



ADMINISTRATIVE COMPENSATION PLAN

JULY 1, 2020 - JUNE 30, 2023

INTRODUCTION

After having met with representatives of administrators of the Intermediate Unit, the Board of School Directors of the BLaST Intermediate Unit #17 (“the IU”) adopts this Administrative Compensation Plan (“ACP” or “Plan”) in accordance with Act 63, 24 P.S. §11-1164.

For purposes of this Administrative Compensation Plan, an administrator shall be any employee of the IU, below the rank of Executive Director, Assistant Executive Director or Director of Management Services who by virtue of assigned duties is not in a bargaining unit of public employees or eligible for membership in a bargaining unit under the Public Employee Relations Act (Act 195 of 1970, as amended).

All administrators shall be included under this Administrative Compensation Plan.

ANNUAL COMPENSATION

Each IU administrator whose performance is rated as satisfactory shall have his/her annual salary increased effective July 1 by a percentage amount which will be determined by the Board of Directors and explicitly stated in this document.

PROCEDURE

Prior to recommending a salary recommendation the following steps were implemented:

- a. The Executive Director meets with the Act 93 employee group prior to any recommended annual adjustments.
- b. Using approved parameters and such other guidelines as may be established by the Board, the Executive Director will prepare salary change recommendations for consideration of the Board. The Executive Director will make the recommendations based on the relative position of present salary as compared to the current salary range established by the Board, individual by individual, to fairly and properly distribute salary increases in accord with the guidelines established by the Board.

RECOMMENDED SALARY

After implementing the procedures outlined above, it is recommended the Board of Directors consider the following three-year percentage increase:

2020-21 School Year- 2.5 %

2021-22 School Year- 2.5 %

2022-23 School Year- 2.5 %

FRINGE BENEFITS FOR JULY 1, 2020 THROUGH JUNE 30, 2023

1. HOSPITALIZATION/MEDICAL SERVICES PLAN -

The IU is a member of the Northern Tier Insurance Consortium (NTIC), (coverage currently provided through Highmark Blue Cross/Blue Shield) and will offer

Administrators only the Qualified High Deductible Health Plan (QHDHP) for the term of this Compensation Plan, as long as QHDHP is offered by the insurance carrier and with contractual plans selected by NTIC. Existing Administrators will be given the opportunity to elect their coverage option once per Plan Year (September 1 through August 31). An open enrollment period will be provided once per Plan Year for the Administrator to select or decline coverage for the next 12-month period. This coverage decision cannot be changed until the next annual open enrollment period, unless the employee experiences a life-changing event as defined by Section 125 of the Internal Revenue Code. The Employer will pay the premium to NTIC. The Board's liability is limited to the payment of premiums to the NTIC. The Administrator will have the following amounts deducted from his/her pay to share in the cost of providing insurance over the term of this Plan and these amounts shall not be subject to federal income tax pursuant to Section 125 of the Internal Revenue Code:

Health Insurance Premium Contribution:

2020-21	QHDHP	No Charge
2021-22	QHDHP	No Charge
2022-2023	QHDHP	2% of Premium

The IU shall adopt an IRS Section 125 plan and make available to all Administrators Section 125 Flexible Spending Accounts for dependent care expenses. The maximum contributions shall be the IRS limits per year. The Administrator is responsible for understanding the risks and benefits of the program.

Any Administrator who is hired by the IU on or after July 1, 2020, or any Administrator who becomes an Act 93 Administrator on or after July 1, 2020 shall only have the QHDHP plan available as an option. Additionally, any Administrator who selects QHDHP coverage on or after July 1, 2020 will not have the option of switching to a PPO plan in future coverage years.

The IU shall offer a Health Savings Account to all Administrators selecting the QHDHP health plan. For each year covered by this Plan, the IU shall make an employer contribution to the Administrator's account in the following amounts:

2020-21	Single	\$1,000
	Non-Single	\$2,000
2021-22	Single	\$750
	Non-Single	\$1,500
2022-23	Single	\$500
	Non-Single	\$1,000

The IU reserves the right to change the administrator of the 125 Flexible Spending Accounts or Health Savings Accounts at any time during the term of this Plan.

If a charge is assessed, it will be the responsibility of the Administrator.

- (a) New Administrators who elect coverage under the QHDHP Plan will be entitled to a pro-rated share of the HSA contribution noted above. New Administrators who elect coverage will be covered from the first day of work.

If any Administrator covered by this agreement decides not to elect coverage under this plan, the Board agrees to pay the Administrator a sum of \$2,500 each year. Equal payments of \$1,250 shall be made to each Administrator not electing coverage in December and June of each year with all applicable taxes withheld. Such payment shall not be reported for retirement purposes. The Administrator must provide proof of insurance to the business office within 20 days of the decision to decline coverage in order to receive this sum. In order to continue to receive this payment in future years, the Administrator must inform the Board of his/her decision to decline insurance coverage each year during an open enrollment period.

- (b) Administrators who did not elect to be covered under this hospitalization and medical service plan during the first 20 days of their employment and who subsequently decide to participate, can be covered only at the next open enrollment period, unless a life-changing event, as defined by Section 125 of the Internal Revenue Code, occurs.
- (c) The insurance coverage shall terminate at the end of the policy month in which the Administrator's active employment with the Employer ends.
- (d) To be eligible, an Administrator, other than a full-time Administrator, must be scheduled to work on a regular part-time basis of 20 or more hours per week.
- (e) Administrators on an unpaid leave or other temporary absence may continue coverage by paying the premiums during the term of such unpaid leave or temporary absence.

2. **FAMILY DENTAL -**

Dental Plan – Administrators covered under this plan will receive the same benefits as outlined in the Collective Bargaining Unit Agreement with the BLaST Education Association (“the BLaSTEA”). If the benefit is not offered to BLaSTEA, it will not be offered under this plan.

3. **GROUP LIFE INSURANCE -**

Policy in the amount equivalent to salary times 1.5 (to the nearest \$1,000). For Administrators covered under this plan retiring under the Public School Employees Retirement System (“PSERS”) and who meet the criteria of superannuation under PSERS, the IU shall continue to pay the premium cost of the life insurance policy in the amount of insurance in force at the time of retirement for a period of five (5) years after his/her effective date of retirement. Administrators who do not retire under PSERS or who do not meet the criteria for superannuation will not qualify for this benefit.

4. **RETIREMENT SEVERANCE BENEFIT -**

\$1,000 for every five (5) years of service to I.U. #17 to a maximum benefit of \$3,000. Administrators who do not retire under PSERS or who do not meet the criteria for superannuation will not qualify for this benefit.

5. **EDUCATIONAL IMPROVEMENT/PROFESSIONAL DEVELOPMENT PLAN -**

Administrators covered under this plan who continue approved college or university credits shall be subsidized at a rate not to exceed the Penn State University graduate rate per credit or the actual tuition amount, whichever is less. The IU will reimburse eligible Administrators for a maximum of 12 credits per calendar year. The University tuition bill must be presented to the IU Business Office with a copy of the Executive Director's course approval. The IU will then submit tuition payment directly to the Administrator. Should the Administrator pay the tuition of an approved course, the IU will reimburse the Administrator upon presentation of the paid tuition receipt. For any amount up to \$5,250 in a calendar year, the Administrator will be reimbursed through Accounts Payable. For any amounts exceeding \$5,250 in a calendar year, the Administrator will be reimbursed through Payroll. The requirements of the course must be completed while employed by the IU. In the event the Administrator does not successfully complete the requirements of the course, or present proof within thirty (30) calendar days of successful completion, the cost of tuition payment shall be deducted from the Administrator's pay. Credits completed in accordance with this policy which exceed 12 credits in a calendar year shall be paid in the following year. The Administrator must remain in the employ of the IU for one (1) semester after completion of the course. In the event that an Administrator does not remain for one (1) semester, the cost of tuition which has been reimbursed will be deducted from the Administrator's final check.

6. **INCOME PROTECTION PLAN -**

Payment for the cost of an income protection plan shall be provided by the IU. Waiting period shall model the income protection plan offered to BLaSTEAM members.

7. **SICK LEAVE -**

10 Days for 185 Work Days;
11 Days for 195-214 Work Days;
12 Days for 215 or More Work Days.

8. **TRAVEL EXPENSES -**

The rate of reimbursement for travel expenses shall be the lessor of the Internal Revenue Service approved mileage rate or the General Services Administration rate.

Administrators covered by this Plan shall be assigned to a home base which is defined as that office to which the Administrator is regularly assigned. For any Administrator assigned three or more days per week to a location other than one of the IU offices, that location shall serve as the Administrator's home base.

Mileage shall be calculated and reimbursed from each Administrator's home base to the Administrator's first place of assignment. Following the first place of assignment, mileage will be paid for driving to each subsequent assignment until returning to the home base or the last work location.

9. **HOSPITALIZATION/MEDICAL SERVICES PLAN - RETIRED ADMINISTRATORS -**

For administrators who have provided a minimum of fifteen (15) years' service to the IU as an administrator/supervisor or ten (10) years' service to the IU as an administrator/supervisor with a total of 30 years of total employment in the public schools, the IU shall pay the full amount not to exceed the current premium rate of the PPO-E Plan for the individual administrator/supervisor to provide hospitalization, physician, prescription medication, dental and vision coverage under any plan offered by the IU to employees. The Plans offered by the IU may change during retirement. This benefit will be provided only for Administrators retiring under PSERS before reaching eligibility for Medicare/or Medicaid. Retired Administrators covered by this plan may, at their option, include spousal coverage/participation in the IU's group plan at their own expense until such time as the spouse reaches eligibility for Medicare and/or Medicaid. Payments shall be made at quarterly intervals, one quarter in advance. The retiree who is eligible for this benefit shall pay to the IU the maximum amount of monthly premium assistance provided by PSERS toward the cost of the retiree's basic health coverage whether they receive it or not, and the amount shall be paid with the first month of retiree coverage provided by the IU under this provision. The schedule of such payments by the retiree to the IU shall be arranged prior to separation of service by the IU Business Manager. Administrators who do not qualify for retirement under PSERS for any reason will not qualify for this benefit.

10. **VACATION LEAVE -**

- a. Vacation for twelve (12) month Administrators covered by this Plan shall be twenty (20) working days. All requested vacation leave must be approved by the Administrator's immediate supervisor.
- b. Administrators covered by this Plan working less than a twelve-month contract shall be entitled to five (5) vacation days.
- c. To qualify for vacation, an Administrator covered by this Plan shall have been an Administrator on July 1, of the preceding year; provided, however, that less than one year of service, if such service began prior to January 1, shall merit vacation in proportion to time employed.
- d. Unused vacation leave due to an administrator/supervisor shall be cumulative from year to year in the IU, up to a maximum of twenty-five (25) days, exclusive of any current year's credit; provided, however, that no more than five (5) such carryover vacation days may be used in any one work year, except with prior written approval of the Executive Director.
- e. Eligible Administrators whose employment terminates (or the Administrator's estate in the event of death) shall receive all vacation time, current year's credit as well as

carryover time not to exceed a twenty-five (25) day carryover maximum, to which the Administrator is entitled at the time of termination. Such entitlement shall include a prorated vacation for the fiscal year in which employment terminates.

11. PERSONAL LEAVE -

The IU shall provide paid leave up to a maximum of three (3) days per year for Administrators covered by this Plan who may be required to be absent from work for personal reasons. Personal leave may accumulate year-to-year up to three (3) days (exclusive of the current year's credit). No compensation for unused personal leave will be paid upon termination of employment.

12. INDIVIDUAL ANNUITY ACCOUNTS -

Administrators covered by this Plan participating in 403(b) tax sheltered annuities will have 100% of their contribution matched by the IU up to 3% of the Administrator's salary. Upon termination from employment, the value of all unused vacation leave, benefits and any other incentives may be contributed as an employer contribution by the IU into the Administrator's Section 403(b) tax sheltered account up to the amount permissible by law. Any amounts in excess of the shelter limit will be contributed in subsequent tax years up to the amount permissible by law, payable on the first business day of the new tax year.

13. INDEMNITY –

- a. The IU shall defend and indemnify each Administrator in accordance with and subject to the terms, conditions, limitations, and exclusions set forth in the Political Subdivision Tort Claims Act, 42 PA.C.S.A. §8541 *et seq.*
- b. Administrators shall be covered as insureds under the IU's legal liability insurance policy(ies).

14. INSURANCE AND PLAN PROVISIONS –

All benefits provided to Administrators through and insurance policy or an adopted plan, shall be provided subject to the terms, conditions, limitations, and exclusions contained in the applicable policy or plan, which may change from time to time. If there is any dispute relating to the payment or nonpayment of any benefit by any insurer, third party administrator or plan, the dispute shall be resolved in accordance with the appeal processes or dispute resolution provisions contained in the applicable insurance policy or plan documents.