San Diego Sweetwater Teachers Union begins bargaining as false financial situation reported by district

Evelyn Rios
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The Sweetwater Education Association (SEA) began bargaining this week with the San Diego Sweetwater Union High School District (SUHSD) for a new three-year contract. The current contract is set to expire June 30.

SUHSD is the largest secondary school district in California. It is comprised of more than 1,500 teachers, 42,000 students, and 32,000 adult learners in southwestern San Diego County, near the US-Mexico border.

The initial bargaining began on May 2. The SEA is continuing discussions despite recent revelations that the district has yet again reported incorrect information about its finances and substantially underreported its debt, amidst allegations of fraud and mismanagement of funds.

According to *The San Diego Union Tribune*, the San Diego County Office of Education (SDCOE) sent a letter to the Sweetwater district April 26 stating that the district will end the current fiscal year with $20 million to $23 million in interfund borrowing debt, an amount far above the $8 million reported last month by SUHSD.

Interfund debt refers to loan balances when money collected for one use, such as for facilities, is temporarily used for another use, such as operations. The letter from the SDCOE claims that Sweetwater is in violation of the state's Education Code, which requires that it pay off all its interfund debt by the end of the fiscal year.

The updated totals are the result of an investigation initiated in December 2018 and a review of Sweetwater finances by an outside auditing firm appointed by the SDCOE.

The SDCOE outlined in the letter that Sweetwater under-reported its projected ending cash balance as $3.2 million. It will be closer to $609,000. Sweetwater also under-reported its payroll expenditures by $5.2 million, the result of poor and untimely accounting, according to the letter.

A spokesman for SUHSD, Manny Rubio, said the district disagrees with the updated estimate of $20 million to $23 million of debt. It has blamed financial incongruities on the district's supposedly outdated financial data system, TrueCourse.

SEA President Gene Chavaria expressed the union's loyalty to the district in a letter sent out to all members in April. He stated, "I am pleased to report that the $42 million-dollar shortfall that we began the 2018-2019 school year has been reduced to $8 million dollars as a result of our collective efforts."

Chavaria and the SEA have used the threat of a state takeover to justify its collaboration with the district in imposing concessions on teachers. In the same letter released in April, he writes, "Collaboration with the district and it's bargaining units has prevented the State from directing the San Diego County Office of Education from taking over our district and has allowed us to maintain control over the decision making. This was one of our goals and we have been able to achieve it."

This "collaboration" between the SEA and SUHSD resulted in the immediate layoffs and cuts for the current academic year, which will continue.

Thursday's initial bargaining surrounded Article 6 of the SEA contract: calendars and work year. This portion of the contract includes the number of duty days for 7-12 grade school unit members.

The school year is comprised of 184 days total: 180 instructional days and 4 non-instructional days, previously allocated for professional development. The union and district are discussing a pay cut or the furloughs of between 1 and 4 non-instructional days.

Cuts to Special Education (SPED) and Article 7, class sizes, are of primary concern among educators. Educators are concerned that the district may force SPED students into standard classrooms, resulting in the layoff of SPED teachers, worse teaching environments for teachers and students, and the placement of moderate/severe special needs students with teachers who are already overwhelmed with their current workload.

An email sent to teachers by the SEA Friday morning had no information on the future of approximately 90 pink-slipped assistant principals, cuts to SPED programs, or the expansion of class sizes. It stated that the district proposed that SEA members take two furlough days, which will result in a savings of $4.5 million (half of the proposed shortfall for the 2019-2020 year).

The District Chief Financial Officer estimates that the 2019-2020 deficit is approximately $22.5 million, with a $10 million shortfall that the state requires to be paid off. The next bargaining session is set to occur on May 15.

Last October the district announced a $68 million shortfall. Investigations have pointed to millions of dollars missing under the former Director of Finance Doug Martens and Chief Financial Officer Karen Michel. Martens and Michel both retired from the district last summer.

Millions in cuts have already been pushed through by the SUHSD and the SEA, which accepts the fraud and/or mismanagement and has assisted in establishing the framework for carrying through the millions in cuts.

Layoffs and closures at the adult schools within the district have already taken place, as well as an end to credit recovery for students and cuts to after-school programs such as tutoring. Additionally, career technical education and extra support teachers, known as curriculum intervention specialists, have been terminated.

The SEA and the school board worked together to develop and pass a Supplemental Early Retirement Plan (SERP) for older teachers just before the winter break. Arguing that the SERP would significantly offset the deficit, the SUHSD and SEA created the plan for teachers to retire early, and in the middle of the current school year.

Approximately 300 opted for the SERP, with 94 retiring in December, the remainder to depart June 2019. Also included in the SERP agreement were two unpaid furlough days for all teachers. The early retirement and furlough deal were sold to teachers by the SEA as a means of protecting everyone's jobs.

While the SERP agreement contained wording that "protects" new teachers from getting pink slips for the 2019-2020 academic year, a clause in the contract states that this can be overruled in the case of a Reduction in Force (RIF) or renegotiation with the SEA, which is currently underway.

Sweetwater teachers should build rank-and-file committees independent of both the unions and the politicians to fight any budget cuts or layoffs and conduct an independent public inquiry into the fraud allegations with full transparency. As one educator pointedly remarked at a March SEA meeting, "This board will likely be brought up on fraud charges—why should we bargain with them, why should we accept their numbers when they're the ones who got us into this mess?"

Sweetwater teachers should link up with their counterparts in the Carolinas, who engaged in mass protests this week, and study together the lessons of the Arizona, West Virginia, Colorado, Oakland and Los Angeles teachers' strikes. These struggles resulted in austerity contracts, sold to the membership by the unions and district administrators tied to the budget-cutting Democratic and Republican politicians.

Just within the past few months, Oakland and Los Angeles austerity contracts were hailed by the unions as "historic victories," though nearly one third of the public schools in Oakland are slated for closure, with $22 million in cuts agreed to by the Oakland Education Association.