

Commonwealth of Pennsylvania
Pennsylvania Labor Relations Board

IN THE MATTER OF FACT FINDING

between

GARNET VALLEY SCHOOL DISTRICT,
"DISTRICT"

and

GARNET VALLEY EDUCATION ASSOCIATION,
"ASSOCIATION"

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Case No. ACT 88-14-31-E

REPORT AND RECOMMENDATIONS

FACT FINDER: William W. Lowe

FOR THE EMPLOYER:

FOR THE ASSOCIATION:

Mr. Mark W. Fitzgerald, Esq.
Representing Garnet Valley School District

Mr. Charlie Shaffer, UniServ Rep., PSEA
Representing Garnet Valley Education Association

BACKGROUND

Pursuant to Act 88 of 1992 (Act 88) and the Public Employee Relations Act, Act 195 of 1970 (PERA), the undersigned was appointed by the Pennsylvania Labor Relations Board (Board) on October 21, 2014, as the Fact Finder in the bargaining impasse between the Garnet Valley School District ("Employer" or "District") and the Garnet Valley Education Association, PSEA/NEA ("Association").

In accordance with the Board's Order of October 21, 2014, the parties filed with the Fact Finder written statements of the issues in dispute. After some clarification both before and during the Fact Finding hearing, the parties identified a number of unresolved issues. A hearing went forward at the Garnet Valley School District offices on Wednesday, November 19, 2014, at which time both parties were afforded a full opportunity to present testimony, introduce documentary evidence and argue orally in support of their respective positions. During the Fact-Finding hearing the District was represented by Attorney Mark Fitzgerald with testimony from the District Business Manager, John Scully; Assistant Superintendent, Vincent Citarelli; and Gallagher consultant Thomas Belmont. The Association was represented by PSEA Uniserve Representative Charlie Shaffer with testimony from PSEA Research Assistant Director, Harris Zwerling and Association members Brain Weir and Douglas Grande.

I commend the parties for their informative and professional presentations. The positions of the respective parties were clearly articulated and logically and completely set forth. I further credit the parties for their professional approach to negotiations and for the respect and consideration shown the opposing party throughout their negotiations and during the fact-finding process as well as to the Fact-Finder throughout the fact-finding process.

The recommendations which follow constitute the settlement proposals upon which the parties are now required to act as directed by Board regulation and statute. Pursuant to governing statutes, this Report will be released to the public if not accepted. A vote to accept the Report does not constitute agreement with, or endorsement of, the rationale contained therein, but rather represents only an agreement to resolve the issues by adopting the recommendations. The parties are directed to review the Report and, within ten (10) days of its issuance, notify the Board of their decision to accept or reject the recommendations. Those matters not discussed in the below issues are deemed "status quo" and are not further treated.

ISSUES

The Association and the Employer identified the following issues remaining in dispute between them at the time of the fact-finding. These issues (item numbers) include the following:

- (1) Article II, Term of Agreement
- (2) Appendix A, Wage and Salary Provisions, Item A. Step Progression Chart
- (3) Appendix A, Wage and Salary Provisions, Item B. Salary Schedules
- (4) Appendix A, Wage and Salary Provisions, Item C. Supplemental Pay Schedules
- (5) Appendix A, Wage and Salary Provisions, Item D. Pay
- (6) Appendix A, Wage and Salary Provisions, Item E. Salary Program
- (7) Appendix A, Wage and Salary Provisions, Item F. Part-Time Positions
- (8) Appendix A, Wage and Salary Provisions, Item G. Supplemental Positions

- (9) Appendix A, Wage and Salary Provisions, Item H. Supplemental Contract Schedule for Grade Level Leaders, Curriculum Coordinators K-5, 6-12, K-12 & Dept. Liaisons
- (10) Appendix A, Wage and Salary Provisions, Item J. Extra Work
- (11) Appendix A, Wage and Salary Provisions, Item K. Class Coverage
- (12) Appendix B, Other Employee Benefits, Item A. Medical Coverage
- (13) Appendix B, Other Employee Benefits, Item B (new). Excise Tax
- (14) Appendix B, Other Employee Benefits, Item B. Prescription Drug Plan
- (15) Appendix B, Other Employee Benefits, Item C. Dental Insurance
- (16) Appendix B, Other Employee Benefits, Item E. Health Care Opt-Out Plan
- (17) Appendix B, Other Employee Benefits, Item E. (4) (new). Spousal Surcharge (proposed by the District)
- (18) Appendix B, Other Employee Benefits, Item J. Personal Days
- (19) Appendix B, Other Employee Benefits, Item K. Other Leaves, (1) Family Medical Leave Act
- (20) Appendix B, Other Employee Benefits, Item K. Other Leaves, (2) Extended Leave
- (21) Appendix B, Other Employee Benefits, Item K. Other Leaves, (5) Supplemental Positions
- (22) Appendix B, Other Employee Benefits, Item N. Professional Dues Deductions
- (23) Appendix B, Other Employee Benefits, Item P. Payment on Retirement
- (24) Appendix C, Miscellaneous Contractual Provisions, Item C. Professional Work Day
- (25) Appendix C, Miscellaneous Contractual Provisions, Item G. Release Time for GVEA Officers to Meet with Principals and Administrators
- (26) Appendix C, Miscellaneous Contractual Provisions, Item K (new). Transfers and Teaching Assignments (proposed by the Association)
- (27) New Proposal (District) – Online/Cyber School (proposed by the District)

These issues will be discussed in detail in the following sections. It should be noted, however, that the specific economic recommendations made in this Report, although discussed separately, were made only after consideration of all of the economic issues presented at the fact finding and their total, combined impact upon both parties.

OVERVIEW AND BARGAINING HISTORY

The Garnet Valley School District (“District”) is located in the southeast corner of the Commonwealth and is comprised of three elementary schools (Bethel Springs Elementary, Concord Elementary, and Garnet Valley Elementary) a middle school (Garnet Valley Middle School) and a high school (Garnet Valley High School). Enrollment in the District is slightly under five thousand (5,000) students in K-12th grade with slightly fewer than four hundred (400) bargaining unit members providing professional services within the District. The District is extremely well regarded throughout the state. For example, Garnet Valley High School achieved a School Performance Profile (SPP) of 99.1 based on a variety of achievement metrics that places it among the very top tier of high schools in the Commonwealth. The Garnet Valley Elementary School achieved a SPP score of 97.6 with the two other elementary schools and the middle school with scores just behind this (from 85 to 96). Thus, the District’s board, administrators and teachers are justifiably proud of the District’s accomplishments.

The District’s professional bargaining unit is comprised of approximately four hundred Bargaining Unit members in various occupations such as teachers, school nurses, school librarians, and guidance counselors along with the positions of technology coordinator, teacher on special assignment, regularly employed part-time teachers, and long-term substitute teachers. The most recent negotiated agreement commenced on July 1, 2011 and ran three years until June 30, 2014.

The District’s Board and the Association has worked hard over the past eleven months to negotiate a mutually acceptable Agreement going forward, but has reached a bargaining impasse on a relatively large number of economic issues (cited above). As of the date of the Fact-Finding hearing, the parties were still deadlocked on the issues that will be discussed below. Each issue is described along with Association and District proposals, a discussion section and fact-finder recommendations although in the interest of conservation some of the issues are lumped together as indicated below.

DISCUSSION AND RECOMMENDATIONS

Issue No. 1 (Item No. 1 above): Term of Agreement.

Current Status. The most recent Collective Bargaining Agreement (“CBA” or “Agreement”) was a three-year Agreement - 2011/12 through 2013/14 school years.

Position of the Parties.

The **Association** proposed a one-year Agreement to permit schedules and salaries to work themselves out and provide additional time for the parties to negotiate a fuller, more comprehensive Agreement with additional time being given to working out the deadlocked matters between the parties.

The **District** desires a three-year Agreement again to give itself a respite from negotiations and to prepare itself for imminent negotiations with the non-professional bargaining unit that will commence soon.

Discussion. I fully understand the positions of both sides, but a one-year Agreement negotiated in the middle of the current school year provides no labor peace for either side, and shortly after such an Agreement is reached, it is time to start the process all over. This is especially problematic with the District commencing negotiations with the non-professional unit immediately at the start of the 2015 calendar year.

Recommendation. I recommend that the Contract cover a three-year period – school years (a) 2014-15, (b) 2015-16 and (c) 2016-17.

Issue No. 2 (Item Nos. 2-11 above): Salary & Wage Provisions.

Current Status. Currently the parties maintain a **Salary and Wage** structure with steps for longevity and progression and for movement horizontally (to a higher track) with the obtaining of additional credits/degrees. The existing Agreement also has supplemental wage schedules for coaches, club/class/band/chorus/musical/drama/etc. advisors as well as stipends (supplemental salaries) for Grade Level Leaders, Curriculum Coordinators, and Curriculum Liaison positions. Plus, there are additional supplemental pay amounts for “off-scale” situations. Additionally, there are also periodic increase amounts in each of the three years of the Agreement. Lastly, there are year-long supplemental positions and seasonal supplemental positions which receive compensation differently. In short, the parties currently maintain an extremely complex wage and salary system within the District.

Position of the Parties.

With regard to **Wage and Salary Provisions**, the **Association** is seeking the following:

- A. **Salary Schedule.** The Association proposes step and column movement plus \$2300 added to each step of the salary schedule for 2014-15 beginning on the 14th pay.
- B. **Supplemental Pay Schedules.** Supplemental Pay Schedules are recommended for elimination with the increases in Salary Schedules making up for Supplemental Schedule elimination.
- C. **Part-Time Positions.** The Association proposes that travel time between buildings for part-time staff be recognized as instructional time for the purposes of scheduling and, as appropriate, for pay.
- D. **Supplemental Positions.** Supplemental positions are those which are performed in addition to regular responsibilities which require time commitments exceeding the regular working hours, e.g. football coach or drama club advisor. Compensation for these duties is based on a variety of factors such as time, number of students, injury risk, etc.).
 1. The Association proposes that in each of the three years of the Agreement for **supplemental pay**, based on steps achieved, that it be increased (from \$118 (3+ yrs. service) to \$147 (11+ yrs. service) over the three years of the Agreement.
 2. It also proposes increases in **supplemental pay for leaders/coordinators** in each of the three years based on the Bargaining Unit employee’s years of service - from a low rate of \$450 (with 3+ yrs. of service) to a high of \$1400 (with 15+ yrs. of service).
 3. The **base salary of leaders/ coordinators** is proposed to be increased in each of the three years of the Agreement to \$2250, \$2300, and \$2400, and with the recommended proviso that a **new liaison position be established in the speech/language department.**
 4. Holders of **leader/coordinator positions receive supplements to base salary** which the Association proposes be increased to a low of \$750 for those with 1-6 members led to a high in year 3 of \$1150 when 6+ members are led.
 5. The Association also proposes that those holders of a **PA Certificate for Supervision** receive an increased stipend to \$1000.
- E. **Extra Work.** When Bargaining Unit members are required to work more than the number of days required by the Agreement, there is an Association proposal to pay the bargaining unit employees an additional \$42/hr. in year 1, \$43/hr. in year 2 and \$44/hr. in year 3 of the Agreement.
- F. **Class Coverage.** This supplemental pay is for Bargaining Unit members who volunteer to cover a class during their preparation period. The Association proposes hourly rates of \$42, \$43, and \$44/class period in each of the three years of the Agreement for Elementary School work; hourly rates of \$33, \$34, and \$35/class period for Middle School work in each of the three years; and \$55, \$56, and \$57/class for High School in each of the three years.

The **District** stresses that it has very limited means of addressing funding increases with only a very limited ability to tax residents without going to public referendum. In addition, the District has programmed some major renovations for the future which are unfunded and will require loans. That plus the fact that pension costs are scheduled to increase dramatically in the future. Thus, the District argues, it is critical to reduce costs for the District. Accordingly, with respect to Wage and Salary Provisions, the District proposes the following:

- A. **Salary Schedule.** The District proposes the following:
 1. a complete freeze (both horizontal and vertical moves) on the salary schedule in year 2014/15 with employees receiving a one-time only off-schedule bonus of \$750.
 2. One step movement on the salary schedule effective the 14th pay of the 2015/16 school year (with horizontal movement effective at the 14th pay of the 2015/16 school year).
 3. A 1% increase to all cells on the salary schedule in 2016/2017 and employees moving one step on the salary schedule effective at the 14th pay of the 16/17 school year and horizontal movement effective at the same time (14th pay of the 16/17 school year).

4. Holders of **leader/coordinator positions receive supplements to base salary** which the District proposes be maintained at the current level of \$700 for curricular areas with 1-6 members and at \$1000 for curricular areas with 6+ members.
- B. **Supplemental Pay Schedule.** The District proposes to eliminate the Supplementary Pay Schedules.
 - C. **Part-Time Positions.** The District proposes no change to the current CBA language with respect to Part-Time Positions. However, it proposes a new paragraph 16 to include language on reviewing supplemental positions and giving the Administration increased authority for making appointments to those positions.
 - D. **Supplemental Positions.** With elimination the current CBA language for calculating supplemental pay and a new proposed paragraph 16 inserted before old paragraph 16, the former paragraph 16 becomes paragraph 17 and is used to compensate supplemental positions based on points garnered by the activity in question, i.e. football coach or drama club advisor.
 1. With regard to Supplemental Pay, the District proposes, for **Supplemental Pay** that the points be compensated by the same dollar amount as in the existing CBA (\$115 to \$138 depending on years of service). The District further proposes that **supplemental pay for leaders/coordinators** be the same as the existing CBA - \$400 (3+ yrs. service) and \$1000 (15+ yrs. of service).
 2. **Supplemental pay for leaders/coordinators** is proposed by the District to rise from \$400 (3+ yrs. of service) to a high of \$1,000 (with 15+ yrs. of service) over the three-year life of the Agreement.
 3. The District proposes to keep the **base salary of leaders/coordinators** at \$2200 for the three years of the Agreement with no proposal for adding a new liaison position for the Speech and Language Department.
 4. Holders of **leader/coordinator positions receive supplements to base salary** which the District proposes be maintained at \$750 for those with 1-6 members for the duration of the CBA and when 6+ members are led, the supplemental pay is proposed to remain at \$1000 for the duration of the Agreement.
 5. The District proposes no additional increase in stipends for those holders of a **PA Certificate of Supervision** and recommends that stipend be maintained at \$800 as in the existing Agreement.
 - E. **Extra Work.** The District proposes the current rate of \$41/hr. be maintained for all three years of the Agreement.
 - F. **Class Coverage.** The District proposes the current rate of \$41/class period be maintained for Elementary; \$32/class period for Middle School; and \$54/class period for High School for all three years of the Agreement.

Discussion. This is a most difficult matter. The District has expounded on its inability to tax beyond the 2.1% level without taking the matter to referendum and its likelihood of decreased revenue as a result of appeals of tax assessments that have resulted in lowering the District's revenue. In addition, the District's future financial liabilities with regard to pension costs are enormous. However, the Association has bent over backwards in the past and agreed to prior wage freezes to satisfy some of the District's financial challenges. While the economy seems to be improving, the District envisions trouble on the horizon with its future financial commitments to pensions, etc. Thus, wages and salary issues are complex and thorny issues. The Association presented convincing testimony that the top tier employees (some 53 of them) would end up going backwards in take-home pay under the District's proposals. For this reason, among others, such as equity and comparability with other school districts, I believe the compensation must be increased although to a very limited degree.

Recommendations.

A. Wages:

1. 2014-15: All employees eligible to move a step shall move 1 step at the 14th pay period of the 2014-2015 school year. Column movement shall also be effective at the 14th pay period. For all members who were at the maximum step at the beginning of the 2014-15 school year, they shall receive \$500.00 into their base at the maximum step. No additional monies are recommended for addition to the schedule.

2. 2015-16: Total wage freeze. No column or vertical movement and no monies added to the schedule.

3. 2016-17: All employees eligible to move a step shall move 1 step at the 7th pay period of the 2016-2017 school year. Column movement shall also be effective at the 7th pay period. For all members who were at the maximum step at the beginning of the 2016-17 school year, they shall receive \$1000.00 into their base at the maximum step. No additional monies added to the schedule.

The supplemental pay schedule, which is currently in place shall continue for the remainder of the 2014-15 and 2015-16 school years based on the status quo schedule from 2013-14. The supplemental pay schedule for all bargaining unit employees shall be discontinued and removed from the contract at the end of the 2015-16 school year.

B. Compensation for Supplemental Positions:

1. 2014-15: Status quo point values for the 2014-15 school year.

2. 2015-16: Point values shall increase to as follows: (a.) (1-3 pts. - \$118); (b) (4-7 pts. - \$125); (c) (8-10 pts. - \$132); and (d) (11+ points - \$141).

3. 2016-17: Point values shall remain at 2015-16 levels during 2016-17.

C. Speech and Language Department Liaison. I recommend no change to the current Agreement language, i.e. no addition of a Speech and Language Coordinator.

D. Compensation for Grade Level Leaders, Curriculum Coordinators, and Department Liaisons:

1. **2014-15:** Status Quo compensation for the 2014-15 school year.
2. **2015-16:** Positions shall increase by \$50.00 over the status quo rate for the given years of service section.
3. **2016-17:** Position compensation shall remain at 2015-16 rates.
4. **Status Quo compensation for holders of a PA Certificate of Supervision.**

E. Extra Work

1. **2014-15:** Status Quo rate for the 2014-15 school year.
2. **2015-16:** Extra Work rate shall be increased by \$1.00 for 2015-2016.
3. **2016-17:** Extra Work rate shall remain at the 2015-16 rate for 2016-2017.

F. Class Coverage

1. Status Quo for rates paid for class coverage at each school for all three years of the Agreement.

Issue No. 3 (Item No. 13 above): Excise Tax.

Current Status. Currently there is no provision for an excise tax within the District.

Position of the Parties.

The **Association** has put forth no proposal with regard to excise tax.

The **District** proposes language in the Agreement which protects it from the necessity to levy increased taxes occasioned by the imposition of an excise tax under the Patient Protection and Affordability Healthcare Act (ACA) by triggering negotiations between the parties should an excise tax be levied in order to modify or eliminate health care plans offered by the District.

Discussion. The possibility, even the likelihood, of excise taxes being levied during the life of this Agreement is high. Accordingly, the proposal for language to address this possibility/eventuality is of necessity. While the Association made no proposal in this regard, the District's proposal is sound and provides for bi-lateral discussions to reach mutual agreement. I am convinced this is an element that the parties need to have in the new Agreement.

Recommendation. During the term of this Collective Bargaining Agreement or at any time after its expiration date until such time as a new Agreement is negotiated, should the premium for any medical plan offered pursuant to the Agreement exceed the threshold amount as stated in the Patient Protection and Affordable Care Act (or any applicable federal or state legislation enacted hereinafter) so as to subject the medical plan or plans to a tax or fee, the parties agree to address that issue as follows:

- (a) The District shall notify the Association that the plan or plans that are offered pursuant to the Agreement will be subject to the above-referenced tax or fee and what it intends to do to eliminate the tax or fee;
- (b) The Association will have up to 30 calendar days from the date of such notice to attempt to reach mutual agreement with the Board on addressing the issue;
- (c) If a mutual agreement is reached, that agreement shall become part of the Agreement and will supersede any affected provisions;

If a mutual agreement cannot be reached within the 30 calendar day period referenced in subsection b., all employees enrolled in the plan or plans subject to the tax or fee shall no longer be entitled to remain in the health benefit plan or plans that are subject to the tax or fee and would be entitled to receive the richest plan available offered by Independence Blue Cross that would not be subject to the tax or fee. Notwithstanding the foregoing, existing employee premium share shall apply on the same basis as the eliminated health benefit plan. Grievances under this Section shall be exclusively limited to whether the plan offered by the District is the richest Plan available offered by Independence Blue Cross.

Issue No. 4 (Item No. 12, 14, and 15 above): Medical, Prescription and Dental Coverage.

Current Status. The current status is as follows:

- A. **Medical Coverage.** The District currently maintains a Blue Cross Personal Choice Plan 20/30/70 for Bargaining Unit members and eligible dependents with an employee contribution to health care coverage in various amounts depending on the type of coverage and family composition. Additionally, the District maintains a low cost PC D1-N1 health care program if employee health care needs (or budget) are limited.
- B. **Prescription Drug Plan.** Bargaining Unit employees currently pay a ten-dollar deductible for prescription drugs.

- C. **Dental Plan.** Under the most recent CBA, the dental plan had no deductible but a 60-40 co-insurance for prosthetics, crowns, inlays, and oral restorations (60% UCR), and orthodontics coverage on a 50-50 co-insurance basis, to a maximum of \$1250/person in any calendar year.

Position of the Parties.

The **Association** recommends the following:

- A. **Medical Coverage.** The Association proposes that the District continue its Blue Cross Personal Choice Plan 20/30/70 for bargaining unit members and eligible dependents with Bargaining Unit Member contributions of nine percent (9%).
- B. **Prescription Drug Plan.** The Association proposes no change to the most recent CBA, i.e. status quo.
- C. **Dental Coverage.** The Association recommends that the \$1250 maximum payment to employees per calendar year (for periodontics, prosthetics, crowns, inlay and onlay restoration and orthodontic coverage) be raised to a maximum out-of-pocket expense of \$2000 (from the current \$1250) per employee.

The **District** recommends the following:

- A. **Medical Coverage.** The District proposes three medical coverage plans as follows:
1. To add a new core plan (C3-F4-02) with employee contributions of 8% (first year); 9% (second year) and 10% (third year) of the Agreement.
 2. To maintain a low cost plan (PC D1-N1) for bargaining unit members at 3%, 4%, and 5% contribution levels in each of the three years of the Agreement.
 3. To change the current Blue Cross Personal Choice Plan (20/30/70 plan) to a buy-up plan that employees can buy into.
- B. **Prescription Drug Plan.** The District has put forth a proposal for the District to provide a 15/30/50 prescription drug plan in the new Agreement.
- C. **Dental Coverage.** The District proposes no change to the current dental plan, i.e. status quo.

Discussion. Without question, the cost of health care has skyrocketed over the past several years. This trend is likely to continue into the future. In most professions, employees have had to take on a shared responsibility with management to offset some of these rapidly increasing costs. The Association has made some proposals in the current round of negotiations to increase the amount of their employee contributions to help offset escalating medical costs. At the same time, the District has been soliciting assistance from a health care consulting firm and has been exploring ways of decreasing, or at least stemming the costs, of health care. I am also persuaded by District testimony that it is not in a position to keep the current plan as a core plan and that it has insufficient means to increase its revenue sufficiently to maintain its current health care plan as the core plan. Hence, the District has a very limited amount of flexibility and cannot continue with the high cost plan that are in effect now although it does plan to keep that plan in the event employees find themselves in a position to buy-up into that plan. The same is true of the Prescription Drug Plan and the Dental Plan. The District must find ways to control its costs, and the Drug Plan it has proposed does just that. Along with my recommendation for the District to fund increases in salaries, I offset that by recommending adoption of the primary components of the District's proposal, with some recommended modifications, for (a) Medical Coverage, (b) the Prescription Drug Plan and (c) its status quo proposal on the Dental Coverage be accepted by the Association and incorporated into the Agreement.

Recommendations.

Medical and Prescription Drug Coverage.

A. 2014-2015: At the 14th pay period, or upon the earliest open enrollment, the District shall propose two (2) core plan options and a buy down option. All other buy up plans from the previous contract shall be removed. Also, the reimbursement provision within the Agreement which provides bargaining unit members a \$150.00 reimbursement for outpatient surgery shall be removed from the contract. In addition the Prescription Drug plan 15/30/50 shall replace the current prescription drug program(s) in the District and become the sole plan. The plan options are as follows with the corresponding employee contributions to the plan:

1. **PC 20/30/70-** 12% employee contribution to the premium
2. **PC C3-F4-O2-** 6% employee contribution to the premium
3. **PC D1-N1-** 3% employee contribution to the premium

B. 2015-16: Contribution levels shall remain at the levels noted above for the 2015-16 school year.

C. 2016-17:

1. **PC 20/30/70-** 14% employee contribution to the premium
2. **PC C3-F4-O2-** 7% employee contribution to the premium
3. **PC D1-N1-** 4% employee contribution to the premium

Dental Coverage. Status Quo for the dental program for all three years of the Agreement.

Issue No. 5 (Item No. 14 above): Health Care Opt-Out Plan.

Current Status. Currently, opt-out payments are \$2750 for the Medical Plan Waiver and \$500 for the Prescription Plan Waiver.

Position of the Parties.

The **Association** proposes that the opt-out payments be increased to \$5,000 for the Medical Plan Waiver and \$600 for the Prescription Plan Waiver and to eliminate the current opt-out ranges.

The **District** proposes some changes to the most recent Agreement by basing the opt-out payment on bargaining unit membership who elect to opt-out, i.e. the more who opt-out of coverage, the higher the opt-out payments. The District's proposal shows the following opt-out payments with associated ranges:

- A. Up to 45 members: \$3500 Medical Plan Waiver \$700 Rx Plan Waiver
- B. 45-49 members: \$4000 Medical Plan Waiver \$725 Rx Plan Waiver
- C. 50-55 members: \$4500 Medical Plan Waiver \$750 Rx Plan Waiver
- D. 56-57 members: \$5000 Medical Plan Waiver \$775 Rx Plan Waiver
- E. 58+ members: \$5500 Medical Plan Waiver \$800 Rx Plan Waiver

Discussion. The medical/prescription opt-out plan represents another area that is both costly to the District and one that could be curbed to help control District costs. It seems to me that "opting out" is a benefit that affects bargaining unit members differently. In those cases where one of the spouses is unemployed or a stay-at-home parent, there is little opportunity for opting out. Opting-out would generally be expected where both partners in the marriage are working and one has a desire to stay with his/her current employer's health care coverage. However, the single parent or single employee does not have that option. In the interest of equity and fairness, and in consideration of the District's current and future financial obligations, I believe the opt-out provisions are an area where the District could find significant savings by not having such a plan. That being said, there was no proposal by either party to close down the opt-out plan, so I will defer to the parties as far as my personal observation/leaning is concerned. Since both parties proposed an increase in compensation, I accept the District proposal which reflects the least amount of increase.

Recommendation. That the District's proposal be adopted and be incorporated into the Agreement.

Issue No. 6 (Item No. 17 above): Spousal Surcharge (new).

Current Status. The most recent Agreement provides for no spousal surcharge

Position of the Parties.

The **Association** proposes no spousal surcharge.

The **District** proposes that bargaining unit members who elect to enroll their spouses into the District's health insurance program shall pay a yearly spousal surcharge of \$600 in addition to the employee premium contribution for the plan selected.

Discussion. As discussed in the prior proposal, I felt the entire opt-out program could have been eliminated to save the District money, but I opted to recommend the District's proposal be adopted which increases each category by a significant amount – as much as a 75% increase in some categories. Having recommended the District's proposal for that issue, despite the increase in cost, I recommend, based on cost savings anticipated, that the District's spousal surcharge proposal be adopted by the parties so long as the parties put language in the Agreement that where a spouse has no option to continue with his/her current plan (as the spouse may be unemployed or a stay-at-home parent), that no spousal surcharge be levied in those situations.

Recommendation. It is recommended that the District's spousal surcharge proposal shall be implemented at the beginning of the 2016-17 school year with the mutual understanding that the surcharge shall only be applicable to employees' spouses who have available healthcare through their own employer. I also recommend language be incorporated into the Agreement such that if a spouse does not have, or loses, insurance coverage with his/her employer during the term of the Agreement there is no surcharge to the spouse and that he/she can return to the District's plan.

Issue No. 7 (Item No. 18 above): Personal Days.

Current Status. Under the most recent CBA, the parties agreed that the bargaining unit members would receive two (2) days per year for personal use. That Agreement also provides for employees to elect to be paid for unused personal days in the amount of \$140/day.

Position of the Parties.

The **Association** proposes to increase the number of days to three (3) days per year with the ability to accumulate up to six (6) days. The Association also proposes that the pay to employees for unused personal days be increased to \$150/day.

The **District** proposes to keep a status quo arrangement.

Discussion. I agree with the changing economic environment that the amount of payment for unused personal days be increased to \$150/day as recommended by the Association, but in recognition of the additional costs this represents for the District, I do not believe additional personal days are warranted, nor the accumulation of personal days.

Recommendation. I recommend that the reimbursement for unused personal days be increased to \$150/day, but do not recommend any increase in the number of personal days, nor the accumulation of days from year to year.

Issue No. 8 (Item No. 19 above): Other Leaves (Family Medical Leave Act (FMLA)).

Current Status. The most recent Agreement provides for FMLA defining a year to be from July 1st to June 30th. That Agreement also provides for employees to use sick leave in conjunction with FMLA in regard to “serious health conditions.”

Position of the Parties.

The **Association** proposes to keep this section status quo.

The **District** proposal which was fleshed out in our executive session discussions has been altered slightly to a “rolling” 12-month period measured backward from the date an employee uses any FMLA leave. Under the “rolling” 12-month period, each time an employee takes FMLA leave, the remaining leave entitlement would be the balance of the 12 weeks which has not been used during the immediately preceding 12 months.

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Example 1: Employee #1 requests three weeks of FMLA leave to begin on July 31st. The Employer looks back 12 months (from July 31st back to the previous August 1st) to see if any FMLA leave had been used. Employee #1 had not taken any previous FMLA leave, so he/she is entitled to the three weeks he/she requested and has nine more weeks available.

Example 2: Employee #2 requests two weeks of FMLA leave to begin on November 1st. The Employer looks back 12 months (from November 1st back to the previous November 2nd) and sees that Employee #2 had taken four weeks of FMLA leave beginning January 1st, four weeks beginning March 1st, and three weeks beginning June 1st. Employee #2 has taken 11 weeks of FMLA leave in the 12-month period and only has one week of FMLA-protected leave available. After Employee #2 takes the one week in November, he/she can next take FMLA leave beginning January 1st as the days of his/her previous January leave “roll off” the leave year. Further, the District proposed that FMLA leave shall cease at the conclusion of the disability period following the birth of a child. It also offered a proposal for circumscribing sick leave in conjunction with FMLA/paternity leave or FMLA/adoption leave.¹

Discussion. I was unaware from the testimony adduced during the hearing as to whether sick leave usage in conjunction with FMLA usage has been a problem or not. However, ceasing the FMLA usage disability period following the birth of a child sounds reasonable, and appropriate, as does the District’s proposal regarding usage of FMLA with paternity and/or adoption leave. With regard to how the FMLA leave is granted, I am more concerned with fairness and equity for Bargaining Unit Members.

Recommendation. The District’s total proposal is recommended for adoption and inclusion in the Agreement.

Issue No. 9 (Item No. 20 above): Other Leaves (Extended Leave).

Current Status. Under the most recent Agreement, employees at the conclusion of FMLA leave usage are reinstated into their regular positions (or equivalent positions)

Position of the Parties.

The **Association** The Association proposes to keep this section status quo.

The **District** proposes to define what is meant by equivalent position and further proposes additional language for employees on uncompensated leave for childrearing who return to duty to receive a proportional amount of sick/personal leave.

Discussion. I do appreciate what this proposal does to female bargaining unit members who give birth, or even to those who go on uncompensated leave for childrearing. I believe that after the sick/personal leave is used that the employee, he/she should be able to return to the job without having to wait perhaps months until a new semester begins before returning.

Recommendation. I recommend this issue remain status quo as under the existing CBA.

Issue No. 10 (Item No. 21 above): Other Leaves (Supplemental Positions).

Current Status. The most recent Agreement contained a provision for bargaining unit members on leave retaining their supplemental positions, and during his/her leave, for that Member to choose which bargaining unit member would perform the supplemental duties.

Position of the Parties.

The **Association** proposes to keep this section status quo.

¹ The District’s altered proposal and the examples cited above were taken from the U.S. Department of Labor’s Wage and Hour Division Fact Sheet #28H (February 2013) which contains four methods for the employer to establish a 12-month period. The method recommended by the District is Method #4.

The **District** proposes a change to enable the District to determine who should perform the supplemental duties in the bargaining unit member's absence.

Discussion. The Employer is charged with managing the workforce, and the current language on bargaining unit members choosing which bargaining unit member performs supplemental duties in his/her absence takes away that management prerogative. I agree with the District on wanting to make this minor change in Agreement language.

Recommendation. I recommend adoption of the District's proposal.

Issue No. 11 (Item No. 22 above): Other Employee Benefits (Professional Dues Deduction).

Current Status. The most recent Agreement contained a provision for deducting Association dues with appropriate authorization.

Position of the Parties.

The **Association** proposes to add a provision so that the District will also deduct voluntary PACE contributions with appropriate member authorization.

The **District** proposes to keep the provision status quo.

Discussion. I would much like to keep politics or even voluntary dues deductions for such contributions out of the Agreement. I am not privy to how many other voluntary deductions (to charities or whatever) that the District currently makes, but I believe professional dues deductions should be limited to Association dues and not for other unrelated areas.

Recommendation. I recommend adoption of the District's proposal.

Issue No. 12 (Item No. 23 above): Other Employee Benefits (Payment on Retirement).

Current Status. The most recent Agreement contained a provision for bargaining unit members who achieved certain status, at retirement, to receive a retirement bonus on a sliding scale.

Position of the Parties.

The **Association** proposes to keep the sliding scale but to liberalize the scale by providing four (instead of three) groupings and to increase the amount of the retirement bonus payments .

The **District** proposes to keep the payments the same for their three groupings at \$45, \$55 and \$70 for all three years of the new Agreement.

Discussion. This is yet another economic proposal that will cost the District money – money that is not readily available given the future financial obligations for such things as capital improvements, building renovations, and pension obligations. While I believe when economic conditions are problematic, that such retirement bonus payment could be eliminated, since neither side proposed their elimination, I concur with the District's proposal which continues the retirement bonuses at their current level during the life of the new Agreement.

Recommendation. That the District proposal be adopted.

Issue No. 13 (Item No. 24 above): Miscellaneous Contract Provisions (Professional Workday).

Current Status. The most recent Agreement contains provisions for the hours in a workday to include planning time.

Position of the Parties.

The **Association** proposes to delete hall duty and cafeteria duty from professional work assignments and to include a provision that homebase teachers will be relieved of one (1) duty period per week. Aside from those proposals, the Association desires to keep the provision status quo.

The **District** proposes to delete the identification of specific hours and to eliminate the planning time from the professional workday. The District also desires to include clarification on the meaning and impact of special schedules on the professional workday. It also proposes to eliminate the language describing "7 period day combination of teaching and duty" requiring prior approval of the teacher involved.

Discussion. I can understand why both parties made the proposals they did. I agree with the Association proposal that in the interest of equity (some bargaining unit members had homeroom duty; some did not). I agree that the teachers with the assignment should receive some form of compensation – one duty-free period per week sounds reasonable and appropriate under the circumstances. However, I would make no changes to the hall and cafeteria duty requirements as these are rolls traditionally performed by bargaining unit members and should remain so. With regard to the District proposals to change the "planning" and "prep" time terminology, I believe this has not been shown to be a problem and recommend it be treated as status quo. However, I do see the need to identify the special schedules as days that reduce class time and believe that language in the District's proposal should be adopted in the new Agreement. Under paragraph 6a., the language that the District proposes to remove is more a housekeeping function that should be adopted. I also concur in the District's proposal to curtail mention of specific hours in the workday as sometimes Bargaining Unit Employees must start a little early or leave a little later than the

7:30 a.m. to 4:00 p.m. specified in the Professional Workday language. However, the Union also made a good point of permitting some flexibility by putting “a collar” around the workday to specify that the hours or 7:30 a.m. to 4:00 p.m. to permit 20-30 minutes flexibility to the District.

Recommendation. I recommend the homebase teachers (those with homeroom duty) be provided one duty-free period per week and agree to the District’s proposed changes to identify special schedule days and make the recommended changes the District proposed. Also, the deletion of the no longer needed paragraph in section 6a is recommended. One further recommendation regards the current language in the existing Agreement that addresses specific start and ending times of the workday. Currently, that is specified as 7:30 a.m. to 4:00 p.m. That language should remain in the Agreement but with the stipulation that the District could modify those times by not more than thirty (30) minutes each way in case of need perceived by the District.

Issue No. 14 (Item No. 25 above): Miscellaneous Contract Provisions (Release Time for GVEA Officers to Meet with Principals and Administrators).

Current Status. There is limited language in the most recent Agreement dealing with this issue.

Position of the Parties.

The **Association** proposes to add language to the current provision which deals with any elected GVEA president who is also an elementary school employee being providing release time. It proposes similar language for any elected GVEA President who is a high school employee or a middle school employee regarding release time to perform Association duties.

The **District** proposes keep the language status quo from the most recent Agreement.

Discussion. The Association has a valid and supportable reason for proposing the changes to put language in the Agreement which gives the GVEA president – whether an elementary school employee, a middle school employee, or a high school employee – release time to attend to official GVEA responsibilities with the administration.

Recommendation. The Association’s proposal is recommended for adoption into the new Agreement.

Issue No. 15 (Item No. 26 above): Miscellaneous Contract Provisions (New K Transfers and Teaching Assignments Proposed by the Association (new)).

Current Status. No language currently exists regarding this issue.

Position of the Parties.

The **Association** proposes to add language to include (a) purpose of the provisions; (b) encouragement of volunteers; (c) discussion with those being transferred; (d) posting of anticipated vacancies; (e) involuntary transfers; (f) voluntary transfers; (g) written notice of tentative assignments; (h) Notification of bargaining unit members of vacancies that occur over the summer months; and (i) definitions of terms

The **District** proposes keep the language status quo from the most recent Agreement.

Discussion. The most significant issue within the Association’s proposal has to do with involuntary terminations. I agree that coverage of this item needs to be made so as to provide a means for bargaining unit employees to understand and discuss the District’s rationale for such involuntary transfers.

Recommendation. I recommend the Association’s proposal be adopted for the sole area of Involuntary Transfers. With regard to involuntary transfers, to the extent they are necessary; the District shall consider seniority as part of its determination. While seniority is not controlling, to the extent the District does not select the least senior bargaining unit member for such transfers it shall demonstrate a valid business and/or educational reason why a more senior employee was selected for the involuntary transfer. The parties agree involuntary transfers cannot be for arbitrary and capricious reasons.

Issue No. 16 (Item No. 27 above): Online/Cyber School.

Current Status. There are no provisions in the most recent Agreement.

Position of the Parties.

The **Association** makes no proposal.

The **District** proposes language to give it the right to introduce cyber school language into the Agreement with the caveat there will be no resultant furlough of bargaining unit members.

Discussion. Cyber schooling is a growing area that has been pretty much overlooked by the District until recently. The District recognizes that increased emphasis and attention is being given to this mode of education and that by entering into the fray, cyber school instruction could stem some of the loss of revenue the District is experiencing over cyber schooling.

Recommendation. My recommendation is for contract language to be incorporated into the Agreement which establishes a labor-management committee comprised of both Board and Association members to further study inline/cyber school instruction and to submit those recommendations to the Administration and Board for their consideration. To the extent the joint labor-management committee cannot fully address all issues herein, some issues may require bargaining. Mandatory subjects of bargaining may need to occur between the parties under the circumstances. Please note, not all issues will be subject to bargaining.

ALL OTHER MATTERS

Any other matters not previously agreed upon or specifically addressed herein are recommended to be withdrawn. Any agreements mutually made prior to the date of this Report that are not specifically addressed in this Report are recommended to be included, as agreed upon, in the Agreement.

W. W. Lowe
William W. Lowe
Fact Finder

Dated: December 1, 2014
Red Lion, Pennsylvania

Appendix A

GARNET VALLEY EDUCATION ASSOCIATION AND GARNET VALLEY SCHOOL DISTRICT (SALARY SCHEDULES FOR 2014 – 2017)

- A. For the 2014-15 through 2016-17 school years, Bargaining Unit Employees covered by this Agreement shall be compensated in each year of the Agreement in accordance with the schedules which follow:

1. 2014-2015 Schedules:

2014-15 Salary Schedule						
	B	B+12	B+24	M	M+15	M+30
1	45,100	46,100	46,900	48,500	49,900	51,900
2	45,400	46,500	47,300	49,300	50,600	53,000
3	45,900	47,000	47,700	50,000	51,400	53,600
4	46,700	48,300	49,000	51,100	52,500	54,500
5	47,400	49,000	49,900	52,100	52,600	54,600
6	47,700	49,100	50,900	54,100	54,600	57,200
7	47,700	49,100	51,800	56,000	56,300	59,200
8	47,800	49,100	52,100	58,300	58,900	61,800
9	49,700	50,800	53,400	61,000	62,400	64,400
10	50,900	52,700	56,300	63,900	65,600	68,000
11	50,900	52,700	59,200	67,700	69,300	72,100
12	50,900	52,700	62,500	71,600	73,200	76,500
13	50,900	52,700	67,300	76,500	78,200	81,800
14	50,900	52,700	70,200	78,200	81,200	84,200
15	50,900	52,700	74,200	82,700	84,200	89,200
16	51,400	53,200	79,800	88,900	90,900	94,900
Step and Column movement effective on pay 14						

2014-15 Supplemental Pay						
	B	B+12	B+24	M	M+15	M+30
1						
2						
3	700	600	800	400	200	400
4	200					100
5	300	300	100		900	900
6	700	900				
7	1,200	1,400	100			
8	1,400	1,500	700			
9						
10						
11	1,000	1,000				
12	1,500	1,500				
13	1,500	1,500				
14	1,500	1,500				
15	1,500	1,500				
16	1,500	1,500	700	700	700	700

2. 2015-2016 Schedules:

2015-16 Salary Schedule						
	B	B+12	B+24	M	M+15	M+30
1	45,100	46,100	46,900	48,500	49,900	51,900
2	45,400	46,500	47,300	49,300	50,600	53,000
3	45,900	47,000	47,700	50,000	51,400	53,600
4	46,700	48,300	49,000	51,100	52,500	54,500
5	47,400	49,000	49,900	52,100	52,600	54,600
6	47,700	49,100	50,900	54,100	54,600	57,200
7	47,700	49,100	51,800	56,000	56,300	59,200
8	47,800	49,100	52,100	58,300	58,900	61,800
9	49,700	50,800	53,400	61,000	62,400	64,400
10	50,900	52,700	56,300	63,900	65,600	68,000
11	50,900	52,700	59,200	67,700	69,300	72,100
12	50,900	52,700	62,500	71,600	73,200	76,500
13	50,900	52,700	67,300	76,500	78,200	81,800
14	50,900	52,700	70,200	78,200	81,200	84,200
15	50,900	52,700	74,200	82,700	84,200	89,200
16	51,400	53,200	79,800	88,900	90,900	94,900

2015-16 Supplemental Pay						
	B	B+12	B+24	M	M+15	M+30
1						
2						
3	700	600	800	400	200	400
4	200					100
5	300	300	100		900	900
6	700	900				
7	1,200	1,400	100			
8	1,400	1,500	700			
9						
10						
11	1,000	1,000				
12	1,500	1,500				
13	1,500	1,500				
14	1,500	1,500				
15	1,500	1,500				
16	1,500	1,500	700	700	700	700

3. 2016-2017 Schedules:

2016-17 Salary Schedule						
	B	B+12	B+24	M	M+15	M+30
1	45,100	46,100	46,900	48,500	49,900	51,900
2	45,400	46,500	47,300	49,300	50,600	53,000
3	45,900	47,000	47,700	50,000	51,400	53,600
4	46,700	48,300	49,000	51,100	52,500	54,500
5	47,400	49,000	49,900	52,100	52,600	54,600
6	47,700	49,100	50,900	54,100	54,600	57,200
7	47,700	49,100	51,800	56,000	56,300	59,200
8	47,800	49,100	52,100	58,300	58,900	61,800
9	49,700	50,800	53,400	61,000	62,400	64,400
10	50,900	52,700	56,300	63,900	65,600	68,000
11	50,900	52,700	59,200	67,700	69,300	72,100
12	50,900	52,700	62,500	71,600	73,200	76,500
13	50,900	52,700	67,300	76,500	78,200	81,800
14	50,900	52,700	70,200	78,200	81,200	84,200
15	50,900	52,700	74,200	82,700	84,200	89,200
16	52,400	54,200	80,800	89,900	91,900	95,900

Step and Column movement effective on pay 7