

COMMONWEALTH OF PENNSYLVANIA  
PENNSYLVANIA LABOR RELATIONS BOARD

In the Matter of Fact-Finding	:	Fact-Finding Report
	:	and
Between	:	Recommendations
	:	
Indiana County Technology Center	:	Case No. ACT 88-11-18-W
	:	
and	:	Date of Hearing: September 15, 2011
	:	
Indiana County Technology Center	:	Date of Report: September 26, 2011
Education Association, PSEA/NEA	:	

Michelle Miller-Kotula  
Fact-Finder

For the Indiana County Technology Center:

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## **Background**

By letter dated August 16, 2011, the Pennsylvania Labor Relations Board (PLRB), pursuant to Act 88 of 1992 (Act 88) and the Public Employer Relations Act (PERA), appointed the undersigned as Fact-Finder in the impasse between the Indiana County Technology Center (hereafter referred to as the “Employer”) and the Indiana County Technology Center Education Association (hereafter referred to as the “Association”). The Association represents a unit of 22 bargaining unit teachers, who work for the Employer, located at 441 Hamill Road, Indiana, Pennsylvania.

The parties to this Fact-Finding have an ongoing bargaining relationship and are parties to a collective bargaining agreement (hereafter referred to as the “Agreement”) which was effective by its terms from September 1, 2008 to August 31, 2011. The parties met several times for purposes of negotiating a successor Agreement, but were unable to reach agreement on all issues raised during the course of bargaining. As a result, a Request for Fact-Finding was initiated.

In accordance with the Board’s Order, the parties filed written statements of the issues in dispute with the Fact-Finder involving the following provisions of the Agreement:

<b>Article I:</b>	<b>Agreement</b>
<b>Appendix IX:</b>	<b>Leaves of Absence</b>
<b>Appendix “A”:</b>	<b>Salary Schedules</b>
<b>Appendix “B”:</b>	<b>Fringe Benefits</b>
<b>Proposed for Appendix “B”</b>	<b>Early Retirement Incentive</b>

On September 15, 2011, a formal fact-finding hearing was held in accordance with the Pennsylvania Labor Relations Act before the undersigned in the Employer’s administrative offices. During the hearing both parties were afforded a full opportunity to present testimony, examine and cross examine witnesses and introduce oral explanations and documentary evidence in support of their respective positions.

Executive Session discussions were held on September 21, 2011 and September 22, 2011. Through these discussions, this Fact-Finder was given a thorough understanding of each party's position on the outstanding issues.

To arrive at the following recommendations, this Fact-Finder relied upon, among other things, the following criteria:

The reliable and credible testimony provided, the evidence presented at the Fact-Finding Hearing and further clarifications given to questions of this Fact-Finder during Executive Session discussions.

The expired collective bargaining agreement.

Comparisons of unresolved issues relative to the employees in this bargaining unit and how those issues related to other districts and other public and private employees doing comparable work, giving consideration to factors peculiar to the area and classifications involved.

The interest, welfare of taxpayers, and the ability of the Employer to finance and administer the issues proposed.

The understanding that each individual issue has been reviewed for its relative individual merit; at the same time, each individual issue has also been reviewed with consideration given to whether or not it appropriately fits into the Agreement created through this process.

## ISSUES IN DISPUTE AND RECOMMENDATIONS

### Article I - Agreement Section 2: Term of Agreement

#### Employer Position:

The Employer proposes a three (3) year contract. It is the position of the Employer its proposal reflects the current economic conditions. The Employer argues since too many unknowns exist with the economy and future funding, the Agreement should not be longer than three (3) years in duration. The Employer points out the sending schools each have their own collective bargaining agreements which expire at different dates. It is the Employer's contention its justification for the Fact-Finder to accept its proposal is contained in the information submitted during the hearing.

#### Association Position:

The Association proposes for the terms of the successor Agreement to be four (4) years, effective from September 1, 2011 to August 31, 2015. The Association's rationale for a four (4) year Agreement is that it will provide stability between the parties. The Association points out prior to the last Agreement, the parties have not had less than a four (4) year Agreement since the 1980's.

It is also the contention of the Association a four (4) year Agreement is beneficial for the sending school to be under contract when the Employer negotiates the next successor Agreement. The Association argues the Employer historically had been hesitant to settle on the Agreement when sending schools are out of contract and a four (4) year Agreement would minimize this factor because less schools would be negotiating when this proposed four (4) year Agreement would expire.

#### Recommendation:

This Fact-Finder recognizes the parties have been working status quo since the expiration of the Agreement occurred on August 31, 2011. A three (3) year term for the new Agreement, effective September 1, 2011 through August 31, 2014, is recommended due to the uncertain financial constraints that may adversely impact the Employer. Thus, the recommendations contained in this report are premised on a three (3) year Agreement.

### Article IX: LEAVES OF ABSENCE Section 2: Personal Days

#### Employer Position:

The Employer rejects the Association's proposal to permit the bargaining unit employees to use up to five (5) days of their maximum accumulation of personal days consecutively during the school year. The Employer represented by permitting the bargaining unit employees to use five (5) consecutive personal days, greater costs would be incurred because some of the absences need to be replaced. The Employer also submits allowing the bargaining unit employees to use five (5) consecutive personal days would be disruptive to the students enrolled in its programs. The Employer argues the current language should be maintained which permits the bargaining unit employees to take up to (3) consecutive personal days, and such language should not be expanded.

#### Association Position:

It is the position of the Association its proposal to increase the number of personal days to be used consecutively from three (3) to five (5) days should be accepted. The Association contends this proposal would provide the teachers with the same benefit as the administrators. The Association argues this proposal would allow the bargaining unit employees to take their accumulated days in the event they need to use them for personal reasons.

The Association takes the position due to the structure of the Technology Center, this proposal can be implemented without additional cost to the Employer because the administration or assistants are utilized to cover absences and no substitutes would be needed.

Recommendation:

The evidence that has been submitted to this Fact-Finder establishes when absences occur, substitutes are not always used to cover. The Association points out the administration has the right to take up to five consecutive personal days off during the school year and the teachers in the bargaining unit should be able to enjoy the same benefit. The Employer explained the administration works year round and is not always able to take days off during the summer months due to work demands, and therefore must take time off during the school year.

It is this Fact-Finder's position based upon the evidence presented the number of personal days that are currently permitted to be taken on a consecutive basis should not be increased to five (5) consecutive days. The bargaining unit is permitted to take up to three (3) consecutive personal days off and the evidence shows the addition of two (2) more personal days off in a consecutive manner would be more disruptive to the students. Thus, no changes are recommended to occur to this language.

**Appendix "A" – SALARY SCHEDULES**

Employer Position:

The Employer proposes the following three year increases to the salaries of the bargaining unit employees:

- Year 1 1.7% increase inclusive of step movement
- Year 2 1.7% increase inclusive of step movement
- Year 3 2.0% increase inclusive of step movement

It is the position of the Employer its proposal reflects the current economic conditions. The Employer contends it is facing limitations on available financial resources and is attempting to balance reasonable compensation consideration including benefits. The Employer points out because financial resources are limited and may be further restricted in the future, this proposal meets its ability to provide reasonable increases. It is the contention of the Employer it has no statutory authority to levy taxes.

The Employer asserts based on its organizational structure, the basic funding it receives is derived from the per-pupil charge assessed to the six participating districts as well as to the one district that is assessed a non-participating fee. The Employer contends the per-pupil charge is established each year through a traditional budget process. The Employer takes the position in establishing the per-pupil charge, it is guided by the fiscal status/health of the participating districts with regard to their typical revenue base of taxes and government funding. It was also noted by the Employer the ending fund balance is not available to use since the sending districts could request money to be returned.

The Employer points out its supporting justification for the Fact-Finder to accept its proposal is contained in the information submitted during the hearing.

Association Position:

The Association proposes that the 2010-2011 salary schedule be adjusted as follows:

- Maintain the current 15-step salary schedule
- Maintain separate columns for BS/ VOC I-II; Master's/Master's Equivalency/Letter of Equivalency; +15; and +30 columns
- Continue the advancement of all bargaining unit members who are not currently on Step 15 annually toward Step 15
- Modify the salary schedule over a four (4) year period to reflect an increase to each salary schedule by the average increase as follows:
  - 2011-2012: \$2000 per employee or 3.11% overall increase
  - 2012-2013: \$2250 per employee or 3.40% overall increase
  - 2013-2014: \$2500 per employee or 3.65% overall increase
  - 2014-2015: \$2500 per employee or 3.52% overall increase

- Each salary schedule will be developed by the Association based on the Technology Center's payroll costs and matrix dated January 20, 2011.

The Association points out the salary issue at the Technology Center is one of comparability and equity. Equity and fairness is determined by what salaries the teachers in the Technology Center earn in relationship to their colleagues from the member school districts. The Association contends there is a reasonable expectation the teachers of the Technology Center should be paid comparable salaries to equally experienced and equally educated teachers from the member school districts. The Association takes the position a comprehensive comparison of the Technology Center's bargaining unit employees supports the argument the Employer's bargaining unit employees lag behind and consistently rank in the lower half of the sending districts.

It is the position of the Association the Technology Center is not in any financial difficulty and notes the documentation and evidence clearly supports the Technology Center is financially sound, with stable revenue sources and significant fund balances. The Association contends its proposal is both fair and equitable, and in line with the sending districts current and future wage increases.

The Association believes the services bargaining unit employees perform are as valuable to the community as are the services provided by their colleagues from the member school districts and Indiana County. The Association contends comparable work deserves comparable salaries, commensurate with earnings of equally experienced and equally educated colleagues.

The Association states additional rationale contained in its economic report submissions support its position.

Recommendation:

After review and consideration of the record, this Fact-Finder recommends salary increases for each of the three years of the new Agreement as set forth in Appendix A attached to this report. The recommendations are to be applied retroactive to the beginning of the contract year. It is recommended for the 2010-2011 school year salary matrix in the expired Agreement to be used as the base year for salary calculations.

**APPENDIX "B" – FRINGE BENEFITS**  
**Section 1: Hospitalization**

Employer Position:

The Employer proposes the following health insurance changes be implemented:

- \$150/\$300 in network deductible
- \$250/\$500 out of network deductible
- Physician/Specialist co pay \$20.00
- Diagnostic co pay \$15.00
- Spinal Manipulation \$25.00
- Prescription Drug \$5 generic, \$30 brand
- Out of network remains at 80% after deductible.

The Employer points out the current health care plan has no in-network deductibles. The Employer states the parties are not too far apart on their respective positions on the healthcare issue, but the proposal of the Employer should be accepted and implemented in this school year in order to achieve the greatest savings.

It is the position of the Employer the school districts within Indiana County have implemented similar type changes to their health care plan or commenced premium copayments. Thus, the Employer contends its proposal is not out of line with what is occurring in other similar situations.

Association Position:

The Association has agreed to make modifications in healthcare in the following manner:

Deductible	\$150 individual/\$300 family (in network)
Deductible	\$250 individual/\$500 family (out of network)
Routine Physical Exam	\$15
Gynecological Exam	\$15
Physician Office Visit	\$15
Specialist Office Visit	\$15
Diagnostic Services	\$10
Spinal Manipulation	\$10
Emergency Room Visit	\$50 (waived if admitted)
Prescriptions	\$5 generic / \$25 brand
	* 90 day supply with mail-in with one co-pay

It is the position of the Association accepting the Employer’s proposal for an in-network deductible was a major concession. The Association points out the healthcare concessions contained in the Association’s proposal save the Employer \$11,715 annually. The Association argues the Employer cannot reasonably expect the bargaining unit employees to accept minimal salary increases, pay those increases back in the form of higher out-of-pocket co-payments for every service performed, and pay in-network deductibles, all of which reduce the overall net take-home pay.

The Association contends the Employer’s proposal must be compared with the health care plans being provided by the member school districts and other districts in the Indiana County labor market.

Recommendation:

Upon carefully reviewing the background information and relevant evidence which has been submitted regarding this issue, it becomes readily apparent the health insurance benefits need to be adjusted because of the impact of the increasing cost to the Employer in providing such benefits. Both parties have recognized the need to redesign the plan to implement cost saving measures. It is this Fact-Finder’s recommendation for the following changes to be implemented to the health insurance plan, which will result in savings to the Employer. The following changes to the plan should occur on January 1, 2012.

- \$150/\$300 in network deductible
- \$250/\$500 out of network deductible
- Physician & Specialist Office visits \$15.00 copay
- Routine Physical Exam \$15.00 copay
- Gynecological Exam \$15.00 copay
- Diagnostic \$15.00 copay
- Spinal Manipulation \$15.00 copay
- Prescription Drug \$5 generic, \$30 brand
- Maintain 90 day supply with mail-in with one co-pay
- Out of network remains at 80% after deductible.
- Emergency Room Visit \$50 (waived if admitted)

**Appendix B – Fringe Benefits (Proposed New Language)**  
**EARLY RETIREMENT INCENTIVE**

Employer Position:

It is the position of the Employer the Association’s proposal to add an early retirement incentive to the Agreement should be rejected. The Employer contends its analysis shows no long term cost savings result if an early retirement incentive is added. The Employer argues because of the expected increases in health care premiums, any initial savings obtained with an early retirement incentive plan would not save costs in the long run. Thus, the Employer strongly objects to the implementation of any early retirement incentive plan.

Association Position:

The Association proposes an early retirement incentive be added as a benefit for retiring employees with at least twenty-five years of credited service and who taught at least ten (10) years at the Technology Center. The Association contends the bargaining unit employees who retire should receive three (3) years of healthcare on the plan utilized at the time of retirement. The Association believes an early retirement incentive is mutually beneficial and appropriate for the parties. The Association points out longer service employees will have the opportunity to leave their employment early, while providing actual savings to the Employer and open new employment opportunities for employees who have the diversified experience, training, ideas and values deemed important to the Technology Center.

It is the position of the Association each of the sending districts provides an early retirement incentive to their employees and notes the Technology Center provides a retirement incentive to its administrators. The Association contends an incentive should also be made available to the bargaining unit employees.

Recommendation:

The evidence has been inconclusive to establish that long term cost savings would result if an early retirement incentive program is implemented. Therefore, this Fact-Finder recommends that no early retirement incentive program be established.

**CONCLUSION**

In conclusion, the parties are directed to review the Fact-Finding report and within ten (10) calendar days from the date of the issuance of this report to inform the Pennsylvania Labor Relations Board and each other if they accept or reject this report.

Confidentiality of the report should be maintained during the ten-day consideration period and until officially released for publication by the Board in the event of a rejection.

The Fact-Finder submits the Findings and Recommendations as set forth herein.

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Michelle Miller-Kotula  
Fact-Finder  
Washington, Pennsylvania

Issued: September 26, 2011

## APPENDIX A

<b>ICTC</b>					
<b>2010-2011 (Base Year)</b>					

To Top	Steps	B	M	M+15	M+30
14	1	44,875	46,850	47,845	48,840
13	2	46,430	48,405	49,400	50,395
12	3	47,985	49,960	50,955	51,950
11	4	49,540	51,515	52,510	53,505
10	5	51,095	53,070	54,065	55,060
9	6	52,650	54,625	55,620	56,615
8	7	54,205	56,180	57,175	58,170
7	8	55,760	57,735	58,730	59,725
6	9	57,315	59,290	60,285	61,280
5	10	58,870	60,845	61,840	62,835
4	11	60,425	62,400	63,395	64,390
3	12	61,980	63,955	64,950	65,945
2	13	63,535	65,510	66,505	67,500
1	14	65,090	67,065	68,060	69,055
Top	15	66,645	68,620	69,615	70,610

<b>ICTC</b>					
<b>2011-2012</b>					

To Top	Steps	B	M	M+15	M+30
14	1	45,650	47,625	48,620	49,615
13	2	47,205	49,180	50,175	51,170
12	3	48,760	50,735	51,730	52,725
11	4	50,315	52,290	53,285	54,280
10	5	51,870	53,845	54,840	55,835
9	6	53,425	55,400	56,395	57,390
8	7	54,980	56,955	57,950	58,945
7	8	56,535	58,510	59,505	60,500
6	9	58,090	60,065	61,060	62,055
5	10	59,645	61,620	62,615	63,610
4	11	61,200	63,175	64,170	65,165
3	12	62,755	64,730	65,725	66,720
2	13	64,310	66,285	67,280	68,275
1	14	65,865	67,840	68,835	69,830
Top	15	67,420	69,395	70,390	71,385

**ICTC  
2012-2013**

<b>To Top</b>	<b>Steps</b>	<b>B</b>	<b>M</b>	<b>M+15</b>	<b>M+30</b>
14	1	46,795	48,770	49,765	50,760
13	2	48,350	50,325	51,320	52,315
12	3	49,905	51,880	52,875	53,870
11	4	51,460	53,435	54,430	55,425
10	5	53,015	54,990	55,985	56,980
9	6	54,570	56,545	57,540	58,535
8	7	56,125	58,100	59,095	60,090
7	8	57,680	59,655	60,650	61,645
6	9	59,235	61,210	62,205	63,200
5	10	60,790	62,765	63,760	64,755
4	11	62,345	64,320	65,315	66,310
3	12	63,900	65,875	66,870	67,865
2	13	65,455	67,430	68,425	69,420
1	14	67,010	68,985	69,980	70,975
<b>Top</b>	<b>15</b>	<b>68,565</b>	<b>70,540</b>	<b>71,535</b>	<b>72,530</b>

**ICTC  
2013-2014**

<b>To Top</b>	<b>Steps</b>	<b>B</b>	<b>M</b>	<b>M+15</b>	<b>M+30</b>
14	1	47,793	49,768	50,763	51,758
13	2	49,348	51,323	52,318	53,313
12	3	50,903	52,878	53,873	54,868
11	4	52,458	54,433	55,428	56,423
10	5	54,013	55,988	56,983	57,978
9	6	55,568	57,543	58,538	59,533
8	7	57,123	59,098	60,093	61,088
7	8	58,678	60,653	61,648	62,643
6	9	60,233	62,208	63,203	64,198
5	10	61,788	63,763	64,758	65,753
4	11	63,343	65,318	66,313	67,308
3	12	64,898	66,873	67,868	68,863
2	13	66,453	68,428	69,423	70,418
1	14	68,008	69,983	70,978	71,973
<b>Top</b>	<b>15</b>	<b>69,563</b>	<b>71,538</b>	<b>72,533</b>	<b>73,528</b>