

COMMONWEALTH OF PENNSYLVANIA  
PENNSYLVANIA LABOR RELATIONS BOARD

In the Matter of Impasse Between the

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**ABINGTON HEIGHTS SCHOOL DISTRICT,**

"Public Employer,"

-and-

**REPORT  
AND  
RECOMMENDATIONS**

**ABINGTON HEIGHTS EDUCATION ASSOCIATION,**

"Association."

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Case No. ACT 88-12-1-E

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

**Appearances:**

**For the Employer:**

John G. Audi, Esq.  
Sweet Stevens Katz & Williams

**For the Association:**

William A. Lydick, UniServ Representative  
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 February 21, 2012, as the Fact Finder in the impasse between the Abington Heights School District [the "Employer" or "District"] and the Abington Heights Education Association [the "Association"], a unit comprised of approximately 264 professional employees as of the 2010-2011 school

year, and approximately 251 in 2011-2012. The District is located within Intermediate Unit 19 ["I.U. 19"].

The parties' Agreement expired on August 31, 2011. The parties commenced negotiations for a successor agreement. Their bargaining included the assistance of a mediator. The issues in dispute remained unresolved, and the Association initiated its request for fact finding. On March 7, 2012, an informal conference was held at the District's Offices in Clarks Summit, Pennsylvania at which time both parties discussed and submitted information regarding the issues in dispute. On March 19, 2012, a hearing was held in Clarks Summit 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:<sup>1</sup>

1. Article II – Definitions
2. Article VIII – Sit-In or Cover
3. Article XIII – Teacher Day
4. Article XIV – Professional Standards of Employment
5. Article XIX – Admissions to Activities
6. Article XXI – Sick Leave
7. Article XXIV – Personal Leave
8. Article XXV – Conference Leave
9. Article XXIX – Insurance
10. Article XXXI – Salary
11. Article XXXII – Extra Pay – Extra Duty
12. Article XXXIII – Miscellaneous Salary Provisions
13. Article XXXV – Severance Pay
14. Article XXXVI – Reimbursement for Graduate Credit
15. Article XXXIX – Meet and Discuss
16. Article XLIII – Maintenance of Working Conditions
17. Article XLVII – Notes to Exhibit “A”
18. Article XLIX – Duration

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<sup>1</sup> During the informal session held on March 7, 2012, the parties agreed to either modify or withdraw some of their proposals solely for the purposes of the fact-finding proceeding. The parties agreed that in the event the fact-finding recommendation is rejected by one or both parties that their proposals would revert back to the proposals they originally submitted to fact-finding.

## DISCUSSION

I have carefully reviewed all of the relevant factors. This Recommendation represents a cautious approach to uncertain economic times. The parties are familiar with the outstanding issues. I will focus on the areas in which I recommend changes. Therefore, to the extent an issue is not specifically addressed or incorporated by reference herein I recommend the status quo.

### **1. Tentative Agreements**

**Recommendation** - To the extent the parties may have reached tentative agreements during their bargaining they shall be made part of the final package. They shall be incorporated by reference herein.

### **2. Term of Agreement**

The term of the parties' most recent agreement expired on August 31, 2011. The Association seeks a five (5) year term. The District proposes three (3) years but is amenable to a term with a longer duration.

**Recommendation** - I recommend a term of three (3) years - September 1, 2011 through August 31, 2014. This term will provide stability for the next two (2) school years and will enable the parties to reassess the impact of such factors as the required pension contribution rates, changes in the cost of health care, and the levels of state subsidies will have on the District's budget for the 2014-2015 school year and beyond.

### **3. Salary**

#### **The Current Provision**

The salary schedule for the 2010-2011 school year is attached hereto. There are fifteen (15) steps in the salary schedule. 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 one (1) step per school year until the employee reaches the top step. Employees advance across the columns in the guide (Bachelors + 24, B+36/ME/M, M+18, M+36, M+48, M+60, and M+72/Doctorate) after attaining additional college credits. Base salary in the 2010-2011 school year ranges from \$46,059 (Bachelors Step 1) to \$72,500 (M+72/Doctorate, Step 15). The top step Masters degree ("career rate") was \$64,500. The total base payroll for the 264.38 professional employees in the bargaining unit in 2010-2011 was approximately \$15,835,854. In addition, the job classifications of Behavioral Specialist and Behavioral Therapist are not specifically included in the total base payroll above because they were recently accreted into the bargaining unit.

### **The Association's Proposal**

The Association seeks to increase the total base payroll in 2010-2011 by 3.59% each year. Assuming the bargaining unit will continue to comprise of 264.38 professional employees, the total base payroll would increase from \$15,835,854 in 2010-2011 to \$16,453,902 in 2011-2012, \$17,095,601 in 2012-2013, \$17,762,396 in 2013-2014, and \$18,455,409 in 2014-2015.

The Association supports its proposal with such factors as: (1) a comparison of base salary and salary increases within the contiguous school districts, (2) the attritional savings the District received as a result of employee retirements within the bargaining unit, and (3) the District's ability since at least 2007 to maintain fund balance levels within or above the recommended levels.

## The School District's Response

The District proposes a salary freeze for 2011-2012, and step movement only for 2012-2013 and 2013-2014. Assuming the bargaining unit will continue to comprise of 264.38 professional employees, the total base payroll would remain at \$15,835,854 in 2011-2012, and increase to \$16,014,226 in 2012-2013, and \$16,202,390 in 2013-2014. As to the Behavioral Specialist and the Behavioral Therapist, the District proposes a merit-based compensation system.

The District supports its position with such factors as: (1) the continuing need to control costs in order to maintain its fiscal strength, a feat that is becoming more increasingly difficult to achieve due to the economic recession and rising costs in all areas (*i.e.* energy, health insurance and PSERS contributions); (2) the competitive salaries and benefits already provided to bargaining unit members; (3) the desirability of employment with the District as evidenced by the large number of job applications received for few job openings; (4) the loss of over 14,000 public school jobs in Pennsylvania during the summer of 2011 due to layoffs or leaving jobs vacant; (5) the expiration of stimulus funds; and (6) the Act 1 index limitations currently at 1.7%.

**Recommendation** - I have carefully reviewed the salary schedules and the evidentiary support submitted by each party. The District is well run as demonstrated by the fact that Moody's increased its rating from A3 to A1. But this does not require the District to provide salary increases that do not reflect the current status of the economy. Based upon the record evidence, I recommend a modest increase of \$500 to each step of the salary guide

for each year of the 2011-2014 contract with step movement in each year. The increases are retroactive to September 1, 2011. The proposed salary guides are attached hereto. Based upon the assumption that the bargaining unit will continue to comprise of 264.38 professional employees for the duration of the contract, the total base payroll would increase to \$16,146,416 in 2011-2012, to \$16,466,770 in 2012-2013, and to \$16,783,065 in 2013-2014. As to the Behavioral Specialist and the Behavioral Therapist, I recommend that the employees in these titles be placed on the salary step in the salary guide for 2011-2012 that most closely resembles their current salaries and level of education and that they advance one (1) step on the salary guide for 2012-2013 and then for 2013-2014.

#### **4. Insurance**

##### **The Current Provision**

The District is self-insured. It provides bargaining unit members with a Traditional Indemnity Plan offered through Blue Cross Blue Shield, dental insurance, a \$50,000 life insurance policy, vision insurance, and a prescription drug plan that has a \$0.00 co-pay for generic drugs, and a \$15.00 co-pay for a 30 day supply for each brand name drugs. Bargaining unit members do not contribute towards the cost of the premiums. All of the benefits above are referenced in Article XXIX of the parties' Agreement.

##### **The Association's Proposal**

The Association seeks to improve the level of insurance benefits currently provided by the District. For instance, with respect to health insurance, the Association proposes to increase the Major Medical Lifetime Maximum from \$1,000,000 to an unlimited amount, to increase the Lifetime Maximum for Mental/Nervous Disorders from \$25,000 to an unlimited amount, and to add two (2) District-paid wellness visits each year for every bargaining unit

member and dependents. The Association also seeks an insurance plan for orthodontics, braces, and bridge work up to a yearly maximum of \$2,000.

### **The District's Proposal**

The District opposes the Association's proposal. The District seeks to eliminate the Traditional Indemnity Plan and to replace it with a BlueCare PPO, the benefits of which were outlined in the District's proposal. The District anticipates double-digit increases to the premiums of the current plan over the life of the successor contract.

**Recommendation** – I recommend that the District provide the Traditional Indemnity Plan for the duration of the successor contract with bargaining unit members contributing 1.25% of the cost of health care premiums in 2012-2013 and 2.5% of the cost of health care premiums in 2013-2014. In addition, I recommend effective September 1, 2013 that the prescription plan co-pay be increased to \$15.00 for generic drugs, and \$30.00 for a 30 day supply for each brand name drug.

## **5. Other Provisions**

### **Recommendations for the Following Provisions** –

**Article VIII – Sit-In or Cover.** Effective September 1, 2013, increase the rate from \$15 to \$16.

**Article XIII – Teacher Day.** Effective September 1, 2013, increase the rate in Section 2 from \$25 to \$26.

**Article XXXI – Salary.** Effective September 1, 2013, increase the payment for mentor teachers in Section 3 from \$1,200 to \$1,300.

**Article XXXII – Extra Pay – Extra Duty.** Effective September 1, 2013, increase the compensation for coaching and non-coaching activities in Section 1 by two percent (2%). Effective September 1, 2013, increase the compensation in Section 2 for coaches and athletic trainers from \$250 to \$275, and assistant coaches and category B from \$150 to \$175.

**Article XXXIII – Miscellaneous Salary Provisions.** Effective September 1, 2013, increase the compensation for department chairpersons by two percent (2%).

**SUMMARY**

I believe the recommendations above represent a reasonable, acceptable compromise to the outstanding issues given the current economic climate. 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: April 2, 2012  
State College, Pennsylvania

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Robert C. Gifford