

Special Committee on Education

Financial Impact of Teacher “No Layoff” Clause

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Background Information

- The Agreement with Providence Teachers Union Local 958 and the City of Providence contained a no layoff clause.
- This no layoff clause removed the option for the School Board to balance future budgets by laying off teachers.
- The result of this clause was a new pool of displaced teachers.

Number of Displaced Teachers

School Year	Number of Displaced Teachers
2011-2012 ¹	25
2012-2013 ²	21
2013-2014 ³	8

1. The School Department was unable to provide actual year end number of displaced teachers. This estimate is based on a list provided by The School Department in September 2011.
2. The School Department provided this number. Number does not include 1 displaced teacher on WC, 2 displaced teachers that retired or 1 displaced teacher on leave with no pay or benefits.
3. Number provided by school department.

Cost Comparison

School Year	Actual Cost	\$100 Per Diem	Difference	\$150 LTSP	Difference
2011-2012	\$2,353,050	\$484,425	\$1,868,625	\$840,200	\$1,512,850
2012-2013	\$2,066,133	\$406,917	\$1,659,216	\$705,768	\$1,360,365
2013-2014	\$774,734	\$155,016	\$619,718	\$268,864	\$505,870
Total	\$5,193,917	\$1,046,358	\$4,147,559	\$1,814,832	\$3,379,085

Cost Comparison Assumptions

- The average total cost per displaced teacher in 2012-2013 was \$94,122 . This total average cost was used for the 2011-2012 school year to estimate total cost.
- The total annual cost for a non-certified \$100 per diem substitute is \$19,377 which includes FICA.
- The total annual cost for a \$150 LTSP is \$33,608 which includes FICA and single health coverage.