

COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA LABOR RELATIONS BOARD

PLRB Case No. ACT 88-12-38-E

In the Matter of Fact-Finding

Between

DOWNINGTOWN AREA SCHOOL DISTRICT

and

DOWNINGTOWN AREA EDUCATION ASSOCIATION

REPORT OF THE FACT-FINDER

Pursuant to Act 88 of 1992, Commonwealth of Pennsylvania, and Sections 96.61 through 96.64, Public Sector, Rules and Regulations, PLRB, Chapter 95, the undersigned was appointed as Fact-finder by the PLRB on the 18th day of December 2012.

BACKGROUND

The Downingtown Area Education Association (the Association or DAEA) is the bargaining agent for eight hundred and sixty professionals in the Downingtown Area School District. The bargaining unit is comprised of teachers, nurses, librarians, guidance counselors, coordinators, and English as a second language tutors.

Downingtown Area School District, (the School District, District or DASD) is located in Chester County, Pennsylvania. The School District services close to twelve thousand (12,000) students and manages two high schools, two middle schools, ten elementary schools, the Downingtown Cyber Academy and the Downingtown STEM Academy.¹ It is currently in the process of building a Sixth Grade Center to alleviate the high student population in the middle schools.

The parties are signatories to a collective bargaining agreement with an expiration date of August 31, 2011. Prior to the expiration of the contract, the parties engaged in informal "early bird" discussions from December 2010 through September 2011. Unfortunately, the efforts were not successful.

Thereafter, the parties commenced formal negotiations for a new collective bargaining agreement on November 1, 2011. The negotiation teams met sixteen times formally and exchanged proposals until September 4, 2012. On September 10, 2012, the School District made a "Last Best Offer" to the Association. The Association was asked to respond to the offer by October 19 or it would be withdrawn. This deadline was extended until October 22, 2012 at the suggestion of Mediator Richard Stober.

The Last Best Offer was withdrawn on October 22 when the School District did not receive a specific response to its proposal. The Association requested another meeting with the School District to present a new proposal to the School District. At the November 13, 2012 meeting, the Association provided the School District with an off the record informal proposal, and at the same time, advised the School District that it was going to proceed to fact-finding. On November 20, the District advised the Association that it was rejecting the November 13, 2012 proposal.

When an impasse was reached, the Association requested that the Pennsylvania Labor Relations Board appoint a Fact-finder. The Pennsylvania Labor Relations Board thereupon appointed the undersigned

¹ Association Book 1, Tab 1 School District Profile, and the Downingtown Area School District website- www.dasd.org

Fact-finder pursuant to the Public Employee Relations Act and Act 88. The parties submitted to the Fact-finder their respective list of issues on January 4, 2013.²

A hearing was held on January 18, 2013 at the Downingtown Area School District in Downingtown, Pennsylvania. At the hearing, the parties formally presented their positions and relevant information on the issues. Mr. Ellis Katz, Esq. represented the School District. Also present at the hearing on behalf of the School District were: Mr. Richard A. Fazio, Chief Financial Officer; Ms. Sharon Standish, Director of Human Resources; Ms. Jane Bertone, President of the School Board; Ms. Jacqueline Fenn, School Board Director; Mr. Bob Yorczyk, School Board Director; and Mr. Tom Ost-Prisco, School Board Director.

Ms. Tricia Audrain, PSEA Uniserv Representative; and Mr. Eric Elliot, PSEA Director of Research for School Funding and Finance, represented the Association. Also present on behalf of the Association were Mr. Craig Krusen, President of DAEA; Ms. Margaret M. Barnes, DAEA Elementary Vice President; Mr. Gary Gittis, DAEA Secondary Vice President; Mr. Michael J. Whiteley, DAEA Elementary Representative At Large; and Ms. Kathy M. Perry, PSEA Field Manager.

The Fact-finder also met in executive session with Mr. Katz and Ms. Audrain prior to the fact-finding hearing and held telephone conferences separately and together after the hearing for the purposes of clarifying the issues presented. I want to thank them for their professionalism and candor with me during the process.

ISSUES RESOLVED BEFORE AND DURING FACT-FINDING

1. Article IV, Wage and Salary Provisions, Section 4.0 Column Movement- (One column per year)
2. Article IV, Wage and Salary Provisions, Section 4.4 Instruction and Staff Development Related Work
3. Article IV, Wage and Salary Provisions, Section 4.12 District and Building Leadership Compensation
4. Article IV, Wage and Salary Provisions, Section 4.13 Mentors
5. Article IV, Wage and Salary Provisions, Section 4.14 Webmaster
6. Article V, Other Employee Benefits, Section 5.9 Group Insurance Benefits
7. Article V, Other Employee Benefits, Section 5.11.1 Use of Sick Days for Family Illness
8. Article V, Other Employee Benefits, Section 5.11.2 FMLA

ISSUES TO BE RESOLVED AT FACT-FINDING

The issues to be resolved by the Fact-finder are:

1. Article III, Term of the Agreement
2. Article IV, Wage and Salary Provisions, Section 4.0, Increases to the Salary Schedules (The 2007-2011 salary schedules are found in Appendices A through D of the 2007-2011 agreement)
3. Article V, Other Employee Benefits, Section 5.0 Health Insurance, Section 5.1, 5.2, 5.3 Options 1 to 3, Section 5.4 Health Care Premiums
4. Article II, Grievance Procedure and Complaint Procedure
5. Article IV, Wage and Salary Provisions, Section 4.0 Induction Days
6. Article IV, Wage and Salary Provisions, Section 4.1 Supplemental Contracts
7. Article IV Wage and Salary Provisions, Section 4.3 Proration of Supplemental Contracts for the 2007-2008 School Year
8. Article IV, Wage and Salary Provisions, Section 4.5 Extra Duty Pay
9. Article IV, Wage and Salary Provisions, Section 4.6 Summer School Work and Additional Duties
10. Article IV, Wage and Salary Provisions, Section 4.8 Payroll and Deductions
11. Article IV, Wage and Salary Provisions, Section 4.11 District and Building Leadership
12. Article IV, Wage and Salary Provisions, Section 4.15 Loss of Pay
13. Article V, Other Employee Benefits, Section 5.4 Cobra and Health Insurance
14. Article V, Other Employee Benefits, Section 5.8 Income Protection
15. Article V, Other Employee Benefits, Section 5.11 (New) Sick Days

² The Fact-finder extended the deadline because of the winter holidays that commenced during the five day period in which the issues were due. During this time, the Association and School District Offices were closed.

16. Article V, Other Employee Benefits, Section 5.17, Personal Days
17. Article V, Other Employee Benefits, Section 5.19 Retirement or Death of the Bargaining Unit Member.
18. Article V, Other Employee Benefits, Section 5.20 Workers Compensation Off-Set
19. Article V, Other Employee Benefits, Section 5.21 Payment for Professional Credit
20. Article V, Other Employee Benefits, Section 5.22 Tax Sheltered Annuities and Flexible Spending Accounts
21. Article VI, Hours of Work and Other Conditions of Employment, Section 6.0 Length of Work Year
22. Article VI, Hours of Work and Other Conditions of Employment, Section 6.4.5 (New) Online Instruction
23. Article VI, Hours of Work and Other Conditions of Employment, Section 6.5 Work Day
24. Article VI, Hours of Work and Other Conditions of Employment, Section 6.15 Secondary Preparation Time
25. Appendix F. Definitions, Masters Equivalency.

FINDINGS OF FACT

A. General Findings

The major issues in this dispute, unsurprisingly, are wages and health care benefits. The Association agrees with the School District regarding a wage and step movement freeze in 2011-2012, but proposes increases to the payroll during the successive years of the contract. It also proposes retention of the current health care plans, but acknowledged the necessity to increase the employees' monthly premium share. Thus, its proposal includes increases to the current monthly premium paid by bargaining unit employees. The Association believes that its proposals will keep the teachers in the School District competitive with that of their colleagues working in the surrounding districts.

In addition to salary and health benefits proposal, the Association made proposals on the term of the agreement, the grievance procedure, online instruction, payment for induction days, building and leadership positions, and other contractual matters. The Association points out that the work load of teachers has significantly increased due to new state and national requirements, Teachers are now required to access and analyze standardized tests data and tailor instruction in the class room and beyond to each student. The Association is seeking a fair and equitable contract, which recognizes the work of these valued and dedicated professionals.

Along with the wage and step movement freeze in 2011-2012, the School District proposed a bonus and step movement freeze in the 2012-2013 school year, and increases to salaries in the last two years of the contract. It also proposed changing the health care plans and increasing the amount the bargaining unit members contribute to the cost of the health care plan premium. The School District expressed concerns about increasing health care costs and PSERS liability. It opined that the dynamics of bargaining must change because of these economic unknowns. The School District believes that its proposals are fiscally responsible in light of the financial uncertainties that it faces in the next several years.

In addition to salary and benefits, the School District made proposals on the term of the agreement, loss of pay, non-instructional days, workers compensation, online instruction, tuition reimbursement, and other contractual language modifications.

In reaching the conclusions in this report, the Fact-finder considered the testimony, documents and arguments presented by the parties on all of the proposals. The documentation provided was well prepared and informative; and the presentation of the parties added valuable insight into the respective positions without be laboring the point.

The parties' negotiations as well as the hearing and the Fact-finder's deliberations were conducted in the midst of uncertain economic times. While the economy is slowly starting to recover, it is clearly a fragile recovery that could stall at any time. There is no question that the Governor and the Legislature must address the growing PSERS liability problem. That said, it is anyone's when they will address the issue, what they will do, and to what extent their solution will alleviate the School District's liability. The uncertain times do not make arriving at a settlement any easier. The parties were very close last fall to settling the dispute. They did agree on several things, in particular a wage and step movement

freeze in 2011-2012. Despite the impasse, they still do agree on several issues presented at fact-finding. There is no reason why they cannot bridge whatever gaps still remain to reach a equitable resolution for all. At the end of the day, approving a new contract between the Association and the School District is in the best interest of all of the stakeholders –students, professional employees, school board members, school administrators, parents and community members.

B. Specific Findings

1. Article III, Term of Agreement

The School District proposed a four-year agreement. The School District points to the “volatile fiscal environment” as a compelling reason for a shorter term.

The Association proposes a five-year agreement. It argues that if the term remains at four the parties will return to the bargaining table in only two years. The Association believes that it is in the best interest of the students, parents, staff, taxpayers and the District as a whole to focus on providing quality education instead of continuously negotiating.

A four-year agreement seems reasonable based upon the current climate. Should the parties adopt the fact-finders report and settle the contract now, a four- year term provides two and a half years of stability for both parties. Yet, it also gives the parties the ability sooner rather than later to address changes that might occur during the term of the agreement at the bargaining table, in particular, significant increases to health care costs and/or PSERS liability.

Recommendation:

The Fact-finder recommends a term of four years. The specific term is September 1, 2011 through August 31, 2015.

2. Article IV, Wage and Salary Provisions, Section 4.0, Increases to the Salary Schedules

The Association proposes the following regarding salary:

2011-2012	Wage freeze
2012-2013	3.45% increase including increment
2013-2014	3.50% increase including increment
2013-2015	3.55% increase including increment ³

The Association also proposed using as the base payroll matrix, the 2010-2011 matrix of \$58, 091, 272, because that is the matrix that the parties used when they commenced negotiations in December 2010.

The Association submits that the School District has the ability to pay the Association’s proposal. The Association points out that the School District has made it through the recession in remarkably good financial condition. Over the last seven budgets, the District often kept property tax rate increases at or below Act 1 index, raising them by more than the Act 1 index just twice. As revenue slowed the District was able to adjust growth to avoid financial trouble. The School District transferred over 90 million dollars from its General Fund to capital projects over the last eleven years. Recently, the general fund balance dropped by 12.3 million dollars but that was due to a transfer of funds and should not be interpreted as indicative of financial difficulties.

³ The Association proposed a salary increase for a fifth year of the contract. However, since I am only recommending a four-year agreement, the proposal is not included. The School District strongly objected to the Association’s submission of a revised salary proposal on January 9, 2013. Since I am not recommending that the parties’ adopt these increases, it is not necessary for me to address the School District’s objection.

The Association agreed to a hard freeze in 2011-2012 which will slow the growth in bargaining costs and bring them in lower than they might have been otherwise. Furthermore, line items in the budget containing bargaining unit salaries and benefits, including PSERS, have come in under budget in each of the last five years, by an average of \$8.7 million per year, and an average of \$5.2 million per year since 2001-02. Thus, the School District has the resources to cover the costs of the Association's proposal without significant tax increase or adverse impacts on other programs.

The Association points out that the School District's current proposal does not allow for step movement to occur in each year of the agreement and does not recognize years of experience and dedication provided by the highly qualified professional staff. At the current rate of movement, it would take the average professional employee twenty- five years to reach the top of the seventeen (17) step schedule.

Moreover, the School District's more recent proposal to the fact-finder is the first time that it proposed off schedule salary increases instead of a true salary increase. Additionally, the 2.63% increase is not retroactive. Thus, the most optimistic outcome would be that teachers would receive ¼ of the proposal or a .66% bonus which is significantly less than what it seems at first glance

According to the Association, the Downingtown teacher salaries are ranked in the mid-range of comparable salaries in other school districts in Chester County. The School District's proposal reduces this middle ranking and makes its salaries and benefits less competitive than the other districts. Moreover, the salary increases at the top of the salary schedule have not been enough to keep up with inflation even though the inflation rate is historically low. The Association's proposal would help offset this a little, but the School District's proposal would make it worse. If the School District wants to retain the best teachers it must not only be competitive, but it must offer even more incentives (financial and non-financial) than other districts.

The School District proposes the following regarding salary:

2011-2012	Wage freeze
2012-2013	2.63% bonus prorated to sixty days following the signing of the Agreement. The amount not to be added to the base salary or salary schedule.
2013-2014	2.70% increase including increment
2013-2015	2.95% increase including increment

The District also proposed using as the base payroll matrix, the 2011-2012 matrix of \$56,412,152.

The School District submits that its proposal is fair taking into consideration the comparable wage increases in Chester County; the competitiveness of the current salaries; and the economic realities facing the School District; in particular the looming PSERS liability. The School District points out that in its first formal proposal on November 1, 2011 and throughout the subsequent negotiations, the School District used this payroll number when discussing its salary proposal. It was also clearly understood by both parties that if the early bird negotiations did not result in a settlement, the parties were going to "start over." It is the District's position that the base payroll fixed at the start of formal negotiations is the appropriate matrix to use for purposes of this fact-finding report.

The District notes that during the term of the previous contract the average salary increases ranged from 4.55% to 4.70% which were well above the CPI during that time. Recognition of the tough economic times faced by school districts is evidenced by the average settlements in Chester County. Settlements in these school districts for 2011-2012 averaged 2.8% with increment; for 2012-2013, the average was 2% with increment; and for 2013-2014, the average was 2.4% with increment. This represents a significant reduction for Chester County school districts from 2009-2010 when the average increase were 4.6% and in 2010-2011 when the average was 3.6%.

It also must be said that the salaries in Downingtown are competitive with the other school districts. Several of the salaries are ranked at the top in comparing them to the other school districts and others are in the mid range ranking. Accordingly, there is no basis for the increases beyond those proposed by the District.

The School District believes a bonus is appropriate in the second year of the contract. Providing a bonus, instead of a salary increase, will relieve the pressure on the District regarding the compounding effect of salary increases in the years after 2012-2013. Additionally, the bonuses do not become part of the already large obligation to PSERS which the District will have. The District projects PSERS payments will increase dramatically over the next number of years from 12.63% this year to 21.25% by 2014-2015.

Finally, through the negotiations and during the fact-finding hearing, the Association has made much of the District's large fund balance. The District has an eight percent (8%) unrestricted fund balance with the remainder designated for numerous needs and purposes. In particular, the School District has a PSERS stabilization fund in the amount of \$16,330,000 that is designated for the PSERS ballooning liability. The size of the unrestricted fund balance is consistent with the School Code which calls for this level of fund balance.

Both parties made compelling presentations to support their respective positions. Upon reviewing the information supplied to the Fact-finder it was quite striking that the Association's August 29 salary proposal and its initial submission to the fact finder on salary was essentially the same. I also note that the School District's September 10 proposal mirrored, except for the retroactivity in 2012-2013, the salary increases proposed by the Association. While I appreciate that during negotiations proposals are withdrawn and removed for consideration, these proposals are certainly indicative that the parties had the same understanding of salary increases that would provide fair and competitive increases to the bargaining unit members, yet met the District's financial parameters considering the unknowns facing the District.

I also recognize that since that time, the cost savings from the District's proposed health care changes have not been realized. That said, there was no indication at the hearing that the District's financial position has changed dramatically during the past four months making its September 10 offer no longer financially viable. To address this concern, I am proposing retroactivity on the health care changes recommended, which should help the District recoup some of these lost savings.

Consequently, I have structured my recommendations on salary increases based upon these previous proposals with consideration given to the financial circumstances and economic realities facing the School District, in particular the looming PSERS liability bubble, and the financial realities faced by the professional employees who serve the School District. My recommendation also provides increases that are comparable to increases in other districts and maintains the competitiveness of the professional employees' salaries as compared to the salaries in the other school districts in Chester County.

(One note- the respective proposals regarding the master's equivalency are addressed in item No. 25 of this report.)

Recommendation:

The Fact-finder recommends that the parties adopt the following as it pertains to salary increases and step movement:

1. Base payroll matrix- \$56,412,152
2. Percentage increases as set forth below and the resulting salary schedules that are found in Appendix A attached to this report:

2011-2012-Freeze

2012-2013- 2.95% (including increment), retroactive to beginning of school year

2013-2014- 3.20% (including increment)

2014-2015- 3.30% (including increment)

3. As of September 1, 2012, individuals will move to the next step in the salary schedule. Step movement will commence for every year there after.
4. Any other changes proposed by the School District that are editorial in nature are to be implemented.

The Fact-finder agrees with the School District that the payroll matrix to be used is the one that existed at the beginning of formal negotiations. While the Association opined that using this matrix would be a disincentive to early bird negotiations in the future, I would hope that it would not have that impact. Early bird discussions are an attempt by the parties to settle an agreement well ahead of the expiration of the contract in order to provide a smooth transition from one contract to the next. It is a worthy goal regardless of what matrix is ultimately used should such discussions not bear fruit.

As stated previously, the recommended percentage increases are an attempt to mold the proposals that each party offered in August and September, before negotiations came to a halt. The percentage increase recommended for 2012-2013- 2.95%- is the same as that proposed by the School District in the September 10 proposal, except for the retroactivity, and the Association in August and in their initial submission to fact-finding. I am recommending retroactivity of salary increases in 2012-2013, because I am also recommending retroactivity for payment of the increased premium share as the District proposed.

I did not recommend a bonus in the 2012-2013 school year because the information provided by the School District does not support the need for prorated bonus, instead of a salary increase, for 2012-2013. The School District is essentially proposing that the bargaining unit members sustain another freeze. The Association agreed to freeze step movement in 2011-2012. The proposed bonus would then restrict step movement for 2012-2013 as well. Moreover, the prorated bonus would result in a minimal payment to the bargaining unit members for a full year of services. Two years of little or no salary increase is not warranted by the data supplied by the School District.

The recommended increases for 2013-2014, and 2014-2015, mirror the Association's proposed increases in their original submission to fact-finding for the fourth and fifth year of the contract. Since I am only recommending a four- year agreement, I moved up the percentage increases to the third and fourth year of the contract. Even so, the recommended increases are only one tenth of one percent (.10%) more in the third and fourth years than the proposed salary increases in the School District's September 10 offer; and a half of one percent (.5%) and a third of one percent (.35%) more than the School District's proposal in fact-finding. The recommended increases are also less than one half of one percent (.45%), a third of one percent (.35%) and a quarter of one percent (.25%), respectively, less than the Association's revised salary proposal submission to fact-finding.

During an executive session conference call the day that this report was issued, the parties advised me that there was no mutual agreement on the structure of the salary schedules created by the Association at my direction. I had previously advised the parties in an e-mail on January 24 containing my salary recommendations, that since longevity was not an issue in the Association's proposals or in fact-finding, unless there was mutual agreement to include longevity, the schedules attached to my report would not include longevity.

The Association created two sets of schedules --with longevity and without longevity. The Association submitted both sets of schedules to the School District for its review and approval. Apparently, the schedules that included longevity had advantages to both parties, but there

remained a disagreement over the starting salaries and the salaries in the PhD. column. Because of the strict time frames in which this report must be issued, there was no time for the parties to resolve their differences and arrive at schedules that would meet their needs. This is most unfortunate, since the differences were such that with time, I believe, an agreement could be reached. However, the Act 88 time frames don't provide flexibility for last minute negotiations.

Consequently, the schedules attached in Appendix A do not contain longevity at the top of the schedule. As the parties go forward after this process has concluded, should they agree on the increases recommended in this report, I strongly encourage them to meet and resolve these differences in the schedules.

3. Article V, Other Employee Benefits, Section 5.0 Health Insurance, Section 5.1. 5.2, 5.3 Options 1 to 3, Section 5.4 Health Care Premiums

Currently, the School District provides two different health care plans to the employees- Option 1 (PC 10/20/ 70) and Option 2 (PC 20/30/70). Bargaining unit members selecting Option 1 pay a flat monthly amount as their share of the premiums. Currently, that monthly amount is \$51, \$123, \$138, depending upon the type of coverage chosen, i.e. single, employee with one dependent, or family. Bargaining Unit members selecting Option 2 currently pay 2% of the monthly premiums.

The School District proposes changes to the plans offered to bargaining unit members and to increase to the premium share paid by the members for the plan. The School District proposes to eliminate Option 1 at the end of the school year, and offer Option 3 (PC 320) at the beginning of the 2013-2014 school year. It also proposes to increase the premium share to 10% for Option 1 until it is eliminated at the end of this school year; and 6%, 8, and 10%, respectively for the three years of the new contract for Option 2. For Option 3, the School District proposes a premium share of 5% and 7.5%, respectively, in the last two years of the contract. The premiums for Option 1, 2 and 3 will be calculated based on the "fully insured equivalent rate" as is currently used for Option 2. The proposed premium share for 2012-2013 is to be retroactively applied to September 1, 2012.

The School District also proposes the inclusion of language which would exclude a spouse from coverage if the spouse has coverage under another employer; and permit the School District to select a "comparable plan" during the term of the agreement.

The School District points out that if no changes to the plan and no changes in employee contribution levels take place, it will see its net costs for health insurance increase by more than 3.3 million dollars in one year. If the District changes are implemented the net costs will increase by less than \$500,000. While the costs still increase, the rate of increase slows down which is a critical and significant goal of the District. The District submits that its proposed premium share is not excessive. The District also submits that the plan options and the accompanying plan changes will still provide good coverage to the employees at a lesser cost to the District and to employees as they will be paying a lower premium share.

The Association proposes the continuation of Option 1 and Option 2. It opposes the elimination of Option 1. The Association proposes an increased premium share for both plans, but wants to maintain the flat rate for employees selecting Option 1. The premium share proposed for employees selecting Option 1 assumes a continued, but modest increase in costs. For example, the current family rate is \$138/month. By the end of the contract that monthly payment will increase to \$174. Bargaining Unit members selecting Option 2 will see their monthly premium share rise from 2% currently to 2.75% in 2014-2015. In proposing increases to the premium share, the Association does not benefit from any of the potential savings that may be gained by the District each year if the costs actually decrease.

The Association rejects the concept of removing Option 1 as a benefit for employees. The District did not present this concept until the September 10 offer. The Association recognizes that Option 1 is a more costly plan and has responded with a proposal that increases health insurance contribution for this plan should the employees remain in it. Currently, 84% of the Association

membership is enrolled in Option 1. The Association maintains that the School District can easily afford this proposal given its financial position.

The Association also rejects the concept of eliminating an employee's spouse from coverage if the spouse's employer provides coverage. Medical plans vary greatly. A spouse may work somewhere in which the health care plan offered is prohibitive or does not provide equivalent coverage. This will cost the employee more for health care and could translate directly into the potential for catastrophic economic loss.

The Fact-finder is well aware of the explosion of costs for anyone having to go to a doctor, hospitals, clinics, or obtaining any other type of health care service. Sadly, no one in government or the private sector has really taken the lead in addressing the increased costs. The result is that employer's adopt plans that are less expensive, but provide similar services by increasing co-pays and deductibles for the employees, or adopt plans that have lesser services without the increased out of pocket expenses for employees. In either case, employees are contributing more to their coverage through premium share, co-pays and deductibles. Neither the School District nor the Association can control this new reality, they can only react to it.

My recommendation below considered both parties' proposals at fact –finding, the increased in health care costs to the District and to the bargaining unit members, and the financial data pertaining to health care provided by both parties. I have provided below my reasoning for my specific recommendations.

Recommendation:

The Fact-finder recommends that the parties adopt the following as it pertains to Health Plans and Bargaining Unit premium share:

Year	Option 1 PC 10/20/70*	Option 2 PC 10/30/70	Option 3 PC 320**
2011-2012	No change	No change	Not available
2012-2013	10% premium share retroactive to September 1, 2012	3% premium share retroactive to September 1, 2012	Not available
2013-2014	12% premium share	4% premium share	2% premium share
2014-2015	No longer an option	5% premium share	3% premium share

*Option 1 will be eliminated as of June 30, 2014.

**Option 3 will become available as of July 1, 2013.

1. The premium share percentage recommended above for Option 1, 2, and 3 plans will be calculated based on the fully insured equivalent rates for medical, prescription, dental and vision benefits, since this is the current practice for Option 2.
2. Option 1 -10/20/70—Medical, Prescription, Dental and Vision benefits remains the same as in the current agreement until June 30, 2014.
3. Option 2- 20/30/70 –Medical, Prescription, Dental and Vision benefits are as described in the School District's submission on page 29, and Exhibit M.
4. Option 3- 320- Medical, Prescription and Dental benefits are as described in the School District's submission on p. 32 and Exhibit M.

5. The Fact-finder does not recommend inclusion of the terms "or comparable plan" regarding Options 2 and 3. However, should the School District find a plan that provides what it believes is "comparable coverage" to Option 2 or 3, it can certainly present such plan to the Association for consideration and possible inclusion in the contract.
6. I do not recommend the proposed language on the exclusion of spouses from health care coverage. While the School District was able to produce one other agreement from a school district outside of Chester County that had such exclusion, I believe it is such a significant change to the health care benefit that it is better left to the negotiating table.
7. I recommend that unless the parties can agree on language pertaining to white fillings, the white fillings grievance should proceed to arbitration.
8. Any other changes proposed by the School District that are editorial in nature are to be implemented.

According to the information supplied by the School District, employees selecting Option 1 are currently paying a flat rate that is between 7.77% and 9.95% of the premium depending upon the type of coverage chosen. In the previous year, the percentages were higher-- between 8.18% and 10.46% of the premium. The flat rate proposed by the Association for the family coverage in 2012-2013, \$152, is slightly less than 9% of the premium. Thus, the premium recommended for 2012-2013 will not result in a substantial increase for many of the bargaining unit members who have selected this option. The premium share recommended for 2013-2014, is a 2% increase over 2012-2013. The increase recommended recognizes that there will be increases in costs to the District by keeping this plan for another year, and it also may act as an incentive to employees to consider Option 2 or 3 for 2013-2014.

The benefits under Option 2 are similar to that of Option 1. Even with the recommended increased premium share for Option 2, employees who select Option 2 will still have a smaller premium payment than those who continue with Option 1 while receiving similar benefits. This may provide an incentive for individuals to leave Option 1 a year earlier providing cost savings for the District.

The percentages for Option 3 are designed to provide an incentive for individuals to move to the plan, because the employee will be paying a much lower premium. It also recognizes the increased out of pocket costs for certain services. By choosing this plan over Option 1 or 2, the School District's costs will be reduced.

A comment on my recommendation not to include the language "and/or comparable plan" into the provisions. It is certainly true that giving the School District the flexibility to shop around for a more cost effective plan during the term of the agreement may in fact benefit the bargaining unit members as well as the School District. However, the Fact-finder believes that unless there is an understanding between the parties as to what those terms mean prior their inclusion into the agreement, the result will be endless disputes over the phrase, i.e. does a plan have to provide comparable rates, comparable benefits, comparable deductibles, comparable copayments, comparable provider coverage in- and out- of-network, some of the above or all of the above to be considered a comparable plan. Better the parties meet and discuss what is meant by comparable plan and then put that language into the agreement. In the mean time, I have suggested that if the School District finds a plan that provides what it believes is "comparable coverage," the District present such plan to the Association for consideration.

4. Article II-Grievance Procedure and Complaint Procedure

The Association proposed a twenty work day period for all steps of the grievance procedure, except for level one which would remain at thirty work days for filing of the grievance. The Association made the proposal to provide uniformity in the grievance procedure. The Association also proposed to incorporate a Board level as the last step of the process before arbitration. The School District agreed with twenty work days for all levels of the grievance procedure, but proposed to change

thirty work days to twenty work days for filing of a grievance, for consistency purposes. The School District opposes including a Board level to the grievance procedure because it does not believe that the Board should be required to hold a meeting for every grievance.

The Association did not provide a rationale for its opposition to changing the thirty work days to twenty work days for filing a grievance. The Fact-finder agrees with the District that changing every step would provide certainty and uniformity in the process. Regarding Board level grievances, in the Fact-finder's experience, it is fairly common to have a board level response to the grievance. However, the language, with which I am familiar, does not require the board to hold a meeting, rather the language requires the Board review the grievance and respond to it. Thus, the fact-finder will recommend a board level to the grievance process, but make the holding of a meeting discretionary.

Recommendation:

The Fact-finder recommends that each step of the grievance procedure including the filing of the grievance have a twenty working day requirement. The Fact-finder recommends the inclusion of a new step three, which would be the board level, but the board has discretion in holding a board meeting or responding to the grievance without holding a board meeting. Arbitration will become a new level four to the process. The Fact-finder does not recommend any other changes proposed by either party.

5. Article IV Wage and Salary Provisions, Induction Days

The School District and the Association agree that up to three days a year can be used for induction and the School District no longer has to pay the workshop rate for the three days. The dispute is over when these three days must occur. The School District believes that these induction days can be held any time during the school year without incurring the obligation to pay the workshop rate. Currently, the school district uses two days prior to the start of the school year and one day during the school year to conduct induction programming. The Association believes that the three induction must occur prior to the commencement of the school year. It argues that once the school year commences an induction day should be compensated at the workshop rate since those employees will have to partake in this training while also fulfilling their teaching obligations in the classroom.

Recommendation:

The Fact-finder recommends the adoption of the School District 's language regarding induction days. The effective date will be August 1, 2013, since the school year is half over and the parties conducted induction under the current language.

The Fact-finder recommends the editorial changes contained in the School District's proposal pertaining to 4.0 as these changes will delete obsolete language, provide reference to the PDE form required for employee evaluations, and incorporate the agreed to language regarding horizontal movement.

6. Article IV, Wage and Salary Provisions, Section 4.1 Supplemental Contracts

The District and Association agree to freeze the rates for supplemental contracts at the rates applicable to the 2010-2011 school year through the term of this agreement. The School District and the Association also agree to the deletion of obsolete language.

The District proposes that no credit be given for years in the position for the 2011-2012 school year and the 2012-2013 school year. The Association agrees to the 2011-2012 freeze on credits, but does not agree to a freeze for the 2012-2013 school year. The School District does not believe that giving credit for years in a position for 2012-2013 is appropriate since the school year is half over and it would require retroactivity for activities that were already performed.

The School District proposes deleting the paragraph pertaining to grandfathering. The School District maintains that this will impact some individuals positively and some negatively. It will have a fairly neutral impact financially on the School District. The School District does not want to keep track of the point values for ninety-two individuals. The Association opposes such changes because it will have a negative impact on some individuals.

Recommendation:

The Fact-finder recommends maintaining the rates per point as agreed to by the parties.

The Fact-finder recommends the deletion of obsolete language. However, she does not recommend deletion of the grandfather language.

The Fact-finder recommends credit for years in the position for 2012-2013 and retroactive payment for those individuals who moved up a step in 2012-2013. This is consistent with the salary recommendation providing retroactive pay increases for 2012-2013.

7. Article IV, Wage and Salary Provisions, Section 4.3 Proration of Supplemental Contracts for the 2007-2008 School Year

The School District proposes to delete this provision as obsolete since it pertains to the strike that occurred prior to the last contract. The Association opposes the deletion stating that it has historical significance and can be used as a reference should a similar situation occur.

Recommendation:

The Fact-finder recommends deletion of the provision. Should the need arise, the Association can always refer to the 2007-2011 contract for guidance on how the parties handled the situation.

8. Article IV, Wage and Salary Provisions, Section 4.5 Extra Duty Pay

The District proposes to include the phrase "outside the contractual work day" to the first paragraph of this provision. The District stated that this is the current practice for extra duty pay, but it wanted to make it explicit in the Agreement. The District also proposed freezing the pay for extra duty work at the 2010- 2011 amounts and moving after school and Saturday detention duty and PSAT protector (during out of school hours) to level III.

The Association agrees to freezing the pay and moving the positions to level III. It does not agree to the inclusion of the phrase "outside the contractual work day." The Association submits that some individuals are being paid even if they are performing the extra duty within the contractual work day. The Association submits that teachers are being paid for extra duty work performed within the contractual work day, because their prep work for the extra duty is performed outside of the work day, or the teacher has to perform their regular duties outside the contractual work day as a result of the extra duty.

Recommendation:

The Fact-finder recommends a freeze on payments and the level changes to the two positions agreed to by the School District and the Association.

The Fact-finder does not recommend the inclusion of the phrase "outside of the contractual work day" as there does not appear to be agreement on the current practice.

9. Article IV, Wage and Salary Provisions Section 4.6 Summer School and Additional Activities

The School District proposes deleting two obsolete references in the provision-- "effective starting the summer of 2008" and "(no change in hours)." The Association agrees to the first change, but does not agree to the second. The Association believes that the parenthetical phrase has significance from an historical perspective and that by deleting the phrase the School District could increase hours without increasing pay.

Recommendation:

The Fact-finder recommends the adoption of both of the School District's proposed deletions from the provision.

10. Article IV, Wage and Salary Provisions 4.8 Payroll System and Deductions

The School District proposes several editorial changes to this provision. The Association agrees with all of the changes except for the deletion of the parenthetical phrase "(including long term substitutes)." The Association was concerned about the impact on long term substitutes. The School District stated that the provision is not applicable to long-term substitutes because they may not work until July 1.

Recommendation:

The Fact-finder recommends revising the provision as the School District proposed.

11. Article IV, Wage and Salary Provisions, Section 4.11 District and Building Leadership

The Association and the School District propose changes to this provision. Prior to the impasse in negotiations, there had been a full discussion of the Association's proposal and the School District had accepted the proposal with the only difference being the approval of one DAEA representative rather than two. At fact-finding, the School Board stated it did not agree with the concept of having a committee, because to do so would be to limit the discretion of the Superintendent since there was an equal number of members. The makeup of the committee as proposed by the Association includes four members of management and the Superintendent and five members of the bargaining unit. The School District is concerned that with an equal number of members on the committee, the Superintendent will not have the final decision negating a management prerogative.

Recommendation:

The Fact-Finder recommends the adoption of the Association's proposal to modify this provision with an additional sentence confirming the Superintendent's ultimate decision-making authority as follows:

Positions will be posted annually, no earlier than May 2. Each posting shall include the number of teaching periods assigned as determined no later than May 1 of each year by a committee led by the Superintendent and made up of the following: Curriculum Director, K-12 Director, Professional Development Supervisor, three (3) Curriculum leaders, two (2) DAEA appointed representatives and the Board BBC Chair. Incumbents are eligible to reapply for the position. The Superintendent shall make the final decision should the committee not reach agreement.

12. Article IV, Wage and Salary Provisions, Section 4.15 Loss of Pay

The School District proposes the elimination of this provision because of the financial impact to the District. The costs in 2011-2012 were \$80,469.83 and \$13,149.51 for the period from September to November during the current school year. The Association proposed modification of the provision to reflect the original intent to assist a bargaining unit member who has exhausted his/her sick leave while out on an extended and /or catastrophic illness. The School District pointed out that the original intent has been expended and now bargaining unit members use this provision to receive compensation for minor absences such as cold headaches etc. According to the District no other employee group within the District has this language.

The Association's proposal contains two contingencies for receipt of this benefit. The first contingency- as serious illness under FMLA, limits the benefit to individuals with catastrophic illnesses and no sick pay as originally intended. However, the second contingency – providing loss of pay for all subsequent sick days in a school year after a person returns to work from a catastrophic illness- opens the benefit to situations other than a catastrophic illness. This latter situation is exactly what prompted the School District to propose the elimination of the provision in the first place.

Recommendation:

The Fact-finder recommends the adoption of the following language:

Loss of pay shall be contingent upon the Bargaining Unit member incurring a serious health condition as defined by FMLA and supported by completion of medical certification required by the District for a leave of absence for a serious health condition under FMLA. Additionally the Bargaining unit member must be absent for a minimum of three consecutive days.

13. Article V, Other Employee Benefits, Section 5.4 Cobra and Health Insurance

The School District proposes to delete this provision as obsolete since it pertains to the strike that occurred prior to the last contract. The Association opposes the deletion stating that it has historical significance and can be used as a reference should a similar situation occur.

Recommendation:

The Fact Finder recommends the deletion of the provision. Should the need arise, the Association can always refer to the 2007-2011 contract for guidance on how the parties handled the situation.

14. Article V, Other Employee Benefits, Section 5.8 Income Protection

The School District proposes to modify the provision to reflect the plan currently in effect and the current practice regarding subtracting certain income from the income protection benefit. The Association questions what was meant by "any/or any other income."

Recommendation:

The Fact-finder recommends the modification of the provision as the School District proposes. It is suggested that the District explain to the Association the current practice regarding "and/or any other income."

15. Article V, Other Employee Benefits, Section 5.11(new) Sick Days

The Association proposes a new provision that would explicitly provide for ten (10) sick days a year as that is what is required by the School Code and is currently provided by the School District. The School District proposed a new provision which tied the number of sick days to the School Code, but also stated that should the School Code be changed to reduce, or eliminate the sick days, that

the School District could immediately reduce or eliminate the sick days, without the necessity of bargaining over the reduction or elimination. It also suggested language to memorialize current practice regarding prorating sick days.

Recommendation:

The Fact-finder does not recommend the addition of the new language proposed by the School District or the Association. Bargaining unit members receive ten (10) sick days a year under the School Code. Should there come a time that this is changed by the state legislature, the parties will be able to address the change during bargaining.

16. Article V, Other Employee Benefits, Section 5.17, Personal Days

The parties agree on modifying this provision to address the constructive receipt problem that arose under the current language. The Association requests to have clarification that unused days will be paid at \$45/day rate upon retirement as reflected in Section 5.19 of the agreement.

Recommendation:

The Fact-finder recommends adoption of the School Districts proposed revisions to this provision. She also recommends the inclusion of the following sentence at the end of the provision. "Reimbursement for unused personal days shall be paid at retirement as referenced in Section 5.19 of the Agreement."

17. Article V, Other Employee Benefits, Section 5.19 Retirement or Death of the Bargaining Unit Member.

The parties agree to modify this provision by incorporating the MOU language into the provision. They also agree on \$500 as the amount of the one-time payment for bargaining unit members who provide an irrevocable notice of retirement. The only dispute is the effective date of the increased one-time payment and the date upon which the irrevocable notice must be given. The School District proposes the effective date as the 2013-2014 school year and the date for providing the notice as January 1. Association proposes the effective date as the 2012-2013 school year and the date for providing the notice as February 1.

The Fact-finder recommends the Association's notice date of February 1. However, it is not practical at this point to have the effective date as the 2012-2013 school year, since the new agreement is not likely to go into effect until after the February 1 date. Bargaining unit members giving notice of retirement during the 2012-2013 school year will be covered by the current provision.

Recommendation:

The Fact-finder recommends adopting the agreed to revisions pertaining to this provision incorporating the MOU and increasing the one time payment to \$500. She also recommends that the irrevocable notice of retirement must be given by February 1 and 2013-2014 as the effective date for the increased one time payment and the new date for the irrevocable notice of retirement.

18. Article V, Other Employee Benefits, Section 5.20 Workers Compensation Off-Set

The current practice is to have a bargaining unit member who is receiving workers' compensation payments endorse the check to the District and receive a payroll check from the District. The District seeks to end this practice. The District received a legal opinion advising the District to end the practice, because its legality was highly suspect. In addition, the District's workers' compensation carrier also advised the District to stop the practice.

The Association withdrew its proposal which precipitated the investigation into the legality of the current practice. The Association points out that the District could not point to any law clearly stating that the practice was illegal. In fact, the Association received information that the practice is allowable.

The Fact-finder is in no position to assess either parties' legal arguments. That said, the School District's legal opinion certainly addresses the legality of the practice, while the Association's information addresses a PSERS' issue and references the Heart and Lung Act pertaining to firefighters. The Fact-finder is simply not in any position to tell the School District to ignore the legal advice to cease the practice.

Recommendation:

The Fact-finder recommends the deletion of the phrase "deducted from sick leave payments" and the addition of the phrase "the sole payment except as otherwise permitted by Workers' Compensation law."

19. Article V, Other Employee Benefits, Section 5.21 Payment for Professional Credit

The School District and the Association agree to modify this provision effective September 1, 2013, as follows: 1) limit credits to twelve (12) per contract year (September to August); 2) limit credits to eighteen (18) per contract year (September to August) for employees on educational sabbatical level credits; provide reimbursement for a grade of B or better, or a grade of pass in a pass/fail course; 3) completion of course work submitted within one year of finishing the course, and 4) proper documentation being submitted by September 30 in order for horizontal increase to be effective at the beginning of the year.

The School District also proposes that effective September 1, 2014 reimbursement will be made only for credits for a master's degree program and providing seventy-five (75%) of the PSU rate reimbursement for the first twenty-four (24) post-bachelors degree grade credit leading to permanent certification. (Level II certification). The School District also proposes that the Superintendent can waive this limit if it is determined that certain course work is needed for district purposes.

The Association expressed concerns as to the impact on those bargaining unit members who desire to continue their education. The Association points out that the District encourages bargaining unit members to enroll in masters and doctoral programs through easier access to the college courses offered at the Downingtown school sites. The Association suggests placing a cap on the expenditures for such professional development beyond the master's degree or for courses beyond the Level II certification but not specifically part of the master's degree program. The Association proposes that the cap be increased by the same percentage increase as the PSU rate increases.

The Fact-finder notes that the average amount of expenses for all tuition reimbursement since the 2007-2008 school year is \$740,000. The parties had talked about using a cap of \$750,000 for all tuition reimbursement. There was no data supplied that would enable the Fact-finder to determine how much of that was used for coursework outside of a master's program. However, the Association's suggestion does have merit.

Recommendation:

The Fact-finder recommends the modification to the provision that has been agreed to by the parties (1) limit of twelve credits during the contract year (2) limit of 18 credits during a sabbatical; 3) course work must be submitted within one year of finishing the course; and 4) proper documentation being submitted by September 30 in order for horizontal increase to be effective at the beginning of the year. This would be effective as of September 1, 2013

The Fact-finder recommends the adoption of the School District's proposal regarding reimbursement for master's degree programs or for course work that the Superintendent determines is needed for the district, and providing 75% of the PSU rate for the first twenty-four post bachelor's degree credit leading to permanent certification. This would be effective as of September 1, 2014.

The Fact-finder recommends a cap of \$750,000 per year during the life of the contract for tuition reimbursement. This fund shall be used to reimburse bargaining unit members in a master's degree program, seeking their permanent certification, or if determined by the Superintendent that the course work is needed, as they are entitled to reimbursement as stated above. However, should there be remaining reimbursement dollars in a given year, meaning that the cap has not been reached in a given year, the remainder of the fund shall be used to reimburse other bargaining unit members on a first come/ first serve basis for course work beyond the permanent certification or master's degree program. This would be effective as of September 1, 2014

20. Article V, Other Employee Benefits, 5.22 Tax Sheltered Annuities and Flexible Spending Accounts

The School District proposes changes to the language in this provision. The Association agrees with the language, but requested the retention of the sentence, "The parties agree to negotiate over any related subject of bargaining as soon as practicable." Should there be changes in the law that would change the TSAs or FSAs now offered, the Association would like to bargain over the changes when they occur not at the expiration of the contract. The School District stated that the language is simply to confer the District's intent to provide TSA and FSA in accordance with the law.

Recommendation:

The Fact-finder recommends adoption of the School District's proposed language with the understanding that should there be changes to the law that would require substantive changes to the TSAs and FSAs currently offered, the School District would meet and discuss the required changes with the Association.

21. Article VI, Hours of Work and Other Conditions of Employment, Section 6.0 Length of Work Year

The School District proposes to reconfigure reduce the eleven non-instructional days to ten and reconfigure the non instructional days during the work year. Of the ten days at least one day shall be devoted to parent/teacher conferences, one work and collaboration day around the 90th student day, one teacher work day at the beginning of the school year and one teacher work day at the end of the school year, with the balance being devoted to professional development or professional activities as determined by the Administration. This would be effective in the 2013-2014 school year.

Recommendation:

The Fact-finder recommends the adoption of the School District's proposal.

22. Article VI, Hours of Work and Other Conditions of Employment, Section 6.4.5 (New) Online Instruction

The School District proposes to add a new section regarding online instruction. The proposal lists the purposes for which online instruction would be provided. The proposal indicates that bargaining unit members or instructors from other sources would provide the instruction. However, the proposal also states that there would be no furloughs during the term of the agreement as a result of online instruction. The School District maintained at the fact-finding hearing that it was not the intent of the District to use this provision as a reason to furlough any employees. Rather, the

School District recognizes that online instruction has become a significant part of the education a landscape that it simply could not ignore any longer.

The Association provided a detailed counter proposal which required the School District to use only bargaining unit members to provide online instruction to students commencing August 1, 2014. Its proposal also sets forth specific parameters as to how the instruction would be conducted and how the bargaining unit members would be selected to teach the courses. The Association is concerned about job security of its members, but also maintaining the quality of instruction within the School District.

There is no question that online instruction is becoming integral to the way in which children are and will be learning in the coming years. The Fact-finder believes that both parties have embraced the change and are committed to finding ways to create quality programs within the School District. It is also clear that the School District has no intention to furlough employees during the term of this contract. Nor does the Fact-finder believe that in September 2015, the District is going to layoff large numbers of teachers because of the online programs. The School District is merely proposing that it be given discretion in the creation of the programs and in selecting the instructors for the programs.

That being said, Association has a real concern about whether the quality of instruction will be maintained by using individuals outside of the School District. The Association makes a legitimate argument that there may be many in the bargaining unit currently that are qualified or could become qualified to teach these courses. For the School District to overlook these individuals does not make sense.

The bargaining unit members have a legitimate expectation that during the term of this new agreement, the School District will use its best efforts to provide the opportunity for them to be trained to teach online courses and the opportunity to teach the online courses offered by the School District to the students. It would a waste of talent and resources not to use the quality teachers that are already in the District for these courses.

Recommendation:

The Fact-finder recommends the adoption of the School District's proposed language as follows:

The District has the right to promote, offer and implement online instruction with the instruction provided by either Bargaining Unit Members or instructors from other sources, at its discretion, for:

- (a) Home schooled students;
- (b) Students attending public or nonpublic schools;
- (c) Students attending cyber schools;
- (d) Students attending charter schools;
- (e) Students whose medical conditions preclude their regular school attendance;
- (f) Students who travel, athletic or performance opportunities that preclude their attendance;
- (g) Students who will be expelled or are expelled or suspended by the district; and/or.
- (h) Students currently attending school who desire a blended approach (online and attendance at a traditional school environment) to learning.

From the period of ratification to August 31, 2015, the District agrees that no bargaining unit member will be furloughed as a result of the District's implementations of online instruction conducted by non-bargaining unit members.

The Fact-finder also recommends that the District use its best efforts to provide the opportunity for current bargaining unit members to be trained to teach online courses and to provide opportunities for teachers to teach the online courses.

23. Article VI, Hours of Work and Other Conditions of Employment, Section 6.5 Work Day

A grievance was filed regarding the interpretation of the third paragraph of this provision pertaining to night meetings. During bargaining and in fact-finding both parties proposed language to resolve this grievance. The language proposed by both parties contain some differences, but is very similar, including the number of hours required at the night function-2.5 vs. 2 hours.

Recommendation:

The Fact-finder recommends that the parties settle their minor language differences and agree to new language or proceed to arbitration. The Fact-finder offers suggested language, as an example, as to how the differences could be resolved:

The District shall schedule all contractually directed night functions as delineated in this section for no more than two hours and 15 minutes.

24. Article VI, Hours of Work and Other Conditions of Employment, Section 6.15 Secondary Preparation Time

The School District proposes increasing the number of teaching periods for a secondary teacher during the week. The School District submits that this will not increase the workload of the teacher, nor will it effect a teacher's lunch or preparation period. Rather, increasing the number of teaching periods is designed to better utilize the science teachers who have labs. The Association contends that this will increase the work load of teachers and increase the amount of time that they must devote outside of the normal work day to fulfill their duties.

Recommendation:

The Fact-finder does not recommend adoption of this proposal. The proposal includes all secondary teachers when the problem admittedly pertains only to secondary science teachers who have labs.

25. Appendix F. Definitions, Master's Equivalency

The District proposes the elimination of the master's equivalency for movement on the salary schedule effective September 1, 2012. Moreover, bargaining unit members with a master's equivalency that are beyond B+24 column as of September 1, 2012 will remain at the column that they currently reside. The Association agrees with the elimination of the master's equivalency, but would like the effective date moved to October 1, 2014 and movement cease as of December 1, 2014.

Recommendations:

The Fact-finder recommends the adoption of the following:

As of September 1, 2013, the School District will no longer recognize a master's equivalency for movement on the salary scale. Bargaining Unit Members with a master's equivalency that are beyond B+24 column as of September 1, 2013 will remain at the column in which they currently reside.

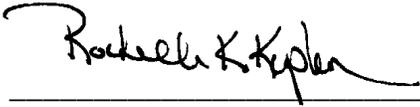
CONCLUSION

Any tentative agreements mutually made prior to, during, and after the fact-finding hearing that are not specifically addressed in the report are recommended to be included, as agreed upon, in the contract. It is further recommended that issues that were raised in negotiations, but were not specifically addressed in fact-finding, remain status quo for the term of the new contract. The parties will make any editorial changes needed to effectuate the recommendations and/or to up date the agreement regarding dates or removal of obsolete language.

The Fact-finder's recommendations attempted to reflect financial realities and balance the competing goals of each party. A vote to accept the Report does not necessarily constitute agreement with or endorsement of the rationales but, rather, represents only an agreement to resolve the disputed issues by adopting the Recommendations.

As stated previously, the Fact-finder is impressed with the professionalism of the parties and their candor in presenting their respective positions before, during, and after the fact-finding hearing. Whether both parties accept this report, the fact-finder hopes that the report can be used as a foundation for a final settlement.

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.



Rochelle K. Kaplan, Esq.
Fact-finder

January 28, 2013
Fogelsville, PA

Appendix A

2011-12 Salary Schedule								
Step	B	B+24	M	M+15	M+30	M+45	M+60	EdD/PhD
1	\$46,250	\$47,700	\$50,100	\$51,300	\$52,400	\$53,400	\$54,500	\$62,500
2	\$47,121	\$48,577	\$51,320	\$52,520	\$53,670	\$54,570	\$55,770	\$63,755
3	\$48,997	\$50,453	\$53,583	\$54,783	\$55,933	\$56,833	\$58,033	\$66,018
4	\$50,873	\$52,329	\$55,846	\$57,046	\$58,196	\$59,096	\$60,296	\$68,281
5	\$52,749	\$54,205	\$58,109	\$59,309	\$60,459	\$61,359	\$62,559	\$70,544
6	\$54,625	\$56,081	\$60,372	\$61,572	\$62,722	\$63,622	\$64,822	\$72,807
7	\$56,501	\$57,957	\$62,635	\$63,835	\$64,985	\$65,885	\$67,085	\$75,070
8	\$58,377	\$59,833	\$64,898	\$66,098	\$67,248	\$68,148	\$69,348	\$77,333
9	\$60,253	\$61,709	\$67,161	\$68,361	\$69,511	\$70,411	\$71,611	\$79,596
10	\$62,129	\$63,585	\$69,424	\$70,624	\$71,774	\$72,674	\$73,874	\$81,859
11	\$64,005	\$65,461	\$71,687	\$72,887	\$74,037	\$74,937	\$76,137	\$84,122
12	\$65,881	\$67,337	\$73,950	\$75,150	\$76,300	\$77,200	\$78,400	\$86,385
13	\$67,757	\$69,213	\$76,213	\$77,413	\$78,563	\$79,463	\$80,663	\$88,648
14	\$69,633	\$71,089	\$78,476	\$79,676	\$80,826	\$81,726	\$82,926	\$90,911
15	\$71,509	\$72,965	\$80,739	\$81,939	\$83,089	\$83,989	\$85,189	\$93,174
16			\$83,002	\$84,202	\$85,352	\$86,252	\$87,452	\$95,437
17			\$85,567	\$86,767	\$87,917	\$88,817	\$90,017	\$98,002

2012-13 Salary Schedule								
Step	B	B+24	M	M+15	M+30	M+45	M+60	EdD/PhD
1	\$46,453	\$47,903	\$50,303	\$51,503	\$52,603	\$53,603	\$54,703	\$62,500
2	\$47,324	\$48,780	\$51,523	\$52,723	\$53,873	\$54,773	\$55,973	\$63,755
3	\$49,200	\$50,656	\$53,786	\$54,986	\$56,136	\$57,036	\$58,236	\$66,018
4	\$51,076	\$52,532	\$56,049	\$57,249	\$58,399	\$59,299	\$60,499	\$68,281
5	\$52,952	\$54,408	\$58,312	\$59,512	\$60,662	\$61,562	\$62,762	\$70,544
6	\$54,828	\$56,284	\$60,575	\$61,775	\$62,925	\$63,825	\$65,025	\$72,807
7	\$56,704	\$58,160	\$62,838	\$64,038	\$65,188	\$66,088	\$67,288	\$75,070
8	\$58,580	\$60,036	\$65,101	\$66,301	\$67,451	\$68,351	\$69,551	\$77,333
9	\$60,456	\$61,912	\$67,364	\$68,564	\$69,714	\$70,614	\$71,814	\$79,596
10	\$62,332	\$63,788	\$69,627	\$70,827	\$71,977	\$72,877	\$74,077	\$81,859
11	\$64,208	\$65,664	\$71,890	\$73,090	\$74,240	\$75,140	\$76,340	\$84,122
12	\$66,084	\$67,540	\$74,153	\$75,353	\$76,503	\$77,403	\$78,603	\$86,385
13	\$67,960	\$69,416	\$76,416	\$77,616	\$78,766	\$79,666	\$80,866	\$88,648
14	\$69,836	\$71,292	\$78,679	\$79,879	\$81,029	\$81,929	\$83,129	\$90,911
15	\$71,712	\$73,168	\$80,942	\$82,142	\$83,292	\$84,192	\$85,392	\$93,174
16			\$83,205	\$84,405	\$85,555	\$86,455	\$87,655	\$95,437
17			\$85,770	\$86,970	\$88,120	\$89,020	\$90,220	\$98,002

2013-14 Salary Schedule								
Step	B	B+24	M	M+15	M+30	M+45	M+60	EdD/PhD
1	\$46,896	\$48,346	\$50,746	\$51,946	\$53,046	\$54,046	\$55,146	\$62,500
2	\$47,767	\$49,223	\$51,966	\$53,166	\$54,316	\$55,216	\$56,416	\$63,755
3	\$49,643	\$51,099	\$54,229	\$55,429	\$56,579	\$57,479	\$58,679	\$66,018
4	\$51,519	\$52,975	\$56,492	\$57,692	\$58,842	\$59,742	\$60,942	\$68,281
5	\$53,395	\$54,851	\$58,755	\$59,955	\$61,105	\$62,005	\$63,205	\$70,544
6	\$55,271	\$56,727	\$61,018	\$62,218	\$63,368	\$64,268	\$65,468	\$72,807
7	\$57,147	\$58,603	\$63,281	\$64,481	\$65,631	\$66,531	\$67,731	\$75,070
8	\$59,023	\$60,479	\$65,544	\$66,744	\$67,894	\$68,794	\$69,994	\$77,333
9	\$60,899	\$62,355	\$67,807	\$69,007	\$70,157	\$71,057	\$72,257	\$79,596
10	\$62,775	\$64,231	\$70,070	\$71,270	\$72,420	\$73,320	\$74,520	\$81,859
11	\$64,651	\$66,107	\$72,333	\$73,533	\$74,683	\$75,583	\$76,783	\$84,122
12	\$66,527	\$67,983	\$74,596	\$75,796	\$76,946	\$77,846	\$79,046	\$86,385
13	\$68,403	\$69,859	\$76,859	\$78,059	\$79,209	\$80,109	\$81,309	\$88,648
14	\$70,279	\$71,735	\$79,122	\$80,322	\$81,472	\$82,372	\$83,572	\$90,911
15	\$72,155	\$73,611	\$81,385	\$82,585	\$83,735	\$84,635	\$85,835	\$93,174
16			\$83,648	\$84,848	\$85,998	\$86,898	\$88,098	\$95,437
17			\$86,213	\$87,413	\$88,563	\$89,463	\$90,663	\$98,002

2014-15 Salary Schedule								
Step	B	B+24	M	M+15	M+30	M+45	M+60	EdD/PhD
1	\$47,499	\$48,949	\$51,349	\$52,549	\$53,649	\$54,649	\$55,749	\$62,500
2	\$48,370	\$49,826	\$52,569	\$53,769	\$54,919	\$55,819	\$57,019	\$63,755
3	\$50,246	\$51,702	\$54,832	\$56,032	\$57,182	\$58,082	\$59,282	\$66,018
4	\$52,122	\$53,578	\$57,095	\$58,295	\$59,445	\$60,345	\$61,545	\$68,281
5	\$53,998	\$55,454	\$59,358	\$60,558	\$61,708	\$62,608	\$63,808	\$70,544
6	\$55,874	\$57,330	\$61,621	\$62,821	\$63,971	\$64,871	\$66,071	\$72,807
7	\$57,750	\$59,206	\$63,884	\$65,084	\$66,234	\$67,134	\$68,334	\$75,070
8	\$59,626	\$61,082	\$66,147	\$67,347	\$68,497	\$69,397	\$70,597	\$77,333
9	\$61,502	\$62,958	\$68,410	\$69,610	\$70,760	\$71,660	\$72,860	\$79,596
10	\$63,378	\$64,834	\$70,673	\$71,873	\$73,023	\$73,923	\$75,123	\$81,859
11	\$65,254	\$66,710	\$72,936	\$74,136	\$75,286	\$76,186	\$77,386	\$84,122
12	\$67,130	\$68,586	\$75,199	\$76,399	\$77,549	\$78,449	\$79,649	\$86,385
13	\$69,006	\$70,462	\$77,462	\$78,662	\$79,812	\$80,712	\$81,912	\$88,648
14	\$70,882	\$72,338	\$79,725	\$80,925	\$82,075	\$82,975	\$84,175	\$90,911
15	\$72,758	\$74,214	\$81,988	\$83,188	\$84,338	\$85,238	\$86,438	\$93,174
16			\$84,251	\$85,451	\$86,601	\$87,501	\$88,701	\$95,437
17			\$86,816	\$88,016	\$89,166	\$90,066	\$91,266	\$98,002