

PARAPROFESSIONAL PAY SCHEDULE TRANSITION



PARAPROFESSIONAL PAY SCHEDULE TRANSITION

- ❑ As a result of HB 1, the school start date has been pushed back to the last week in August beginning in 2007-2008
- ❑ District prorates salaries so that Paraprofessionals receive 26 equal payments throughout the year and do not go without a paycheck over holidays or the summer break

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PRORATION EXAMPLE

Instructional Assistant works 8 hours per day for 179 days (August 23 - June 4) at \$9.18 per hour. The employee's standard gross earnings are calculated as follows.

DAILY RATE

$$\$9.18 \times 8 \text{ hours} = \$73.44$$

ANNUAL SALARY

$$\$73.44 \times 179 \text{ days} = \$13,145.76$$

STANDARD GROSS PER PAY CHECK

$$\$13,145.76 / 26 \text{ pay periods} = \underline{\underline{\$505.60}}$$

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- ❑ Paraprofessional employees are assigned to pay schedules that determine when the first check of the new school year begins
- ❑ The current pay schedule was established back in the 1990s when the school start date was much earlier
- ❑ Under the existing pay schedule the Instructional Assistant used in the previous example will receive their first check for the new school year on 8/10/07. Since the Instructional Assistant does not report back to work until August 23, and allowing for a two week payroll processing timeframe, the Instructional Assistant should receive their first check on 9/7/07.

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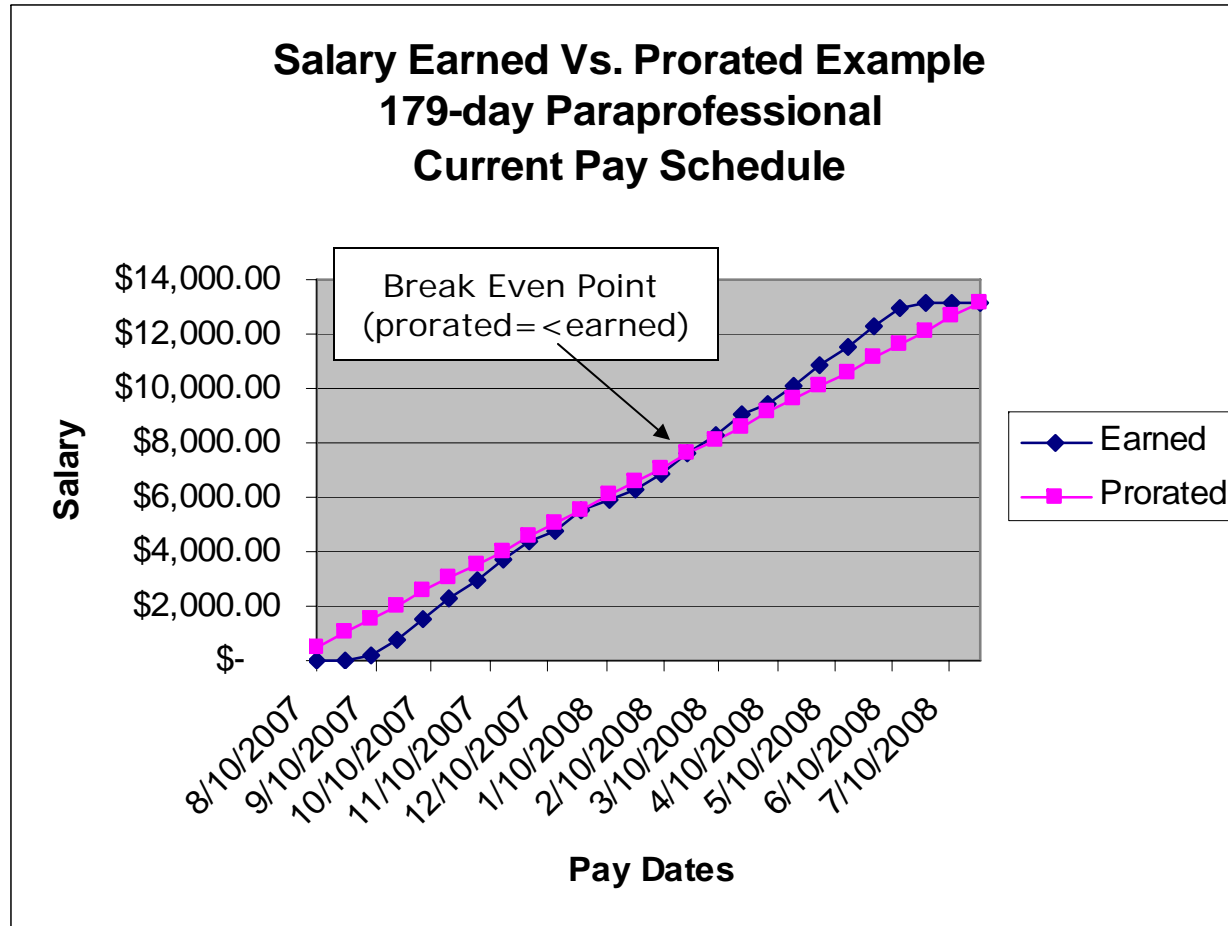
- With school starting August 27, adhering to the current pay schedule for paraprofessional staff will create a situation where the District will issue from one to three paychecks prior to the employee actually earning the pay
- There is a financial risk associated with these advanced payments

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Value of Advanced Payments at the Beginning of the Year			
Work Schedule	# of Employees	Paychecks Ahead of Schedule	Payroll Total
210* & 230 days & Castle Hills 179-183 days	187	1	\$ 210,630
172-220 days & Academy of Creative Ed	1198	2	\$ 1,544,755
198 & 205 days	35	3	\$ 93,988
Total Advanced Payments			\$ 1,849,373

*Library Processing Specialist – July Off

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In order to eliminate advancing paychecks to employees, propose adjusting the pay schedule to coincide with the new work schedule.

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PROPOSED PARAPROFESSIONAL PAY SCHEDULE TRANSITION PLAN

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PAY SCHEDULE TRANSITION PLAN

- ❑ Adjust the 2008-2009 pay schedule to coincide with the work schedule allowing for a normal two-week processing time between the end of the pay period and the issuance of the paycheck
- ❑ Paraprofessional employees will experience a lapse of 1 to 3 paychecks between the 2007-2008 and 2008-2009 school years, depending on their work schedule, due to the realignment of the pay schedule
- ❑ To help minimize the impact of the transition to employees, employees will be given three compensation options for the 2007-2008 school year

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OPTION #1

Spread paychecks for 2007-2008 out over an extended timeframe.

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Work Schedule	# of Employees	Lapse in Paychecks During Transition	# of Extended Paychecks
210* & 230 days & Castle Hills 179-183 days	187	1	27
172-220 days & Academy of Creative Ed	1198	2	28
198 & 205 days	35	3	29

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Examples of impact to standard gross calculation using extended payment option.

Work Schedule	230	179	198
Number of Extended Paychecks	27	28	29
Pay Grade	C6	I1	C6
Hourly Rate	12.88	9.18	14.87
Hrs Wrkd per Day	8	8	8
Annual Salary	23,699.20	13,145.76	23,554.08
Prorated Stand Gross 26 Payperiods	911.51	505.61	905.93
Prorated Stand Gross Ext Payperiods	877.75	469.49	812.21
Diff in Standard Gross	(33.76)	(36.11)	(93.72)

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OPTION #2

Continue receiving 26 payments and allow employee to designate a specific savings amount for direct deposit to a bank or savings account of their choice.

Employees will experience a lapse in paychecks between 2007-08 and 2008-09, but can utilize their savings to help cover the transition period.

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OPTION #3

Continue receiving 26 payments with no savings set aside. Employees will experience a lapse in paychecks between 2007-2008 and 2008-09.

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CONSIDERATIONS

- Employees will need to select an option according to the following deadlines.

Work Schedule	Selection Deadline
230 days	June 14, 2007
All others	June 28, 2007

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- ❑ Employees will make their selection by accessing the NEISD Employee Portal using their internet browser
- ❑ Once their deadline has passed, employees will not be able to change their selection
- ❑ Employees who do not respond will default to Option 3
- ❑ For mid-year change of assignments, honor the original selection as it applies to their new work schedule

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BENEFIT DEDUCTION SCHEDULE (for those who stay on 26 paychecks)

Work Schedule	Lapse in Paychecks During Transition	Date of Deduction
210* & 230 days & Castle Hills 179-183 days	1	Nov. 30, 2007
172-220 days & Academy of Creative Ed	2	Nov. 30, 2007 May 30, 2008
198 & 205 days	3	Nov. 30, 2007 May 30, 2008 Last Paycheck

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COMMUNICATION PLAN

- ❑ Memo to Principals, Assistant Principals and Department Budget Managers
- ❑ Memo to paraprofessional staff
- ❑ Optional informational meetings
 - May 21-May 24
 - 7 meetings organized by cluster/grade level/work location
 - Held after school/work hours

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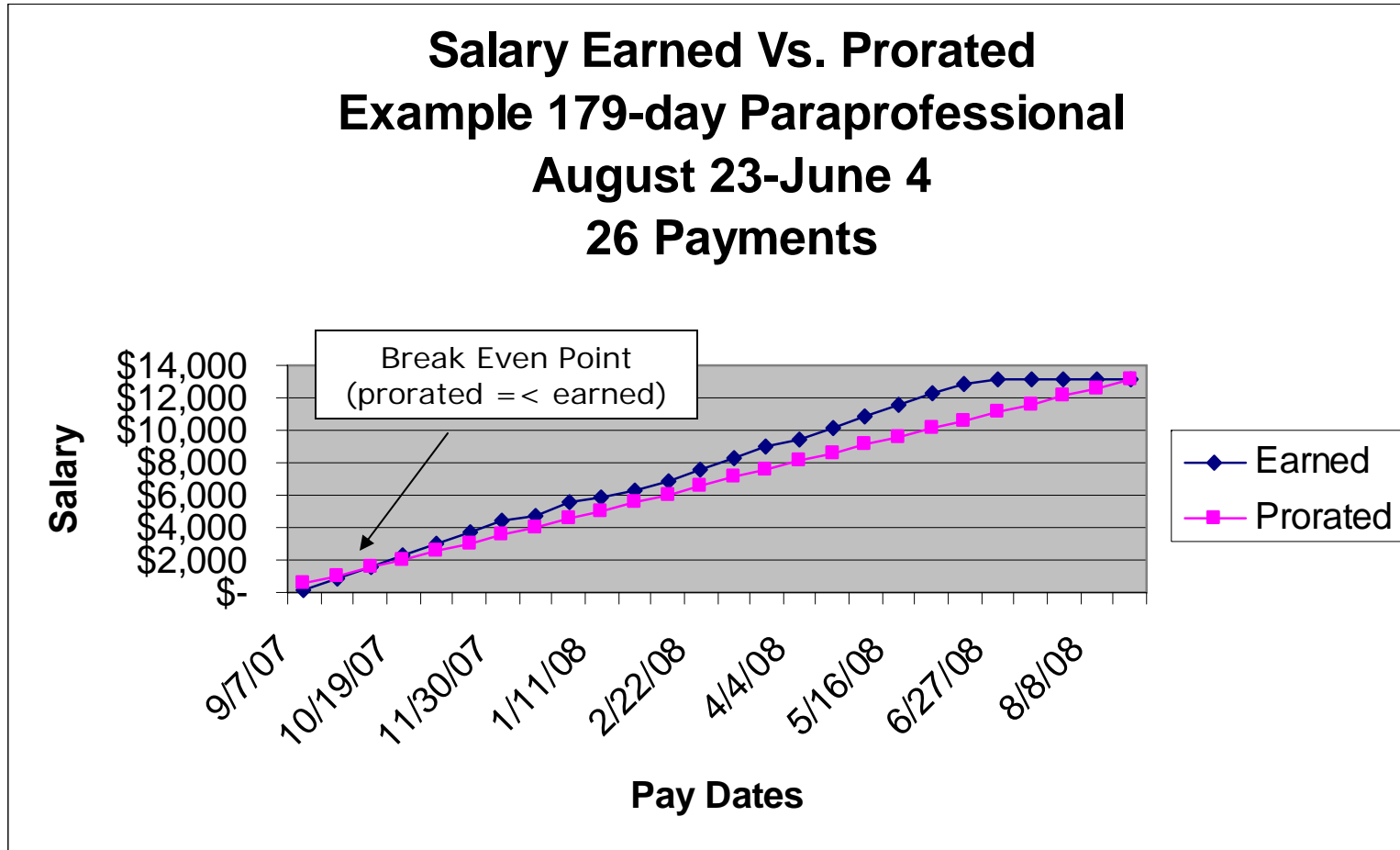
- Article in May employee newsletter
- Employees will be reminded of selection deadlines through e-mails and home mail-outs
- Information will be posted to the District's Web site

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Employees will begin their new pay schedule in 2008-2009.

At this point, the District can continue prorating salaries over 26 paychecks once the pay schedule transition is complete with very minimal financial risk.

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FUTURE CONSIDERATIONS

Explore the possibility of converting paraprofessional compensation from a prorated basis to a direct hourly basis allowing District to seamlessly adapt to future calendar changes.

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RECAP

- Adjust the pay schedule to correspond with the work schedule due to change in school calendar & to eliminate advanced payments
- Offer 3 Transition Options in 2007-2008
 - Proration over extended paychecks
 - Prorate over 26 paychecks with savings through direct deposit
 - Prorate over 26 paychecks, no savings