

GOVERNMENT OF THE DISTRICT OF COLUMBIA
Office of the Chief Financial Officer

Natwar M. Gandhi
Chief Financial Officer



MEMORANDUM

TO: The Honorable Linda W. Cropp
Chairman, Council of the District of Columbia

FROM: Natwar M. Gandhi
Chief Financial Officer

DATE: May 25, 2001

SUBJECT: Fiscal Impact Statement: "District of Columbia Public School
Teacher Redeployment Program Act of 2001"

REFERENCE: Bill Number 14-035 as Introduced

Conclusion

Funds are sufficient in the FY 2002 through FY 2005 budget and financial plan. Implementation of the proposed legislation requires all positions to be filled from within the District of Columbia Public Schools (DCPS) existing authorized full-time equivalents. **The proposed legislation may not be the most cost efficient form of hiring for instructional and administrative positions. It needs to be noted that the proposed legislation may set a negative precedent for future District hiring.**

The proposed legislation may unnecessarily increase the costs of new hires within DCPS. By picking up teacher and principal salaries from the grade positions and steps they were when they retired, vacancies will be filled at higher pay rates. New hires from outside DCPS would be brought on-board at pay rates from the lower end of the salary scale or simply reflecting negotiated years of service.

Additionally, "re-deployed" teachers and principals will receive full payment of their annuitized retirement benefits while simultaneously drawing a salary. Once this program is made available it may induce District teachers and principals to retire, wait a year and be rehired.

Background

The proposed legislation would permit teachers and principals of the DCPS system to be redeployed as teachers and principals after twelve months without having to take a reduction in their annuitized retirement benefits. Redeployed staff must meet certain criteria for rehire or transfer including such items as certification, subject area expertise, and previous performance review standards.

Financial Plan Impact

Funds are sufficient in the District's FY 2002 through FY 2005 budget and financial plan because DCPS will be required to remain within their existing resources when implementing the provisions of the proposed legislation.