Will HCPS School Board Help Hillsborough County Win The **RACE TO THE BOTTOM?**

This week we want to focus on a particularly ugly myth commonly heard when school board leaders & district leaders look at privatization of operational services in a school district. Often times you will hear “The school district & board is not in the business of transportation, food service, or school grounds maintenance, let alone dealing with those employees’ economic situation. It is in the business of education and maximizing how limited funds impact students.”

**ANY** School official or individual who uses this argument to defend privatization, or other decisions that negatively impact their employees economic stability, has an extremely narrow definition of “education” and really no understanding of how to manage or maximize their budget.

Education in our Public schools is much more than standards required by the state for reading, math, writing, etc. Public schools instill the values of citizenship and teach children the responsibilities and privileges that accompany life in our nation. This is the mission our own HCPS school board adopted: “**PREPARING STUDENTS FOR LIFE**”. By privatizing public services on a promise of lower cost up front, school board leaders teach that the very job and office they are elected into, has failed to accomplish the duties of fostering and safeguarding their communities, which they are elected to perform. That is because, education extends outside of the classroom; it continues in the hallways, in the cafeteria and on the school bus. The public employees who perform these services recognize this and consider themselves educators as well.

There is no end to stories that show how outsourcing custodial operations can hurt workers and their families, and we know our employees will be negatively impacted if HCPS custodial operations are handed over to a for profit company that cuts hours, pay & benefits for its employees. In December 2009, Milwaukee County outsourced almost 90 housekeeping jobs responsible for cleaning public buildings. Working for the county, these housekeepers earned a living wage, earned vacation and sick time, and medical and dental insurance. In early 2010, MidAmerican Building Services took over the services, and immediately hired for housekeeping employees at $5.00 per hour pay cut, with no benefits. With families to support, many former county workers who had over 10 years of experience with Milwaukee County could not afford to take the degraded jobs. Mary Farrow, a former county housekeeper, could no longer afford medical care, and avoided doctor’s visits in order to save money. Her family had to dip into her son’s college fund to pay for daily necessities. Another affected employee, Mike Smith, was forced to cut back on treatments needed by his disabled son due to the loss of income.

Furthermore, making the choice to privatize custodial operations based on the misconception that cost savings outweighs the cuts to employee wages & benefits, shows true lack of understanding of local community economics. When employees can’t survive on their income, taxpayers often end up subsidizing the income gaps through public assistance programs, which further places stress on the state budget, which impacts the funds that flow into our school district for operating. If a private company realizes cost savings for the district by cutting hours, pay & benefits, those employees must turn even more to public benefits to make ends meet.

A growing body of evidence and industry wage data presented in the studies suggests an alarming trend: **outsourcing public services sets off a downward spiral in which reduced worker wages and benefits can hurt the local economy and overall stability of middle and working class communities.** These are the communities our students live in and the communities our school board members are elected to represent. By paying family-supporting wages and providing important benefits such as health insurance and sick leave, elected School Board members can create intentional “ladders of opportunity” to allow workers and their families to reach the middle class. This is especially true for minorities & women for whom the public schools have been a source of stable middle-class careers. This dynamic will be undone when corporations rake in increasing profits through taxpayer dollars.
We agree that our School Board MUST do the following:

1. **Require any cost savings measure put into place is derived from increased efficiencies and innovation, not a decrease in compensation.**
   Funds from our state for public education are certainly limited, however our leaders CAN preserve decent family-supporting jobs, which is good for workers, communities, and the local economy. By requiring cost savings to come from innovation and efficiencies, instead of from the pockets of lower-income workers, our School Board can send a clear message that they will not require the community to pay the difference through food, health, and other public support programs.

2. **Ensure a living wage is paid to its employees and provide health and other important benefits...**
   By paying a living wage, the school board can also reap the benefits of increased productivity and lower turnover of employees working on behalf of government, and in turn increase the chances for higher quality services. Furthermore, we know from the growing body of evidence from research analyzing local living wages laws that raising workers’ wages does not impart a significant increase in costs to taxpayers, but can reduce the demand for public benefits!

3. **Intentionally track how much money is spent on private contracts in HCPS currently, how many workers are employed by those contracts, and worker wage rates. This information should be available to the public via an online database...**
   This is important information that allows policymakers and the public understand how taxpayer dollars are spent, and what types of jobs result from these contracts. HCPS tracks this information for our own workforce. It should extend to contract spending as well!

4. **Conduct a legitimate social and economic impact analysis before ever outsourcing any school district operation...**
   The effects of outsourcing go beyond costs. Especially in our neighborhood public schools, outsourcing can have unintentional negative impacts on students, teachers, principals, community residents, and businesses. A study of the potential impact of outsourcing should be completed and made public before any decision regarding outsourcing is ever made. These analyses have not been performed on contracts with companies like Minimize USA, but moving forward should include the potential impacts listed below, as appropriate:
   - The expected change in staffing and personnel for the affected positions
   - The expected change in wages and benefits for affected workers
   - The expected impacts on social services and public assistance programs
   - The racial and gender mix of affected workers, and any expected changes after outsourcing
   - Requirements for staffing to live within the jurisdiction, and expected impact of contracting on where workers live
   - The expected economic impact on local businesses
   - Expected impact on tax revenue for jurisdiction
   This will ensure that our School Board and the public fully understand the ramifications of any outsourcing decisions before the contract is signed.

Public dollars should not subsidize corporations and CEOs who choose to pay low wages and few, if any, benefits. Instead, our school board’s practices should reflect its commitment to enhancing quality of life for students, employees & families. When workers can support themselves and their families, the whole community wins. There is more spending in the local economy, city and state tax revenues increase. Children have better outcomes, which positively impacts the community now and in the future!
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