

South Butler County School District

Negotiation Update

February 16, 2017

In an effort to provide the public with accurate information regarding the status and progress of the negotiations with the South Butler County Education Association (PSEA/NEA), the Board is posting this negotiation update which summarizes the Board's efforts to reach a new Collective Bargaining Agreement with the District's teachers.

The Board acknowledges that some individuals have objected to the Board's efforts to keep the public informed about the status of the negotiations via these Negotiation Updates. However, other individuals have continued to request information and expressed their appreciation for the information provided to date. The Board believes that these Negotiation Updates are important because the parties are negotiating a Collective Bargaining Agreement that will cost the taxpayers more than \$60,000,000 over the 5-year term of the Agreement. The Board is obligated to spend taxpayer money in a reasonable and transparent manner. As such, the Board will continue to provide the public with periodic updates regarding the status and progress of the negotiations.

- The parties held a bargaining session on Wednesday, February 15, 2017. The session began with the parties finalizing a Tentative Agreement regarding one of the teachers' outstanding issues regarding Section 35 – Transfers, Paragraph B – Involuntary Transfers. The teachers then gave the Board members a comprehensive written Proposal. Copies of both the Tentative Agreement and the teachers' Proposal are included as part of this Update.
- In response, the Board reviewed and discussed with the teachers the financial cost of their salary proposal. For the current school year (2016-2017), the District employs 168 teachers with total salaries of \$9,533,213 which equates to an average teacher salary of \$56,745. The teachers are asking for salary increases retroactive back to July 1, 2014, so if the Board were to accept the teachers' salary proposal, it would cost the District an additional \$259,303 for 2014-2015, and each year thereafter; an additional \$367,219 for 2015-2016, and each year thereafter; an additional \$391,150 for 2016-2017, and each year thereafter; an additional \$422,035 for 2017-2018, and each year thereafter; an additional \$433,430 for 2018-2019, and each year thereafter, and, an additional \$444,848 for 2019-2020. Over the 6-year term of the teachers' salary proposal, it would cost the District an additional \$7,534,331, above and beyond the current cost. This figure does not include the corresponding increase in the District's pension obligation which is a percentage of total salaries.
- Under the teachers' 6-year salary proposal, total annual salary costs would increase from \$9,533,213 to \$11,851,199 and the average teacher's salary would increase from \$56,745 to \$70,543.
- The Board also reviewed its salary offer which is explained in the Board's January 16, 2017, Negotiation Update. By contrast, the Board's salary proposal, which is a 5-year proposal, would cost the District an addition \$2,419,052 and the average teacher salary would increase to \$64,129.
- Next, the Board provided the teachers with four draft Tentative Agreements regarding Health Care coverage, the teachers' attendance at Open Houses, the School Day, and compensation for Department Chairpersons and Grade Level Facilitators. Copies of these Tentative Agreements are included as part of this Update.
- In its Tentative Agreement regarding health care coverage, the Board change its prior Health Care proposal (see Negotiation Update dated January 16, 2017) to address objections expressed by the teachers. Specifically,

the Board's prior Health Care proposal gave the teachers the option to select a Qualified High Deductible Plan (QHDP) with a Health Savings Account (HSA) which was part of the teachers' November 15, 2016, proposal. However, as proposed by the Board, this option was subject to five conditions which the teachers would not accept. So, in an effort to compromise, the Board removed all five of the conditions and offered the teachers the option to select a Qualified High Deductible Plan (QHDP) with a Health Savings Account (HSA) without any conditions.

- The Tentative Agreement regarding the teachers' attendance at Open Houses has been on the table since day one of the negotiations. At various times during the school year, there are Open Houses at the High School, Intermediate School, Middle School and Primary School. The Board believes that it is very important for the teachers to attend these open houses, and parents expect to meet their child's teachers during open house. There are a handful of the District's teachers who teach students in more than one building. As such, the Board expects those teachers to attend the open houses for each of those buildings. The Board has offered to pay the teachers who needs to attend more than one open house. The teachers are already compensated for attending the first Open House. Unfortunately, the teachers have not accepted the Board's Open House proposal.
- The Tentative Agreement regarding the School Day addresses to issue. In the current Collective Bargaining Agreement, the teachers agreed to increase their work day from seven (7) hours and twenty (20) minutes to seven (7) hours and thirty (30) minutes; however, as a condition, the Board had to agree not to use the additional ten (10) minutes as instructional time for the students. The Board is seeking to eliminate the restriction so that ten (10) additional minutes of instruction time is available, if needed. In addition, under the current Collective Bargaining Agreement, teachers are required to work five (5) hours on in-service days and there are seven (7) in-service days each school year. The Board is asking the teachers to work their normal 7 ½ hour work day on all in-service days which are used to provide the teachers with training and updated information directly related to their teaching duties. The Superintendent strongly believes that a normal work day is needed to effectively meet the in-service needs of the District. Unfortunately, the teachers have not accepted the Board's School Day proposal.
- The Tentative Agreement regarding the Department Chairpersons and Grade Level Facilitators attempts to more clearly identify and compensate teachers who accept leadership roles within their area of certification.
- Copies of the actual documents exchanged by the parties are included below and include:
 1. A copy of the parties signed Tentative Agreement regarding Section 35 – Transfers, Paragraph B – Involuntary Transfers.
 2. A copy of the teachers February 15, 2017, Comprehensive Settlement Proposal.
 3. A copy of the Board's Tentative Agreement regarding Section 54 – Health Coverage Plan.
 4. A copy of the Board's Tentative Agreement regarding Section 74 – Open House.
 5. A copy of the Board's Tentative Agreement regarding Section 11 – School Day.
 6. A copy of the Board's Tentative Agreement regarding Section 74 – Department Chairperson, etc.

Note: As related to the Board's Tentative Agreements: Highlighted language, **highlighted**, signifies new language proposed to be added; stricken language, ~~stricken~~, signifies language proposed to be deleted; and, all other language is existing language within the Collective Bargaining Agreement.

- The parties scheduled two additional bargaining session: March 9 and 27, 2017, at 5:30 p.m.

Tentative Agreement

between

South Butler County School District

and

South Butler County Education Association

December 13, 2016

The parties tentatively agree that Section 35 – Transfers, Paragraph B – Involuntary Transfers, will be revised to read as follows:

B. Involuntary Transfers

Professional employees will receive their tentative assignments by June 30th of each year. The Administration reserves the right to involuntarily transfer professional employees. The term "transfer" includes but is not limited to a change from one building to another, one grade level to another, one room to another, one subject matter to another, or one class to another. **The Administration will first consider volunteers, then the least senior teacher, before deciding to involuntarily transfer a teacher. However, the ultimate decision to involuntarily transfer a teacher will be made at the Administration's sole discretion.**

Any professional employee notified of an involuntary transfer may request that a conference be scheduled within ten (10) days following notice of the tentative assignment. The conference will be between the professional employees affected by the transfer and the supervisor responsible for making the transfer. The Administration shall explain at that meeting the reason for the transfer. In the event a professional employees is aggrieved by the proposed involuntary transfer, the professional employees so aggrieved may grieve to and including Step 3 of the grievance procedure. The decision of the School Board shall be final and not subject to arbitration.

Tentative Agreement reach February 15, 2017.

Association

Board

SBCEA Comprehensive Settlement Proposal

February 15, 2017

The Association is submitting this comprehensive settlement proposal to the District under the same conditions outlined by the District in its Proposal Dated December 13th, 2016 and submitted to the Association on January 12, 2017, whereby:

This Proposal is intended to be a comprehensive and all-inclusive Proposal and as such, each component of the Proposal is contingent upon the other components of the Proposal. Individual provisions of the Proposal are non-severable from the other provisions, absent the agreement of the parties and contingent upon the parties' execution of a separate tentative agreement regarding the individual provision. If the District does not accept this Proposal in its entirety, the Association retains the right to withdraw, amend, alter, substitute, delete from or add to the Proposal until the parties ratify a new Collective Bargaining Agreement.

1) Term of Agreement: 6 Years (July 1, 2014 through June 30, 2020)

2) Salaries:

2014-2015:	Step + \$500 on top and elimination of partial step
2015-2016:	3.75%
2016-2017:	3.85%
2017-2018:	4.00%
2018-2019:	3.95%
2019-2020:	3.90%

All other wages in the agreement will be frozen for 2014-2015 and 2015-2016.

For 2016-2017, 2017-2018, 2018-2019, 2019-2020, those wages will increase by the same amount negotiated for the salary schedules.

3) Healthcare:

Effective July 1, 2017, the Association is proposing the implementation of a Qualified High Deductible Plan (current limits are set at \$1300/\$2600). The District will establish a rollover HSA for each participating employee with the District funding all but the following of the deductible:

	Individual	All other Plan Types
July 1, 2017:	\$650	\$1300
July 1, 2018:	\$675	\$1350
July 1, 2019 and thereafter:	\$700	\$1400

Additionally, monthly premium payments will be eliminated July 1, 2017.

Tentative Agreement

between

South Butler County School District

and

South Butler County Education Association

February 15, 2017

The parties tentatively agree that Section 54 – Health Coverage Plan, will be revised to read as follows:

The following benefits are available to all full-time, regular part-time actively employed members of the Bargaining Unit and eligible retirees, including those Bargaining Unit members who are on an approved leave of absence:

- A. Effective July 1, 2017, the District shall provide each eligible employee and eligible retiree with an option between two health care coverage Plans, Blue Cross/Blue Shield Preferred Provider Organization (PPO) Blue the Consumer Driven Health Plan (CDHP), as described in Appendix “B” with a Health Reimbursement Arrangement (HRA), as described below; or, the Qualified High Deductible Plan (QHDP), as described in Appendix “C” with a Health Savings Arrangement (HSA), as described below. This These Plans will be implemented effective July 1, 2017. The District reserves the right to self-insure (such as is presently being done through the Midwestern Health Combine). The self-insurance plan shall be at least equal to the Plans contained in Appendix “B” and “C”.
- B. Each active employee shall have the opportunity annually to select insurance plan options, otherwise changes can only be made if a change in life (including retirement) or family status occurs (per IRS Section 125 guidelines). Such annual election shall be made in May for the change to be effective the first day of the following school year (July 1). For the 2010-2011 2017-2018 annual election, the election will be made in June 2010 May 2017.
- C. For the 2014-2015, 2015-2016 and 2016-2017 school years, the Blue Cross/Blue Shield Preferred Provider Organization (PPO) Blue Plan identified in the prior Collective Bargaining Agreement will remain in place.
- D. For those employees who select the Consumer Driven Health Plan (CDHP), the District will provide each employee with a Health Reimbursement Arrangement (HRA) account and the ability to establish a Flexible Spending Account (FSA). Until the employee reaches his or her maximum in-network out-of-pocket expense, there will be a 50/50 cost split with the District responsible for 50% of the cost and the employee responsible for 50% of the cost. If the employee reaches his or her maximum in-network out-of-pocket expense; one hundred percent (100%) of the in-network costs will be covered under the Plan. The maximum in-network out-of-pocket costs to the employees in the 2017-2018 school year will be \$1,000 for individual coverage; and, \$2,000 for all other coverage levels. The District will meet its financial obligation via the employee's HRA account.
- E. For those employees who select the Qualified High Deductible Plan (QHDP), the District will provide each employee with a Health Savings Account (HSA), at the employee's sole administrative expense. For the 2017-2018 school year, the District will contribute \$390.00 into the employee's HSA for employees

who select individual coverage and \$780.00 into the employee's HSA for employees who select family coverage. The District's obligation to contribute into the employees' HSA will decrease by \$120.00 per school year (July 1) each school year thereafter. Employees who elect this Qualified High Deductible Plan (QHDP) will not be required to make the monthly employee premium contributions listed below.

EF. Active employees electing to participate in the District's health-care plan ~~the District's health-care plan~~ the Consumer Driven Health Plan (CDHP) shall be responsible for a monthly premium contribution according to the following table as listed below:

Year	PPO Blue Plan Monthly Premium Contribution				
	Individual	Husband/Wife	Parent/Child	Parent/Children	Family
7/1/2008— 12/31/2008	\$10.00	\$15.00	\$15.00	\$15.00	\$20.00
2009 1/1—12/31	\$10.00	\$15.00	\$15.00	\$15.00	\$20.00
2010 1/1—6/30	\$10.00	\$15.00	\$15.00	\$15.00	\$20.00
7/1/2010— 6/30/2011	\$25.00	\$30.00	\$30.00	\$30.00	\$35.00
7/1/2011— 6/30/2012	\$30.00	\$35.00	\$35.00	\$35.00	\$40.00
7/1/2012— 6/30/2013	\$35.00	\$40.00	\$40.00	\$40.00	\$45.00
7/1/2013— 6/30/2014	\$40.00	\$45.00	\$45.00	\$45.00	\$50.00

For the 2014-2015, 2015-2016 and 2016-2017 school years, the monthly premium contributions identified in the prior Collective Bargaining Agreement will remain in place. Effective July 1, 2017, the Monthly Premium Contributions will increase to \$60.00 per month for Individual coverage; and, \$70.00 per month for all other coverage levels. Effective July 1, 2018, the Monthly Premium Contributions will increase to \$70.00 per month for Individual coverage; and, \$80.00 per month for all other coverage levels.

Retirees shall be excluded from the above premium contribution in exchange for the PSERS premium assistance under Section 75.G.

Those employees who retired prior to January 1, 2005 may elect coverage under the prior Indemnity Plan in effect during the contract dated July 1, 1998 to June 30, 2003. However, eligible retirees after December 31, 2004 shall be covered by the Plan currently in effect for the professional employees as provided for in the then-applicable collective bargaining agreement (e.g., the PPO Blue Plan in the current agreement).

DG. In the event that an employee elects not to receive coverage under the District's Health Care Plan ~~the District's Health Care Plan~~ either of the above described Plans, such employee shall receive twenty-five percent (25%) of the applicable monthly premium for the specific school year (based upon the PPO Blue Plan Consumer Driven Health Plan) which would have been otherwise paid by the District in lieu of acceptance of such health care coverage, which shall continue to be paid to the employee, so long as he/she does not participate in the District program. In the event the employee desires to participate in this program, the employee shall execute an agreement (the release) in the form contained herein and titled Waiver of Insurance Benefits. The term "premium" as used in this Agreement shall mean the monthly amount paid by the District as established by the Midwestern Health Combine or its successor for health care coverage. Since the District

is self-insured, this monthly amount will include, but may not be limited to an administrative fee, contribution towards the payment of claims, contribution toward a reserve or stabilization fund and stop-loss coverage.

In all respects, the participation by the employee shall be in accordance with the terms and conditions set forth in the above referenced release.

It is specifically understood and agreed that this participation shall be provided so long as the carrier shall permit, and in the event that the carrier shall no longer permit this program, then the District shall end and terminate and said employees shall be reinstated in the District's benefit program.

In addition, when two members of the Bargaining Unit can be covered by a husband and wife policy, they shall be so covered and neither will be eligible for waiver of benefits payments. Only if both employees elect to participate in the buyout above, will they be entitled to receive twenty-five percent (25%) of the husband/wife monthly premium.

Association

Board

Tentative Agreement

between

South Butler County School District

and

South Butler County Education Association

February 15, 2017

The parties tentatively agree that Section 74 – Open House, will be revised to read as follows:

All professional employees shall participate in their building's ~~an~~ open house program during each school year. When a professional employee is assigned to more than one building, he or she is required to participate in the open house program for each assigned building. The professional employee is entitled to three (3) hours compensation at the rate contained in Section 67 for his or her participation in the extra open house(s). The open house program shall be scheduled at the discretion of the District. Early dismissals to the school day shall occur on the last instructional day before the Christmas holiday and on the last instructional day of the school year in exchange for the professional employee's participation in an open house program. If more than one open house is scheduled on the same night, the District will review the options to permit the greatest participation by staff and parents.

Association

Board

Tentative Agreement

between

South Butler County School District

and

South Butler County Education Association

February 15, 2017

The parties tentatively agree that Section 11 – School Day, will be revised to read as follows:

Effective July 1, 2010, the school day shall consist of seven (7) hours and thirty (30) minutes which time shall be consecutive and shall commence with the time a professional employee is required to first report to work and shall include a duty free lunch of not less than thirty (30) minutes. The number and length of class periods during the school day shall be as determined by the Board. ~~The additional ten minutes added to the 2008-2014 contract will only be used for supervision of students before the first period and/or after the last period of the day and the number and length of class periods will not be changed by using the additional 10 minutes.~~ Effective July 1, 2017, all Act 80 and in-service days shall consist of seven hours and thirty (30) minutes, excluding a thirty (30) minutes for lunch.

~~An in-service day shall consist of five (5) hours, excluding one hour for lunch.~~

Early dismissals to the school day, as noted in Section 74 – Open House - of this agreement, shall occur on the last instructional day before the Christmas holiday and on the last instructional day of the school year in exchange for the professional employee's participation in an open house program.

Association

Board

Tentative Agreement

between

South Butler County School District

and

South Butler County Education Association

February 15, 2017

The parties tentatively agree that Section 74 – Department Chairperson, etc., will be revised to read as follows:

The following departments shall have a chairperson **or Facilitator**: ~~Business Ed, Practical Arts, Health, Physical Education & Safety Education, Foreign Language, Mathematics, Science, English, Social Studies, Fine Arts, Kindergarten, Grade 1, Grade 2, Grade 3, Grade 4, Grade 5, and Special Education.~~

See attached list.

Academic departments and elementary grade levels will be given the opportunity to make a recommendation as to the selection of their department chairperson or elementary grade level facilitator.

Association

Board

DEPARTMENT HEAD/GRADE LEVEL FACILITATOR

ELEMENTARY FACILITATORS

• K & 1 combined Facilitator (4 K & 7 Grade 1)	\$1,500
• Grade 2 Facilitator (7-8 teachers)	\$1,500
• Grade 3 Facilitator (7-8 teachers)	\$1,500
• Grade 4 Facilitator (7-8 Teachers)	\$1,500
• Grade 5 Facilitator (7-8 teachers)	\$1,500
• K-5 Math Facilitator/MS liaison	\$1,500
• K-5 ELA facilitator/MS liaison	\$1,500

MIDDLE SCHOOL Department Chairs

• Mathematics (5 teachers)	\$1,500
• Science Facilitator (4-5 teachers)	\$1,500
• English/Reading/Librarians (7-8 teachers)	\$1,500

DEPARTMENT CHAIRS (high school, K-12, 6-12)

Practical Arts & Business (6-12)	\$2,050
Health & Physical Education (K-12)	\$2,050
Mathematics (9-12)	\$2,050
Science (9-12)	\$2,050
Social Studies (6-12)	\$2,050
Fine Arts (K-12)	\$2,050
English/Librarians (9-12)	\$2,050
Foreign Language (6-12)	\$1,500
Guidance/ Nursing/Social Worker	\$2,050
Special Education Secondary (9 teachers & 2 speech therapists)	\$2,050
Special Education Elementary (5 teachers plus speech therapist) pay lower rate	\$1,500