As a friend of mine just said to me yesterday, "I feel like our district is a 'minor league' with newer staff waiting for the chance to move to the majors.

In my district - Clintonville - we have had 44 staff turnovers (without retirees) the last two years. That's 1/3 of the Association membership - in two (2) years. Where do they go? Who raids them? Yes, it's districts like Appleton, Kaukauna, Ashwaubenon, Janesville, Seymour, Menominee Falls, and the like. I know of only one (1) teacher this year that came to Clintonville - from Ashwaubenon - for the sake of making this his permanent resident. The verdict is out as one other staff member said the same thing - she now works for Appleton. Schools such as Appleton are not denying they are raiding lower paying school districts for the sake of having their teachers have the initial "learning years" under their belt. Why not when one can improve their salary by as much as \$5,000 to begin, then onwards up to \$15,000+ over the course of another eight (8) years.

What complicates things as much is that fewer want-to-be teachers are going into the profession. We see fewer new teachers applying for jobs than ever before. With licensure changes being proposed that make new teachers to through more "hoops" to get a regular teaching license it makes sense. The expectations of the newly formed Wisconsin Professional Standards Council (WPSC), class room teachers, administrators, school board representatives, and higher education folks - even a parent representative - makes for licensure securing being more like bar exam than taking coursework that helps one become a better teacher. Competency still comes from wisdom, experience, and assistance. The fear factor in entering or continuing in education may be further fuel to have potentially great teachers choose something else.

With these drastic salary ranges and licensure concerns attracting and maintaining quality, for-the-long-run-of-it teachers will be a problem that will only - in math terms- "square" itself. Salary schedule cell adjustment increases are exacerbating the dilemma.

Unfair ranges in dollars put behind students also fuels the "education fire." How can one district expect to provide meaningful, well-rounded educational opportunities when it spends \$6,000 for a student while another district places \$14,000 behind theirs. The Supreme Court has put that problem back in your lap. Education is more than doing sufficiently on comparable tests.

Other means of providing funds for education must be explored. Adding to the property tax bill won't work. The school portion of the tax bill is not the driving force within the increases found on that bill down in the lower right hand corner.

When flight attendants make more than career teachers, it's time you become "Points of Light" and take a lead in attending to removing revenue controls and looking - with us - into ways and means to provide fair balance and equity within the salaries of those that will become the new "points of light."

Hedy Reynolds  
493 Ann St  
Fond du Lac, WI 54935

Currently inflation increases at a rate of approximately 3.4%. The QEO law has allowed Boards to impose settlements that cause the wage rate to increase as little as eight tenths of a percent and only as high as one percent. This is UNFAIR!

In the Fond du Lac School District career committed professionals who have reached the top of the salary schedule as a result of earning their Masters Degree and their experience, are earning raises less than \$300 per year. Is this any way to treat people who have committed their lives to the education of our children?!

As a result of this, new teachers beginning the profession have no incentive to stay. They have nothing to look forward to as they work their way through their professional development programs. In addition to this, beginning teacher salaries are beginning to lose ground to other workers in Fond du Lac County. (See chart and graph) A person can graduate from high school and find a job by just looking in the paper that requires little to no training, with a wage that begins at \$13 - \$15 an hour (\$30,000/year). This surpasses the starting salary of teachers in the Fond du Lac District. If you were a young person what would you choose?

As a result, this law has had an impact on school districts ability to attract and retain quality teachers. If you do not believe me – talk to any district and they will tell you that there are an increasing number of teachers retiring and the numbers coming in are not enough to fill open positions. In addition, the quality of the candidates is at times questionable, the best and the brightest are choosing other professions.

There is a real problem here – teachers have been singled out. Teachers may enter the profession, but leave after 3 – 7 years because the job expectations continue to increase (standards, assessment, licensure etc) but they are losing ground financially with their substandard wage. Something has got to change!!

What kind of people do we want teaching our children? People who have just a bachelors degree, five years of work experience in the field they will teach, 5 years of military service, or people who have devoted the time and money to learn about what it means to be a teacher and work with children, people who have committed themselves to children and their profession. Our Governor would have us believe that the former is sufficient. This not only embarrassment to me but an insult! I ask that you take a serious look at what this law has done and will continue to do to the future of Wisconsin schools. If we want to continue to keep WI schools great SOMETHING HAS TO CHANGE!!!!

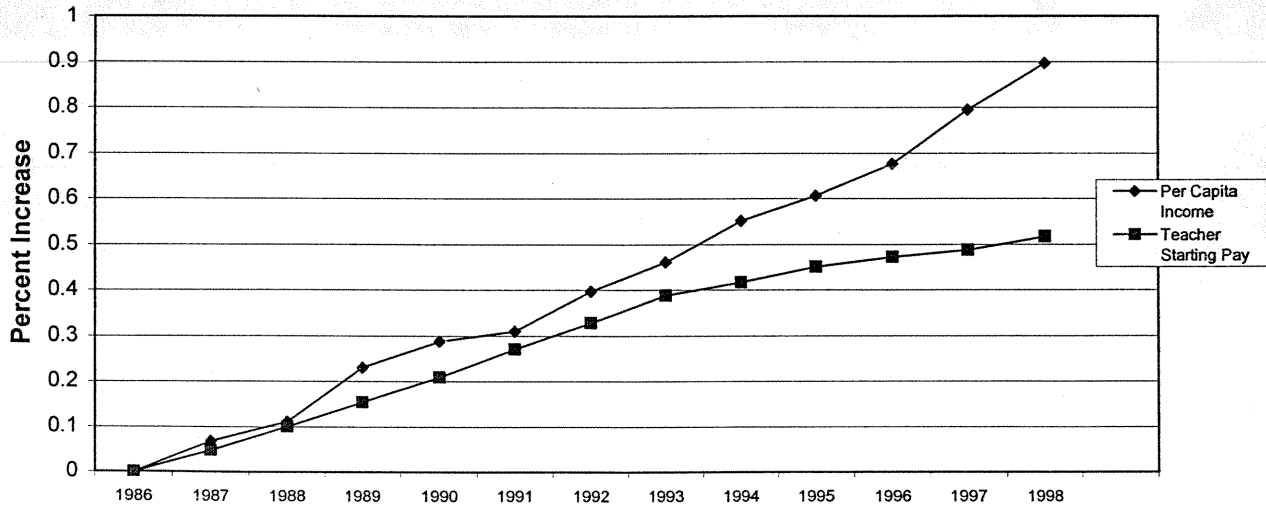
# FOND DU LAC

## Wisconsin Per Capita Income Compared with District-Level Teacher Salaries 1986-1998

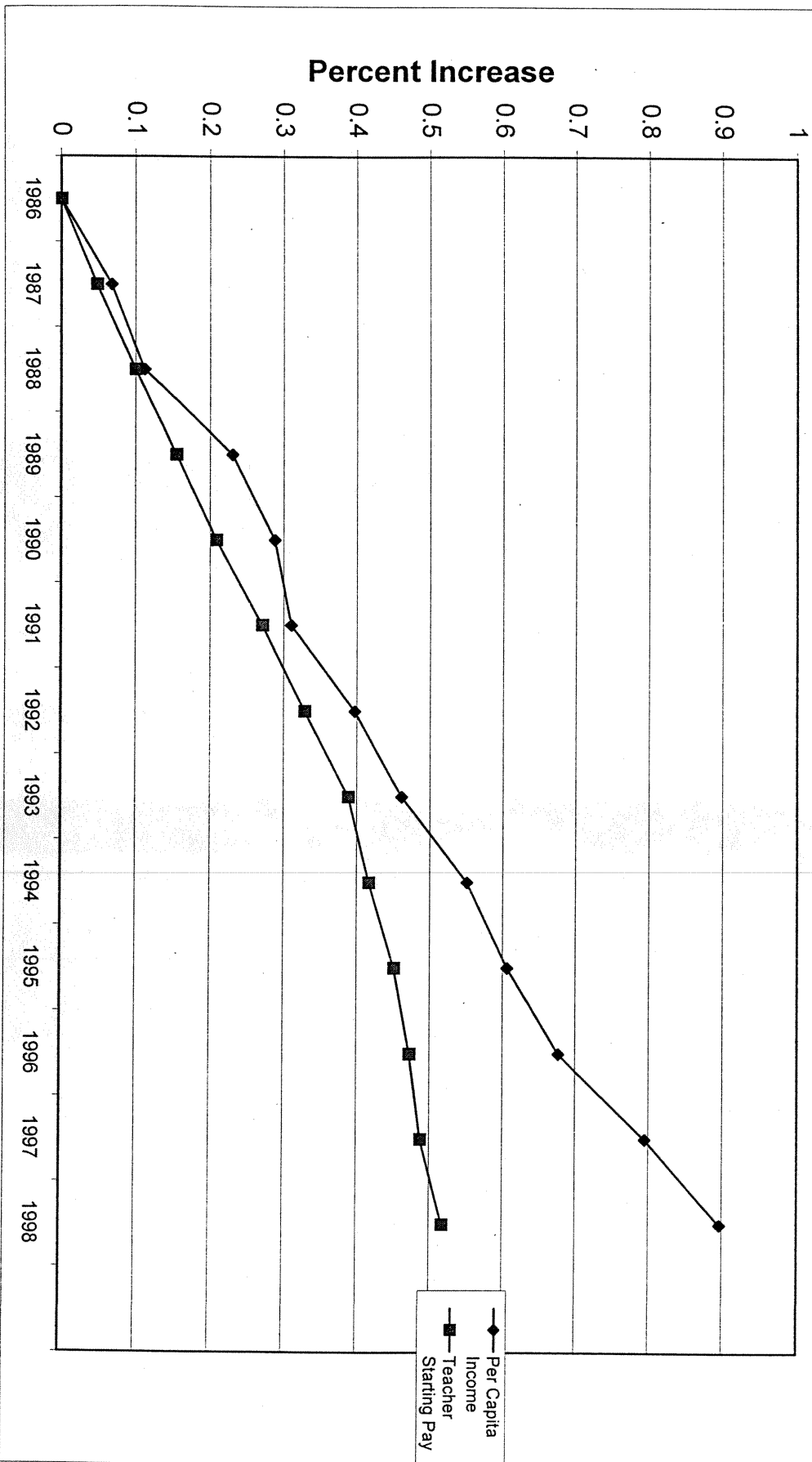
Year	Per Capita Income	Percent Increase	BA MIN	Percent Increase
1986	14165	0	18200	0.00%
1987	15128	6.80%	19075	4.81%
1988	15749	11.18%	20020	10.00%
1989	17437	23.10%	21000	15.38%
1990	18245	28.80%	22000	20.88%
1991	18557	31.01%	23133	27.10%
1992	19789	39.70%	24175	32.83%
1993	20702	46.15%	25265	38.82%
1994	21973	55.12%	25780	41.65%
1995	22752	60.62%	26409	45.10%
1996	23749	67.66%	26801	47.26%
1997	25429	79.52%	27072	48.75%
1998	26867	89.67%	27616	51.74%

Sources: Benchmark data from actual salary schedules; Personal Income from the Bureau of Economic Analysis, Regional Data Series.

### Starting pay for Fond du Lac teachers compared with Fond du Lac County per capita income 1986-1998



# Starting pay for Fond du Lac teachers compared with Fond du Lac County per capita income 1986-1998



Hello, my name is Paul Craig and I am a 4th grade teacher in the Hartland/Lakeside Public School District. I live at 1405 E. Devonshire Rd, Delafield, WI 53018.

I would like to thank you for listening to my story. It is just one of 80,000 that could be told by any other teacher in this state. In 1993 when the QEO was implemented, I made \$46,211.00. In 2000, I am almost embarrassed to admit that I am earning just \$48,997.40. After seven years, this \$2786.00 increase is with 23 years of experience, a master's degree, and 23 additional graduate credits. Photo copies of my W-2's and property taxes from 1993 and 2000 are attached. You will notice that during this same period of time my property taxes have almost doubled. They have increased by \$1630.12. This annual cost uses up over half of my total pay increase and leaves me \$1,155.88 to "splurge" on the increased costs of most goods and utilities, which have also doubled.

In closing I ask, do I continue to lower my standard of living or do I quit after 23 years and find a job that pays the bills?

Thank you.

Form W-2 Wage and Tax Statement 1993

OMB No. 1545-0008

Department of the Treasury — Internal Revenue Service

a Control number		Copy 2 To Be Filed with Employer's City, or Local Income Tax Return	
HARTLAND/LAKESIDE SCH DIST #3		HARTLAND/LAKESIDE SCH DIST #3	
651 E IMPERIAL HARTLAND WI 53029		651 E IMPERIAL HARTLAND WI 53029	
e Employee's name, address, and ZIP code 000667 390-54-0032		e Employee's name, address, and ZIP code 000667 390-54-0032	
PAUL CRAIG 1405 E DEVONSHIRE RD DELAFIELD WI 53018		PAUL CRAIG 1405 E DEVONSHIRE RD DELAFIELD WI 53018	
16 State	Employer's state I.D. No.	17 State wages, tips, etc.	18 State income tax
WI		45011.40	2913.60
19 Local wages, tips, etc.		19 Local wages, tips, etc.	
VOID FORM - DO NOT SUBMIT		VOID FORM - DO NOT SUBMIT	
15 Statutory employee <input type="checkbox"/> Deceased <input checked="" type="checkbox"/> Pension plan <input type="checkbox"/> Legal Rep. <input type="checkbox"/> 942 emp. <input type="checkbox"/> Sub total <input type="checkbox"/> Deferred compen-sation <input checked="" type="checkbox"/>		20 Local wages, tips, etc.	
13 Dependent care benefits		21 Local income tax	
11 Nonqualified plans		14 Other	
12 Benefits included in Box 1		14 Other	
10 Dependent care benefits		14 Other	
7 Social security tips		9 Advance EIC payment	
5 Medicare wages and tips		6 Medicare tax withheld	
4 Social security wages		4 Social security tax withheld	
3 Social security wages		2 Federal income tax withheld	
1 Wages, tips, other compensation		2 Federal income tax withheld	

Form W-2 Wage and Tax Statement 1993

OMB No. 1545-0008

Department of the Treasury — Internal Revenue Service

a Control number		Copy C For EMPLOYEE'S RECORDS (See Notice on back.)	
HARTLAND/LAKESIDE SCH DIST #3		HARTLAND/LAKESIDE SCH DIST #3	
651 E IMPERIAL HARTLAND WI 53029		651 E IMPERIAL HARTLAND WI 53029	
e Employee's name, address, and ZIP code 000667 390-54-0032		e Employee's name, address, and ZIP code 000667 390-54-0032	
PAUL CRAIG 1405 E DEVONSHIRE RD DELAFIELD WI 53018		PAUL CRAIG 1405 E DEVONSHIRE RD DELAFIELD WI 53018	
16 State	Employer's state I.D. No.	17 State wages, tips, etc.	18 State income tax
WI		45011.40	2913.60
19 Local wages, tips, etc.		19 Local wages, tips, etc.	
VOID FORM - DO NOT SUBMIT		VOID FORM - DO NOT SUBMIT	
15 Statutory employee <input type="checkbox"/> Deceased <input checked="" type="checkbox"/> Pension plan <input type="checkbox"/> Legal Rep. <input type="checkbox"/> 942 emp. <input type="checkbox"/> Sub total <input type="checkbox"/> Deferred compen-sation <input checked="" type="checkbox"/>		20 Local wages, tips, etc.	
13 Dependent care benefits		21 Local income tax	
11 Nonqualified plans		14 Other	
12 Benefits included in Box 1		14 Other	
10 Dependent care benefits		14 Other	
7 Social security tips		9 Advance EIC payment	
5 Medicare wages and tips		6 Medicare tax withheld	
4 Social security wages		4 Social security tax withheld	
3 Social security wages		2 Federal income tax withheld	
1 Wages, tips, other compensation		2 Federal income tax withheld	

Form W-2 Wage and Tax Statement 1993

OMB No. 1545-0008

Department of the Treasury — Internal Revenue Service

This information is being furnished to the Internal Revenue Service. If you are required to file a tax return, a negligence penalty or other sanction may be imposed on you if this income is taxable and you fail to report it.

# 2000 W-2 and EARNINGS SUMMARY

This blue Earnings Summary section is included with your W-2 to help describe portions in more detail. The reverse side includes general information that you may also find helpful.

1. The following information reflects your final 2000 pay stub plus any adjustments submitted by your employer.

Gross Pay	48997.40	Social Security Tax Withheld Box 4 of W-2	3037.84	WI. State Income Tax Box 18 of W-2 SUI/SDI Box 14 of W-2	2870.68
Fed. Income Tax Withheld Box 2 of W-2	9129.18	Medicare Tax Withheld Box 6 of W-2	710.46		

2. Your Gross Pay Was Adjusted as follows to produce your W-2 Statement.

	Wages, Tips, other Compensation Box 1 of W-2	Social Security Wages Box 3 of W-2	Medicare Wages Box 5 of W-2	WI. State Wages, Tips, Etc. Box 17 of W-2
Gross Pay	48,997.40	48,997.40	48,997.40	48,997.40
Less 403(b) (E-Box 13)	3,900.00	N/A	N/A	3,900.00
<b>Reported W-2 Wages</b>	<b>45,097.40</b>	<b>48,997.40</b>	<b>48,997.40</b>	<b>45,097.40</b>

3. Employee W-4 Profile. To change your Employee W-4 Profile Information, file a new W-4 with your payroll dept.

**PAUL CRAIG**  
**1405 E DEVONSHIRE RD**  
**DELAFIELD WI 53018-0000**

Social Security Number: ~~60752-0172~~  
 Taxable Marital Status: SINGLE  
 Exemptions/Allowances:  
 FEDERAL: 0 \$20 Additional Tax  
 STATE: 0

Wages, tips, other comp. 45097.40		2 Federal income tax withheld 9129.18	
Social security wages 48997.40		4 Social security tax withheld 3037.84	
Medicare wages and tips 48997.40		6 Medicare tax withheld 710.46	
Control Number 032 MZ9	Dept. 001100	Corp. A	Employer use only 32
Employer's name, address, and ZIP code ATLAND LAKESIDE JT PO BOX 100 NORTH SHORE DR ATLAND WI 53029			
Batch #01732			
Employer's FED ID number <del>332949922</del>	d Employee's SSA number <del>60752-0172</del>		
Social security tips	8 Allocated tips		
Advance EIC payment	10 Dependent care benefits		
Unqualified plans	12 Benefits included in box 1		
Other instrs. for box 13 E 3900.00	14 Other		
Retiree emp.	Deceased	Pension plan X	Legal rep. X
Employee's name, address and ZIP code PAUL CRAIG 1405 E DEVONSHIRE RD DELAFIELD WI 53018-0000			
State ID no. 3316213	17 State wages, tips, etc. 45097.40		
State income tax 2870.68	19 Locality name		
Local wages, tips, etc.	21 Local income tax		
Employee Reference Copy 1-2 Wage and Tax Statement 2000 for employee's records. OMB No. 1545-0008			

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STATEMENT OF REAL ESTATE TAXES FOR 1993 PAUL CRAIG  
 1ST INSTALLMENT TO:  
 L E R  
 L O A L  
 C O S  
 A U R  
 E R  
 1405 DEVONSHIRE PT NE 1/4  
 COR N 1042 FT E 787.4 FT  
 THE BGN E 196 FT N 342.9 FT  
 FT W 196 FT S 340.3 FT TO  
 BGN 1.50 AC R1413/599

STATEMENT OF REAL ESTATE TAXES FOR 1993 PAUL CRAIG  
 2ND (JULY) INSTALLMENT TO:  
 PATRICIA G. KARCHER  
 MAUKESHIA COUNTY TREASURER  
 615 W MDR FLAND BLVD  
 MAUKESHIA MI 49801  
 STATE OF WISCONSIN

DELIC 797 971  
 CORRESPONDENCE SHOULD REFER TO THIS TAX PARCEL NUMBER  
 SEE REVERSE SIDE FOR IMPORTANT INFORMATION  
 BILL NO. 102019 RECEIPT NO.

ASSESSED VALUE LAND	ASSESSED VALUE IMPROVEMENTS	TOTAL ASSESSED VALUE	AVE. ASSMT. RATIO	ESTIMATED FAIR MARKET VALUE
34,900	PARTIAL 80,600	115,500	.9788	118,000
1. TAXING JURISDICTION	2. TAXES BEFORE ESTIMATED MAJOR STATE AIDS & CREDITS	3. ESTIMATED MAJOR STATE AIDS USED TO REDUCE TAXES	4. TAXES AFTER ESTIMATED MAJOR STATE AIDS	
SCHOOL TAX-GENERAL 1376	3,054.55	723.46-	2,331.10	
CITY TAX-DEBIT	622.02	110.87-	511.15	
COUNTY TAX	78.90	35.11-	78.90	
STATE TAX	407.65	34.77-	372.55	
VOCATIONAL	215.39		23.50	
TOTALS	4,402.13		180.62	
SCHOOL TAX CREDIT				
PROPERTY TAX BEFORE LOTTERY CREDIT				
IF THIS TAX BILL IS FOR YOUR PRIMARY RESIDENCE	PROPERTY TAX AFTER LOTTERY CREDIT			
93 MUNICIPAL SOLID WASTE COLLECTION/DISPOSAL COSTS	210,000.00	TOTAL NET TAX RATE (Does NOT reflect lottery credit)	28.4570/M	

NET PROPERTY TAX BEFORE LOTTERY CREDIT	3,286.79
LOTTERY CREDIT	1,116.55-
<b>TOTAL DUE FOR FULL PAYMENT</b>	<b>3,170.24</b>
<b>PLUS 1.5 PCT. PER MONTH, IF LATE</b>	<b>3,170.24</b>
PAY TO LOCAL TREAS. BY JANUARY 31 1994	
OR PAY 1st INSTALLMENT TO LOCAL TREASURER	1,527.24
AND PAY 2nd INSTALLMENT TO COUNTY TREASURER	1,543.00
BY: JANUARY 31 1994	BY: JULY 31 1994

IMPORTANT: BE SURE THIS DESCRIPTION COVERS YOUR PROPERTY  
 NOTE THAT THIS DESCRIPTION IS FOR TAX BILL ONLY AND MAY NOT BE A  
 FULL LEGAL DESCRIPTION.

PAUL CRAIG  
 1405 DEVONSHIRE RD  
 DELAFLFIELD WI 53018

0033A000 12/29/93 E 3170.24  
 \*\*0005\*\* 09:17



Assessed Value Land	Assessed Value Improvements	Total Assessed Value	Ave. Assmnt. Ratio	Net Assessed Value Rate (Does NOT reflect Lottery Credit)
45,800	124,900	170,700	.8636	19.5539/M
Est. Fair Mkt. Land	Est. Fair Mkt. Improvements	Est. Fair Mkt.	A star in this box means unpaid prior year taxes.	School taxes reduced by school levy tax credit
53,000	144,600	197,600		341.95

1999	2000	1999	2000	% Tax Change
Texting Jurisdiction	Est. State Aids	Allocated Tax District	Allocated Tax District	
SCHOOL TAX 1376	3,937,512	4,260,007	1,674.73	1.4-
CITY TAX	418,559	418,518	682.60	29.1
COUNTY TAX	169,353	171,701	473.64	2.5
STATE TAX			36.71	7.3
TECH COLLEGE DIST	138,571	147,573	262.75	7.1

Total	4,663,995	4,997,799	3,130.43	3,337.84	6.6
TAX KEY: DELC 0797 971		Lottery and Gaming Credit	170.76	64.72	62.1-
		Net Property Tax	2,959.67	3,273.12	10.6

Make Check Payable to:	Full Payment Due On or Before	TH E R
WAUKESHA COUNTY TREASURER	JANUARY 31, 2001	DEC 2 9 '00
1320 PEWAUKEE RD. RM 148	\$3,273.12	DEC 2 9 '00
WAUKESHA WI. 53188-3873	First Installment Due On or Before	
	JANUARY 31, 2001	
	\$1,605.12	
	Second Installment Due On or Before	
	JULY 31, 2001	
	\$1,668.00	
	Third Installment Due On or Before	

**10009 PAID # PAID 10009**

O T H E R      W A U K E S H A      W A U K E S H A

D E C 2 9 ' 0 0      S T A T E      S T A T E

D E C 2 9 ' 0 0      B A N K      B A N K

D E C 2 9 ' 0 0      W A U K E S H A      W A U K E S H A

D E C 2 9 ' 0 0      W I S C      W I S C

**TOTAL DUE FOR FULL PAYMENT**

**PAY BY JANUARY 31, 2001**

**\$3,273.12**

Warning: If not paid by due date, installment option is lost and total tax is delinquent & subject to interest & penalty. (See Reverse).

1405 DEVONSHIRE  
PT NE1/4 SEC 20 T7N R18E COM  
SW COR N 1042 FT E 787.4 FT  
THE BGN E 196 FT N 342.9 FT W  
196 FT S 340.3 FT TO BGN  
1.50 AC R1413/599

PAUL CRAIG  
1405 DEVONSHIRE RD  
DELAFIELD WI 53018

IMPORTANT: Correspondence should refer to TAX KEY. See reverse side for more information.

Larry Busching  
15000 County Rd B  
Sparta, WI 54656

June 13, 2000

Senate Education Committee Hearing

Thirty-Eight years ago, I began teaching as the highest paid rookie teacher in the state of North Dakota. Newly married, we had decided to buy a new car, and we decided on the Chevy Impala fully loaded. In 1964 that cost us \$3400 of the \$5800 in my contract. That works out to: roughly 58% of my yearly salary to pay for a car. This past year, I bought another Chevy Impala not quite fully loaded, and that cost me 73+% of my yearly contracted salary of \$38,000, costing in the \$28,000 area. This example of in value of the dollar compared to salary for educated workers is something I knew would happen to me as a teacher, and I accepted that fact for many years. However.....

As teachers in Wisconsin we obtained bargaining rights, and the right to argue our cases before the school board and later the hearing examiner if arbitration was needed. We would put hours into discussions with our boards of education, talking salaries and benefits, and conditions of employment, which would include standards, staffing needs, equipment and future planning and a host of other education problems and concerns in our districts. We lost more than we won, but we were able to get our points into discussion and occasionally win one. That is no longer true, everyone loses.

At a recent bargaining session our board indicated that they would be willing to hold our benefits at current levels, and give us a 1.5% or 1% increase (it hadn't been figured out exactly). This, if we would end negotiations, otherwise we could settle for smaller QEO and lose money, because of the increases in health insurance costs our district is facing. My choice is to loose \$6 per paycheck in salary or gain about \$4 per paycheck. In either case the intention is to end bargaining. We have several serious topics that need to be cleared up in bargaining, not the least of which is the result of the EEOC ruling on early retirements. Apparently this and the other items will just go away, because our board has matched and possibly exceeded the QEO and they feel that the problem of the pesky union goes away. We need to discuss: standards, implementation of new ideas relative to the licensure changes, how to handle increasing pressure on educators time demands, demographic changes in our student population the list goes on a long ways. But our access to our board has changed clearly because of the QEO. Attitudes have changed, people's perception, of their roles, have changed and lines of communication have closed.

A woman teacher who looked very old when I was twenty-five, looked angry at me my first year of teaching. She never spoke to me, and quite frankly made me nervous. As I left the district at the end of my first year I finally asked, "why don't you like me?" She answered, that to give the hot shot new band director his big salary; they (the school board) had reduced her salary to locate extra funds to pay me! She went on to say, that "...they know I'm married to a local farmer, can't really leave, and I have a husband that supports me". This past bargain, the argument was used by our board, that these guys (veteran teachers) will never leave, they own homes in the area, and have ties that bind. Don't worry about paying the veteran teachers more! The QEO has set me back 38 years.

Honorable Senators, you know I have lost salary, that salaries in the Western part of the state lag way behind central and eastern parts of the state. I'm certain that you understand I have lost a great deal of retirement support and salary. Please consider this,

Larry Busching  
15000 County Rd B  
Sparta, WI 54656

June 13, 2000

if the attitude of all small school districts of Wisconsin go in the direction mine apparently is, educators in Wisconsin are destined to become indentured servants and vassals of those lordly enough to hold court over them. You have an opportunity to put cooperation back into our system again. There is little you can do to help me at this stage, but Wisconsin and its children needs a method of bargaining that includes the exchange of information or we will not last much longer at the top of the heap as far as results in public education goes. Partners tend to work hard; indentured servants just put in their time. Thank you.

Wisconsin Department of Administration  
 Division of Executive Budget and Finance  
 DOA-2048 (R07/2000)

### Fiscal Estimate - 2001 Session

Original       Updated       Corrected       Supplemental

LRB Number <b>01-2245/1</b>		Introduction Number <b>SB-200</b>	
<b>Subject</b>			
Elimination of qualified economic offer provisions in collective bargaining law			
<b>Fiscal Effect</b>			
<b>State:</b>			
<input type="checkbox"/> No State Fiscal Effect			
<input checked="" type="checkbox"/> Indeterminate			
<input type="checkbox"/> Increase Existing Appropriations		<input checked="" type="checkbox"/> Increase Existing Revenues	
<input type="checkbox"/> Decrease Existing Appropriations		<input type="checkbox"/> Decrease Existing Revenues	
<input type="checkbox"/> Create New Appropriations		<input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
		<input type="checkbox"/> Decrease Costs	
<b>Local:</b>			
<input type="checkbox"/> No Local Government Costs			
<input checked="" type="checkbox"/> Indeterminate			
1. <input checked="" type="checkbox"/> Increase Costs		3. <input type="checkbox"/> Increase Revenue	
<input checked="" type="checkbox"/> Permissive <input type="checkbox"/> Mandatory		<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	
2. <input type="checkbox"/> Decrease Costs		4. <input type="checkbox"/> Decrease Revenue	
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory		<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	
5. Types of Local Government Units Affected			
<input checked="" type="checkbox"/> Towns		<input checked="" type="checkbox"/> Village	
<input checked="" type="checkbox"/> Counties		<input checked="" type="checkbox"/> Cities	
		<input type="checkbox"/> Sewerage Districts, Library Bd	
<input checked="" type="checkbox"/> School Districts		<input checked="" type="checkbox"/> WTCS Districts	
<b>Fund Sources Affected</b>		<b>Affected Ch. 20 Appropriations</b>	
<input checked="" type="checkbox"/> GPR <input type="checkbox"/> FED <input checked="" type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS			
<b>Agency/Prepared By</b>		<b>Authorized Signature</b>	<b>Date</b>
ERC/ Georgann Kramer (608) 266-9287		Peter Davis (608) 266-2993	6/13/01

## Fiscal Estimate Narratives

ERC 6/13/01

LRB Number 01-2245/1	Introduction Number SB-200	Estimate Type Original
<b>Subject</b> Elimination of qualified economic offer provisions in collective bargaining law		

**Assumptions Used in Arriving at Fiscal Estimate**

SB 200 would produce an increase in the Commission's mediation and interest arbitration caseload. The increased caseload might be absorbed through use of existing staff resources. The increase in caseload will produce additional filing fee revenue.

So long as existing statutory revenue caps are maintained, SB 200 will not in and of itself increase local school districts' overall costs.

SB 200's elimination of an interest arbitrator's consideration of (1) local economic conditions, and (2) expenditure and revenue limitations will likely increase the number of interest arbitration cases won by a union which will, in turn, likely increase the costs of local governments other than school districts.

**Long-Range Fiscal Implications**

## TESTIMONY FOR THE QEO HEARING

Ellen La Luzerne, UniServ Director, Capital Area UniServ South  
4800 Ivywood Trail, McFarland, Wisconsin 53558  
608-828-2261/1-800-728-2287

June 13, 2001

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Hello. My name is Ellen La Luzerne. I am here today to ask that you look at removing the portion of the bargaining law that is commonly known as the Qualified Economic Offer or QEO.

I have been a UniServ Director for a little over ten years. I also negotiated for other unions. A major portion of the work I do is assisting school employees in negotiating contracts that affect their wages, hours and working conditions. I am witnessing first hand how this law is undermining morale and causing conflict between fellow staff members.

I understand that the QEO was put into place as a counterpoint to restrictions on revenue school districts could generate through property taxes. When the law was first put in place, many of us were stunned but we were told it would evaporate after two years. Well, eight years and four contracts later, some of us are still in shock that a law that so unfairly targets one group of public employees is still in place.

I work with staff in fourteen school districts south and west of Madison. Over the course of the last four sets of contract talks, I have watched my members become increasingly frustrated with the negotiating process under the QEO. I'll use Monroe as an example. That group faced a 17 percent health insurance increase for the 1999-2000 school year. Using the QEO formula, this resulted in what amounted to a \$69 total increase on the salary schedule, or four cents per hour. With deductions for co-pays on benefits, the net result ended up being a pay cut.

Those facing a four-cent increase were veteran teachers with many years of dedicated service to the district. The bargaining team did end up coming up with a solution that shaved dollars off the experience increases for their co-workers to allow for an increase of a little over two hundred dollars or approximately thirteen cents per hour.

This is just one example of ways our negotiators have been coping with the QEO. After studying many salary schedules for this area, I am finding that many other negotiators are trying to balance providing a decent starting pay to attract new teachers while providing enough of a pay increase to keep veteran teachers. What I am finding is, that like Monroe, some districts have added money to the top to keep people, or they have worked on improving the beginning salary to attract new staff. The net result is that your robbing Peter to pay Paul or robbing Sally to pay Sue.

This ultimately can undermine the sense of unity and cohesiveness within a district. It can pit the veteran staff against the newer staff as they vie for limited dollars. Schools are facing increased expectations under new licensure laws and state standards. If we are to continue with excellent public schools in Wisconsin, we need to continue to provide resources and support for staff in our public schools.

As final note, although the QEO does not pertain to support staff in schools, this creates another area where the law is contributing to poor morale and conflict. If support staff obtain greater than a 3.8% total package, this creates the perception of unequal treatment. However, support staff often don't even make what is considered a living wage.

As teacher groups begin contract talks for their fifth contract under the QEO, many are facing the same issues I described. We are running out of creative solutions. Again, I urge you to consider removal of the QEO provisions of the collective bargaining law.

Thank you for listening.

To: ~~Bob Burke~~ Senate Education Committee  
From: James Ackley (Seventh Grade Teacher at Patrick Marsh Middle School, Sun Prairie, WI)  
Re: QEO Presentation to Senate Education Committee

I believe it is safe to say that funding for public education including teacher's salaries has become an extremely complicated issue for the taxpayers of Wisconsin. It is also safe to say that the Qualified Economic Offer in its current form is not the answer. The reasons for this are numerous; however, I will speak to only three.

First and foremost, it is unfair. I am a supporter of financial responsibility. The needs and services of this state are gigantic. It would be irresponsible for legislators to govern without some sort of system in place to maintain financial responsibility. However, the system that legislators create needs to be fair and in the best interests of the state. The QEO is not fair, and is not in the best interests of the state. Education has always been a high priority in Wisconsin. Our schools are some of the best in the country, and we as teachers do a good job. As an employee of the State of Wisconsin all I ask is that I be treated with the same rules and regulations as other employees of the state. I want to be able to earn a fair wage and compete with inflation. I didn't enter this profession to strike it rich, but I was hoping to earn a fair wage without unfair restrictions.

Secondly, we as a profession are losing some extremely qualified teachers to other careers. Why would a college student want to enter a profession where salary increases are minimal, sometimes non-existent due to insurance costs? We need to find a way to attract people into education. Several years ago there was a shortage of management information services' majors. I specifically remember this being a hot major in college. What did the MIS profession do to entice college students into their programs? They paid them. This issue is only going to get worse. A perfect example is the plan Gov. McCallum has proposed to allow non-education majors to teach in our schools. I never truly believed that we would ever have a teacher shortage in Wisconsin, but if current practices of the QEO continue you are only guaranteeing it.

Lastly, the QEO is more than just salary. The QEO includes increases in insurance. If every teacher were guaranteed a 3.8% increase in salary that would be a step in the right direction. Currently, the 3.8% includes any insurance cost increases from the past year. Including insurance costs in the QEO only inhibits the opportunity for teachers to increase their salary. If current insurance trends continue, it is very unlikely that I will ever see a "salary" increase of 3.8%. The outlook for the next thirty years of my career doesn't look good financially.

In conclusion, you have the power to change things. It is possible for you to propose changes that would make our system of funding public schools more fair. Why choose to isolate and discriminate against public school teachers. Why not encourage college students to seek one of the most rewarding professions there is. Encourage them by offering them an opportunity to compete with inflation. Lastly, the QEO is not working. It is a divisive law that is slowly deteriorating the core of our public schools—the teachers. We see short term damage and will see long term damage done by the QEO. What can be done to fix it?



## TESTIMONY REGARDING 2001 SENATE BILL 200—REPEAL OF THE QUALIFIED ECONOMIC OFFER

June 13, 2001

Thank you Chairperson Grobschmidt and members of the Senate Education Committee for this opportunity to speak to you today. My name is Michael Walsh. I am a speech communications teacher at River Bluff Middle School in Stoughton. I strongly urge you to repeal the Qualified Economic Offer. This law undermines the quality of public education and unfairly targets one group of public employees.

I am testifying today because of my strong commitment to teaching. This law threatens the quality of public education since the law, in combination with revenue controls, has resulted in pay raises that have not kept up with inflation. As a result of the Q.E.O., morale is low because my co-workers and I are getting a message loud and clear: your work is not valued.

To put this in perspective, in 2000, the average pay for professional jobs for the Wisconsin region was roughly forty-nine thousand dollars, according to the Bureau of Labor Statistics. The average of our benchmarks<sup>1</sup> on the pay schedule in Stoughton is about thirty-six thousand seven hundred dollars. We only approach the average pay for professional jobs after 15 years experience plus a master's degree and twenty-four additional credits. These averages include professions that only require a technical college education.

While the value of our pay is declining, many of us are now seeking additional employment to make ends meet. We are working two and three jobs to support our families. I've worked painting houses many a summer and take care of rental property. The need to supplement our income takes away from the energy and emphasis we should be placing on our primary job—teaching. I have even applied for a job outside the classroom because of the potential for more income. If the value of our jobs continues to decline, teaching will be seen as only a second income job and not the valued profession it should be.

I have three children of my own. My oldest daughter Molly is nine-years-old and talks of being a teacher when she grows up. It breaks my heart to say I may not be encouraging my daughter to enter teaching, a job I love. Other teachers have told me they also wouldn't wish teaching on their own children. There is no future in teaching. Why should we, as parents, encourage our children to go into teaching? It doesn't pay.

This is where the quality of education in Wisconsin will suffer. Our children are our future. If teachers are not encouraging our children and our students to enter teaching, who will then teach the future generations?

Again, I urge you to repeal the Qualified Economic Offer. Thank you.

Michael M. Walsh  
4914 Black Oak Drive  
Madison, WI 53711

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<sup>1</sup> The salary schedule average is based on selected benchmarks on the salary schedule – Bachelor's Degree (start rate); Bachelor's with 7 years of service; Master's degree start pay; Master's degree plus 10 years of service; and the schedule maximum (MA + 24 in Stoughton after 15 years of service).

Table 3-2. Mean annual earnings,<sup>1</sup> full-time workers;<sup>2</sup> Selected occupations, private industry and State and local government, National Compensation Survey, Milwaukee-Racine, WI, October 2000

Occupation <sup>3</sup>	Total			Private industry			State and local government		
	Annual earnings		Mean annual hours <sup>5</sup>	Annual earnings		Mean annual hours <sup>5</sup>	Annual earnings		Mean annual hours <sup>5</sup>
	Mean	Relative error <sup>4</sup> (percent)		Mean	Relative error <sup>4</sup> (percent)		Mean	Relative error <sup>4</sup> (percent)	
<b>All</b> .....	\$36,464	2.2	2,041	\$35,704	2.5	2,079	\$39,966	2.5	1,867
All excluding sales .....	36,550	2.2	2,039	35,763	2.6	2,079	39,966	2.5	1,867
<b>White collar</b> .....	42,474	2.7	2,003	42,628	3.4	2,088	42,015	3.0	1,747
White collar excluding sales .....	43,338	2.8	1,994	43,847	3.6	2,089	42,015	3.0	1,747
<b>Professional specialty and technical</b> .....	49,417	3.8	1,927	53,592	5.9	2,123	43,743	2.8	1,661
Professional specialty .....	52,475	4.3	1,893	60,635	7.2	2,149	44,571	2.7	1,645
Engineers, architects, and surveyors .....	58,287	5.2	2,080	58,587	5.2	2,080	-	-	-
Industrial engineers .....	51,447	4.9	2,080	51,447	4.9	2,080	-	-	-
Mechanical engineers .....	55,980	7.6	2,080	55,980	7.6	2,080	-	-	-
Mathematical and computer scientists .....	62,304	9.3	2,041	65,941	7.6	2,079	-	-	-
Computer systems analysts and scientists .....	55,618	12.6	2,020	-	-	-	-	-	-
Natural scientists .....	-	-	-	-	-	-	-	-	-
Health related .....	43,395	2.6	2,130	44,145	2.9	2,162	40,127	4.3	1,989
Registered nurses .....	43,041	1.9	2,060	43,303	2.0	2,059	-	-	-
Teachers, college and university .....	110,189	19.4	2,273	-	-	-	56,869	14.1	1,693
Teachers, except college and university .....	44,585	3.6	1,545	-	-	-	45,627	1.5	1,524
Elementary school teachers .....	44,630	2.0	1,533	-	-	-	44,793	2.0	1,535
Secondary school teachers .....	47,477	1.8	1,525	-	-	-	47,464	1.8	1,526
Librarians, archivists, and curators .....	-	-	-	-	-	-	-	-	-
Social scientists and urban planners .....	-	-	-	-	-	-	-	-	-
Social, recreation, and religious workers .....	36,694	4.6	2,060	34,600	6.6	2,065	37,299	5.6	2,059
Social workers .....	36,807	5.3	2,056	-	-	-	37,299	5.6	2,059
Lawyers and judges .....	-	-	-	-	-	-	-	-	-
Writers, authors, entertainers, athletes, and professionals, n.e.c. ....	57,244	16.8	2,103	57,244	16.8	2,103	-	-	-
Technical .....	38,646	4.8	2,047	39,602	5.2	2,071	32,094	6.7	1,881
Clinical laboratory technologists and technicians .....	33,228	6.1	2,080	33,228	6.1	2,080	-	-	-
Licensed practical nurses .....	29,364	3.7	2,017	29,287	4.2	2,008	-	-	-
Engineering technicians, n.e.c. ....	42,365	1.9	2,029	-	-	-	-	-	-
Drafters .....	35,480	16.9	2,080	35,480	16.9	2,080	-	-	-
<b>Executive, administrative, and managerial</b> .....	56,884	3.3	2,071	55,795	3.6	2,081	62,682	6.9	2,018
Executives, administrators, and managers .....	62,389	4.8	2,077	61,295	5.7	2,096	66,399	6.4	2,007
Administrators and officials, public administration .....	65,884	8.8	2,252	-	-	-	65,884	8.8	2,252
Financial managers .....	61,584	9.9	2,100	61,584	9.9	2,100	-	-	-
Administrators, education and related fields .....	70,450	3.0	1,836	-	-	-	70,945	3.1	1,842
Managers, medicine and health .....	48,777	11.9	2,011	-	-	-	-	-	-
Managers and administrators, n.e.c. ....	67,569	7.9	2,092	68,596	8.4	2,117	-	-	-
Management related .....	47,579	7.4	2,062	48,005	7.7	2,060	-	-	-
Accountants and auditors .....	41,487	6.3	2,044	41,487	6.3	2,044	-	-	-
Personnel, training, and labor relations specialists .....	37,748	5.1	2,069	37,748	5.1	2,069	-	-	-
Management related, n.e.c. ....	54,251	11.9	2,058	54,251	11.9	2,058	-	-	-
<b>Sales</b> .....	34,774	8.5	2,087	34,774	8.5	2,087	-	-	-

See footnotes at end of table.

Table 3-2. Mean annual earnings,<sup>1</sup> full-time workers:<sup>2</sup> Selected occupations, private industry and State and local government, National Compensation Survey, Milwaukee-Racine, WI, October 2000 — Continued

Occupation <sup>3</sup>	Total			Private industry			State and local government		
	Annual earnings		Mean annual hours <sup>5</sup>	Annual earnings		Mean annual hours <sup>5</sup>	Annual earnings		Mean annual hours <sup>5</sup>
	Mean	Relative error <sup>4</sup> (percent)		Mean	Relative error <sup>4</sup> (percent)		Mean	Relative error <sup>4</sup> (percent)	
<b>White collar —Continued</b>									
<b>Sales —Continued</b>									
Supervisors, sales .....	\$30,431	16.5	2,132	\$30,431	16.5	2,132	-	-	-
Sales representatives, mining, manufacturing, and wholesale .....	44,103	15.4	2,096	44,103	15.4	2,096	-	-	-
Sales workers, other commodities .....	19,704	5.9	1,964	19,704	5.9	1,964	-	-	-
<b>Administrative support, including</b>									
clerical .....	26,818	3.7	2,029	27,393	4.3	2,063	\$23,987	3.5	1,862
Secretaries .....	26,850	4.8	1,986	28,532	5.9	2,061	23,101	6.2	1,818
Records clerks, n.e.c. ....	27,726	2.1	2,016	27,726	2.1	2,016	-	-	-
Bookkeepers, accounting and auditing clerks .....	26,776	4.7	2,069	25,664	4.8	2,080	-	-	-
Mail clerks, except postal service .....	24,161	8.9	2,025	24,161	8.9	2,025	-	-	-
Production coordinators .....	30,023	4.7	2,090	30,023	4.7	2,090	-	-	-
Traffic, shipping and receiving clerks .....	25,706	7.1	2,080	25,706	7.1	2,080	-	-	-
Investigators and adjusters, except insurance .....	27,691	4.1	2,080	27,691	4.1	2,080	-	-	-
General office clerks .....	23,319	5.1	2,032	-	-	-	23,937	3.9	2,013
Teachers' aides .....	14,564	5.3	1,392	-	-	-	14,564	5.3	1,392
Administrative support, n.e.c. ....	26,355	4.6	2,047	25,738	4.4	2,045	-	-	-
<b>Blue collar .....</b>	<b>32,632</b>	<b>3.0</b>	<b>2,079</b>	<b>32,595</b>	<b>3.1</b>	<b>2,079</b>	<b>33,158</b>	<b>5.8</b>	<b>2,080</b>
<b>Precision production, craft, and repair .....</b>									
Industrial machinery repairers .....	41,369	2.7	2,083	41,713	2.9	2,083	37,611	4.5	2,080
Electricians .....	41,260	6.2	2,080	41,260	6.2	2,080	-	-	-
Supervisors, production .....	47,810	3.3	2,080	48,073	4.0	2,080	-	-	-
Tool and die makers .....	43,063	7.2	2,103	43,063	7.2	2,103	-	-	-
Machinists .....	47,214	2.5	2,080	47,214	2.5	2,080	-	-	-
33,756	5.2	2,080	33,756	5.2	2,080	-	-	-	
<b>Machine operators, assemblers, and inspectors .....</b>									
Lathe and turning machine operators .....	28,673	4.5	2,078	28,674	4.5	2,078	-	-	-
Punching and stamping press operators .....	36,509	8.0	2,080	36,509	8.0	2,080	-	-	-
Drilling and boring machine operators .....	30,202	5.5	2,080	30,202	5.5	2,080	-	-	-
Grinding, abrading, buffing, and polishing machine operators .....	31,496	8.1	2,080	31,496	8.1	2,080	-	-	-
Numerical control machine operators .....	23,734	9.6	2,080	23,734	9.6	2,080	-	-	-
Printing press operators .....	32,429	12.4	2,080	32,429	12.4	2,080	-	-	-
Packaging and filling machine operators .....	32,698	12.5	2,063	32,772	12.6	2,063	-	-	-
Miscellaneous machine operators, n.e.c. ....	33,035	8.3	2,080	33,035	8.3	2,080	-	-	-
Welders and cutters .....	31,874	10.4	2,074	31,874	10.4	2,074	-	-	-
Assemblers .....	30,944	6.8	2,080	30,944	6.8	2,080	-	-	-
Production inspectors, checkers and examiners ...	26,221	11.3	2,080	26,221	11.3	2,080	-	-	-
23,433	7.2	2,080	23,433	7.2	2,080	-	-	-	
<b>Transportation and material moving .....</b>									
Truck drivers .....	38,768	5.1	2,113	38,648	5.6	2,117	-	-	-
43,170	6.8	2,214	44,577	6.4	2,238	-	-	-	

See footnotes at end of table.

My name is Mary Lee Reineking, and I am a teacher in Stevens Point. I also help negotiate the teacher contract there.

I have given a lot of thought as to what I would like to share with you today, given this opportunity.

I thought, I could talk to you about the unfairness of this QEO law in the way that it singles out one profession for salary caps, but I think you've heard that before. I could talk about the debilitating effect this law has had on collective bargaining for k-12 public educators, but I think you know that. I could talk about the anger I feel when I see what's happening to the morale of my colleagues or the worry I feel when I think about the state of public education in WI ten or fifteen or twenty years down the road. I could talk to you about how frustrating it is to watch our salary schedule lose ground to the cost of living year after year after year. Maybe that salary piece is something that's not fully understood. In spite of the fact that our School Board has agreed to a 3.8% package increase each year since we've been bargaining under QEO, and in a couple of cases has exceeded that slightly, our salary schedule has still lost ground to the cost of living by 5% in that same time period, due to the intricacies of how the QEO is calculated,

Somehow though, I fear that all these reasons seem to have little impact in light of your current budget crunch. When you don't have enough revenue to meet anticipated expenditures, it seems a poor time to be trying to convince you that you need to relax these unfair salary controls.

But that's exactly what I'd like to do, and I'd like to borrow an analogy from Gov. McCallum. I've read where he has suggested that the state needs to behave as a family does when their expenses exceed their revenue. They cut back. But you know, they still pay their mortgage; they still pay their utility bill (even though it went up last year about 7.5%); they still buy groceries and medicine. The point is, they decide what is crucial to their sustenance and well-being, and even if it's the biggest chunk of their budget, they take care of it. They tighten the purse strings by not taking the vacation or by driving the car for another year or by eating at home instead of in restaurants. They decide what they can do without.

I'm suggesting that the state must do the same thing. That kind of critical assessment of just what you might be able to do without is exactly what school districts have been forced to do since 1993. And one thing that is crucial to your sustenance and well-being, one thing you can't do without, is a quality system of k-12 education and quality educators. It doesn't matter if it's already a big chunk of your budget. It's something you have to take care of in the near term and the long term. Right now you're facing a situation where educators are demoralized, but you do have quality educators in the classrooms around the state. Many of us are only 1 to 3 to 5 to 7 years away from retirement, and you're not likely to lose us. We can hang in there a few more years because once we're retired, we'll get a cost of living increase, and when we're collecting social security, we'll get a cost of living increase. But I am worried about who will be found to replace us. When educators are so disrespected as to be viewed as a prime way to save tax dollars, who is going to choose to man those classrooms? This needs to be taken care of, and it needs to be taken care of before it's too late.





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**Jennifer A. Kammerud**  
Director of  
Government Relations

An Alliance of:

Association of  
Wisconsin School  
Administrators

Wisconsin Association  
of School District  
Administrators

Wisconsin Association  
of School Business  
Officials

Wisconsin Council for  
Administrators of  
Special Services

**TO:** Senate Education Committee  
**FROM:** Jennifer Kammerud, Director of Government Relations  
**DATE:** June 13, 2001  
**RE:** **Senate Bill 200**

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The School Administrators Alliance (SAA) believes in fair and adequate compensation for school employees. Senate Bill 200, however, would exacerbate the problems school districts are experiencing under revenue limits.

Senate Bill 200 eliminates the consideration in the arbitration process of economic conditions and any state law or directive that places expenditure or revenue limitations on an employer. Given that school districts are under revenue limits any elimination of this consideration ignores reality. That reality is:

- School districts around the state are increasingly experiencing problems under revenue limits.
- Revenue limits are not keeping pace with the cost to implement the qualified economic offer (QEO).
- The changes to the QEO in 1999 Act 9, which removed horizontal lane movements from the QEO, have created further financial pressures on school districts.
- On average around 80 percent of a school district's budget is spent on salaries and benefits. Any increase in those areas without an increase in revenue limits will result in program cuts and layoffs.

Knowing that the QEO, two-thirds funding, and revenue limits are all integrally related, it is our opinion that any change in one must be accompanied by a change in another area. In this case, any change in the QEO must be accompanied by a corresponding change in revenue limits. School districts must be allowed to raise the revenues necessary to cover any change in the QEO.

If you have any questions about our position, please feel free to contact me at the number and address above.

MaryKay Hoffmann, 933 North Robertson, Wauwatosa, WI 53213

The MapleDale-Indian Hill District resides among the highest income bracket in the State of Wisconsin. Due to the Revenue caps, taxes cannot be levied to meet the increased needs of the school district, causing the district to implement the QEO two years ago. However, not even the imposed QEO could stave off the school district's financial difficulties within this "financially secure" community. These are your constituents! **Demonstrate your responsibility to prioritize education.**

**The impact of the Revenue caps and the QEO on this School District:**

- Technology position has been cut for the 2001-02
- Orchestra has been cut back
- Several Special Education para's and one Special Education teaching position has been eliminated
- Classroom budgets have been cut
- Even though retirements have placed more money into the district (as new teachers are less costly), the district is using that extra money to balance the budget rather than putting money into salaries.
- Cost of living raises have been virtually eliminated since 1993
- Beginning this fall, all teachers (not just the most experienced staff) will realize a reduction in their salaries due to increased insurance rates & budget shortfalls
- Retirement income is being seriously compromised every year the QEO is in place.
- Staff morale is low: more work, less pay. Whereas the Maple Dale parking lot used to be filled before 8:00, it is now quite common for staff to enter (& leave) the building according to contractual requirements
- Teachers are leaving the district for many reasons:
  - Employment in other districts
  - Early retirement
  - Changing careers based on the limitations of financial security within education
- Many teachers are supplementing their incomes with evening and weekend jobs, causing both stress and family hardships.

**The QEO has eliminated collective bargaining** between the school board and the Association. Both parties are frustrated as they struggle to survive within the Revenue controls. Parents are becoming extremely saddened and upset as they helplessly watch the exodus of both tenured and non tenured teachers from their district and witness the elimination of state-of-the-art programs, which had placed their children on the cutting edge of academia.

Mark McGinn  
Teaching since 1976 - Elementary Education  
Degrees: BS, BSE, MS

I am the President of Southern Lakes United Educators (SLUE). I am the local President of Traver Education Association. There are 10 members in my small local. Our student enrollment is 100 with grades 4-K to 8th. We are the SAGE program without any support from the State.

Our district surrounds part of the Lake Geneva area, including the lakeshore. We have an assessed land value of \$210,715,881. The district has one of the lowest mill rates in the state at \$3.64. We are the only zero aid district in the area.

For years, we have bargained increases in our insurance caps. We currently have a cap of \$725 for health and dental insurance. We have paid \$29.14 per month for our insurance because the rates changed before our contract ended. Our administrator recently informed us that our rates will be going up 17.7% for health and 6% for dental insurance.

We have signed the Statewide Bargaining Goals and we have not started to bargain. Therefore, we are under the current caps. With the rising insurance rates, my members will be paying \$154.64 per month out of pocket for insurance. If unsettled, my members could pay as much as \$1,848 out of pocket for their insurance in one year.

My school district does not lack the money to pay staff a decent raise. Taxpayers have not been over burdened with support of the school.



My name is Jerome Persak and I have been a teacher in the district of Greenfield for twenty-five years. I am here today to describe what has happened in the School District of Greenfield because of the QEO.

We were the first district in the state to be held to the QEO. Our teachers had the QEO invoked ~~five~~<sup>three</sup> times consecutively in 1993~~4~~ and 1996<sup>+ 1998</sup>. In 1993, Greenfield's salary schedule was in the middle of the Counsel # 10 Uniserve, which is comprised of 22 member districts. By 1999, we were dead last on the pay scale. Because of the QEO, during this time period, our most experienced teachers at the top of the salary schedule received minimal or no pay increases. As a result, in the year 2000, our district lost 40 staff members. The high school, in which I teach, lost 29 staff members. This amounted to a 34% turnover of the staff.

Today, I am joined by a colleague, Robert Petroff, a veteran teacher of thirteen years. Last year, he and others left the district of Greenfield. Robert went to the Oconomowoc School District and was hired at a seven thousand-dollar per year salary increase. Another colleague, a veteran of ten years left for the Greendale School District and received an increase of nine thousand dollars per year. Still another colleague, a veteran of 25 years, left for the Wauwatosa School District and received an eight thousand-dollar a year increase. Our district lost many others for the same reason, namely, the QEO. Other districts were more than happy to pay for the expertise of some of Greenfield's most experienced professionals. It is evident that by imposing the QEO, the district of Greenfield both undervalued and underpaid some of their finest teachers.

I ask you this question: As a taxpayer in this district, would you want your child going to a high school that had lost over a third of its most experienced staff?

The point is that nobody could have predicted these unintended consequences of cost controls. The lesson that we learn from this is that the QEO can negatively influence our children's education. If we are to attract and maintain quality teachers in the state of Wisconsin then we must provide our teachers with quality pay. Cost controls put quality education in serious jeopardy!

**Thomas Gilding W1075 Potter Rd. Burlington, WI 53105**  
**262-763-5510 FAX 262-763-6656 e mail twain@wi.net**

My name is Thomas Gilding, and I have been an English teacher, history teacher, Title 1 reading teacher, and reading specialist in Lake Geneva Schools and now Burlington Area School District since 1974. I have also been a writer and national consultant for Write Source Educational Publishing House. Since 1990, I have worked with local school districts, CESA#2, and the WEAC Professional Academy, training people with college certifications to become substitute teachers. I have been around a while; I have seen a lot of things.

And I have seen over the past years our state under the QEO and revenue caps go down the wrong path as far as public education is concerned. In Burlington we are currently facing some very difficult decisions concerning cuts to kids because of this legislation. We have been fortunate in the last three years to have had a referendum pass and were able to build a new high school; however, you should know that the school district began that quest to pass a referendum back in 1963! And when it did come, it was really only about two thirds of the money that was needed.

Specifically, the QEO has caused many problems for teachers and administrators in our school district. Negotiations--if you can really still call them that--have become an odd thing. Veteran teachers have received little or no raises some years. New teachers' salaries have been sacrificed other years so teachers already within the schedule could advance. Teachers have found it more and more difficult to take college graduate credits because of a lack of money. To me this all translates to the suffering of children. These cuts to teachers are in reality "cuts to kids" time and time again. Because of our low base pay, it is getting more and more difficult to hire teachers. Where there used to be 300 applicants for a position, there are now eight, nine, or ten. In areas such as science and tech ed., extensive searches need be done to find a single applicant! These are now hard facts for our district, and it leads to children suffering. Because of the QEO, our extracurriculars have suffered; and advisors, coaches, and directors have received minimal or no raises year after year after year. Again, inevitably, children suffer.

Because of revenue caps, Burlington Area School District is faced with decisions administrators do not want to make, but must make, because of the lack of funds. In our ~~Karner~~ <sup>Karner</sup> Middle School, specials such as art, music, family consumer ed., and foreign languages are faced with being staffed by part-time teachers who will be 50 percent or 40 percent. How will our school district attract quality teachers to these part-time positions? This is a reality, not years down the road, but right now.

Our district, in attempts to bring educators into classrooms to help alleviate class sizes that exceed 30 students, had, at one point, a plan to bring 10 to 15 interns into at least four of our buildings. Our union has agreed to work with three interns, and our district has hired three new teachers, however, cuts were made in other areas to do it. Three or more classroom aids have been cut from our libraries, classrooms, and study halls. A wonderful man, retired Officer ~~Smith~~ <sup>Smith</sup> (Officer Friendly), this week was cut from a position of high school cafeteria/commons/study hall duty. His excellent work with, and guidance to, the children of Burlington Schools will be greatly missed. And the kids will suffer. Please ~~make changes in~~ the existing QEO law. Thank you.

*Vote in favor of repeal of the QEO.*

My name is Lei Lund, and I am a teacher in the Elkhart Lake-Glenbeulah School District in Sheboygan County. I appreciate this opportunity to tell you again how the Qualified Economic Offer law is affecting my district and myself.

I say again because I testified several years ago before a similar committee of legislators. Other teachers and I spoke of the unfairness of the law and of the negative economic impact it was having on teaching professionals. Those arguments still apply and you have heard or will hear them again today—more emphatically than before.

I am not going to bring up those arguments today. Instead, I hope to show you the issue from a different angle and to convince you that the QEO is slowly but surely killing small school districts like the one I've been teaching in for 19 years. First, I need to remind you of an important fact: research has shown repeatedly that the number one factor of successful schools is good teachers—not school size, not new, pretty buildings, not the most up-to-date technology, but caring, effective teachers.

In the past, most districts were able to attract and retain good teachers. Before the QEO, when teacher associations were actually allowed to bargain fair settlements or enact binding arbitration, districts were forced to look at "the comparables." Typically, comparables were school districts in one's area—often the athletic conference—that were similar in size and subject to the same economic conditions. Among one's comparables there was a range of salaries, but they were kept relatively close thanks to coordinated bargaining and the right to arbitration. Thus in the teacher market, districts could all compete for the best teachers because salaries and benefits were more or less equal.

That's not true anymore. In the eight or nine years that the QEO law has been in effect, the salary differences among district "comparables" have widened. You all understand math and know what happens when one multiplies numbers by percents: big ones get bigger; small ones get bigger, too, but not by as much. Continue multiplying by the same percent and the difference between the two numbers becomes greater and greater. Before the QEO, salaries of Elkhart Lake teachers were low among our comparables but still in the ballpark. Every year since 1993 we've lost ground. This past year (2000-01), the average base salary in our area was \$27,248. Elkhart Lake's was \$26,084, a difference of \$1,164 or about 4.2%. The highest paid teachers in our area averaged \$53,935 in 2000-01; in Elkhart Lake, the highest paid teachers made \$48,957, a difference of \$4,978 or about 9.2%.

How can we attract and retain good teachers when they can go anywhere else in the area and make significantly more? Unless they, like I, have an attachment to our community of some kind, we can't. And it is very difficult to form an attachment to a community in which one can't afford to live. Elkhart Lake is a wealthy community; property values and real estate taxes are extraordinarily high; thus, new, young teachers coming in to the district simply cannot afford to live in it. Those that want to be a part of the community in which they teach, to raise their families there, to join the organizations, etc, are not going to choose Elkhart Lake.

We can't compete for teachers any more. We are losing out in the market for good teachers and it is slowly killing us. Right now in Elkhart Lake we need a chemistry/physics teacher. Ours retired two years ago and we haven't found a replacement yet. One candidate laughed and walked out of the interview after seeing our salary schedule. As offers to good candidates get turned down more and more frequently, as good teachers leave us to make more money elsewhere, we become less and less capable of providing a quality education. We can't compete in the teacher market now; it won't be long before we're unable to compete in the student market, due to school choice, and then we'll have to close our doors. The situation is grave in Elkhart Lake and getting more critical with each passing year under the QEO, and I know we're not alone. Many other districts are feeling these same effects. If you believe that all Wisconsin students—including those in Elkhart Lake—deserve excellent schools staffed by excellent teachers, then you cannot support the QEO law. You can't have both.

*Lei A. Lund*  
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Elkhart Lake WI 53020  
(920-876-2821)  
email lei.lund@aol.com

**Kelly Gates**  
**1512 25<sup>th</sup> Street**  
**Two Rivers, WI 54241**

Dear Senate Education Committee,

It is my pleasure to come before you today to speak against the QEO, a law that concerns me as a single, female educator who views teaching as a career.

My name is Kelly Gates, a 29-year-old Kindergarten teacher. For the past four years I have taught in Manitowoc, Wisconsin after graduating from Silver Lake College in 1995. Having successfully completed my probationary period, I am now working on my Master's Degree in Early Childhood Education at the University of Wisconsin – Madison. I look forward to a long career as an educator. That career decision, however, may be altered by the negative impact of the Qualified Economic Offer law.

With all of the expectations placed upon Wisconsin's educators, I have invested a great deal of time and money enhancing my skills as a teacher. It's disheartening to realize that the QEO law limits any monetary reward or motivation. If this law continues to prevent my salary from even keeping pace with the cost of living, I may be forced to consider leaving the profession I love so much.

In addition to teaching, I supplement my income by working as a gymnastics instructor. While I enjoy gymnastics, it's a sad reality that a professional educator must have a second job in order to make ends meet. After speaking with many of my peers, young and single like myself, I find my situation typical. Many of them also work second jobs. Should any professional really need to work a second job just so they can continue to do what they love (teach) and have some of the things that are important to them?

I would ask you today to consider my story and concerns when considering a change in the QEO law. Young, single educators work with the children of Wisconsin, because they have a passion for teaching. Passion like that is what we want for our children. If our wages decrease in years to come, we will lose talented people with such a passion. Teachers, being very self motivated and dedicated, deserve monetary motivation as well. The QEO removes that motivation.

Please know that I love educating the minds of young children and would like to do so for many, many years to come. However, I do have financial obligations and goals that are also important to me. I would be disappointed to find that the QEO law may force me out of education.

Thank you for your consideration.

Mary Jetzer  
721 Ash Circle  
Plymouth, WI 53073

I am the Science Department Chair at Sheboygan North High School and have taught in that district since 1991. During my years as a teacher, there have been changes that cause me concern.

Wisconsin schools have continually been ranked among the top five in our country. The backbone to this education system is made of well-trained, committed, caring professionals. We are currently facing two obstacles that have been breaking down the very system in which we take such pride. The QEO as well as revenue caps are slowly chipping away the building blocks of Wisconsin's schools.

It is imperative that the general public be made aware of our situation, the needs of our schools, and the consequences of choices being made. 40% of our state budget goes for K-12 and post-secondary education, however the public is unaware that money is still needed to fund the quality of education that we have come to expect. The funding needed to educate the average K-12 student is affected by the QEO and the revenue caps. By not having the funding needed, we are being forced to choose which programs we will fund and what we can afford to pay the teachers who implement those programs. We all agree that education is key to the success of our society. The polls have shown that we all have the same ultimate goal. Sometimes, however, we are presented with well meaning though misinformed ideas and conceptions about our education system. Instead of falling prey to these misunderstood ideas, we need to pay close attention to those most qualified in the field of education and follow their professional suggestions. We need to let our educators make the decisions that matter and we need to ensure that we recruit and retain quality professionals to make these important education decisions. In essence, we need to take care of the educators who are taking care of our children and make careers in education desirable to attract future educators.

Wisconsin was once above average, or at least equal to the national average for compensation of teachers. Wisconsin is now 2.2 % below the national average and we are continuing to drop. This has made it more and more difficult to recruit and retain qualified, experienced teachers for our schools. The supply of teachers for substitutes and replacements of retiring teachers is dwindling fast. In my department, though I contacted the career placement offices at UW-Milwaukee, UW-Madison, and UW-GreenBay, I was unable to find even one qualified substitute for a long-term position. The position was posted three times. The only person who applied for the job had no license, no teaching experience, and a degree in Philosophy even though the class to be taught was Chemistry. I finally convinced a retired teacher to come back in order to fill this position. This is the second time in four years this has happened in my department alone. We have teachers in many departments in my building who are teaching an overload of classes and on an accelerated track to burn-out because no one is applying for the openings. These situations only make teaching a less and less desirable career choice.

Why is it so hard to find certified teachers? Consider these situations. I have spoken with students who have expressed an interest in teaching. These students possess the gifts needed to begin the training and eventually become good teachers. Unfortunately, these students have expressed that due to salary issues, they will not seriously consider entering the teaching profession. I have also spoken with adults who have many years of experience in educational settings and would bring valuable ideas to a classroom. However, these people also are unlikely to enter the teaching profession because they have stated that they cannot live on the salary being offered. The QEO does not even allow for basic cost of living increases. In addition, because of the rising cost of health care, many districts are offering salary cut-backs. These cut-backs are offered even though teachers have more responsibilities such as increased committee work, added curriculum, and the implementation of additional mandated programs.

The revenue caps must also be addressed. Legislation continues to pass which requires increases in special education, added testing, and increased remediation programs. These programs are often either not funded at all or only partially funded leaving the rest of the burden to be picked up by financially crippled school districts. Many departments are left with smaller budgets such as my department which has \$500 less now than six years ago and that is not even adjusting for inflation. Regular programs and classrooms have significantly regressed due to these funding issues. With the sort of funding we are provided, it is impossible in my department to run the hands on science lab classes need to provide our students skills to be competitive in science related careers. Teachers find that they need to debate with other departments over funding of the materials needed to properly run their classrooms. This only puts more pressure on teachers who are already stressed to provide quality without financial support.

The resolution to this may not be easy. It may take time to find and then to achieve. However, a good start would be to think about the children in our schools, the educators responsible for them, and the things we all need to make our education system work.

Notes from others:

1. Hellen Mandli, Sheboygan N.H.S. Head Custodian: The revenue caps hurt all departments. In my department it affects what can be spent on heating and air conditioning, space issues with lack of money for needed extra space, lack of funding to do all repairs needed such as for all the roofs that leak, lack of proper funds for items such as paper towels, lack of funding for proper hours for cleaning crews, poor wages for hiring trained employees in this field, and lack of funding to replace equipment.
2. Jennifer Marten, Plymouth Parkview 5<sup>th</sup> grade teacher: Budget cuts have affected the amount of paraprofessional help we receive. Because of the loss of these people in our classrooms, consistent help for meeting the individual needs of our students no longer is available. Building maintenance is not being met. There are leaky ceilings, electrical wiring which needs attention, hot water not available in classrooms, and leaking plumbing. There is also the issue of teacher salaries (see articles from WEAC periodical.)

# Teacher pay falls 2.2%

● State teacher salaries are now below U.S. average

**W**isconsin teacher salaries have fallen below the national average, according to a new national study.

The NEA's Rankings of the States report says the average Wisconsin teacher's salary in 1999-2000 was \$41,153, 16th highest in the nation. That is 1.4% - or \$571 - below the national average of \$41,724.

Average Wisconsin salaries dropped 2.2% between 1989-1990 and 1999-2000, when inflation was considered, the report showed.

The 1999-2000 figures are the worst showing for state teacher salaries in recent history. Except for one year, Wisconsin teacher salaries have been slightly above the national average since 1979.

Twenty-four states, including Wisconsin, saw average teacher salaries decline over the last decade, when adjusted for inflation.

Please see **PAY** page 3

## Teacher pay falls 2.2%; state dips below average

**PAY from page 1**

The American Federation of Teachers, in a separate study, ranked Wisconsin 22nd in the nation, with an average salary of \$39,897. According to the AFT report, the national average teacher salary was \$41,820 in 1999-2000.

"The studies may have used slightly different methodologies and calculations, but they arrived at the same conclusion," WEAC Executive Director Michael A. Butera said. "Teachers are left behind. Wisconsin teachers are among the best in the nation, and their salaries should be well above average, not below average."

"Wisconsin teachers are among the best in the nation, and their salaries should be well above average, not below average."

Michael A. Butera

The AFT study also compared teacher salaries to other professions and found that accountants, buyer/contract specialists, computer systems analysts, and engineers were some of the professions with higher salaries than teachers.

TEACHER AVERAGE SALARIES

YEAR	WIS.	U.S.	Wis. as % of U.S. avg.
1988-89	\$30,779	\$29,570	104.1%
1989-90	\$31,921	\$31,166	102.4%
1990-91	\$33,209	\$33,041	100.5%
1991-92	\$35,074	\$34,148	102.7%
1992-93	\$35,926	\$35,000	102.7%
1993-94	\$35,990	\$35,972	100.1%
1994-95	\$37,746	\$36,605	103.1%
1995-96	\$38,182	\$37,685	101.3%
1996-97	\$39,057	\$38,611	101.2%
1997-98	\$39,357	\$39,477	99.7%
1998-99	\$40,657	\$40,582	100.2%
1999-00	\$41,153	\$41,724	98.6%

Source: NEA, "Rankings and Estimates, 2000."

Doreen Grams  
1113 East Wisconsin Street  
Delavan, WI 53115

The Qualified Economic Offer in the Delavan-Darien School District is contributing to a salary schedule that is becoming less and less competitive with districts in our athletic conference, as well as, schools in the surrounding area. The salary schedule used to be towards the top in starting pay for teachers but is finding itself gradually working it's way to the bottom.

The district is having a difficult time attracting and retaining teachers. There is a high turnover of staff. We have averaged twenty-four new teachers each year for the past three years. Approximately forty-five percent of the professional staff have five or fewer years of experience in the district. This past school year we hired two technology education teachers and this coming year we are again hiring for these same two positions. One of the positions was originally filled with a teacher who really wasn't qualified but the other teacher left to move ten miles down the road to a smaller school district where he will be receiving \$5000 more in salary and an increase in benefits. We are not able to compete with other districts who are able to offer more.

Another concern lies with how salary schedules are costed. The cast forward method of costing does not reflect the expense the district will actually incur. Teachers at the high end of the salary schedule cost more than new employees. Why does the district get to keep this difference? When discussing this concern with the superintendent he jokingly commented that that is where the money comes from to buy the new lawnmower that wasn't budgeted for. It might not be a lawnmower but those resources that are



allocated for salaries are not being used to pay teachers. Let's use actual people instead of people who are leaving the district.

Something needs to change with the QEO, I suggest to get rid of it along with revenue caps and restore local control to the schools!



For nearly a decade now, Wisconsinites have been led to believe that the acronym

**QEO** stands for  
**Qualified Economic Offer**

Any teacher who has attempted to pay the bills, build a career or maintain self-esteem as a professional knows that it meets no:

**Q**ualifications of fairness

**E**conomic necessity for today's wage earners

**O**ffer in Good Faith

Please consider the following fresh interpretations of **QEO**.

The government and legislative officials responsible for the **QEO** have:

**Q**uit **E**xpecting **O**pposition to an unfair practice that punishes teachers for long term loyalty to their profession and local school districts.

**Q**uit **E**xploring **O**ther means of enlisting financial support for school, relying instead on an artificial control of teacher salaries to make elected officials look good to taxpayers.

**Q**uestion the **E**fforts of **O**utstanding educators by not only refusing to reward excellence in the classroom with a fair salary, but by failing to provide the adequate funds to heat, repair and equip Wisconsin's schools.

These same bureaucrats must:

**Q**uickly **E**nd the **O**ppressive economic policies that force good teachers out of the classroom and prevent the best and brightest of our youth from considering education as a career.

**Q**uash the **E**limination of **O**pportunities for teachers to remain financially solvent enough to stay in the profession.

**Q**uantify and **E**xplain the **O**btuse logic that allows the State of Wisconsin to single out a distinct group of wage earners paid by public funds for wage freezes, while providing no such limits for legislative or executive salaries, staffs, or benefits.

**Q**uit **E**xtinguishing the **O**ptimism that has been a hallmark of the teaching profession, allowing a tax control policy to rob Wisconsin of its proud educational tradition.

If Wisconsin teachers have learned anything, it is that for positive things to happen for schools, they must be the agents of change. The **QEO** offers some suggestions for educators as well.

Wisconsin Educators Must:

**Q**uadruple **E**fforts to **O**ppose inadequate school funding.

**Q**uestion and **E**xamine the **O**pinions that put dollars before children.

**Q**uote the **E**nlightened **O**rators that recognize the dangerous path we are currently traveling.

**Q**uench the fire that our state government has set to burning, pitting our children's **E**ducation against the resistance to adequately fund education with tax dollars and **O**pen the minds of those who have been led to believe that our children's future is a place where

**Q**uality,  
**E**thics and  
**O**pportunities are too expensive for Wisconsin.

Peggy Wuenstel  
For the Palmyra-Eagle Education Association

To: Bob Burke Senate Education Committee  
From: Lori Hulburt Sun Prairie Area School District  
Re: Lobby Day - QEO Debate

Five years ago when I started teaching I knew that my career choice was not the moneymaking road that my classmates seemed to be travel down. Nor did I go into teaching looking to stuff my saving account and build the house of my dreams. I went into teaching because I felt I had what it takes to work with children and guide them through their explorations of the world we live in. I was not prepared for, or even aware of, the QEO situation that would soon mean so much to my life.

It seems that the discussions focus around the cost of living. I stopped for a moment and wondered if my <sup>2.1%</sup> 3% increase in pay covered the rise in my costs of living that I needed to pay this past year. I took *only two items* that I thought were *two* highly important needs and did the math. The first item that I figured out was rent. This year my apartment went up thirty dollars a month. My rent for the year increased a total of \$360.00, which is lower than what some of my colleagues were raised. Gas was the second item that I looked at. I used a rough estimate of fifteen gallons of gas per week. That is about one fill up a week to get to and from work. Last year gas was around \$1.25 a gallon. Currently gas is averaging \$1.85 a gallon. When you do the math on a fifty-two week year that is a difference of \$468.00. When I added my *two items* that I need to live and get to work they came out higher than my <sup>2.1%</sup> 3% raise. (\$828 rise in my rent and gas, <sup>537</sup> \$291 rise in my salary).

As I watch my friends and family members continue to climb the employment ladders and listen to the raises they receive I get very confused. I wonder whom it was that decided that those <sup>who</sup> that go to school everyday and dedicate their lives to protecting the future of our world should be placed under a law that would only allow for a <sup>(1 or 2%)</sup> 3-4% raise per year. I wonder why they chose to place this QEO on teachers and not themselves, or any other profession. I want that person, or persons, to explain to me how that even covers the cost of living. Then, I want an explanation that I can give to future educators, or those currently wondering if this is a good profession to pursue that will provide a stable income. I want to know how to convince them that they can have a good life being a teacher when they won't even be able to afford *two* essential items needed for living.

With the QEO being placed on our teachers it makes it impossible for a single person to meet the rising costs of living. If you want Wisconsin to continue to provide Great Schools for our children we must keep great teachers in the profession and make it appealing for our future educators. We must do away with the QEO.

- \* way to move up is to obtain your Masters
- \* my salary now I CAN'T afford tuition so how to I get my Masters