

**COMMONWEALTH OF PENNSYLVANIA  
PENNSYLVANIA LABOR RELATIONS BOARD**

In the Matter of Impasse Between the

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**SCHUYLKILL COUNTY INTERMEDIATE UNIT 29,**

"Public Employer,"

-and-

**SCHUYLKILL COUNTY IU 29 EDUCATION ASSN,  
PSEA/NEA**

"Association."

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**REPORT  
AND  
RECOMMENDATIONS**

Case No. ACT 88-12-23-E

Before  
**Robert C. Gifford, Esq.**  
Fact Finder

**Appearances:**

**For the Employer:**

James G. Caravan, Esq.  
Lewis Williams & Caravan

**For the Association:**

Charlie Shaffer, UniServ Representative  
Pennsylvania State Education Association

Stu Karschner, Assistant Director of Research  
Pennsylvania State Education Association

Pursuant to Act 88 of 1992 ["Act 88"] and the Public Employee Relations Act ["PERA"], I was appointed by the Pennsylvania Labor Relations Board ["PLRB" or "Board"] on June 19, 2012, as the Fact Finder in the impasse between the Schuylkill County Intermediate Unit 29 [the "Employer" or "IU"] and the Schuylkill County Intermediate Unit 29 Education Association [the "Association"], a unit comprised of professional employees.

The parties' Agreement expired June 30, 2012. The parties commenced negotiations for a successor agreement. They met on their own and then with the assistance of a mediator. The parties were under the impression that they reached tentative agreements to all of the outstanding issues as outlined in a 28-page packet dated April 20, 2012, but later it was apparent there was a difference of opinion over salary and health care.

On May 25, 2012, the Association initiated its request for fact finding. On July 17, 2012, a hearing was held in Ashland, Pennsylvania at which time the parties were afforded the opportunity to present testimony, examine and cross-examine witnesses, introduce documentary evidence, and argue orally in support of their respective positions on the unresolved issues.

## ISSUES

The following issues have been presented for Fact Finding:

1. Salary/Salary Schedule
2. Health Care

## DISCUSSION

I have carefully analyzed all of the information provided during this proceeding. To the extent an issue is not specifically addressed or incorporated by reference herein, I recommend the status quo. I remind the parties that I am serving as a Fact-Finder rather than as a Grievance Arbitrator.

### 1. Term of Agreement

The parties agreed to a term of three (3) years – effective from July 1, 2012 through June 30, 2015.

### 2. Tentative Agreements.

With the exception of the items addressed below, all of the tentative agreements contained in the packet from April 20, 2012 shall be incorporated by reference herein.

### 3. Salary/Salary Schedule

#### The Current Provision

Appendix "A", Section 1 – Wage and Salary provides:

#### 1.) Wage and Salary

Commencing with the 2010-2011 school year the salary tracks will be: Bachelor, Bachelor +24, Masters, Masters+15, Masters+30, Masters+45, Masters+60, Masters+75, and PhD/ED.D. Those individuals currently in the M+90 column will remain in the PhD/ED.D.

Professional and temporary professional employees advancing to another column within the salary schedule must provide documentation that the credits are:

- Bachelors + 24 column – graduate credits only or undergraduate credits which are required to achieve PDE certification in the employee's current position.
- Masters through and including Masters +75 column – graduate level credits at an approved college or university only.
- Masters equivalency PDE certifications will not be recognized for salary adjustment purposes after September 1, 2011. Prior Master equivalency certifications will be recognized in the Masters column but will not be eligible for salary adjustments across Master plus columns.

The salary increases will be as follows:

- According to the attached salary schedules.
- Step movement will be:

2009-10            No changes – frozen on step

|         |             |                   |
|---------|-------------|-------------------|
| 2010-11 | 09-10 Steps | 1-7 plus 1 step   |
|         | 09-10 Steps | 8-13 plus 2 steps |
|         | 09-10 Step  | 14 plus 3 steps   |
|         | 09-10 Step  | 15 plus 4 steps   |
| 2011-12 | Plus 1 Step |                   |

### The Salary Schedule for 2011-2012

The salary schedule for the 2011-2012 school year is as follows:

|    | <b>BS</b> | <b>BS +24</b> | <b>M</b> | <b>M+15</b> | <b>M+30</b> | <b>M+45</b> | <b>M+60</b> | <b>M+75</b> | <b>PHD/DED</b> |
|----|-----------|---------------|----------|-------------|-------------|-------------|-------------|-------------|----------------|
| 1  | 41265     | 42615         | 44065    | 45365       | 46565       | 47765       | 48965       | 50165       | 51365          |
| 2  | 42297     | 43647         | 45097    | 46397       | 47597       | 48797       | 49997       | 51197       | 52397          |
| 3  | 43117     | 44467         | 45917    | 47217       | 48417       | 49617       | 50817       | 52017       | 53217          |
| 4  | 43764     | 45114         | 46564    | 47864       | 49064       | 50264       | 51464       | 52664       | 53864          |
| 5  | 44366     | 45716         | 47166    | 48466       | 49666       | 50866       | 52066       | 53266       | 54466          |
| 6  | 44874     | 46224         | 47674    | 48974       | 50174       | 51374       | 52574       | 53774       | 54974          |
| 7  | 45389     | 46739         | 48189    | 49489       | 50689       | 51889       | 53089       | 54289       | 55489          |
| 8  | 45908     | 47258         | 48708    | 50008       | 51208       | 52408       | 53608       | 54808       | 56008          |
| 9  | 46597     | 47947         | 49397    | 50697       | 51897       | 53097       | 54297       | 55497       | 56697          |
| 10 | 47413     | 48763         | 50213    | 51513       | 52713       | 53913       | 55113       | 56313       | 57513          |
| 11 | 48126     | 49476         | 50926    | 52226       | 53426       | 54626       | 55826       | 57026       | 58226          |
| 12 | 49724     | 51074         | 52524    | 53824       | 55024       | 56224       | 57424       | 58624       | 59824          |
| 13 | 51341     | 52691         | 54141    | 55441       | 56641       | 57841       | 59041       | 60241       | 61441          |
| 14 | 53015     | 54365         | 55815    | 57115       | 58315       | 59515       | 60715       | 61915       | 63115          |
| 15 | 54735     | 56085         | 57535    | 58835       | 60035       | 61235       | 62435       | 63635       | 64835          |
| 16 | 56679     | 58029         | 59479    | 60779       | 61979       | 63179       | 64379       | 65579       | 66779          |
| 17 | 58329     | 59679         | 61129    | 62429       | 63629       | 64829       | 66029       | 67229       | 68429          |
| 18 | 59741     | 61091         | 62541    | 63841       | 65041       | 66241       | 67441       | 68641       | 69841          |
| 19 | 61646     | 62996         | 64446    | 65746       | 66946       | 68146       | 69346       | 70546       | 71746          |
| 20 | 63519     | 64869         | 66319    | 67619       | 68819       | 70019       | 71219       | 72419       | 73619          |

Placement on the guide is based upon years of service and education level. For example, an employee in his/her first year of service and has earned a Bachelors Degree is placed at Step 1 of the schedule and advances on step in accordance with Appendix "A", Section 1. Base salary in the 2011-2012 school year ranges from \$41,265 (Bachelors Step 1) to \$73,619 (PHD/DED, Step 20). The top step Masters degree ("career rate") is \$66,319. Subject to the limitations in Appendix "A", Section 1, employees advance across the columns in the guide after attaining additional college credits. The salary schedule includes additional compensation for employees who attain prescribed credit levels:

|   | <b>BS</b> | <b>BS +24</b> | <b>M</b> | <b>M+15</b> | <b>M+30</b> | <b>M+45</b> | <b>M+60</b> | <b>M+75</b> | <b>PHD/DED</b> |
|---|-----------|---------------|----------|-------------|-------------|-------------|-------------|-------------|----------------|
| 1 |           | 1350          | 1450     | 1300        | 1200        | 1200        | 1200        | 1200        | 1200           |
| 2 |           | 1350          | 1450     | 1300        | 1200        | 1200        | 1200        | 1200        | 1200           |
| 3 |           | 1350          | 1450     | 1300        | 1200        | 1200        | 1200        | 1200        | 1200           |
| 4 |           | 1350          | 1450     | 1300        | 1200        | 1200        | 1200        | 1200        | 1200           |
| 5 |           | 1350          | 1450     | 1300        | 1200        | 1200        | 1200        | 1200        | 1200           |
| 6 |           | 1350          | 1450     | 1300        | 1200        | 1200        | 1200        | 1200        | 1200           |

|    |      |      |      |      |      |      |      |      |
|----|------|------|------|------|------|------|------|------|
| 7  | 1350 | 1450 | 1300 | 1200 | 1200 | 1200 | 1200 | 1200 |
| 8  | 1350 | 1450 | 1300 | 1200 | 1200 | 1200 | 1200 | 1200 |
| 9  | 1350 | 1450 | 1300 | 1200 | 1200 | 1200 | 1200 | 1200 |
| 10 | 1350 | 1450 | 1300 | 1200 | 1200 | 1200 | 1200 | 1200 |
| 11 | 1350 | 1450 | 1300 | 1200 | 1200 | 1200 | 1200 | 1200 |
| 12 | 1350 | 1450 | 1300 | 1200 | 1200 | 1200 | 1200 | 1200 |
| 13 | 1350 | 1450 | 1300 | 1200 | 1200 | 1200 | 1200 | 1200 |
| 14 | 1350 | 1450 | 1300 | 1200 | 1200 | 1200 | 1200 | 1200 |
| 15 | 1350 | 1450 | 1300 | 1200 | 1200 | 1200 | 1200 | 1200 |
| 16 | 1350 | 1450 | 1300 | 1200 | 1200 | 1200 | 1200 | 1200 |
| 17 | 1350 | 1450 | 1300 | 1200 | 1200 | 1200 | 1200 | 1200 |
| 18 | 1350 | 1450 | 1300 | 1200 | 1200 | 1200 | 1200 | 1200 |
| 19 | 1350 | 1450 | 1300 | 1200 | 1200 | 1200 | 1200 | 1200 |
| 20 | 1350 | 1450 | 1300 | 1200 | 1200 | 1200 | 1200 | 1200 |

The value of the step increment (the dollar difference between each step) varies throughout the schedule:

|    | <b>BS</b> | <b>BS +24</b> | <b>M</b> | <b>M+15</b> | <b>M+30</b> | <b>M+45</b> | <b>M+60</b> | <b>M+75</b> | <b>PHD/DED</b> |
|----|-----------|---------------|----------|-------------|-------------|-------------|-------------|-------------|----------------|
| 1  |           |               |          |             |             |             |             |             |                |
| 2  | 1032      | 1032          | 1032     | 1032        | 1032        | 1032        | 1032        | 1032        | 1032           |
| 3  | 820       | 820           | 820      | 820         | 820         | 820         | 820         | 820         | 820            |
| 4  | 647       | 647           | 647      | 647         | 647         | 647         | 647         | 647         | 647            |
| 5  | 602       | 602           | 602      | 602         | 602         | 602         | 602         | 602         | 602            |
| 6  | 508       | 508           | 508      | 508         | 508         | 508         | 508         | 508         | 508            |
| 7  | 515       | 515           | 515      | 515         | 515         | 515         | 515         | 515         | 515            |
| 8  | 519       | 519           | 519      | 519         | 519         | 519         | 519         | 519         | 519            |
| 9  | 689       | 689           | 689      | 689         | 689         | 689         | 689         | 689         | 689            |
| 10 | 816       | 816           | 816      | 816         | 816         | 816         | 816         | 816         | 816            |
| 11 | 713       | 713           | 713      | 713         | 713         | 713         | 713         | 713         | 713            |
| 12 | 1598      | 1598          | 1598     | 1598        | 1598        | 1598        | 1598        | 1598        | 1598           |
| 13 | 1617      | 1617          | 1617     | 1617        | 1617        | 1617        | 1617        | 1617        | 1617           |
| 14 | 1674      | 1674          | 1674     | 1674        | 1674        | 1674        | 1674        | 1674        | 1674           |
| 15 | 1720      | 1720          | 1720     | 1720        | 1720        | 1720        | 1720        | 1720        | 1720           |
| 16 | 1944      | 1944          | 1944     | 1944        | 1944        | 1944        | 1944        | 1944        | 1944           |
| 17 | 1650      | 1650          | 1650     | 1650        | 1650        | 1650        | 1650        | 1650        | 1650           |
| 18 | 1412      | 1412          | 1412     | 1412        | 1412        | 1412        | 1412        | 1412        | 1412           |
| 19 | 1905      | 1905          | 1905     | 1905        | 1905        | 1905        | 1905        | 1905        | 1905           |
| 20 | 1873      | 1873          | 1873     | 1873        | 1873        | 1873        | 1873        | 1873        | 1873           |

### **Relevant Language from the Packet of Tentative Agreements**

The parties' packet of tentative agreements includes changes to Appendix "A" Section 1 – Wage and Salary. The parties agreed to revise Section 1 as follows:

## 1.) Wage and Salary

Continuing for the duration of this contract, the salary tracks will be: Bachelor, Bachelor +24, Masters, Masters+15, Masters+30, Masters+45, Masters+60, Masters+75, and PhD/ED.D. Those individuals currently in the M+90 column will remain in the PhD/ED.D.

Professional and temporary professional employees advancing to another column within the salary schedule must provide documentation that the credits are:

- Bachelors + 24 column – graduate credits only or undergraduate credits which are required to achieve PDE certification in the employee’s current position.
- Masters through and including Masters +75 column – graduate level credits at an approved college or university only.
- Masters equivalency PDE certifications will not be recognized for salary adjustment purposes after September 1, 2011. Prior Master equivalency certifications will be recognized in the Masters column but will not be eligible for salary adjustments across Master plus columns.

The salary increases will be as follows:

- The annual increase shall be based on the average from the member school districts. The average increase in the member school districts (total dollars bargained divided by the total number of employees) shall be divided by the number of member districts used. Any contracts unsettled as of June 30th of that budget year shall not be used in the calculation.
- The calculation of the average wage increase shall be completed no later than July 15th of that budget year. The salary schedule for each year of this agreement will be developed using the IU29 member school average salary increase for that year multiplied by the number of IU29 teaching positions impacted by this agreement for the respective year. The salary increase will be added to the salary schedule of the previous year. Step and track movement will be recognized each year of the contract.
- If any member school districts’ salary information is in question the Association, the IU Executive Director, and the IU business manager shall work together and agree upon the correct number to be used in the salary calculation.
- The entry-level salary for the 2012-2013 school year and each year after shall be based on the average of the entry-level salaries of the member school districts. If a district has an open or undefined salary it shall not be used in the calculation of the average entry-level wage. The entry level salary shall become Step 1 of the salary schedule negotiated for that year.
- The calculation of the entry-level salary shall be completed no later than July 15 of that budget year.

### **The Association’s Proposal**

The Association proposes to use the formula above to determine the average salary increase (in dollars) for the sending school districts each year. The average increase would then be multiplied by the number of bargaining unit members to determine the total pot of dollars available to the bargaining unit. The total pot of dollars would then be distributed over the existing salary schedule each year, including the entry-level salary step. The formula described in the tentative agreement for the entry-level salary step would not apply.

## The IU's Proposal

The IU indicates it was not its intention to maintain a salary schedule in the successor agreement. The IU proposes to use the formula above to determine the average salary increase for the sending school districts. The average increase would then be added to the current salary of each bargaining unit member. The current salary schedule would then be eliminated. From that point forward the formula would be used each year to determine the annual salary increase to be provided to each bargaining unit member. As to starting salary, a formula using the starting salaries from the sending school districts would determine the starting salary for each school year, and the salary increase for those employees in each successive year would mirror the increase determined by the formula for all other bargaining unit members.

### ***Recommendation –***

I recommend that the parties maintain 20 step salary schedules for the 2012-2013 and 2013-2014 school years using the formula for determining the average increase for the sending districts as well as the formula for determining the average entry-level salary. Effective July 1, 2014, four (4) steps shall be added to the salary schedule. Bargaining unit members on Steps 19 and 20 in the 2013-2014 school year will be placed at Step 24 for the 2014-2015 school year. Effective the 2014-2015 school year, there shall be equal increments between each step. The formulas for determining the total pot of dollars and the entry-level salary remain in effect. In the event the parties cannot agree over such issues as the average increase, the entry-level salary, step placement for the 2014-2015 school year, and/or how the total pot of dollars will be distributed over the salary guide in any given year they shall mutually select an impartial arbitrator to issue a binding decision to resolve the issue(s) on an expedited basis. In the event the parties cannot agree to the selection of an impartial arbitrator they shall seek an appointment through their prescribed grievance procedure.

## **3. Health Care**

### **The Current Provisions**

Appendix "B" – Other Employee Benefits, Section 19 "Health Benefits" of the 2009-2012 Agreement is attached hereto as Exhibit 1. Section 19, Paragraph 1 lists three (3) health benefits plans the IU offers to bargaining unit members: the Traditional Indemnity Plan, the Preferred Provider Organization (PPO) Plan A, and the Preferred Provider Organization (PPO) Plan B. The Plans are offered through the Schuylkill County School Employees' Health and Welfare Trust Employee Benefit Plan. Other paragraphs of Section 19 outline dental care insurance, hospitalization insurance, waiver of insurance coverage, the Section 125 plan, premium share, prescription plan, prescription drug coverage, and vision insurance. Although not expressly provided in the Agreement, as of the 2009-2010 school year, bargaining unit members who selected the Traditional Indemnity Plan had a \$100 deductible for single coverage and a \$300 deductible for Two Party and Family coverage.

### **Relevant Language from the Packet of Tentative Agreements**

The parties' packet of tentative agreements includes changes to Appendix "B" Section 19. The parties agree to amend the following paragraphs of Section 19:

#### 1) Insurance Protection Plans

The Board agrees to provided three insurance plans for hospitalization and prescription drug coverage for all eligible employees, including his/her spouse and dependents.

All eligible employees must select from one of the following insurance plans on a form provided by the administration:

- A. Traditional Indemnity Plan
- B. Preferred Provider Organization (PPO) Plan A
- C. Preferred Provider Organization (PPO) Plan B

Selection of the insurance plan will be annual and must be in writing with notification to the Business Office no later than June 1 with an effective date of July 1 for the subsequent year. Should an employee fail to submit a selection form on or before June 1<sup>st</sup>, coverage will continue based on the prior year's plan.

### 3) Hospitalization Insurance

For the duration of the contract, the Board will continue to provide the hospital benefits as described in the Schuylkill County School Employees' Health and Welfare Trust Employee Benefit Plan or equivalent coverage, for the employee and enrolled dependents.

### 4) Waiver of Insurance Coverage

Beginning July 1, 2012 an employee eligible for insurance coverage through his/her spouse may decline board paid insurance and shall be entitled to a stipend based on the number of employees waiving their insurance coverage during each year of this contract. Stipend amounts are determined by the number of employees waiving insurance coverage as of July 1 as indicated below:

- If 11 or more employees opt-out of insurance coverage a \$5000 stipend will be paid to each employee waiving coverage
- If 10 or less employees opt-out of insurance coverage a \$2000 stipend will be paid to each employee waiving coverage

To be eligible for the stipend, the employee must withdraw from enrollment in the Schuylkill Intermediate Unit insurance coverage, with the exception of Income Protection, for a minimum period of one (1) school year. Employees must provide written notification and proof of alternate insurance in order to withdraw from the coverage. Written notification must be received no later than June 1<sup>st</sup>, with an effective date of July 1.

An employee receiving this stipend will receive the first disbursement (\$2000/or \$1000) in December and the second disbursement (\$3000/or \$1000) in June of the applicable school year based on the opt-out group size.

If an employee in the (eleven)11 or more group opts back into coverage based on an eligible life changing event and the group members fall below (eleven)11 the stipend per employee will be reduced to \$2000. The benefit will not be reduced for reasons of: death of an employee or death of an employee's spouse (opt into coverage). All other requests based on extenuating circumstances must be approved by the Board of Directors.

### 5) Section 125 plan

An Internal Revenue Service Section 125 Plan shall be established for employee contributions for premium share as established under Appendix B, Section 19 (6) of this agreement. Employer offered cash "opt out" waiver of insurance coverage in lieu of participating in the employer's health insurance programs shall be paid under this plan as established in Appendix B, Section 19 (4) of this agreement.

### 6) Premium Share

All employees eligible for board paid insurance will pay a pre-tax premium share based on the employee's enrollment status as of July 1 of each year. The premium share amount shall be adjusted annually effective September 1.

During the term of this contract, the premium share per pay amount recovered by the Board will be as follows:

A. Beginning the 2012-13 school year (per pay amount (26) beginning September 1, 2012)

| Enrollment Status | Traditional Coverage | PPO Plan A | PPO Plan B |
|-------------------|----------------------|------------|------------|
| Single            | \$45.00              | \$15.00    | \$5.00     |
| Two Party         | \$50.00              | \$20.00    | \$5.00     |
| Family            | \$55.00              | \$25.00    | \$5.00     |

7) Prescription Plan – **PARAGRAPH 7 ELIMINATED**

Unless noted above, all of the other paragraphs remained the same.

### **The IU's Proposal**

As stated above, the deductibles for the Traditional Indemnity Plan are not expressly provided in Section 19. The IU contends that it can unilaterally change the deductibles. Notwithstanding this position, the IU proposes to increase the \$100/\$300 deductibles to \$300/\$500. The IU indicates that the deductibles were changed for the other IU 29 employees effective July 2009 as the deductibles were imposed upon the non-represented Act 93 employees and the non-represented Compensation Plan employees, and negotiated with the ESPA bargaining unit. The IU also points out that the deductibles are in place for a bargaining unit of teachers at the Schuylkill Technical Center.

### **The Association's Response**

The Association opposes the IU's proposal. It proposes the status quo. The Association indicates that the IU did not seek to modify the deductibles during the negotiations that led to the packet of tentative agreements. The Association emphasizes that it agreed to other concessions related to health care.

### ***Recommendation –***

I recommend that the \$100/\$300 deductibles be maintained until July 1, 2013. The \$300/\$500 deductibles will be implemented effective July 1, 2013. In the event the entire Recommendation and Report is accepted by both parties, any dispute(s) between the parties concerning the deductibles will be deemed resolved in favor of continuing the \$100/\$300 deductibles until July 1, 2013. All of the other terms of the parties' tentative agreement for Section 19 shall be included in the successor agreement.

## SUMMARY

I believe the recommendations above represent a reasonable, acceptable compromise to the outstanding issues. I direct the parties' attention to my cover letter which outlines their responsibilities to notify the PLRB of their acceptance or rejection of this Recommendation.

Dated: July 30, 2012  
State College, Pennsylvania

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Robert C. Gifford