

COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA LABOR RELATIONS BOARD

IN THE MATTER OF FACT-FINDING BETWEEN

MARS AREA EDUCATION ASSOCIATION	:	
PSEA/NEA	:	
	:	
AND	:	FACT-FINDING REPORT
	:	CASE NO. ACT 88-11-06-W
	:	
MARS AREA SCHOOL DISTRICT	:	

HEARING: APRIL 4, 2011
MARS AREA SCHOOL DISTRICT
ADMINISTRATIVE OFFICES

FACT-FINDER : MARC A. WINTERS

FOR THE DISTRICT:

THOMAS W. KING, III,
ESQUIRE

FOR THE ASSOCIATION

RHONDA JACOBY,
UNISERV REPRESENTATIVE

EXECUTIVE SESSION, APRIL 21, 2011

FACT-FINDING REPORT: ISSUED APRIL 25, 2011

FACT-FINDER'S REPORT AND RECOMMENDATIONS

BACKGROUND & DISCUSSION

Pursuant to Act 88 of 1992 and the Public Employee Relations Act, 195 of 1970, by letter dated March 15, 2011, the PLRB appointed the undersigned to act as a Fact-Finder and to issue a Report in the matter of the Mars Area Education Association/PSEA/NEA and the Mars Area School District.

The parties to this Fact-Finding have had an ongoing bargaining relationship. The most recent collective bargaining agreement between the parties, a five (5) year agreement is set to expire on June 30, 2011. The parties have met on several occasions to negotiate a successor agreement. Unable to reach an Agreement, impasse was declared and the parties proceeded to Fact-Finding based on a request by the School District dated March 10, 2011. The request was granted and Fact-Finding so ordered by the Pennsylvania Labor Relations Board on March 15, 2011.

This bargaining unit is comprised of approximately 208 members and is located in Butler County, Pennsylvania.

A Fact-Finding Hearing was conducted on April 4, 2011, in the Mars Area School District Administrative Offices, at which time both parties were afforded a full opportunity to present testimony, examine and cross-examine witnesses and introduce evidence in support of their respective positions.

The Fact-Finder would like to convey his appreciation not only for the courtesy and cooperation given to the Fact-Finder by both parties, but to each other as well.

The Hearing was conducted in accordance with the Pennsylvania Labor Relations Act.

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

The testimony given, and the evidence presented at the Fact-Finding Hearing and further clarifications given to questions by this Fact-Finder during the Executive Session held April 21, 2011.

Past collectively bargained agreements.

Comparisons of the unresolved issues relative to the employees in this bargaining unit with those issues related to other school districts and other public and private employees doing comparable work, given consideration to factors peculiar to the area and classifications involved, also known as internal and external parity.

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

In writing this report, this Fact-Finder considered comparable data and like issues from the following Butler County School Districts; Butler Area, Karns City, Moniteau, Seneca Valley, Slippery Rock and South Butler County, along with two contiguous Districts in Allegheny County, Pine Richland and Deer Lakes.

Any and all items or proposals not previously agreed upon or specifically addressed within this Report are considered to be withdrawn. Any and all items or proposals agreed to and any tentative agreements made prior to the date of this Report that are not specifically addressed in this Report are recommended to be incorporated into the new Agreement. There are three (3) tentatively agreed upon item.

Except as recommended and/or modified below or mentioned above, the provisions of the predecessor agreement are to be incorporated into the new Agreement without modification.

Where this Fact-Finder recommends changes, it may be sufficient to indicate the change only without quoting the exact language of the parties proposals.

ISSUES

The Association and the School District have identified approximately forty (40) outstanding issues remaining in dispute at the time of the Fact-Finding Hearing.

For the Association the issues still open or outstanding were:

Language Issues
Article II - Term of Agreement

Article VI - Wage and Salary Provisions
Section C (Additional Education)

Article VII - Teacher Work Year and Work Day
Section B (School Year)
Section D (School Delays)
Section E (Elementary and Middle School Supervisory Duties)

Article VIII- Other Conditions of Employment
Section C (Parent Conferences)
Section D (Planning Periods)

Article IX - Association Rights and Privileges
Section B (Payroll Deduction for PACE)

Article X - Rights of Professional Employees
Section B (Transfers)
Section E (Posting of Vacancies)
Section F (Observation Report)
Section K (In-School Suspension Supervision)

Article XII - Leave Days
Section A (Leave Days)
Section F (Child-Bearing and Child-Rearing Leave)

Benefits

Article XIV - Fringe Benefits
Section A (Health Insurance)
Section B (Dental Insurance)
Section C (Life Insurance)
Section F (Tuition Assistance)
Section G (Unused Sick Leave)

Article XIX - Early Retirement Incentive Program

Supplemental Contracts and Stipends
Article VII
Section E (Elementary and Middle School Supervisory Duties)

Article VIII
Section G (Middle State Evaluation)
Section H (Continuing Professional Education)
Section I (Induction)

Article XV - Supplemental Contracts
Section A (Supplemental Contracts Directly Related to Instruction)
Section A.1 (Homebound Instruction)
Section A.2 (Development Work)
Section A.5 (Building Heads)
Section A.6 (Curriculum Leaders)
Section B (Supplemental Contracts Directly Related to Athletics)
Section B.3 (Posting and Filling of Coaching Positions)
Section B.7 (Summer Recreation)
Section B.8 (Chaperone and Ticket Takers)
Section B.11 (Saturday Recreation)
Section B.12 (Right to Discontinue)
Section C (Extended Activity Seasons)
Exhibit B - Supplemental Salary Schedules
Addition of Basketball Broadcasting
Add Evening Pupil Service Activities
Supplemental Salaries

Salary
Exhibit A - Salary

For the District the issues still open or outstanding were:

The Term of the Agreement
Salary and Supplemental Wages
Health Insurance.

FACT-FINDER'S RECOMMENDATIONS

This Fact-Finding, the Hearing process and this Fact-Finder's recommendations all come at a very difficult and disturbing time for School Districts and their employees.

School Districts are now faced with extremely tough times. The harsh reality of the economic climate in Pennsylvania, now added to by the Governor's budget cuts, and the efforts of trying to fund wage and salary increases, higher insurance premiums and pension costs are now affecting all school districts and their employees. The growing concerns over wage freezes, potential layoffs, demotions and cutting programs are now being faced by School District's, their Boards and Teacher Unions/Associations all across the state.

Wage and salary freezes and help with insurance cost are needed to help protect and sustain jobs which in turn will help preserve much needed programs, at the schools, for the students.

The Mars School District is no different. To maintain the current year programs, this District would face a \$5.6 million dollar deficit. There is a state funding loss of a little over 1 million dollars, health care cost will increase by 10.79%, or a 400,000 dollar increase, while retirement costs will increase by 54% or by 516,000 dollars. The School Board has taken some action to reduce the deficit but it still sits around 3 million dollars. As for the state index, the Mars School District can only raise mills from now 99 mills to 1.39 mills. The result would only generate a little over 300 thousand dollars.

As what is occurring or about to occur with other Districts, employees must share the burden, this next couple of years, so student programs and teacher jobs are not compromised or lost.

The recommendations that follow are designed to help the School District weather this economic climate while still being as fair as possible to the needs of the teachers, as employees, of the District.

The Association, at the Fact-Finding Hearing, introduced a series of proposals, issues and concerns. This Fact-Finder can assure the Association, and the District as well, that each and every issue and the supportive data was read, compared with like issues in similarly situated school districts used for comparative purposes and considered for this Report.

The District, on the other hand, introduced two main issues where they were asking the Association for consideration.

As proposed at the Hearing, and discussed in more depth at the Executive Session, three main issues stood out as the issues that needed resolved for this Agreement, in this Report, taking into consideration the above discussion over the deficit and the Governor's budget cuts.

This Fact-Finder is not going to address each issue individually but as a general statement which will be the basis for this Report. This Report will, however, address what this Fact-Finder has identified as those three main issues in an effort and as a good faith attempt to bring forth a settlement for the School District and the Education Association.

After reviewing and considering the Associations's proposals/issues, this Fact-Finder has determined that this Bargaining unit is not substandard or lagging behind in any of the areas proposed where such would necessitate a change for this go around or in this Report.

Before making the following recommendations, this Fact-Finder must point out and applaud the Association for their revised proposals which do reflect their understanding of the economic climate they are facing and their willingness to accept a pay freeze in the first year of the Agreement.

This Fact-Finder's recommendations are as follows.

The term of this Agreement will be for two (2) years: Effective July 1, 2011 through June 30, 2013.

Year one (1) of the Agreement.

Effective July 1, 2011 through June 30, 2012.

All compensation, wages, salaries, supplemental contracts, stipends and hourly rates of pay and any other monetary increases will be frozen at the 2010/2011 rates. This also includes any and all step or incremental movement on the salary scale.

All other terms, conditions and benefits of the 2006 through 2011, Collective Bargaining Agreement will remain in affect as status quo, which includes the current language with respect to health insurance.

Year two (2) of the Agreement.

Effective July 1, 2012 through June 30, 2013.

All compensation, wages, salaries, supplemental contracts, stipends and hourly rates of pay and any other monetary increases will be frozen at the 2010/2011 rates with the exception of the following:

All applicable bargaining unit members will move up one step on the salary schedule. However, such movement will not correspond with years of service, since the salary steps were also frozen in the first year of this Agreement.

All applicable bargaining unit members who are at the top step of their salary schedule will receive an off scale salary increase of one-thousand dollars (\$1,000.00).

Salary Schedules will be attached to the end of this Report.

All other terms, conditions and benefits of the 2006 through 2011, Collective Bargaining Agreement will remain in affect as status quo with the exception of the following.

Health Insurance:

The District and the Association both recognize the need for employees to help contain and reduce the upcoming health insurance increases. Although both have proposed different ways to do that. The District is requesting substantial savings in both years of the Agreement. As alluded to above, there will be no changes in the first year of the Agreement as the Health Insurance provisions will remain status quo.

There are two ways to help Employer's reduce their health insurance cost and try to create some savings.

First, the sharing of the cost of the premiums as a copay to the employees. Second, the benefit plan design can be adjusted in different ways so that a significant savings can be realized.

It appears that both the District and Association prefer to redesign the benefit schedule. Although both have proposed varying amounts.

After listening to both the District and the Association, this Fact-Finder is recommending that the benefit schedule be adjusted to show the following increased copays and deductibles which should result in a savings to the District of approximately one hundred and sixty-seven thousand dollars (\$167,000.00).

Changes/modifications to the benefit plan design are as follows:

In-Network Physician Office Visit - \$20 copayment per visit

In-Network Specialist Office Visit - \$30 copayment per visit

In-Network Diagnostic Services - \$15 copayment per date of service

In-Network Deductible - \$450 per person per calendar year / \$900 per family

Out-of-Network Deductible - \$900 per person per calendar year / \$1800 per family

Emergency Room Services - \$100 copayment per visit

In-Network Spinal Manipulations Services - \$30 copayment per visit

In-Network Physical, Speech, and Occupational Therapy Services - \$20 copayment per visit

Prescription Drug: \$5 Generic / \$25 Brand Formulary / \$40 Brand Non-Formulary copayments

In addition, based on this two year recommendation, the Governor's budget cuts, and the current deficit, this Fact-Finder believes it to be beneficial for both the District and the Association and therefore recommends that bargaining for the next collective bargaining agreement should begin, by the parties, no later than October, 2012.

2011 - 2012 School Year

Steps From Top	In Contract	Bachelors	B-24	Masters	M-15	M-30	PhD
17	1	37532	39096	40658	41568	42477	48657
16	2	39386	40949	42513	43421	44331	50511
15	3	41773	43337	44900	45809	46717	52899
14	4	43627	45191	46755	47663	48572	54752
13	5	45482	47044	48608	49517	50426	56607
12	6	47335	48899	50463	51371	52280	58461
11	7	49190	50753	52317	53226	54134	60316
10	8	51044	52608	54170	55080	55989	62169
9	9	52899	54461	56025	56934	57843	64023
8	10	54752	56316	57879	58788	59697	65878
7	11	56607	58170	59734	60642	61551	67731
6	12	58461	60025	61587	62496	63406	69586
5	13	60316	61878	63442	64350	65259	71440
4	14	62169	63733	65296	66205	67114	73294
3	15	64023	65587	67150	68059	68968	75148
2	16	65878	67440	69004	69913	70822	77003
1	17	67731	69295	70859	71767	72676	78857
Top	18	69586	71149	72712	73622	74530	80711

2012 - 2013 School Year

Steps From Top	In Contract	Bachelors	B-24	Masters	M-15	M-30	PhD
17	1	37532	39096	40658	41568	42477	48657
16	2	39386	40949	42513	43421	44331	50511
15	3	41773	43337	44900	45809	46717	52899
14	4	43627	45191	46755	47663	48572	54752
13	5	45482	47044	48608	49517	50426	56607
12	6	47335	48899	50463	51371	52280	58461
11	7	49190	50753	52317	53226	54134	60316
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