

COMPENSATION AND BENEFITS PLAN
FOR SCHOOL ADMINISTRATORS

OF THE



EFFECTIVE JULY 1, 2015

THROUGH

JUNE 30, 2018

(OR UNTIL MODIFIED BY THE BOARD OF SCHOOL DIRECTORS)

I. AUTHORITY

This Compensation and Benefits Plan is adopted by the Board of School Directors of the Middletown Area School District pursuant to Section 1164 of the Pennsylvania Public School Code of 1949 (24 P.S. §11-1164).

II. SALARY PROVISIONS

A. ANNUAL SALARY INCREASE

Administrator compensation will be increased on an annual basis by the District's adjusted Act 1 index that correlates with the school year in which the compensation increase is paid. For example, the adjusted Act 1 index for the 2015-2016 school year was communicated to the District on or before September 30, 2014. This adjusted Act 1 index is to be used to increase compensation for the 2015-2016 school year. For each school year, a floor (minimum increase) of 1.5% and ceiling (maximum increase) of 3.5% will apply.

B. PERFORMANCE BONUS

The Administrator will be evaluated on an annual basis using the evaluation instrument that is appropriate for his/her position. The Administrator will be entitled to receive an annual performance bonus based upon the rating received on the performance evaluation, as follows:

Distinguished or Highest Possible Standard - \$3,000
Proficient or Expected Area of Performance - \$2,000

A performance bonus will not be provided for ratings that are lower than Proficient or Expected Area of Performance. The Board of School Directors and the Administrator agree that the performance bonus will not become part of the administrator's base salary. Further, the Board of School Directors and the Administrator agree that the performance bonus will not be retirement-covered compensation for the purpose of reporting to the Public School Employees' Retirement System (PSERS). The performance bonus will be included in the next pay period after all performance evaluations have been completed.

C. SALARY RANGES

Administrator positions covered by this agreement are grouped into salary ranges for the purposes of determining appropriate compensation when an Administrator is hired by the District. The salary ranges are detailed in Appendix A. Salary ranges will be adjusted on an annual basis using the market movement percentage, as determined by the Pennsylvania School Boards Association.

III. CONDITIONS OF EMPLOYMENT

A. SCHOOL YEAR

The length of the contracted school year shall be approximately 260 days. On days that school is closed for snow or other emergency situations, Administrators shall report for work, unless directed not to do so by the Superintendent.

B. DIRECT DEPOSIT

Administrator must enroll in direct deposit for payroll funds with a financial institution of his/her choice.

C. VACATION LEAVE

All twelve (12) month Administrators shall receive twenty (20) days of vacation leave each year. Administrators may accumulate up to twenty (20) days of vacation. Any balance of unused vacation days in excess of twenty (20) days will be converted to sick leave days.

In the event that an Administrator terminates his/her employment with the District prior to completing the work year for reasons other than retirement, the number of vacation days credited at the beginning of the year shall be prorated (total number of days allotted divided by the total number of days in the work year) in order to determine the number of days subject to repayment to the District, if any.

D. SICK LEAVE

The District will provide twelve (12) sick days per year that may accumulate without limit during service with the Middletown Area School District. In the event that an Administrator terminates his/her employment with the District prior to completing the work year for reasons other than retirement, the number of sick days credited at the beginning of the year shall be prorated (total number of days allotted divided by the total number of days in the work year) in order to determine the number of days subject to repayment to the District, if any.

E. HOLIDAY LEAVE

All twelve (12) month administrators will observe and receive the following (8) holidays:

- New Year's Day
- President's Day (unless required as a snow make up day)
- Good Friday
- Memorial Day

- Independence Day
- Labor Day
- Thanksgiving Day
- Christmas Day

All twelve (12) month administrators will also receive the following additional holidays as provided by the school calendar:

- Spring Break
- Thanksgiving Break
- Winter Break (with the exception that employees that are eligible for this holiday benefit must work one day during this holiday break)

In addition, at the discretion of the Superintendent and/or direct supervisor, a twelve (12) month administrator may be required to work during the designated holiday breaks. If days are worked during these periods, employees shall receive an equivalent number of trade days equal to the number of days (or portions thereof) worked during the break for use at a later time. Trade days will be awarded and taken in half-day increments and must be used by the end of the fiscal year in which they are earned.

F. PROFESSIONAL STUDY LEAVE

An Administrator may be granted a one (1) year leave of absence without pay for the purpose of engaging in a course of study at an accredited college or university. The course of study must be related to the Administrator's current professional responsibilities. Requests for such leave must be submitted to the District by March 1 prior to the scheduled commencement of the period of leave. No more than one (1) Administrator shall be granted such leave in any school year. Such leave shall coincide with the school year as set forth on the calendar adopted by the Board of School Directors. An Administrator on an approved unpaid study leave of absence may elect to continue the health care coverage and life insurance coverage provided to full-time Administrators at the Administrator's expense. If the Administrator returns to full time employment with the District for one full school year following the conclusion of the approved unpaid study leave, the District will reimburse the Administrator for health insurance premiums and life insurance premiums paid by the Administrator. An Administrator returning from professional study leave may be assigned to any position for which they are certified.

G. MILITARY LEAVE

An Administrator who is called to duty as a military reservist is entitled to all benefits provided by state and federal law during his or her approved military leave. In addition,

while on approved military leave, the District will provide an eligible Administrator with the following compensation and benefits:

- The District, in its sole discretion, may have an Administrator work on special projects related to his or her work duties while on approved military leave to the extent permitted by law. The compensation paid to an Administrator for any such special projects shall be twenty percent (20%) of the Administrator's salary.
- If an Administrator elects to continue health care coverage with the District while on military leave, the Administrator shall be responsible for paying the active employee premium share (the amount of premium contributed by an Administrator actively working for the District) after the 31st consecutive day of military leave. The Administrator may continue health care coverage in this manner for the duration of his or her military leave or twenty four months, whichever period is shorter.

H. WEATHER AND EMERGENCY RELATED DELAYS AND CLOSINGS

Administrators shall be expected to report to work on days when the Superintendent has closed school for students, unless notified by the Superintendent that all District offices will be closed. Further, employees shall report to work at their regularly scheduled start time during delayed opening of school unless notified by the Superintendent that all District offices will have a delayed opening.

If an Administrator is required to work at the discretion of the Superintendent and/or the direct supervisor when the District's offices are closed, the Administrator shall receive an equivalent number of trade day(s) equal to the number of day(s) (or portions thereof) worked during this period for use at a later time. Trade days will be awarded and taken in half-day increments and must be used by the end of the fiscal year in which they are earned.

I. MEDICAL EXAMINATIONS

The District will require Administrators to have a complete physical examination, biennially. Effective July 1, 2009, the District will not reimburse Administrators for any physical examination costs because costs not covered by the medical insurance plan may be paid from the District-funded contribution to the health savings account of the Administrator.

J. MILEAGE REIMBURSEMENT

Administrators who use personal vehicles for school district business will be reimbursed at the mileage rate established by the Internal Revenue Service. Reimbursement for expenses shall be made by submitting completed forms to the Business Office on a timely basis.

K. PROFESSIONAL ASSOCIATIONS

The District will pay, on behalf of each Administrator, the membership fees to three (3) professional associations, subject to the approval of the direct supervisor.

L. PROFESSIONAL DEVELOPMENT

An Administrator may attend professional development sessions, including conferences and workshops, with the approval of his/her direct supervisor. Attendance at a national conference must be approved by the Superintendent. Allowable costs incurred for attendance at the professional development session will be paid for the Administrator only subject to the approval of the direct supervisor.

M. ACCESS TO PERSONNEL FILES

An Administrator shall have the right, upon request, to review the contents of his or her personnel file and to receive copies of any documents contained therein. An Administrator shall have the right to submit a written reply to any material placed in his or her file and such written material shall be attached to the item in the file. No unsigned or improperly identified item shall be placed in an Administrator's file. The examination of an Administrator's file shall be limited to only the Administrator's supervisor and/or the Superintendent or designee of the Superintendent. No material critical of the Administrator or his performance shall be placed in an Administrator's file without prior, written notice to the Administrator including a copy of the material to be placed in the file.

N. NOTIFICATION OF INTENT TO RESIGN / RETIRE

An Administrator who intends to resign or retire must provide written notice of his/her intent at least 60 days prior to the intended day of resignation or retirement. If an Administrator intends to retire and wishes to receive the retirement benefits included in this plan, the Administrator shall submit an irrevocable letter of retirement at least 180 days before his/her effective date of retirement.

IV. MEDICAL INSURANCE BENEFITS

A. MEDICAL AND PRESCRIPTION DRUG COVERAGE

The District will provide medical and prescription drug coverage to eligible Administrators from a carrier selected by the District at its discretion. In the event that the District selects a variety of plans or carriers, Administrators shall have the option of selecting from those carriers or plans and may change to either of those carriers or plans once per year during the open enrollment period.

If the District selects Preferred Provider Organization (PPO) insurance that satisfies the requirements of a Qualified High Deductible Health Plan (HDHP), as defined by the United States Treasury and the Internal Revenue Service, the District will deposit into a health savings account of each eligible Administrator electing medical and prescription drug coverage the amount necessary so that the Administrator's responsibility toward the deductible is as follows:

Single	\$ 500
Two Adults	\$1,000
Parent & Child	\$1,000
Parent & Children	\$1,500
Family	\$1,500

B. DENTAL

The District will provide each Administrator and their eligible dependents (subject to the provisions of Sections G and H noted below) with dental insurance coverage of like kind and quality in scope to the coverage offered during the 2014-2015 school year.

C. VISION

The District will provide each Administrator and their eligible dependents (subject to the provisions of Sections G and H noted below) with vision insurance coverage of like kind and quality in scope to the coverage offered during the 2014-2015 school year.

D. PREMIUM SHARE

The Administrator shall pay a premium cost-share of 10% of the health coverage costs per pay. Administrator responsibility for cost-sharing will be capped at 15% increase in benefit costs between years.

Cost-sharing will be done on a "pre-tax" basis in accordance with Section 125 of the Internal Revenue Code. Any amounts paid by the Administrator will be deducted from each paycheck during the work year in as equal an amount as possible.

In addition to the premium share, the Administrator shall be solely responsible to pay all amounts required under his or her individual health care plan as a co-payment for doctor's office visits or any other services or testing under basic medical coverage, dental and/or vision coverage or mail order drug programs.

E. PLACEMENT IN PLANS AND WAIVER

If an Administrator and his or her spouse are both employed by the District, both are not able to elect family coverage. The Administrator and his or her spouse will be

enrolled in whichever combination of coverage provides the least cost to the employees and the District.

Eligible Administrators that voluntarily elect to waive participation in the District's health care plan for an entire coverage year shall receive a payment of \$3,000 or a pro-rated amount for a portion thereof. In order to be eligible to receive this payment, the Administrator's spouse may not be employed by the District, and the employee must provide evidence that he/she is covered under another health care plan. The waiver payment will be paid in monthly installments. The Administrator has the option to renew his/her decision annually and may re-enter the District coverage during the open enrollment period.

F. CHANGES IN STATUS

Administrators must promptly notify the business office of any change in family status such as marriage, birth of a child, marriage of a dependent child, death of a spouse, divorce or change of address. The Administrator's failure to do so may result in the loss of valuable benefits.

G. SPOUSAL ELIGIBILITY

The District will only provide health care coverage to an eligible employee's spouse if the spouse does not have health care coverage available through his/her employer or is not eligible for Medicare. The employee and his/her spouse must certify that coverage is not available and must also authorize the District to verify the coverage status of the spouse.

If the spouse does have coverage available, the employee may obtain coverage for his/her spouse from the District by purchasing such coverage at 100% of the additional cost.

If the spouse is removed from the District's benefit plan due to this provision and is unable to obtain dental and vision coverage through his/her employer or is eligible for Medicare, an Administrator may obtain dental and vision coverage for his/her spouse from the District by purchasing the coverage. The cost of such coverage shall be equal to 50% of the difference in cost of a single dental and vision plan versus a family dental and vision plan.

H. DEPENDENT CHILDREN

For medical and prescription coverage, a dependent child is covered until he/she reaches the age of twenty-six (26) provided he/she is not eligible for coverage through

another employer-sponsored plan. The employee must certify that coverage is not available elsewhere.

For dental and vision coverage, a dependent child is covered until he/she reaches the age of nineteen (19). Dependent children who are full-time students attending an accredited college, university, trade or specialized school, etc. will be covered until the age of twenty-three (23), or until college graduation (whichever comes first). A dependent child over the age of nineteen (19) who no longer attends higher education is not eligible for coverage under the Administrator's contract.

I. OPEN ENROLLMENT

During the term of this agreement, an Administrator is permitted to make changes to the cited plan in his/her elected health care coverage during the open enrollment period, June 1st to June 15th of each year. Whereas, the benefits an Administrator wishes to elect cannot be changed or revoked except during open enrollment unless by reason of a qualified change in status (i.e. marital status, change in dependents, employment change of spouse).

J. IMPLEMENTATION OF HEALTH CARE REFORM

The District will review the impact, if any, of comprehensive healthcare legislation on the existing health care plan and implement necessary changes.

K. POST-RETIREMENT HEALTH CARE

Administrators who retire from the Middletown Area School District will be eligible to participate in the herein mentioned benefit plans by paying the amount specified under retirement benefits (for eligible retirees) or the COBRA rate (for non-eligible retirees). Eligible family members of Administrators who retire from the Middletown Area School District may enroll in the herein mentioned benefit plans by paying the COBRA rate.

V. OTHER INSURANCE BENEFITS AND PAYROLL DEDUCTIONS

A. GROUP LIFE INSURANCE

The District will provide at its expense a term life insurance policy upon the life of each actively employed Administrator. The policy shall have a death benefit equal to, plus or minus, the nearest thousand dollars that is two (2) times the Administrator's salary. Each Administrator shall have the full authority to designate beneficiaries. The payment of any death benefit shall be governed by the terms and limits designated in the insurance contract.

For the term of this plan, each actively employed Administrator may purchase additional term life insurance at the prevailing group rate. The cost of the additional insurance will be deducted from the Administrator's paycheck. The Administrator, subject to the provisions of the District group policy, shall designate the amount of additional insurance and such additional requirements as may be imposed by the insurer.

Administrators will also be eligible to continue their life insurance benefits, through the District group policy, until the age of 65 at the Administrator's expense. These rates will vary according to the Administrator's age.

B. LONG-TERM DISABILITY INSURANCE (INCOME PROTECTION)

The District shall provide a long-term disability insurance plan for each Administrator that will pay 60% of the Administrator's base salary in the event of an illness or accident. The Administrator will be eligible for this benefit subject to the terms and limits designated in the insurance contract.

C. PAYROLL DEDUCTIONS

Administrators shall have the same opportunity to take advantage of payroll deductions that are available to other employees, including but not limited to – Tax Sheltered Annuities, United Way Contributions, Christmas Clubs, Vacation Clubs, AFLAC Accident Insurance, AFLAC Cancer Insurance, Short-Term and Long-Term Disability Insurance, and Flexible Spending Account for Dependent Care.

The items noted above are benefits available to employees for which the employees are solely responsible for the cost of such benefits.

VI. RETIREMENT BENEFITS

A. HEALTH CARE

An Administrator will be entitled to receive health care coverage benefits that are provided to the majority of active Administrators during each year that the coverage is provided upon retirement if the Administrator meets and continues to meet the following conditions:

- The Administrator has completed thirty (30) years of full-time, credited service as defined by the Public School Employees' Retirement Code, 24 Pa. C.S. Section 8108 et seq.; has completed at least twenty-five (25) years of service with the Middletown Area School District at the time of his/her retirement; and is at least age 55;
- The Administrator qualifies for normal, not disability retirement, with PSERS;

- The Administrator qualifies for, receives, and continues to receive PSERS premium assistance; and
- The Administrator provides appropriate notice of retirement to the District by submitting an irrevocable letter of retirement at least 180 days before his/her effective date of retirement.

Upon normal retirement recognized by PSERS and meeting the conditions noted above, an Administrator shall be entitled to receive health care coverage through the Middletown Area School District for as long as the Administrator remains eligible or until covered under any other employer- or government-provided plan (including Medicare), whichever is earlier.

The eligible Administrator will be responsible to contribute toward this health insurance benefit by forwarding the PSERS premium assistance noted above on a monthly basis plus the amount of cost sharing paid by active single Administrators up to a maximum of an additional \$100 per month. Failure to do so will result in a loss of health care benefits.

B. VACATION LEAVE REIMBURSEMENT

Upon retirement, an Administrator with ten (10) or more years with the District and submission of an irrevocable notice of retirement at least 180 days before his/her effective date of retirement shall be reimbursed at 50% per diem for up to twenty (20) unused vacation days.

C. ACCUMULATED SICK LEAVE BENEFIT

Upon retirement, an Administrator with ten (10) or more years of service with the Middletown Area School District and submission of an irrevocable notice of retirement at least 180 days before his/her effective date of retirement shall be reimbursed for unused and accumulated sick leave at the rate of \$100 per day.

The accumulated sick leave benefit shall not exceed \$10,000.00 for the term of this plan.

The accumulated sick leave benefit shall be deposited into a 403(b) account on behalf, and in the name, of the Administrator.

VII. TUITION REIMBURSEMENT

A. AMOUNT OF REIMBURSEMENT

Administrators enrolled in a Masters or Doctorate program will be reimbursed for tuition paid at 75% of the Penn State University Harrisburg Campus in-state all other

programs graduate tuition rate per credit hour applicable to the semester in which the course is taken. Administrators enrolled in a Bachelors program will be reimbursed at \$300 per credit hour. The reimbursement will be for only allowable tuition costs (i.e. no fees) of courses that were successfully completed. Successful completion is defined as obtaining a grade of "C", "Pass" for Pass/Fail courses, or evidence of substantial progress in the doctoral dissertation process.

B. MAXIMUM CREDIT REIMBURSEMENT PER YEAR

An Administrator will be reimbursed for no more than twelve (12) credit hours per school year. A school year is defined as the period from July 1 through June 30. The date posted as the completion date for the course will determine in which school year the credits will be posted.

An Administrator who has obtained a Masters degree plus forty-five (45) credits and is not enrolled in an approved doctorate program, or an Administrator who has received his/her doctoral degree, will be permitted to take six (6) graduate credits per school year in his/her area of specialization. For credits outside of an area of specialization, an Administrator must obtain prior written approval from the Superintendent to be eligible for tuition reimbursement.

An Administrator who is on an approved education sabbatical will be permitted to take eighteen (18) graduate credits per school year.

C. ADVANCE REIMBURSEMENT

Administrators are entitled to receive an advance reimbursement at the time of enrollment in a pre-approved course, calculated in accordance with Section A above. Within thirty (30) days of the completion of a course, Administrators must submit to the Superintendent's Office 1) a detailed invoice for the course and 2) a transcript for the course. The Administrator will be responsible to return an advance reimbursement, or a portion thereof, to the District if the course is not successfully completed or the amount of the advance exceeds the actual tuition paid. The District will reimburse the Administrator for any tuition paid in excess of the advance up to the maximum amounts identified in Section A.

D. NOTIFICATION OF ENROLLMENT IN PROGRAM

Administrators shall notify the Superintendent in advance of enrolling in a degree program. The enrollment form must be filed with the Superintendent prior to course pre-approval.

E. COURSE APPROVAL

Courses for which an Administrator will seek tuition reimbursement must be pre-approved by the Superintendent at least two weeks prior to the start date of the course. Tuition reimbursement will only be provided for courses directly related to the Administrator's specialization taken at an accredited college or university recognized by the Pennsylvania Department of Education or otherwise approved by the Superintendent, including on-line courses if they are a part of the degree program. Full-time on-line degree programs require the approval of the Superintendent. Tuition reimbursement will not be provided for repeated courses. Continuing Professional Education (CPE) courses do not qualify for reimbursement under this agreement. Reimbursement for CPE credits or units will be addressed through the District's professional development plan and is contingent upon available funding as determined by the District.

F. TUITION REIMBURSEMENT WHILE ON LEAVE

No tuition reimbursement will be provided to an Administrator while the Administrator is on sabbatical leave for health reasons, child rearing leave, or otherwise on paid or unpaid leave for health reasons.

G. REPAYMENT OF TUITION REIMBURSEMENT WHEN LEAVING DISTRICT EMPLOYMENT

An Administrator that voluntarily leaves employment with the District will be required to repay any tuition reimbursement received from the District for courses taken within the prior twenty-four (24) months. Administrators leaving the employment of the District for purposes of retirement, reasons of health, or termination by the District are excluded from this requirement.

H. SECOND DEGREE PROGRAM

Tuition reimbursement for credits earned as part of a second degree program requires the approval of the Superintendent.

APPENDIX A

SALARY RANGES

Range I

Assistant to the Superintendent for Curriculum, Instruction, and Assessment
High School Principal

Range II

Director of Special Education
Middle School Principal

Range III

Elementary School Principals

Range IV

Assistant High School Principal
Assistant High School Principal/Athletic Director
Assistant Middle School Principal

Range V

Director of Operations
Director of Student Services
Director of Information Technology
Director of Instructional Technology