

**COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA LABOR RELATIONS BOARD**

In the Matter of Impasse Between the

GREATER NANTICOKE AREA SCHOOL DISTRICT,

"Public Employer,"

-and-

**GREATER NANTICOKE AREA EDUCATION
SUPPORT PROFESSIONALS' ASSOCIATION,**

"Association."

**REPORT
AND
RECOMMENDATIONS**

Case No. ACT 88-13-22-E

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

Appearances:

For the Employer:

John G. Dean, Esq.
Elliot Greenleaf & Dean

For the Association:

Virginia M. Cowley
PSEA UniServ Representative

Pursuant to Act 88 of 1992 ["Act 88"] and the Public Employee Relations Act ["PERA"], I was appointed by the Pennsylvania Labor Relations Board ["PLRB" or "Board"] on April 10, 2013, as the Fact Finder in the impasse between the Greater Nanticoke Area School District [the "Employer" or "District"] and the Greater Nanticoke Area Education Support Professionals' Association [the "ESPA" or "Association"], representing a support staff unit comprised of approximately 109 full-time and part-time employees.

The parties commenced negotiations for a successor agreement. They met on their own and then with the assistance of a mediator. Thereafter the Association initiated its request for fact finding. On May 2, 2013, a hearing was held in Nanticoke, Pennsylvania at which time the parties were afforded the opportunity to present testimony, examine and cross-examine witnesses, introduce documentary evidence, and argue orally in support of their respective positions on the unresolved issues.

ISSUES

The following issues have been presented for Fact Finding:¹

1. Article IV. Hours of Work
2. Article V. Wages
3. Article VI. Fringe Benefits
4. Article VII. Holidays and Vacation

¹ There are sub-issues within some of the general issues listed above.

5. Article VIII. Leaves of Absence
6. Article IX. Employee Welfare
7. Appendix B (New Hires – Starting Wages; Hourly Increases for Employees Currently on Payroll)

Although each issue may be discussed separately or with similar issues as a package, the impact of the issues in their entirety was given careful consideration.

DISCUSSION

I have carefully analyzed all of the evidence the parties presented at the hearing. This Recommendation is amply supported by the record evidence and represents a compromise to each party's position.

The parties are familiar with the outstanding issues. I will focus on the areas in which I recommend changes. Therefore, to the extent an issue is not specifically addressed or incorporated by reference herein I recommend the status quo.

Tentative Agreements

The parties reached tentative agreements to longevity, life insurance, payment for unused sick time, personal leave, bereavement leave, and seniority for vacancies. The tentative agreements are attached hereto.

Recommendation – The tentative agreements attached hereto shall be incorporated by reference herein.

Term of Agreement

Each party has proposed a term of four (4) years. I therefore recommend a term of four (4) years – July 1, 2012 through June 30, 2016. Retroactivity will be discussed on an issue-by-issue basis.

Appendix B (New Hires – Starting Wages; Hourly Increases for Employees Currently on Payroll)

The Current Provision

Appendix B of the expired Agreement includes a list of starting wages for new hires and the hourly wage rate increases for employees currently on the payroll.

The School District's Proposal

The District proposes a freeze to the hourly wage rates for the 2012-2013 and 2013-2014 school years. It offers an hourly wage rate increase of \$0.25 for 2014-2015, and an hourly rate increase of \$0.50 for 2015-2016.

The Association's Proposal

The Association opposes wage freezes. The Association seeks an hourly wage rate increase of \$0.25 for 2012-2013, an hourly wage rate increase of \$0.50 per hour for 2013-2014, an hourly rate wage increase of \$0.50 per hour for 2014-2015, and an hourly wage rate increase of \$0.50 per hour for 2015-2016.

Recommendation – The evidence shows that the District's total revenues were \$24.35 million in 2008, \$24.16 million in 2009, \$25.97 million in 2010, \$26.46 million in 2011, and \$24.20 million in 2012. It also shows that the District's total expenditures \$24.89 million in 2008, \$23.96 million in 2009, \$24.91 million in 2010, \$25.33 million in 2011, and \$23.98 million in 2012. As a result, the District's operating position has been positive in four (4) out of the five (5) years, and its annual extra funds from 2007-2008 through 2011-2012 has averaged \$521,052. In terms of appropriable fund balance, the ending balance increased from \$5,130,918 in 2007-2008, to \$5,333,656 in 2008-2009, to \$6,394,296 in 2009-2010, to \$7,471,972 in 2010-2011, to \$7,678,663.

In sum, the financial data presented during the proceedings persuades me that the District is well managed. It is the same conclusion that I reached in my review of the District's finances during a fact-finding proceeding with the professional unit back in November of 2007. Since then, however, there have been significant changes in the economy, decreased federal funding, increased pension contribution rates, and increased costs for such benefits as medical insurance. I also emphasize that the District benefits from the fact that the current School Superintendent does not accept an annual salary. Accordingly, and based upon the foregoing and the entire record, I recommend a freeze to the hourly wage rates for the 2012-2013 school year, an hourly wage rate increase of \$0.30 for 2013-2014, an hourly wage rate increase of \$0.40 for 2014-2015, and an hourly wage rate increase of \$0.50 for 2015-2016. I recommend the same hourly wage rate increases for the starting hourly wage rates.

Article IV. Hours of Work

The Association's Proposal

The Association seeks to increase the free paid lunch period for cafeteria employees, hall monitors and inclusion aides from 15 minutes to 30 minutes.

The School District's Proposal

The District opposes the Association's proposal but seeks to reduce the work week for part-time employees from 30 hours to 28 hours without any reduction in salary.

Recommendation – I recommend the District's proposal effective the first full pay period following the parties' acceptance of this Recommendation, but given this enhanced benefit I do not recommend the Association's proposal. The employees whose hours will be reduced from 30 hours to 28 hours will continue to be paid hourly wage rate increases for 30 hours per week.

Article V. Wages

E. School Closings

The Current Provision

When schools are closed due to inclement weather or other emergency situations, cafeteria employees who report to work prior to notification of such closing will be paid for all hours worked with a guaranteed minimum of one (1) hour. This provision will be applicable if notification of such closing is made through the media no later than 6:30 a.m. In the event that the start of the school day is changed, the start of the work day will be changed by an amount equal to the change in the student day when compared to the student day prior to the change.

The Association's Proposal

The Association seeks to modify the provision above as follows:

When schools are closed due to inclement weather or other emergency situations, cafeteria employees who report to work prior to notification of such closing will be paid for all hours worked with a guaranteed minimum of one (1) hour. This provision will be applicable if notification of such closing is made through the media no later than 6:00 a.m. In the event that the hours of the school day are changed, employees will be compensated as per the regular school day and their regular hours.

The School District's Response

The District opposes the Association's proposal.

Recommendation – I recommend that Article V.E be amended to read as follows:

When schools are closed due to inclement weather or other emergency situations, the District will make reasonable efforts to notify the media of such closing as soon as the decision to close the schools has been made. Cafeteria employees who report to work prior to notification of such closing will be paid for all hours worked with a guaranteed minimum of one (1) hour. The provision in the preceding sentence will be applicable if notification of such closing is made through the media no later than 6:30 a.m. In the event that the start of the school day is changed, the start of the work day will be changed by an amount equal to the change in the student day when compared to the student day prior to the change.

Article VI. Fringe Benefits

A. Insurance Benefits

The Current Benefits

The District provides medical insurance to bargaining unit members pursuant to Article VI.A. Bargaining unit members contribute 1% of gross wages towards the cost of medical insurance premiums. They are the only employees in the District who contribute towards the cost of medical insurance premiums.

The School District's Proposal

The District proposes to change the two (2) plans offered to bargaining unit members so that they match the plans currently offered to the professional employees' unit:

Plan	Traditional	
Medical	Major Medical	
Deductibles	\$250/\$500	
Coinsurance	20%	
Out of Pocket Max	\$2,000	
Lifetime Maximum	\$1,000,000	
OV/Sp/ER Copay	n/a	
Prescription Drugs		
Rx Retail	\$10/\$20/\$35	
Rx Mail-in	\$20/\$40/\$70	
Plan	First Priority Health	
Medical	In Network	Out of Network
Deductibles	None	n/a
Coinsurance	0%	n/a
Out of Pocket Max	n/a	n/a
OV/Sp/ER Copay	\$20/\$30/\$75	
Prescription Drugs		
Retail copay	\$10/\$20/\$35	
Mail in copay	\$20/\$40/\$70	
Deductibles	n/a	
Out of pocket max	n/a	

In addition to the change in plans, the District seeks to have bargaining unit members contribute the following percentage of gross wages towards the cost of medical insurance premiums:

2012-2013:	1% of gross wages
2013-2014:	1% of gross wages

2014-2015: 1.75% of gross wages
2015-2016: 2% of gross wages

The Association's Proposal

The Association seeks to maintain the status quo.

Recommendation – The cost of providing insurance benefits continues to rise. The District has demonstrated a need to offset the annual increases it reasonably anticipates over the life of the successor agreement. But I do not recommend the District's proposed increases to the percentage of gross wages that bargaining unit members contribute towards health insurance in light of the fact that they are the **only** District employees who contribute a percentage of their wages towards premiums. I do recommend that effective the 2013-2014 school year that the plans for the bargaining unit will be changed to match the ones currently offered to the professional unit. The plan changes alone will provide a cost savings to the District.

Article VII. Holidays and Vacation

A. Paid Holidays

The Current Provision

Twelve (12) month employees are entitled to seventeen (17) paid holidays "provided that no student and/or teacher day is scheduled."

The Association's Proposal

The Association seeks three (3) paid holidays for ten (10) month/part-time employees: Memorial Day, Thanksgiving Day and Christmas Day.

The School District's Proposal

The District opposes the Association's proposal.

Recommendation – I recommend that Article VII.A be amended to read as follows:

All twelve (12) month employees will receive the following paid holidays each year, provided that no student and/or teacher day is scheduled. All ten (10) month/part-time employees will receive the following asterisked paid holidays each year, provided that no student and/or teacher day is scheduled:

Columbus Day	July 4 th
Martin Luther King Birthday	Labor Day
President's Day	Veterans Day
Holy Thursday	Thanksgiving Day*
Good Friday	Friday after Thanksgiving Day
Easter Monday	Monday after Thanksgiving Day
Memorial Day*	New Year's Eve
Christmas Eve	New Year's Day
Christmas Day*	

If any of the above-listed paid holidays fall on either a Saturday or a Sunday, the day preceding Saturday, or the day following Sunday, will be the paid holiday, providing either day is not a student day. If either day is called for a student day, the paid holiday will be determined by the Superintendent and communicated to the union within a reasonable time frame.

SUMMARY

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

Dated: May 20, 2013
State College, Pennsylvania

Robert C. Gifford

**TENTATIVE AGREEMENTS BETWEEN
THE GREATER NANTICOKE AREA SCHOOL DISTRICT
AND
THE GREATER NANTICOKE AREA ESPA**

Longevity Increases: The parties agreed to the following:

After 5 years	-	\$0.10
After 10 years	-	\$0.10
After 15 years	-	\$0.15
After 20 years	-	\$0.25

Life Insurance Benefits: Agreement of \$50,000 for full-time employees and \$10,000 for part-time employees.

Payment for Unused Sick Time: The parties agreed upon \$30/day up to 200 days.

Personal Leave: On February 12, 2013, the Association agreed to leave the term "as is".

Bereavement Leave: Agreement of change in language to permit non-resident grandparents and grandchildren as immediate family and removal of grandfather, grandmother and grandchild as definition of "near relative".

Seniority Used to Fill Vacancies: In the event two (2) or more equally qualified employees request a transfer, the position will be awarded on the basis of seniority.