

INTEREST ARBITRATION AWARD

As the Fraternal Order of Police Lodge 85 (FOP) and the Commonwealth of Pennsylvania (Commonwealth) were unable to resolve their bargaining disputes directly and an impasse occurred in the negotiations, this Panel of Arbitrators (Panel) was selected and convened pursuant to the authority contained in the Policemen and Firemen Collective Bargaining Act, 43 P.S. paragraph 217.4(b), *et seq.* (Act 111). The Panel was charged with the responsibility of rendering an Award which would establish the terms and conditions for a successor agreement for the parties' current collective bargaining agreement, which expired on June 30, 2011.

The FOP designated Quintes D. Taglioli, Esquire to serve as its party arbitrator. The Commonwealth designated Alfred J. D'Angelo, Esquire to serve as its party arbitrator. These two party representatives then designated James M. Darby, Esquire to serve as the Impartial Chairman of the Board of Arbitrators.

Subsequent to due notice, hearings were held on held on January 25 and 26, 2012 during which time the FOP presented its evidence through documents and witnesses. On February 22, March 23 and May 31, 2012, the Commonwealth presented its respective evidence through documents and witnesses. The FOP also presented rebuttal evidence through documents and witnesses on May 31, 2012. Each party had a full opportunity to assert its arguments, and make objections, and both parties took full advantage of this opportunity. The Commonwealth submitted a post-hearing brief, which included rebuttal evidence. After fair and deliberate consideration of all the testimony, exhibits, and brief, the Panel engaged in executive sessions on July 26, 2012 and September 18, 2012.

Having fully considered the evidence and arguments before it, the Panel issues the following Award which comprises the changes in wages, terms and conditions of employment that shall be implemented by the parties:

AWARD

Term

This Award shall be effective for a period of four (4) years, from July 1, 2011, and continue in full force and effect until June 30, 2015.

Salaries and Wages

Amend to provide for the following:

FY 2011/2012:

- No general pay increase
- No service/longevity increment

FY 2012/13:

- 1.5% general pay increase effective July 1, 2012.
- Effective July 1, 2012, all permanent FOP employees shall be placed on a service increment and/or longevity scale that corresponds to their actual years of service.
- One step service increment or one step longevity increment, as applicable (the first day of the first full pay period in the employee's anniversary/longevity month).

FY 2013/14:

- 1.0% general pay increase effective July 1, 2013
- 1.0% general pay increase effective January 1, 2014
- One step service increment or one step longevity increment, as applicable (the first day of the first full pay period in the employee's anniversary/longevity month).

FY 2014/15:

- 2.0% general pay increase effective July 1, 2014.
- One step service increment or one step longevity increment, as applicable (the first day of the first full pay period in the employee's anniversary/longevity month).

K-9 Officers

A new section shall be added to Article 6 providing that officers shall earn a 5% salary differential for periods of time served in the K-9 Unit.

Health Benefits

In the last two interest arbitration hearings involving this unit, the Commonwealth has vigorously argued that the members of this unit should also contribute towards its health care coverage, as they enjoy the same level of health benefits "free of charge" for which other Commonwealth employees covered by PEBTF must contribute. A majority of this Panel is persuaded by the Commonwealth's arguments that members of this unit must now do so.

The Panel's award of employee contributions is contingent on the fact that this bargaining unit will be offered another opportunity to take a Health Risk Assessment (HRA) and to participate in the Get Healthy Program, including the contribution waiver. The HRA shall be offered no later than January 1, 2013, for an initial contribution waiver period of January 1, 2013 through June 30, 2014.

Accordingly, Article 24 of the contract is modified to provide as follows:

Employer Contributions

The Commonwealth's contribution rate to PEBTF on behalf of each permanent full-time employee eligible for benefits and covered by this Agreement shall be as follows:

- FY 11/12 \$375 biweekly
- FY 12/13 \$390 biweekly
- FY 13/14 \$425 biweekly
- FY 14/15 \$455 biweekly

Commonwealth contributions shall be effective the first pay date in July of the respective fiscal years.

The contributions for permanent part-time employees who are eligible for benefits and expected to be in an active pay status at least 50% of the time every pay period will be 50% of the above referenced rates.

The Commonwealth's contribution rate shall be reassessed should an actuarial analysis determine that the PEBTF's reserve will fall below three months of projected claims and expenses. The mechanism to be employed in this reassessment shall be that which is agreed upon between the Commonwealth and the union representing the majority of Commonwealth employees.

Employee Contributions

Employees who elect health care coverage will contribute a percentage of their biweekly gross base salary toward the cost of coverage as provided below:

	<u>Employee Contributions</u>	<u>With Get Healthy Waiver</u>
July 2011 – December 2012	0	0
January 2013 – June 2014	3.0%	1.5%
July 2014 – June 2015	5.0%	2.0%

Employee contributions and Get Healthy waiver amounts shall be effective the first full pay period in each of the above-referenced time periods.

Retiree Health Coverage

An employee who retires on or after January 1, 2013, and who elects REHP coverage, shall be required to contribute to the cost of coverage at the rate of three percent (3.0%) of the employee's final average salary at the time of retirement, as determined by the State Employees' Retirement System to calculate pension benefits, and will be payable monthly at the rate of one-twelfth of the annual retiree contribution rate. Said contribution rate shall remain at three percent (3.0%) during the term of this award.

Further, effective January 1, 2013, the annual retiree contribution rate will be reduced from three percent (3.0%) to one-and-one-half percent (1.5%) of final average salary when a retiree becomes eligible for Medicare coverage.

Affordable Health Care Act

Prior to January 2014, the parties agree to meet and discuss the impact of Health Care Exchanges and other features of the implementation of the Affordable Care Act or the existing active and annuitant health care program.

In addition, the last paragraph of Article 24, Section 1(c) shall be deleted as expired (relating to the Employer's contribution of \$60,000,000 to the PEBTF during the first three months of fiscal year 2003/04).

Vacations

Annual leave earnings rates for those employees hired on or after the effective date of this award shall be capped at 7.70% of all Regular Hours Paid (20 days).

Sick Leave and Bereavement Leave

Effective at the beginning of the 2013 leave calendar year, sick leave will be earned at the rate of 4.24% of all Regular Hours Paid (11 days per year).

Effective at the beginning of the 2013 leave calendar year, employees who use no sick leave in a leave calendar year shall earn one additional personal leave day to be used in the following leave calendar year. While sick bereavement leave shall not count for the purposes of this section; all other types of paid sick leave (personal sick leave, SPF sick leave, work-related injury sick leave, and sick family), unpaid sick leave used for SPF reasons, and paid and unpaid leave used for work-related injuries shall count for such purposes.

Compensatory Leave

In Article 9, Section 4, change sixty (60) calendar days to ninety (90) calendar days.

Delete last sentence concerning the thirty (30) day extension and add:

At any time, an officer may request payment for unused, unscheduled compensatory time.

Seniority

Article 28, Section 1(d) shall be amended to provide that officers shall receive seniority credit for military service during the Persian Gulf Conflict (August 2, 1990 – August 31, 1991) and the War on Terrorism (September 11, 2001 to date to be determined by the Adjutant General, Department of Military and Veterans Affairs, pursuant to 51 Pa.C.S.7101), in addition to the periods of war already listed in this provision (with reference to World War I deleted). Proof of such service shall be required in accordance with existing language.

With respect to the tiebreaker for seniority, the Panel maintains the status quo and directs the parties to follow the process as currently outlined in Article 28, Section 14 to resolve future ties in seniority.

Leaves of Absence Without Pay

Parental Leave

Family Care Leave

Effective at the beginning of the 2013 leave calendar year, employees may elect to retain up to ten (10) sick days upon commencement of SPF leave.

Article 14, Leaves of Absence Without Pay, shall also be amended to describe eligible employees' entitlement to use unpaid military exigency or military caregiver leave in accordance with the Family and Medical Leave Act of 1993, 29, U.S.C. Sections, 2601, et seq.

Leave Donation

Amend the language of Article 45 to provide for the eligibility of "severe medical conditions."

Call Time

Article 8 shall be amended to clarify that pre-scheduled overtime shall not be considered call time.

Uniform Allowance

Article 29 shall be amended to provide that uniformed officers may be reimbursed up to \$250 for the purchase and maintenance of job-related equipment not issued by the Employer. The \$250 limit shall be applicable in each of the four (4) years of the Agreement.

Uniforms, Clothing and Equipment

Article 29 shall be amended to provide that the parties will create a committee of three (3) officers and three (3) members of management to make recommendations to the Department concerning uniforms, clothing and equipment.

Schedule Changes

Article 5 shall be amended to provide that the start time of a scheduled shift may be changed if the affected officer is given at least twenty-four (24) hours notice. This shall not be applicable to the outright changing of an officer's shift (i.e. – from first platoon to second platoon) or to changing an officer's scheduled day off.

Grievance Procedure

The following two paragraphs shall be added to Article 27, Step 3:

The arbitrator is to be selected by the parties jointly within seven (7) working days after the notice has been given. If the parties fail to agree on an arbitrator, either party may request the American Arbitration Association to submit a list of fifteen (15) arbitrators.

The parties shall have ten (10) business days to rank the arbitrators and return same to the American Arbitration Association who will process the selection in accordance with its Voluntary Rules on Labor Arbitration.

Bill of Rights

Article 43 shall be amended to provide for the following:

- (a) Unsubstantiated or unfounded complaints will not be utilized by supervisors or by the Department generally with respect to any personnel decisions related to the officer including but not limited to evaluations, promotions, discipline, shift preference or training opportunities.**
- (b) In situations where an officer is being questioned by telephone or radio about an incident, should the officer reasonably believe that the questioning could lead to**

discipline, the officer has the right to terminate the questioning by telephone or radio and elect to have the questioning be done in person with Union representation present, if requested.

- (c) In those situations when a specific document or item originating from an officer's supervisory file is utilized to effect a disciplinary action against an officer or used in an officer's performance rating, the officer and/or Union is entitled to review and be provided with a copy of such document or item upon request.**

Survivor Benefits

A new section will be added to Article 41, Miscellaneous, as follows:

Where an officer is killed in the Line of Duty, health benefits shall continue for his/her spouse for five (5) years or until the spouse remarries, whichever is first. Health benefits will continue for his/her dependent(s) until age eighteen (18).

Tobacco Use

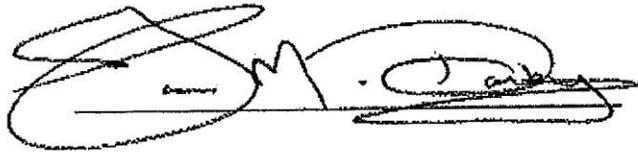
Article 41, Section 7 shall be amended to provide the following:

With respect to the Commonwealth's policy on tobacco use, smokeless tobacco shall be treated the same as cigarettes.

All other provisions of the parties' Collective Bargaining Agreement not specifically changed herein shall remain as is.

It is understood that the signatures of the Arbitrators attest to the fact that the contractual changes represent the majority opinion and Award on each issue by the members of the Arbitration Panel.

Except as otherwise provided, the provisions of this Award shall be effective upon signing.



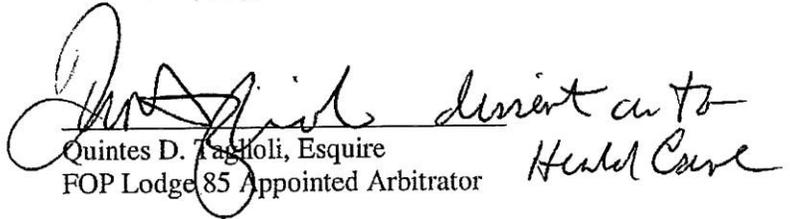
James M. Darby, Esquire
Neutral Arbitrator

Date: 10/9/12



Alfred J. D'Angelo, Esquire
Commonwealth Appointed Arbitrator

Date: 10/10/12



Quintes D. Taghli, Esquire
FOP Lodge 85 Appointed Arbitrator

Date: 10/10/12

CAPITOL POLICE LODGE #85, FRATERNAL ORDER OF POLICE

AND

COMMONWEALTH OF PENNSYLVANIA

DISSENT

I dissent from the Majority Opinion as it relates to health care, and specifically the lockstep approach used to include the Capitol Police in the "pattern" for health care. While it is true that the overwhelming majority of Commonwealth employees have agreed, through the collective bargaining process, to contribute for health care and participate in the "Get Healthy" program in order to enjoy reduced employee contributions, the evidence presented at the hearings by both the Commonwealth and the FOP clearly established that the "pattern" should not apply to this unit.

Employees in other law enforcement units, in particular the Pennsylvania State Police, do not share in their health care costs. The reason they do not is their status as law enforcement officers. And what is eminently clear for the testimony is the Capitol Police officers are just that: police officers. They are not clerks, road crew workers, IT workers, security guards, or any other of the many Commonwealth employees who provide a good and valuable service to the citizens of Pennsylvania. They are Police Officers, and they provide a certain type of service that is not required of non-law enforcement employees. Witnesses, on both sides, acknowledged this fact.

So, to foist upon this unit a "pattern" cost in contrary to the evidence, since this is not a "pattern" unit. It is not a better or worse unit than other Commonwealth units- but it is different as consequence of the job functions the Capitol Police perform. To include them in with other non-law enforcement employee units while excluding them from law enforcement employee units such as the PSP is not only contrary to the evidence but it is wrong.



Quintes D. Taglioli, Esquire

MARKOWITZ & RICHMAN

121 N. Cedar Crest Blvd., 2nd Fl.

Allentown, PA 18104

610-820-9531

Attorney for FOP Lodge # 85