

**BEFORE THE  
WISCONSIN EMPLOYMENT  
RELATIONS COMMISSION**

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MILWAUKEE TEACHERS' EDUCATION ASSOCIATION

v.

MILWAUKEE PUBLIC SCHOOLS

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**PROHIBITED PRACTICES COMPLAINT**

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1. Milwaukee Teachers' Education Association ("MTEA") is the labor organization duly elected and recognized as the exclusive representative, pursuant to Wis. Stat. § 111.70, of the teacher, educational assistant, and school accountant/bookkeeper bargaining units employed by the Milwaukee Public Schools ("MTEA's bargaining units"). MTEA's principal place of business is at 5130 W. Vliet St., Milwaukee, WI, 53208. MTEA's phone number is (414) 259-1990. MTEA's Executive Director is Dr. Amy Mizialko, whose email address is mizialkoa@mtea.org.
2. Milwaukee Public Schools ("MPS") is a municipal employer school district organized and existing under Wisconsin law. Its administrative offices are located at 5225 W. Vliet St., Milwaukee, WI, 53208. The switchboard telephone number for MPS is (414) 475-8393, and the phone number for the Office of the Superintendent is (414) 475-8001.
3. MPS is required by law to collectively bargain with MTEA "in good faith." Wis. Stat. §§ 111.70(1)(a), (3)(a)4.
4. MPS is prohibited from interfering with, restraining or coercing employees in the exercise of their § 111.70(2) rights.
5. MPS is expressly prohibited by law from "bargaining collectively with a collective bargaining unit containing a general municipal employee with respect to... Any factor or condition of employment except wages, which includes only total base wages and excludes any other compensation, which includes, but is not limited to, overtime, premium pay, merit pay, performance pay, supplemental compensation, pay schedules, and automatic pay progressions." Wis. Stat. § 111.70(4)(mb)1.

6. MPS has repeatedly asserted in bargaining and in communications to all MPS employees that it faces a \$46 million structural deficit and has tied its collective bargaining proposals to its need to address that deficit.
7. On February 19, 2026, MPS submitted its written proposals for base wage increases for employees in the MTEA bargaining unit for the period July 1, 2026, through June 30, 2027. In the first bargaining session with MTEA on that day, MPS outlined three different proposals and claimed that the proposals would save MPS between \$10-\$20 million to help address the budget deficit. (2/19/2026 MTEA Bargaining Session, 11:26-12:54, available at <https://www.youtube.com/watch?v=F6rUosGEM4I>). Specifically:
  - a. As Option A, MPS proposed providing MTEA members with a COLA increase of 2.63% on January 1, 2027, and claimed Option A would save MPS approximately \$20 million in fiscal year 2027.
  - b. As Option B, MPS proposed providing some MTEA members with a Cost-of-Living-Adjustment (“COLA”) increase of 2.63% on July 1, 2026, and the remaining MTEA members with a COLA increase of 2.63% on January 1, 2027. MPS claimed its Option B would save MPS approximately \$17 million in fiscal year 2027.
  - c. As Option C, MPS proposed providing MTEA members with a COLA increase of 1.5% on July 1, 2026 and a 1.15 increase on January 1, 2027. MPS claimed its Option C would save MPS approximately \$10 million in fiscal year 2027.
8. In that first bargaining session, MTEA proposed that MPS provide its members with the full COLA of 2.63% on July 1, 2026.
9. On March 6, 2026, MPS Superintendent Brenda Cassellius sent an email to all employees identifying several steps MPS was taking to address the \$46 million deficit, including cutting \$5 in contract spending and eliminating 260 central office positions. Superintendent Cassellius also highlighted the following:
  - a. **“There are no classroom teacher positions included in the reductions to address the budget gap.”** (Emphasis in original.)
  - b. “We are proposing at the March 9 board meeting to offer steps and lanes that reward employees for longevity and educational attainment, as a cost of about \$10 million.”

- c. “And we are not proposing any employee healthcare plan design changes... Overall benefit costs to the district will increase by about \$20 million and are expected to continue to increase.”

The email concluded with a section under the heading “**Bargaining in Good Faith - and the Future.**” (Emphasis in original.) In that section, Superintendent Cassellius wrote:

We continue to bargain in good faith on base wages with our represented employee groups – the Milwaukee Teachers Education Association (MTEA) and Psychologists Association of Milwaukee Public Schools (PAMPS) – in this budget context. We will continue to provide transparency in the process. (Please note that state law prohibits bargaining on other topics. We do engage in ongoing dialogue with union partners to understand and address ongoing concerns.) If we do not achieve savings, we may need to look at additional strategies to close the budget gap.

A copy of the email is attached hereto as Exhibit A.

10. On March 25, 2026, in the 4<sup>th</sup> bargaining session with MTEA, MPS provided MTEA for the first time with a document it described as “the full costing breakdown for all of the proposals” (the “Costing Document”). The Costing Document was not limited to base wages, but instead included separate line items showing MPS’s numbers for the “Cost of COLA,” the “Cost of Steps,” and the “Benefit Cost on COLA and Steps” for MTEA’s proposal and each of MPS’s proposals. A copy of the Costing Document is attached hereto as Exhibit B. MPS lead negotiator Robert Sanders explained the meaning of the line items as follows: “As the cost of COLA increases, so does the cost of benefits and steps.” (3/25/2026 MTEA Bargaining Session, 1:19:40-1:20:45, available at <https://www.youtube.com/watch?v=-HFtQnyllcs>.) Specifically:

- a. MPS represented that the total cost of MTEA’s proposal was \$31.9 million, consisting of \$12.8 million for the cost of the COLA increase, \$8.1 million for the cost of a step increase, and \$11.1 million for the “Benefit Cost on COLA and Steps.”
- b. MPS represented that the total cost of its Option A<sup>1</sup> was \$24.1 million, consisting of \$7.7 million for the cost of the COLA increase, \$8.1 million for the cost of a step increase, and \$8.3 million for the “Benefit Cost on

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<sup>1</sup> MPS initially referred to its proposals as Options A, B, and C, but subsequently identified them as Options 1, 2, and 3. For consistency, MTEA refers herein to Option 1 as Option A.

COLA and Steps.” Using MPS’s numbers, the difference between the total cost of MTEA’s proposal and its Option A was \$7.8 million (not the previously claimed \$20 million).

- c. MPS represented that the total cost of its Option B<sup>2</sup> was \$24.5 million, consisting of \$7.9 million for the cost of the COLA increase, \$8.1 million for the cost of a step increase, and \$8.5 million for the “Benefit Cost on COLA and Steps.” Using MPS’s numbers, the difference between the total cost of MTEA’s proposal and its Option B was \$7.4 million (not the previously claimed \$17 million).
  - d. MPS represented that the total cost of its Option C<sup>3</sup> was \$28.6 million, consisting of \$10.6 million for the cost of the COLA increase, \$8.1 million for the cost of a step increase, and \$9.9 million for the “Benefit Cost on COLA and Steps.” Using MPS’s numbers, the difference between the total cost of MTEA’s proposal and its Option A was \$3.3 million (not the previously claimed \$10 million).
11. On April 7, 2026, during the 5<sup>th</sup> bargaining session, MPS provided an amended version of the Costing Document that included a revised version of its Option B. MPS represented that the cost of its revised Option B was \$25.5 million, consisting of \$8.6 million for the cost of the COLA increase, \$8.1 million for the cost of a step increase, and \$8.8 million for the “Benefit Cost on COLA and Steps.” A copy of the amended Costing Document is attached hereto as Exhibit C.
  12. Also on April 7, 2026, in response to MTEA’s information request, MPS provided MTEA with a spreadsheet it used to calculate its costing of the proposals as reflected in the Costing Document. In its review of that spreadsheet, MTEA learned that MPS’s method of calculating the “Benefit Cost on COLA and Steps” was to multiply the COLA and step costs by 53%.
  13. On April 9, 2026, in response to an additional information request from MTEA, MPS provided MTEA with the information underlying its 53% “Benefit Cost” calculation. In its review of that information, MTEA learned that MPS’s calculation was based on the total cost of payroll taxes and all employee benefits in proportion to the total payroll for all employees. Healthcare benefits constituted the vast majority of that cost calculation. A copy of the email containing the information is attached as Exhibit D.

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<sup>2</sup> MTEA refers herein to Option 2 as Option B.

<sup>3</sup> MTEA refers here to Option 3 as Option C.

14. On April 17, 2026, contrary to the costing explanation given by MPS's lead negotiator in the March 25 bargaining session that "[a]s the cost of COLA increases, so does the cost of benefits and steps," MPS responded to MTEA's additional information request regarding the 53% calculation by confirming that "[t]he rate reflects the District's full benefit cost structure as a proportion of its salary base and is not intended to represent, nor does it represent, the marginal benefit cost attributable solely to a base wage increase." A copy of the email containing MPS's response is attached as Exhibit E.
15. On April 20, 2026, in the 6<sup>th</sup> bargaining session, MTEA challenged MPS's use of the 53% multiplier in its cost calculations because most of the costs included in the calculation were not correlated in any way with wages, and that MPS's representation of the "Benefit Cost" associated with both parties' proposals was therefore inaccurate. MTEA asserted that the true cost of payroll taxes and benefits directly associated with the proposed wage increases was approximately 17% of the wage increases. MTEA provided the cost of its proposal including payroll taxes and benefits using that 17% calculation as \$24.4 million instead of MPS's claimed \$31.9 million. A copy of MTEA's spreadsheet showing its calculations is attached as Exhibit F.

MPS disputed MTEA's position and asserted its calculations were correct due to federal rules pertaining to the budgeting of fringe benefits, and that it was required to apply that costing.

16. After the bargaining session on April 20, 2026, MPS sent an email to all employees stating:

As we meet the unique moment of a \$46 million deficit, we continue to bargain in good faith with our union partners to find savings.

This afternoon, we held our sixth meeting with the Milwaukee Teachers Education Association (MTEA). In a news release sent this morning, and again in our meeting, the union raised questions about MPS' benefit calculations. **MPS' calculated benefit rate is accurate and validated by our audits. Both the rate and our proposals have been validated by our team as well as a third-party veteran school finance expert who has worked for some of the nation's largest school districts.**

Like other governmental entities including the city of Milwaukee, MPS uses a blended benefit rate to estimate how much it pays in benefits as a percentage of employee wages. MPS' current rate is 53%, which means that on average, for every \$1 spent on wages, the district

spends an additional \$.53 on the district's share of audited benefit expenses including healthcare and pension costs.

(Emphasis in original.) A copy of the email is attached hereto as Exhibit G.

17. On April 22, 2026, in an email responding to MTEA's further information requests concerning its justification for the additional "Benefit Cost" it attributed to the wage increase proposals, MPS confirmed that:
  - a. MTEA was correct in its calculation of additional costs that increase proportionally with wages at approximately 16-17%, which are almost entirely payroll taxes and pension contributions.
  - b. MTEA was correct in its assertion that the remaining items MPS included in its justification for the 53% multiplier (mostly healthcare-related) do not increase proportionally with individual wage changes.

MPS disputed what it called "the conclusion MTEA draws from it: that the remaining benefit costs (health, dental, OPEB, SERP) are therefore not properly attributable to the wage increase for budget planning purposes and that the difference between 17% and 53% represents available funds." Instead, according to MPS, "those costs are committed expenditures for the full employee population that do not decrease because a wage increase is delayed," and that the costs "that do not increase proportionally with a given wage change" are "committed expenditures that the District must cover regardless of the timing or amount of the wage increase." MPS also stated that its fixed costs "are not being generated by or inflated by the raise; they exist and are spent regardless." A copy of the email is attached hereto as Exhibit H.

18. As of April 24, 2026, despite confirming that most of the extra \$11.1 million it attributed to MTEA's proposal is not actually caused by MTEA's requested 2.63% COLA increase, MPS has not communicated to its employees any clarification or correction of its April 20 email to all employees, nor has it clarified or corrected media reports concerning its 53% "Benefit Cost" calculation.
19. As of April 24, 2026, MPS has not communicated to its employees any correction of its false claim that its proposals would save MPS between \$10-\$20 million. This information was included in reporting by the Milwaukee Journal Sentinel as recently as April 21, 2026.<sup>4</sup>

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<sup>4</sup> See <https://www.jsonline.com/story/news/education/2026/04/21/brenda-cassellius-reflects-on-first-year-as-mps-superintendent/89643857007/>. A copy of this article is attached hereto as Exhibit I.

20. Through the above actions, MPS has knowingly misrepresented the financial impact directly associated with the parties' bargaining proposals to MTEA's bargaining team, all MPS employees, and the public. It has also unlawfully tied its bargaining proposal over base wages directly to impermissible subjects of bargaining, and interfered with employees' exercise of their rights under Wis. Stat. § 111.70(2).
- a. MPS dramatically overstated the amount of savings its bargaining proposals would create. Even using MPS's inflated numbers, the savings its costing documents show range from \$3.3 to \$7.8 million, not \$10-\$20 million.
  - b. MPS unlawfully inflated the costs associated with the base wage proposals by linking those costs directly to step advancement and non-wage benefits. The direct cost of MTEA's proposed base wage increase is \$12.8 million. The direct cost of MPS's best proposed base wage increase (Option C) is \$10.6 million. MPS's unlawful inflation of the costs has prevented the parties from engaging in good faith bargaining over a \$2.2 million difference in their positions. MPS has effectively attributed a \$31.9 million cost to MTEA's position in the context of a \$46 million deficit, even though MPS itself now admits that most of that money will be spent regardless of the outcome of the current bargaining. In effect, it has unfairly implicated MTEA's request for a 2.63% base wage increase as the driving factor causing the deficit and wrongly presented that as absolutely unaffordable.
  - c. In the April 6 email to all employees (Exhibit A), Superintendent Cassellius and MPS implicitly threatened that if MTEA did not concede to one of its proposals, MPS "would need to look at additional strategies to close the budget gap." The email specifically highlighted only three areas MPS had not yet cut: classroom teacher positions, step advancement, and healthcare benefits. The threat that these too will come under the Superintendent's chopping block if MTEA does not concede in bargaining still hangs over the heads of MPS employees.
  - d. By improperly inflating the costs associated with MTEA's proposal and misleading MPS employees about the nature of the parties' disagreement on those costs; dramatically overstating the savings associated with MPS's proposals; and implying to all MPS employees that it may "need to" cut more positions, withhold step advancement, and/or cut healthcare benefits if MTEA does not concede, MPS engaged in prohibited practices in violation of Wis. Stat. §111.70(3)(a)1. and 4., including by engaging in

behavior that has a reasonable tendency to interfere with, restrain or coerce employees in the exercise of their rights under Wis. Stat. § 111.70(2) and by failing to bargain in good faith.

- e. MPS has also violated Wis. Stat. § 111.70(4)(mb)1. by bargaining with MTEA with respect to factors or conditions other than total base wages, including step advancement and non-wage benefits.

21. As the remedy for the prohibited practices described above, the Wisconsin Employment Relations Commission should:

- a. declare that MPS has committed the prohibited practices alleged above;
- b. order MPS to cease and desist from bargaining over any factor or condition other than total base wages;
- c. order MPS to communicate to all employees that the cost difference between MTEA's proposal and MPS's best proposal is \$2.2 million and that its previous claims that its proposals would save \$10-20 million were incorrect;
- d. order MPS to cease and desist from threatening reprisal toward MTEA's bargaining unit members if they, through their exclusive representative, MTEA, do not agree to MPS's bargaining proposals;
- e. order MPS to engage in good faith bargaining with MTEA;
- f. notify all staff at MPS of the Commission's findings and disposition of this Complaint by circulating by email a notice to each and every staff member, with a copy to MTEA, and posting a notice in conspicuous places in each and every school within MPS upon staff return for the start of the 2026-2027 school year, which shall remain in place for at least 30 days upon their return;
- g. direct MPS to advise the Commission and MTEA within 5 days of the date of the order as to what steps it has taken to comply with the order;
- h. order MPS to take such other and further action as the Commission deems proper.