



415 4th Street North  
Fargo, ND 58102-4514  
701.446.1000  
FAX: 701.446.1200  
www.fargo.k12.nd.us

**Dr. Rupak Gandhi**, *Superintendent* • 701.446.1005  
**Dr. Robert Grosz**, *Associate Superintendent* • 701.446.1073  
**Missy Eidsness**, *Associate Superintendent* • 701.446.1069  
**Jackie Gapp**, *Business Manager* • 701.446.1032  
**Doug Andring**, *Director, Human Resources* • 701.446.1038  
**AnnMarie Campbell**, *Executive Assistant & Communications* • 701.446.1005

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## **SB2215**

### **Testimony in Support**

#### **Fargo Public Schools – Dr. Rupak Gandhi, Superintendent**

**February 2, 2021**

Good Morning Chair Schaible and members of the Senate Education Committee. For the record, my name is Rupak Gandhi and I serve as the Superintendent of Schools for Fargo Public Schools.

I'm here today as a district administrator asking for your support for an for an Act to amend and reenact sections of the North Dakota Century Code, relating to deadlines for teacher negotiations between school districts and representative organizations; and to declare an emergency. The adversarial relationships resulting from contentious negotiation processes are well documented and can significantly impact both district operations and culture. In addition to parties that are directly involved, unsettled contracts can have significant impacts for a wide variety of employees within school districts.

My testimony today is focused on the operational impacts of delayed timelines for having negotiated contracts settled for school districts in North Dakota, based both on my personal experiences in Fargo Public Schools and on experiences of other district leaders documented by AASA, The School Superintendents Association<sup>1</sup>.

Without limitations, the collective bargaining process can take anywhere from 3 to 18 months. During the initial stage, both parties often have a low profile and issues are discussed in a congenial manner. However, the longer the negotiation process drags on, the more likely it is that both sides become polarizing in language, rhetoric, and messaging.

From both my experiences and those documented by other Superintendents, it is evident that the longer the bargaining process drags on, the greater the community's interest. This isn't surprising as the public will likely be affected by the outcome as it relates to taxes, parent-educator relationships, staff morale or the image of the school district. The media is interested in contract negotiations because contract negotiations are newsworthy events every cycle. The more controversial the process, the more the media's interest increases.

<sup>1</sup>Prosise, R., & Himes, L. (2002). The Collective Bargaining Tightrope. *School Administrator*, 59(6), 18-22.

When the negotiations process is saturated with conflict, anger and strife, which is more likely to occur as the process drags on, the school district suffers. The outcome will be poor relations and bitter feelings among and between all members of the school district and community.

If this bill is passed, contracted staff such as teachers and certified administrators will be paid at the new and correct amount beginning with their first paycheck of the new fiscal year/teaching year. When contracts are not settled by the end of the fiscal year, that may mean contracted staff and other hourly staff will be due retroactive pay. While districts can and do add extra procedures by payroll to ensure that the correct amount of retroactive pay is lump summed into an appropriate paycheck, it is not ideal for the employer or employee and creates additional layers of division between employees and employers of the same organization. As you can imagine, not having a fully executed contract leads to additional anxiety amongst staff.

Additionally, when a support staff employee receives retroactive pay those wages are subject to PERS retirement contributions. When retroactive pay is paid in a lump sum that payment needs to be spread to the months earned for PERS reporting. A large portion of this process is completed manually. In addition to processing retroactive payments for current employees, execution of contracts after the fiscal year has ended results in payroll processing retroactive payments for inactive employees, who would have earned a salary increase during their employment. This involves payroll reactivating employees, verifying direct deposits, etc. This creates additional challenges because school districts are obligated to deduct retirement contributions from former employees, however, if the employee closed their retirement account with the state, we are then instructed to return the retirement contribution.

As you consider the bill before you and focus on the parties involved in negotiations, I also ask you to consider the wide-spread impact delayed settlement of contracts can have for all employees of a school district and for a DO PASS of SB 2215.