

ADMINISTRATOR COMPENSATION PLAN

PEN ARGYL AREA SCHOOL DISTRICT

January 1, 2015 – December 31, 2017

TABLE OF CONTENTS

Introduction	1
Term of Agreement	1
Article I. Medical Insurance	1, 2
Article II. Coordination of Benefits	2, 3
Article III. Dental Insurance	3
Article IV. Life Insurance	4
Article V. Vision Insurance	4
Article VI. Prescription Insurance Plan	4
Article VII. Long Term Disability	4
Article VIII. Retirement Provisions	5
Article IX. Retirement Incentive Program	5, 6
Article X. Leave Policy	7, 8
Article XI. Holidays	8
Article XII. Jury Duty	8, 9
Article XIII. Reimbursement for Graduate Work	9
Article XIV. Medical Examinations	10
Article XV. Maternity/Paternity Leaves	10
Article XVI. Salary	10, 11
Article XVII. IRS 457 Plan	11
Article XVIII. Section 125 Plan	11
Article XIX. Tuition-Free Attendance Benefit for Non-Resident Children of Admin	11, 12
Article XX. Retention Incentive	12-15
Article XXI. TSA Post Employment Contributions	15

PEN ARGYL AREA SCHOOL DISTRICT ADMINISTRATOR COMPENSATION PLAN

THIS AGREEMENT establishes a compensation plan for the administrators of the Pen Argyl Area School District. It includes provisions for the entire district management team, which includes the following:

CENTRAL OFFICE POSITIONS

Superintendent
Assistant Superintendent
Business Manager
Assistant Business Manager

ACT 93 POSITIONS

High School Principal
Assistant H.S. Principal
Middle School Principal
Assistant M.S. Principal
Elementary Principal
Supervisor of Technology Info Systems
Supervisor of Technology Info Services
Desktop Support Coordinator
Supervisor of Special Education

The term of this Agreement will begin January 1, 2015, and shall continue in force and effect until December 31, 2017.

The Pen Argyl Area School District ("District") is aware of the benefits of retaining administrators employed by the District in order to provide consistent and qualified administration of the buildings, facilities, and education of students. The District agrees to provide Act 93 positions as listed above with all fringe benefits provided to the professional staff, as per their Collective Bargaining Agreement with the Board of School Directors unless otherwise addressed in this agreement and hereby offers the following:

I. Medical Insurance: The District shall provide medical insurance up to family coverage as elected by the administrator which affords the range and level of benefits set forth in the District's Employee Benefit Plan Booklet, as revised July 1, 1995, or equivalent coverage.

During the term of this Agreement, each employee who elects to have medical coverage shall have a co-pay amount deducted from their salary as follows:

Beginning January 1, 2015 - Eighty-Five (\$85.00) Dollars per month

Beginning January 1, 2016 - One Hundred Five (\$105.00) Dollars per month

Beginning January 1, 2017 - One Hundred Twenty-Five (\$125.00) Dollars per month

II. Coordination of Benefits:

These coordination of benefits provisions will apply to all professional staff members hired on or after July 1, 1998.

A. Spouses of bargaining unit employees with access to group health benefits at their place of employment, whether as an employee or through self-employment, are no longer eligible for primary benefits under the District plan. Secondary benefits will continue to be available.

B. "Access" is defined as the presence of an employer group health plan which, in the absence of other coverage, would serve as the spouse's primary plan. Such group health plan may be offered by the place of employment to the spouse either as an employee or through self-employment.

C. If the District would be considered secondary to a plan available to a spouse that was not elected by a spouse, benefits of the District plan would be determined as though the spouse had elected such coverage. Accordingly, failure of the spouse to enroll for at least individual coverage under his or her employer's available health plan could result in substantially reduced benefits or no benefits payable. The District plan will pay no primary coverage for the covered person's spouse.

D. Additionally, if a spouse's employer provides a cafeteria or flexible benefit plan that allows its employees to choose from various benefit options, the District plan will coordinate benefits against those of that employer's best option, whether or not chosen by the covered person's spouse.

E. These coordination of benefits provisions will coordinate the medical and dental benefits of a benefit plan. The term "benefit plan" means the District plan or any one of the following plans:

1. Group or blanket benefit plans.
2. Blue Cross and Blue Shield group plans.
3. Group practice and other group prepayment plans.
4. Federal government plans or programs. This includes Medicare.
5. Other plans required or provided by law. This does not include Medicaid or any benefit plan like it that, by its terms, does not allow coordination.
6. No-fault auto insurance, by whatever name it is called, when not prohibited by law.

III. Dental Insurance:

The District shall provide dental insurance up to family coverage as elected by the administrator, which affords the range and level of benefits set forth in Option 2 in the written proposal from Blue Shield to the District dated July 1, 1995, or equivalent coverage.

The schedule of benefits shall be amended to include payment for application of sealant for dependent children under age 19.

Orthodontics reimbursement, at fifty (50%) percent, is subject to a lifetime maximum of One Thousand (\$1,000.00) Dollars per person. The individual annual maximum on payment for benefits under the dental insurance program is limited to a maximum of Two Thousand Five Hundred (\$2,500.00) Dollars per person for all services rendered in any calendar year.

IV. Life Insurance:

The District shall provide a term life insurance policy equal to 2-1/2 times the administrator's salary rounded to the nearest \$1,000.00.

Note: This insurance shall contain a provision for conversion to an individual policy of life insurance, without evidence of insurability, at the time of retirement, at the administrator's expense.

V. Vision Insurance:

The District shall provide a vision care insurance plan, as elected by the employee up to family coverage, with no deductible, and with scratch-resistant coating added to the schedule of benefits, subject to a frame allowance payment in the maximum amount of Seventy (\$70.00) Dollars, and subject to a contact lens allowance in the maximum amount of One Hundred Seventy-Five (\$175.00) Dollars, once during any twenty-four (24) month period.

VI. Prescription Insurance Plan:

The Board shall provide prescription drug benefits alongside medical benefits for enrolled employees and their dependents. Management programs to encourage efficient use of appropriate prescriptions may be included. Employees will be responsible for the following out of pocket costs:

1. \$25 per person Retail deductible
2. Retail copayments per script - \$10 generic, \$30 formulary brand, \$50 non-formulary brand
3. Mail Order copayments per script (for a 3-month supply) - \$20 generic, \$60 formulary brand, \$100 non-formulary brand

VII. Long Term Disability Insurance:

The District agrees to coordination of Long Term Disability Insurance at the administrators' expense.

VIII. Retirement Provisions:

A. A person shall be considered to be retired for purposes of this Section of the Agreement if any of the following conditions are met:

1. The person is 62 years old and has worked in the District for at least one (1) year, or
2. The person is at least 60 years old and has thirty (30) years of service in the Pennsylvania School Employees Retirement System, or
3. The person has at least 35 years of service in the PSERS. Age is not a factor in this condition, or
4. The person meets a special early retirement provision as enacted from time to time by the State Legislature.

B. Upon retirement from the District, the administrator may remain on the District's Health and Dental Care Insurance Plan to age 65 at District group rates at the administrator's expense. This is effective only if the administrator does not qualify for the early retirement incentive.

C. The District shall provide, at the administrator's retirement, a severance pay amount equivalent to ten (10%) percent of the per diem final year salary for all days of unused sick leave. The total days available to be applied in this manner shall be calculated as of the effective date of retirement. In the event of the death of the administrator, the amount computed above shall be paid to his/her beneficiary.

IX. Retirement Incentive Program:

The District is offering a retirement incentive program to members of the administration staff. This proposal will continue throughout the life of the Agreement, beginning January 1, 2015 until December 31, 2017.

To qualify for the retirement program, the administrator must have a minimum of twenty (20) years of professional service to the District, or at least ten (10) years as an administrator, during the term of this Agreement. It is understood that the administrator will seek a retired status from the Pennsylvania School Employees Retirement System.

The District agrees to contribute actual cost, up to Fourteen Thousand (\$14,000.00) Dollars per year, toward the premium of the District-sponsored medical, dental and prescription family coverage until the employee reaches the age of 65. In the event, an administrator remains with the District beyond the age of 65, upon retirement of that administrator, the District will provide reimbursement for actual cost, up to \$4,000 per year, for two party Part C or D Medicare for a period of 8 years.

Additionally, the District agrees to give severance pay of Five Hundred Fifty (\$550.00) Dollars for each year of service to the District. Payment will be made in installments over a maximum of four (4) years with no more than fifty (50%) percent of the severance to be paid during any calendar year. Payments are to begin on or about January 1 of the year following retirement and each subsequent January until the severance is exhausted.

Written notification of intent to retire must be received by the Superintendent no later than May 1 to qualify for this option. The administrator agrees to remain in service for a minimum of one hundred twenty (120) days following the written notification to allow the District adequate time to secure and train a replacement. The 120-day requirement may be reduced or lengthened based upon the mutual consent of the Superintendent and the retiring administrator.

If written intent to retire is received after May 1, it will delay activating the severance pay for one (1) full year.

X. Leave Policy:

The District shall provide the following leave days:

A. Twelve (12) days sick leave per year with full pay, accumulative from year to year, with the amount accumulative available in any one year.

Ten-month employees shall receive ten (10) days sick leave per year with full pay, accumulative from year to year, with the amount accumulative available in any one year.

Three (3) days may be used for family illness.

B. Up to three (3) days of absence per occurrence because of death in the immediate family of an administrator. Members of the immediate family shall be defined as brother, sister, parent-in-law, son-in-law, daughter-in-law, or near relative who resides in the same household, or any person with whom the administrator has made his home.

C. One (1) day of absence per occurrence on the day of the funeral because of the death of a near relative. A near relative shall be defined as first cousin, grandfather, grandmother, grandparent-in-law, aunt, uncle, niece, nephew, brother-in-law, sister-in-law, or grandchild.

D. Up to five (5) days absence because of the death of his/her spouse, child, mother or father, as long as the days are taken within seven (7) days of the death.

Note: A stepchild who is 23 years or younger and resides in the same household is subject to Section D; otherwise, a stepchild older than 18 and/or a non-resident, refer to Section B.

E. Two (2) days absence for personal emergencies that cannot be met at any time other than during school hours. Formal request for emergency leave must be filed with the Superintendent by the administrator upon return to duty. Personal emergencies shall include serious illness or injury of a member of the immediate family that demands the administrator's attention, or any other emergency that, in the opinion of the Superintendent, is justifiable.

F. Twenty (20) days vacation each year up through year eleven. Administrators will have one additional vacation day added on year 12, 14, 16, 18 and 20 of service, to a maximum of five (5) additional days per annum. The following conditions would apply:

1. Years of service must be continuous in the District.
2. A minimum of six (6) years must be served as an administrator in the District.

Ten-month positions do not accrue any vacation.

Unused vacation days may accumulate for a period not to exceed three (3) years.

XI. Holidays:

The District shall provide the holidays as determined by the approved District Calendar, with the exception that one (1) day shall be worked during the Christmas Holiday. Additional work days may be directed by the Superintendent for the completion of emergency work or the meeting of deadlines.

XII. Jury Duty:

A. The District shall provide full pay for the day or days absent from work while an administrator serves on jury duty. This pay shall be less any compensation received for such services. The administrator shall notify the Superintendent within twenty-four (24) hours after receiving the official notice.

B. Upon completion of the Jury Duty assignment, the administrator shall submit a statement signed by the court official to the payroll office.

XIII. Reimbursement for Graduate Work:

The District shall reimburse administrators for the cost of college tuition. Limitations of the Reimbursements are as follows:

A. Tuition reimbursement is as follows:

Grade A or B	-	100%
Grade C	-	70%
Less than C	-	no reimbursement

B. Any reimbursement for graduate credits shall be subject to the administrator remaining as an employee in the District for at least three (3) years after completion of the course for which reimbursement is paid. Any administrator leaving the District sooner than three (3) years after completion of the course will be required to repay the District part of the reimbursement as follows:

Remains less than one year	100% of the amount of the reimbursement
Remains one year, but less than two years	50% of the amount of the reimbursement
Remains two years, but less than three years	25% of the amount of the reimbursement

Repayment to the District will occur as a deduction from the last paycheck(s) (including vacation, sick days, etc.), or the employee may pay the District directly prior to the District cutting the employee his/her last paycheck(s).

C. Reimbursement will be made upon documentation of course completion. A person must be a member of the District staff at the time of registration and reimbursement.

D. To be eligible for reimbursement, courses must be approved by the Superintendent prior to registration to assure reimbursement.

E. Approvable courses must be in the administrator's field or in the area of District priorities.

XIV. Medical Examinations:

The District shall provide an allocation up to \$200.00 for a complete annual physical examination for administrators over age 40, or up to \$200.00 for a complete bi-annual physical examination for administrators under age 40, at a health care facility to be determined by the Superintendent in consultation with the Administrative Staff.

XV. Maternity / Paternity Leave:

The District shall provide Maternity Leave to administrators in accordance with Policy GCBDA, dated November 7, 1984.

XVI. Salary:

Salary is predicated upon a system or ranges for administrators that derive their justification from all other salaries within the entire school system, both the professional and the support staff. The ranges for administrators reflect logical advancement opportunities within acceptable salary ranges that allow progression through the ranges at an accelerated rate over time, thus giving the District benefits of substantial cost savings during the period while the new administrator eases gradually into both the components of the position and the salary generated by the position. The accelerated track was developed to help new administrators get to a level of administrative salary commensurate with years of experience and qualifications. This system allows for a new administrator to be eased into the system as opposed to being thrust into the system of administrative salary.

Salary increases for administrators evaluated satisfactory or higher are as follows: 2015 – 2.83%; 2016 – 2.3%; 2017 – 2.6%.

D. The Superintendent will evaluate the Assistant Superintendent, Business Manager, and Principals. The Business Manager evaluates the Assistant Business Manager. The Assistant Principals will be evaluated by the Principals to whom he/she reports. The Assistant Superintendent evaluates the Technology Department and the Special Education Supervisor.. The Superintendent will be evaluated by the Board. Evaluations of administrators will be done by October 1 of the new school year.

E. New salary increases go into effect the January following the evaluation completed the prior October except for those individual contracts which supersede the general administrative contract (i.e. Superintendent, Business Manager).

G. Note: Any adjustments in salary and benefits to the Teachers' Contract will be adjusted to the Administrative Contract.

XVII. IRS 457 Plan:

The District shall permit the Administration to contribute to an IRS 457 Plan up to the maximum allowed by law at no cost to the District.

XVIII. Section 125 Plan:

The District and the Administration shall institute a Section 125 Plan that shall be administered by a designee of the Administration at no cost to the District.

XIX. Tuition-Free Attendance Benefit for Non-Resident Children of Administrators:

District administrators who are parents of school-age children who are not residents of the District shall be entitled to enroll their children, tuition-free, as non-resident students in the District.

If an administrator's employment with the District is terminated, or the administrator continues his or her employment with the District in a non-administrator capacity, the administrator's children's' eligibility to continue as tuition-free non-resident students shall expire at the end of the then current school year.

In the event of the death of an administrator while his or her non-resident children are attending school in the District, such children shall be entitled to complete their public school education in the District as tuition-free non-resident students.

Grandfather Clause: In the event this fringe benefit is not extended into a new Act 93 Plan upon the expiration of this current Plan, the provisions of this benefit shall continue to be applicable to the non-resident children of any administrator who are attending District schools as non-resident tuition-free students as of the expiration of this Plan.

XX. Retention Incentive:

A. Administrator Retention Compensation Agreement:

1. Participation Eligibility:

(a) Administrators who have served as administrators in the Pen Argyl Area School District for a minimum period of five (5) continuous years in one or more of the following positions may elect to enter into an administrator retention compensation agreement with the District: superintendent, assistant superintendent, business manager, principals, assistant principals, supervisor of special education, assistant business manager, technology supervisors and desktop support coordinator.

(b) Any administrator who chooses not to sign a retention compensation agreement during the first year he or she becomes eligible shall have the opportunity to elect to participate in subsequent years, by signing an agreement between April 1 and April 30 during any eligibility year.

(c) If an administrator is promoted to a new administrative position involving a higher longevity compensation payment during the term of an existing administrator compensation agreement, the affected administrator shall receive the higher longevity compensation payment, prorated over the balance of the term of the then current agreement.

2. Term of Agreement:

(a) Eligible administrators may choose a term of agreement of not less than five (5) full years nor more than ten (10) full years, with a commencement date of July 1.

3. Additional Longevity Compensation:

(a) The annual additional longevity compensation during each year of the agreement term based upon the position held by the participating administrator shall be as follows:

(1)	Superintendent	-	\$5,000.00 per year
(2)	Asst. Superintendent	-	\$5,000.00 per year
(3)	Business Manager	-	\$5,000.00 per year
(4)	HS Principal	-	\$4,000.00 per year
(5)	WGMS Principal	-	\$3,000.00 per year
(6)	PLFD Principal	-	\$3,000.00 per year
(7)	Asst. H.S. Principal	-	\$3,000.00 per year
(8)	Asst. MS Principal	-	\$3,000.00 per year
(9)	Supervisor of Special Ed	-	\$3,000.00 per year
(10)	Sup. of Tech Info Systems	-	\$2,500.00 per year
(11)	Sup. of Tech Info Services	-	\$2,500.00 per year
(12)	Desktop Support Coord.	-	\$2,500.00 per year
(12)	Asst. Business Manager	-	\$2,500.00 per year

(b) The applicable longevity compensation shall be paid in equal installments or in a lump sum as part of the administrator's W-2 payroll compensation.

4. Eligibility Criteria for Annual Longevity Payments:

(a) During each year of the agreement term, participating administrators must have received a satisfactory rating during the immediately preceding school year in order to be eligible for the applicable longevity payment for the current agreement year.

(b) If an administrator is on sabbatical or extended sick or medical leave (more than thirty [30] consecutive employment days) during any portion of time covered by an administrator retention compensation agreement, the administrator shall not be eligible to receive any longevity compensation during the period of any such sabbatical or extended sick or medical leave.

5. Penalty for Severance of Employment Relationship by an Administrator during the Term of an Administrator Retention Compensation Agreement:

(a) If an administrator resigns during the term of an administrator retention compensation agreement, then the resigning administrator shall be required to reimburse the District for the full amount of longevity compensation he or she has received and/or is scheduled to receive during the term of the then current administrator retention compensation agreement. The resigning administrator shall be required to execute a judgment note in the amount due and owing to the District providing for repayment of the applicable amount within one (1) year from the effective date of resignation, without interest. The judgment note shall further specify that the administrator shall be responsible for payment of all reasonable attorney fees incurred by the District in enforcing the note, and that any longevity compensation balance due and owing to the District which remains unpaid for more than one (1) year from the effective date of resignation shall bear interest at six (6%) percent per annum, retroactive to the effective date of resignation until the date of payment.

(b) The obligation for repayment shall not apply if:

(1) The administrator terminates his or her employment with the District by retirement with thirty-five (35) years of service, or at age 60 with thirty years of service or 1 or more years at age 62 in the Pennsylvania Public Schools Employees' Retirement System, or

(2) The administrator meets an early retirement provision as enacted by the State Legislature, or

(3) The administrator resigns due to health reasons based upon a physician's certification in form and content satisfactory to the Board verifying that such employee is no longer capable of engaging in any employment involving an average work week of twenty (20) or more hours, and the administrator, after so resigning, does not engage in any employment involving an average work week of twenty (20) or more hours during the remaining term of the compensation agreement in force when the administrator resigns, or


(4) The administrator is terminated for cause either by agreement or by hearing before the Board.

XXI. TSA Post Employment Contributions

The Economic Growth and Tax Relief Reconciliation Act 2110 ("EGTRRA") amended (the "Code") to permit employers to make contributions into 403(b) programs for employees who have fulfilled the contract with the District and the District agrees to make such contributions as permitted under Sections 403(b) and Section 415 (c) (1) of the Code for certain employees who fulfilled the contract.

The amount of the contributions shall be determined without cash option by retirement incentives as designated within the Memorandum of Understanding between the Pen Argyl Area School District and the Pen Argyl Area Education Association/PSEA, dated June 24th, 2014, notably, provisions of Retirement Incentive Program and Payment for Unused Accumulated Sick Leave within the contract.


IN WITNESS of approval of the within Agreement, the interested parties, each intending to be legally bound hereby, affix their signatures as of the day and year first above written.



Board President



Administrative Representative



Board Secretary



Administrative Representative

Dated: 1-27-15

