

**Act 93 Administrative Compensation Plan**

**As required by Act 93 of 1984**

**P.S. Code 11-1164**

**July 1, 2021 – June 30, 2024**

**Berwick Area School District**

**BOARD OF SCHOOL DIRECTORS**

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**EQUAL OPPORTUNITY STATEMENT**

The Berwick Area School District declares itself to be an Equal Rights and Opportunities School District. As an Equal Rights and Opportunities School District, it does not discriminate in employment programs, services or activities based on race, color, national origin, gender, religion, age or disability, in accordance with State and Federal Laws, including Title IX of the Education Amendment of 1962, Section 504 of the Rehabilitation Act of 1973, Title VI of the Civil Rights Act of 1964 and the Disabilities Act of 1990. Inquiries should be directed to Mrs. Wendy Kupsy, Superintendent, Berwick Area School District, 500 Line Street, Berwick, PA 18603 or at (570) 759-6400 Ext. 3509.

**Administrator Compensation Plan**

The Board of School Directors of the Berwick Area School District adopts the following Administrators Compensation Plan pursuant to the Pennsylvania Public School Code of 1949, as amended, Section 1164 and Board Policy No. 328, "Wage and Salary." This plan has been adopted following a "meet and discuss" between representatives of the Act 93 group and representatives of the Berwick Area School District Board of Directors. These "meet and discuss" sessions will begin no later than mid-September of the year prior to the expiration of this agreement.

## **The Act 93 agreement shall include the following employees:**

1. High School Principal
2. High School Principal of Operations
3. Middle School 7<sup>th</sup> & 8<sup>th</sup> Grade Principal
4. Middle School 5<sup>th</sup> & 6<sup>th</sup> Grade Principal
5. Salem Elementary Principal
6. West Berwick Principal
7. Nescopeck Elementary Principal
8. Director of Online Education
9. Director of Special Education and Student Services
10. Director of Technology
11. Director of Buildings and Grounds
12. Director of Curriculum and Instruction
13. Elementary Assistant Principal
14. Athletic Director

The Act 93 agreement will serve as an administrative compensation package for the previously identified employees. Any additions or deletions from the list must be approved by the Board of Directors and may be done at any time without formal re-opening of the meet and discuss process. The following terms: Act 93 group, Act 93 members, Act 93 unit, Act 93 employees etc..., as used in this document are equivalent.

## **Benefits received by members of the Act 93 unit shall include:**

**Health Insurance – Family Coverage** (Choice of any plan offered by the CS Trust)

During the term of this agreement, the Berwick Area School District will incur amounts up to the following monthly flat rates for any medical care plans. Health care plans are offered by Central Susquehanna Region School Employees' Health and Welfare Trust. Members are free to choose the health plan that best fits their needs and that of their dependents.

The district will contribute 4% of any increase on a yearly basis throughout the duration of this plan. Any increase higher than the 4% will be the responsibility of the employee.

**Employee Premium Share:** Premium shares will be expected of the employee should the plan chosen by the member be above the flat district rates provided each year of the agreement. Premium share payments will not apply to retirees or employees opting out of coverage. The school district shall use pre-tax payroll deduction available through IRS Section 125 for employee premium share amounts. Should the member decide not to use pre-tax payroll deductions, they shall notify the Business Office in writing.

**Dental Insurance:** During the term of this contract, the Berwick Area School District will purchase family coverage dental insurance, or an equivalent plan, for each employee.

#### **Vision Insurance - Family Coverage**

**Monetary Incentive:** Those employees, who are eligible for medical, dental, and vision insurance through a spouse's plan shall have the option of declining coverage provided by this agreement. In return, the Act 93 employee will receive \$4,000.00 per year of coverage declined for health insurance; \$150.00 per year of coverage declined for dental insurance and \$50.00 per year of coverage declined for vision insurance.

#### **Retirement - Direct contribution to Pennsylvania State Employees Retirement System**

**Vacation Days**—Administrators will be granted vacation days on July 1<sup>st</sup> based on years of service as an administrator in the district. Base allotment will be 20 days with an additional day per year added after five years of service as an administrator in the district. Those reaching that status in the previous Act 93 Plan will begin with the amount of vacation days previously accumulated.

Upon completing five (5) years of service, Act 93 Team Members will be allocated one day per year up to three additional vacation days maximum; 26 maximum total. Act 93 members may carry 10 days into the following fiscal year and may receive a per diem allocation for up to 5 unused vacation days per year. Should the Act 93 employee leave the district, vacation days for that fiscal year shall be pro-rated and compensation granted shall be for days earned prior to the effective resignation date of the employee. If employee has used more vacation days than the pro-rated number available, the district will be reimbursed for the excess before the administrator leaves the district. Act 93 members will be limited to 8 vacation days being taken yearly on days on which school is in session.

### **Act 93 employees will also receive 13 paid holidays as listed below:**

New Year's Day

President's Day

Good Friday

Easter Monday

Memorial Day

Fourth of July

Labor Day

Bloomsburg Fair Friday

Thanksgiving (Thursday, Friday)

Christmas Eve

Christmas Day

One day to be determined.

**Personal Leave** - Act 93 employees will receive three (3) personal days per year. Act 93 employees may accumulate a maximum of five (5) personal days. In addition to their accumulated amount of personal days, employees are allowed to convert the number of personal days beyond the accumulated maximum of five (5) into sick days.

**Sick Days** - Twelve (12) sick days shall be granted annually for all Act 93 employees. Sick days granted in the final year of employment within the district shall be pro-rated. There is no limit to the cumulative amount of sick time an employee may maintain.

**Term Life Insurance** - Three (3) times annual salary.

**Retirement Incentive** - Act 93 employees with more than fifteen (15) years of service with a minimum of ten (10) years as an administrator within the District, who notify the Superintendent of Berwick Area School District in writing by February 1, of his or her election to retire within the fiscal year, shall be eligible for a district provided non-elective employer contribution to the employee's 403(b) retirement account in the amount equal to one hundred (\$100.00) dollars for every year of service within the district.

During the term of this compensation plan, any Act 93 employee with more than fifteen (15) full time years of service with at least ten (10) of which are in an administrative capacity within the Berwick Area School District, who notifies the Superintendent of Berwick Area School District in writing by February 1, of his or her election to retire within the fiscal year will be eligible for a district provided retirement option as follows:

Funds provided to retirees will:

- Be provided to the employee's choice of tax sheltered annuity-403(b), 457 or Health Retirement Savings Account;
- Said funds will be contributed by the district within thirty (30) days of the date of retirement to the maximum amount allowed by federal law into the retiree's 403(b) and

457, with any reserve being provided to the retiree in the upcoming calendar year; and on an annual basis for any Health Retirement Savings Account contributions

- Should the retiree pass away prior to receiving all of the tax sheltered payments no additional payments shall be made

Exchange Rate for Sick and Personal Days accumulated prior to June 30, 2009:

- 30 days for the value of one (1) year of health care at the Single Policy rate using the former CS Trust composite schedule. Partial credit will be calculated at the exchange rate of three (3) days per month should the employee have leftover days that are not calculated against a full year.
- 35 days for a year of one (1) year of health care at the Family Policy rate using the former CS Trust composite schedule. Partial credit will be calculated at the exchange rate of four (4) days per month should the employee have leftover days that are not calculated against a full year.
- The annual value for sick or personal days used to calculate the exchange rate will be set at the time of retirement and will remain at the same rate until the benefit is exhausted

Exchange Rate for Sick and Personal Days accumulated after June 30, 2009:

- \$200.00 per day will be used as the daily exchange rate

Sick and personal days accumulated during the term of this agreement that need to be utilized by the employee will be used before any sick or personal days accumulated prior to June 30, 2009. Last in, first out method. District will provide an accounting of the days accumulated prior to June 30, 2009 and the days accumulated after June 30, 2009 to the employee.

If the District's 403(b) contribution causes the employee's account to exceed the Section 415(c) contribution limitation for the year, then any excess shall be contributed by the District as a non-elective 403(b) contribution in each subsequent tax year until the full amount payable by the District has been contributed to the eligible employee's 403(b) account. The district shall make no contributions under this provision to a former employee's 403(b) account in any calendar year that begins after the fifth year following the year in which the employee severed service with the District. Any amounts remaining payable after such period shall be contributed by the District into an HRA established by the District. Health Retirement Savings Accounts contributions cease upon the death of the employee/retiree. The Board reserves the right to individual retirement negotiations under the terms of this Agreement.

### **Early Retirement Incentive:**

#### **Definition of Eligibility -**

Any professional employee

- Who is at least considered "Early Retirement Eligible" under PSERS standards, (meaning age 55 years old and credited with at least 25 years of service on/before retirement date) and has served the Berwick Area School District with at least 10 of those years of full time service and

- Notifies the Superintendent of his/her election to retire before February 1<sup>st</sup> of any school year as stated in this contract

**1. Payment for Unused Sick and or Personal Days:** The district shall reimburse the member choosing Option #2 for all unused Sick and or Personal Days at a rate of \$200/day into the member's 403(b) or 457 tax sheltered annuity account. Funds will be transferred by July 15<sup>th</sup> of the year retiring unless the retiree has not established appropriate accounts before this time.

**2. Early Retirement Incentive:** The district shall provide the retiree:

- a non-elective contribution valued similarly to the Single Rate monthly medical premium paid by the district in place at the time of retirement until the retiree becomes Medicare Eligible at age 65. Values are defined for the years listed and to be no less than:

2020-2021 and 2021-2022-\$707/month

2022-2023 and 2023-2024-\$722/month

2024-2025 and 2025-2026-\$736/month

2026-2027 and 2027-2028-\$751/month

2028-2029 and 2029-2030-\$766/month

- IRS language states that district contributions can be provided to the retiree for a maximum of five years; therefore, retirees to who are eligible for than five years of benefits will have a condensed schedule of annual payments as follows:

### Payout Schedule

The following is an example showing how retirees receive their payout for a period of time up to five years

Number of Years Retiree is Eligible for Incentive	Employer Contribution	Months Paid in Annual Payment	Total # of Years Retiree will receive District Contribution
10 full years	Annual District Contribution	24 months will be paid in 1 <sup>st</sup> , 2 <sup>nd</sup> , 3 <sup>rd</sup> , 4 <sup>th</sup> and 5 <sup>th</sup> annual payments	5 years
9 full years	Annual District Contribution	24 months will be paid in 1 <sup>st</sup> , 2 <sup>nd</sup> , 3 <sup>rd</sup> , and 4 <sup>th</sup> annual payments, 5 <sup>th</sup> payment will include 12 months only	5 years
8 full years	Annual District Contribution	24 months will be paid in 1 <sup>st</sup> , 2 <sup>nd</sup> , 3 <sup>rd</sup> and 4 <sup>th</sup> annual payments	4 years
7 full years	Annual District Contribution	24 months will be paid in 1 <sup>st</sup> , 2 <sup>nd</sup> , 3 <sup>rd</sup> annual payments, 4 <sup>th</sup> annual payment will include 12 months only	4 years
6 full years	Annual District Contribution	24 months will be paid in 1 <sup>st</sup> , 2 <sup>nd</sup> and 3 <sup>rd</sup> annual payments	3 years
5 full years	Annual District Contribution	24 months will be paid in 1 <sup>st</sup> and 2 <sup>nd</sup> annual payments, 3 <sup>rd</sup> annual payment will include 12 months only	3 years
Any amount under 5 years	Annual District Contribution	12 months per year	Varies

- 1. Transfer of Funds:** Contributions into HRA's and tax sheltered annuities will be made by the district no later than July 15<sup>th</sup> of the retirement year unless the retiree has not established appropriate accounts before this time
  
- 2. Transferability:** Funds yet to be received are not transferrable to family members in the event of death of the retiree.

**Graduate Credit** - Act 93 employees will be refunded at the rate per graduate credit at Penn State University which prevailed at the time of the first meeting of the class. Act 93 employees will have a cap on individual utilization of this benefit, which is established as the value of 15 credits at the Penn State graduate credit rate, regardless of the institution attended.

Act 93 employees who sever employment with the district after receiving such payment will be responsible for repayment of this benefit to the Berwick Area School District at the following rate:

Severance of employment before two completed years following the date of payment made to the employee will be at the rate of 100% re-payment.

Severance of employment before the third completed year following the date of payment made to the employee will be at the rate of 75% repayment.

Severance of employment before the fourth completed year following the date of payment made to the employee will be at the rate of 50% repayment.

Act 93 employees must earn a grade of B or better to receive this benefit.

Act 93 employees who sever employment with the obligation of reimbursement of tuition will have until the end of the current fiscal period to provide the full amount of reimbursement to the district via payroll deduction or personal check.

**Mileage Reimbursement** – IRS rate. Intra-district travel will not be reimbursed by the district.

**Reimbursement for attendance at educational conferences or workshops** - One day events with approval of the Superintendent; overnight trips with approval of the Board of Directors.

**Reimbursement for membership in professional organizations** – A pool of funding for this purpose shall be budgeted. Act 93 members shall apply for use of the funds to the Superintendent, who will approve or disapprove each request or a portion of each request until funding for the year is exhausted. Modifications to the amount budgeted for this purpose will be discussed yearly during the budgeting process with the Finance Committee.

**Salary** - Act 93 employees will receive salary adjustments or freezes at the beginning of each fiscal year according to the following parameters.

**Unsatisfactory evaluation** – no increase

The Superintendent will provide to the Board of School Directors a comprehensive summary of the job performance of each administrative employee not later than June 30 of each year so that the Board can act on compensation adjustments for the following fiscal year. The Superintendent will also make a recommendation of the salary adjustment or freeze for each Act 93 employee at that time.

A collective pool of funds based on three (3) percent of the average salary will be established each year to be used for Act 93 salaries. The pool shall be established through the budgeting process on a yearly basis and salary recommendations will be based upon evaluations.

Administrators who begin employment later than December 31 of any year will be not be eligible for a salary increase at the beginning of the fiscal year immediately following their commencement of employment.



**Flexible Spending/Health Care** – In recognition of the elimination of the \$3.00 prescription co-pay, eligible Act 93 employee will receive a salary increase of up to \$1,500.00, which the employee must have placed in a flexible spending account for yearly health care costs. Employees not completing a full year will forfeit eligibility for this contribution unless approved by the Board of Directors. Any Act 93 employee hired on or after July 1, 2009 will not be eligible for this benefit.