

COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA LABOR RELATIONS BOARD
FACT-FINDING REPORT AND RECOMMENDATIONS

OSWAYO VALLEY SCHOOL DISTRICT)
) Case No. ACT 88-16-30-E
And)
) Date of Hearing: January 19, 2017
OSWAYO VALLEY TEACHERS ASSOC.) Date of Report: January 29, 2017

Vincent C. Longo, Esq.
Fact-Finder

For the District: Mitch DeLong, Board Member/Chief Negotiator
Oswayo Valley School District
277 S. Oswayo Street
Shinglehouse, PA 16748

For the Association: Scott Carpenter, UniServ Representative
106 N. Main Street
P.O. Box 328
Port Allegheny, PA 16743

BACKGROUND

By letter dated December 20, 2016, the Pennsylvania Labor Relations Board (PLRB), pursuant to Act 88 of 1982 and the Public Employe Relations Act (PERA), appointed the undersigned as Fact-Finder in an effort to resolve the impasse between the Oswayo Valley School District (“District”) and the Oswayo Valley Teachers Association (“Association”).

The parties have a continuing bargaining relationship and are parties to a collective bargaining agreement (“Agreement”). The parties met multiple times for the purpose of negotiating a successor Agreement but were unable to reach agreement on all issues raised during the course of negotiations. Consequently, the District requested Fact-Finding.

In accordance with an order of the PLRB, the parties filed with the undersigned written statements of the issues in dispute. The disputed issues are as follows:

1. Health Insurance
2. Early Retirement Incentive
3. Extra-Curricular Compensation
4. Credit Reimbursement
5. Volunteers to Coach Extra-Curricular Activities
6. Personal Leave
7. Length of Day
8. Term of Agreement
9. Second Certification
10. Professional Compensation

On January 19, 2017, a fact-finding hearing was held in accordance with the Pennsylvania Labor Relations Act before the undersigned at the District’s administrative office in Shinglehouse, Pennsylvania. During the hearing, both parties were afforded a full opportunity to present evidence and argument in support of their respective positions.

ISSUES IN DISPUTE AND RECOMMENDATIONS

Health Insurance

District Position

The District proposes the implementation of a Qualified High Deductible Health Plan. The Plan, the details of which are set forth in Schedule B of the District’s draft agreement, is similar to one recently adopted in the Port Allegheny School District. There have been

significant cost increases in health care and this proposal is fair and aligns with the District's budget constraints. Health care costs will continue to rise. The year-and-a-half delay in negotiating a new CBA has cost the District \$116,742 in missed opportunities.

Association Position

The Association is agreeable to moving to a Qualified High Deductible Plan (\$1,300/\$2,600). In so doing, employee contributions to the HSA would be capped annually at \$440 for single coverage and \$690 for family/2-person/parent-child(ren) coverage, with the District covering the remainder of the HSA as of July 1. There also should be an implementation of a HRA, as there are a variety of circumstances that could render some of the bargaining unit members ineligible to use a HSA.

Recommendation

Both parties acknowledge that health care costs are rising and that this must be addressed with as little negative impact as possible on employees' benefits. To that end, it is recommended that the parties implement a QHDHP with employee contributions to the HSA capped annually at \$440 for single coverage and \$690 for family/2-person/parent-child(ren) coverage. It is also recommended that the parties adopt a vehicle to protect any employees who may not be eligible for an HSA.

Early Retirement Incentive

District Position

The District proposes that the early retirement incentive clause, Article XII, paragraph H, be eliminated in its entirety. This clause is outdated and has no value to the District or the taxpayers. The District is satisfied with the current teaching staff and has no desire to see any teachers retire early. Furthermore, over the next three years the District has seven teachers eligible for the incentive, which would leave the District exposed for \$165,000.

Association Position

The Association does not agree to eliminate the early retirement incentive. This incentive is beneficial to the District because it can encourage high-priced qualifiers out, paving the way for lower-priced replacements (or no replacements). The Association proposes to maintain the early retirement incentive but modify it such that the benefit may only be paid to the employee as a lump sum payment, eliminating the option of applying the benefit toward medical insurance premiums. This modification will eliminate the danger of constructive receipt.

Recommendation

Although the early retirement incentive exposes the District to the potential for early retirement payouts, the District will recover some of those payouts because higher-salaried employees will be taking advantage of the incentive and may be replaced by lower-salaried employees. It is recommended that the early retirement incentive not be eliminated from the Agreement. Furthermore, the District has identified no negative consequences to the Association's proposal to eliminate the lump sum/medical insurance premium option, and it is recommended that the Association's proposal to eliminate this choice be adopted.

Extra-Curricular Compensation

District Position

The District proposes to implement a defined base salary for extra-curricular contracts as opposed to the current step increase system. The base salaries are an approximate average of surrounding school districts with similar enrollments. Some of the current salaries are excessive and far exceed those in comparable school districts.

Association Position

The Association proposes to maintain the current step increase structure, with 2% annual increases for each year of the Agreement. The Association has explored a counterproposal but does not know what employees are currently earning.

Recommendation

The District's proposal aligns extra-curricular compensation with comparable school districts in the area. The District's proposal will result in some employees' compensation increasing and some decreasing. The District's proposal does not provide any increases in years two and three of the Agreement. It is recommended that the District's proposal of defined base salaries be implemented, in

accordance with the base salaries set forth in the District's proposal. It is further recommended, however, that the base salaries increase by 2% in years two and three of the Agreement.

Credit Reimbursement

District Position

The District proposes that annual credits be reduced from 18 to 15 and that the maximum credits that may be reimbursed be reduced from 65 to 40.

Association Position

The Association is willing to limit credit reimbursement to 15 credits yearly. The Association proposes that the maximum credits remain at 65.

Recommendation

It is recommended that annual credit reimbursement be reduced from 18 to 15, which is consistent with both parties' positions. It is also recommended that the maximum credits that will be reimbursed be reduced from 65 to 50, which will allow for professional development while having a positive impact on the District's budget.

Volunteers Coaching Extra Curricular Activities

District Position

The District proposes to add to the Agreement an option whereby qualified volunteers may coach extra-curricular activities. With limited revenues and increasing expenses, the District has been approached by residents of the District willing to volunteer as coaches. This will save money for the District.

Association Position

The Association is not agreeable to the District's proposal to accept volunteer coaches. The District points out that volunteer positions already exist in the District, without objection by the Association.

Recommendation

The District will save money via the implementation of a base salary for coaches (see above, extra-curricular compensation). It is recommended that the District's proposal to utilize volunteers for extra-curricular activities not be implemented.

Personal Leave

District Position

The District proposes to reduce personal leave days from four to two. The District views four days as excessive. The District points out that 12 of the 14 school districts in the IU have two personal days.

Association Position

The Association proposes that the number of personal days remain at four. The Association points out that personal days were increased from two to four in the 2008 – 2012 contract in order to compensate for the elimination of two emergency days.

Recommendation

In the opinion of the undersigned, four annual personal days is not excessive. It is recommended that the Agreement remain unchanged and the number of personal days remain at four.

Length of Day

District Position

The District takes the position that the length of the school day must be more clearly defined. A standard workday is defined in the Agreement as 7 hours and 30 minutes. However, there is disagreement between the District and the Association regarding

compensation for teachers who go off-campus for professional development. Teachers want compensation for this off-campus time. No school district provides such compensation. The District does reimburse teachers for travel expenses and pays teachers for work performed during the summer.

Association Position

The Association has no interest in changing the Agreement and points out that this matter is currently the subject of grievances/arbitrations.

Recommendation

It is recommended that the Agreement specify that teachers are not to be paid for off-campus professional development time. Off-campus professional development is not mandated by the District and is a choice of the teacher. However, it is also recommended that the Agreement specify that teachers are to be compensated for District-mandated extra time, such as being required to arrive early and/or stay late in order to complete required tasks.

Term of Agreement

District Position

The District proposes that the term of the Agreement be July 1, 2016 through June 30, 2019. The 2014 – 2015 budget is closed and retroactivity to those years would put a strain on the District’s budget.

Association Position

The Association proposes that the term of the Agreement be July 1, 2015 through June 30, 2018. The District’s proposal completely ignores the 2015 – 2016 school year. The Association should not be punished. The Association did not delay the negotiation process.

Recommendation

It is recommended that the term of the contract be from July 1, 2016 through June 30, 2019.

Second Certification

District Position

The District proposes that teachers receive a second certification payment only if they are using the certification to teach. The District proposes that language in the Agreement specifying that the payment be made “per semester” be eliminated.

Association Position

The Association agrees with the District that no teacher shall receive payment if they are not using their second certification to teach. The Association proposes that the language specifying that payment shall be made “per semester” remain in the Agreement.

Recommendation

It is recommended that the “per semester” language remain in the Agreement. Eliminating this language will lead to confusion and grievances.

Salary Scale (Schedule A-1)

District Position

The District proposes a three-year Agreement – 2016-2017, 2017-2018, and 2018-2019. In year one of the Agreement, \$200 would be added to each step. In years two and three, no additional compensation would be added. The District maintains that accepting the Association’s proposal would put the District deeply in debt.

Association Position

The Association also proposes a three-year Agreement, but with the term being 2015-2016, 2016-2017, and 2017-2018. In each year of the Agreement, \$1,300 would be added to each step. The Association points out that salaries were frozen in the prior Agreement. The Association contends that the District’s total salary obligation would be limited because of staff reduction and veteran teachers retiring, with replacements being hired at the entry rate.

Recommendation

As is apparent, the parties are far apart in their salary proposals. While the Association takes the position that a \$1,300 increase is reasonable given the configuration of teachers in the various steps, in the opinion of the undersigned \$1,300 is excessive. On the other hand, the District's proposal is so minimal that it nearly amounts to a salary freeze. The Association accepted a salary freeze in the prior Agreement. Something more than what the District proposes is warranted. It is recommended that \$400 be added to each step of the salary schedule. The District's proposal that the Agreement begin with the 2016-2017 school year is also recommended, which results in no retroactivity for the Association for the 2015-2016 school year. It is recommended that the language regarding additional compensation beyond Step 20 remain unchanged.

2016-2017

Steps	BS	MS/MQ	MS+30
1	38,899	40,856	42,814
2	40,204	42,161	44,119
3	41,509	43,466	45,424
4	42,814	44,771	46,729
5	44,119	46,076	48,034
6	45,424	47,381	49,339
7	46,729	48,686	50,644
8	48,034	49,991	51,949
9	49,339	51,296	53,254
10	50,644	52,601	54,559
11	51,949	53,906	55,864
12	53,254	55,211	57,169
13	54,559	56,516	58,474
14	55,864	57,821	59,779
15	57,169	59,126	61,084
16	58,474	60,431	62,389
17	59,779	61,736	63,694
18	61,084	63,041	64,999
19	62,389	64,346	66,304
20	63,694	65,651	67,609

2017-2018

Step	BS	MS/MQ	MS+30
1	39,299	41,256	43,214
2	40,604	42,561	44,519
3	41,909	43,866	45,824
4	43,214	45,171	47,129
5	44,519	46,476	48,434
6	45,824	47,781	49,739
7	47,129	49,086	51,044
8	48,434	50,391	52,349
9	49,739	51,696	53,654
10	51,044	53,001	54,959
11	52,349	54,306	56,264
12	53,654	56,611	57,569
13	54,959	56,916	58,874
14	56,264	58,221	60,179
15	57,569	59,526	61,484
16	58,874	60,831	62,789
17	60,179	62,136	64,094
18	61,484	63,441	65,399
19	62,789	64,746	66,704
20	64,094	66,051	68,009

2018-2019

Step	BS	MS/MQ	MS+30
1	39,699	41,656	43,614
2	41,004	42,961	44,919
3	42,309	44,266	46,224
4	43,614	45,571	47,529
5	44,919	46,876	48,834
6	46,224	48,181	50,139
7	47,529	49,486	51,444
8	48,834	50,791	52,749
9	50,139	52,096	54,054
10	51,444	53,401	55,359
11	52,749	54,706	56,664
12	54,054	56,011	57,969
13	55,359	57,316	59,274
14	56,664	58,621	60,579
15	57,969	59,926	61,884
16	59,274	61,231	63,189
17	60,579	62,536	64,494
18	61,884	63,841	65,799
19	63,189	65,146	67,104
20	64,494	66,451	68,409

CONCLUSION

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

Confidentiality of the report should be maintained during the ten-day consideration period. In the event of rejection of the report, confidentiality should be maintained until the report is officially released for publication by the Pennsylvania Labor Relations Board.

Vincent C. Longo, Esq.
Fact-Finder
Pittsburgh, Pennsylvania

Issued: January 29, 2017