

**Pursuant to the Administration of the
PENNSYLVANIA LABOR RELATIONS BOARD**

In the Matter of Arbitration between:

PENNSYLVANIA STATE
CORRECTIONS OFFICERS
ASSOCIATION,

AND

Case PERA-A 14-38-E
(Act 195 Interest Arbitration)

COMMONWEALTH OF PENNSYLVANIA, DEPARTMENT OF
CORRECTIONS AND PUBLIC WELFARE

Act 195 Interest Arbitration Award

Presenters

For the PSCOA:

Eric C. Stoltenberg, Esquire
R. Todd Eagen, Esquire
Christopher J. Cook, Esquire
LIGHTMAN, WELBY &
STOLTENBERG, LLC

Roy C. Pinto, President
PA STATE CORRECTIONS
OFFICERS ASSOCIATION

For the Commonwealth:

Brian A. Casal, Esquire
Brian D. Balonick, Esquire
David J. Hackett, Esquire
BUCHANAN, INGERSOLL &
ROONEY, P.C.

Bryan T. Oles
COMMONWEALTH OF PA
OFFICE OF ADMINISTRATION

Arbitration Panel

William J. Miller, Jr. Esquire
Neutral Arbitrator and Panel Chair

William J. Einhorn, Esquire
PSCOA-Appointed Arbitrator

Joseph Quinn, Esquire
Commonwealth-Appointed Arbitrator

BACKGROUND AND INTRODUCTION

The Pennsylvania State Corrections Officers Association (hereafter referred to as “PSCOA” and the Commonwealth of Pennsylvania, Department of Corrections and Public Welfare (hereafter referred to as the “Commonwealth”), are parties to a collective bargaining agreement which expired June 30, 2014. An impasse occurred in the negotiations between the parties regarding the terms and conditions to be effective for the July 1, 2014 Agreement. As a result PSCOA requested the initiation of interest arbitration proceedings pursuant to Section 805 of the Pennsylvania Public Employee Relations Act (“Act 195”), 43 P.S. Paragraph 1101.805. The undersigned panel of arbitrators were duly appointed in accordance with the applicable provisions of Act 195. Hearings were held in Harrisburg, Pennsylvania on April 21, April 22, April 23, April 28, April 29, and April 30, 2014. During the hearings the parties were given a full and fair opportunity to present documentary and other evidence, to examine witnesses, and offer arguments in support of their respective positions. The panel held multiple executive sessions to reach this award and having fully considered the evidence and arguments, the panel issues the following award:

AWARD

1. Term Article 43

Article 43 shall be amended to read as follows:

This Agreement shall be effective July 1, 2014 except where the award specifically provides that a particular provision will be effective on another date. This Agreement shall continue in full force and effect up to and including June 30, 2017. It shall automatically be renewed from year to year thereafter, unless either party shall notify the other in writing by such time as would permit the parties to comply with the collective bargaining schedule established under the Public Employee Relations Act.

2. Salaries and Wages Article 17

A. Effective on the dates indicated, all H-1 bargaining unit members shall receive the following across the board wage increases:

January 1, 2015	2%
July 1, 2016	3%
January 1, 2017	3%

B. All employees shall receive one (1) service increment and/or one (1) longevity increment, as appropriate, effective on the first full pay period in the employees anniversary/longevity month in each fiscal year of the Agreement.

C. In addition to being recognized for their years of service through uniform designations, those members who have reached first class (10 years of service) and master class (20 years of service) shall receive a corresponding increase in base pay. The differential rate for first class shall be 2% above the step J base rate of pay. The differential rate for master class shall be 2% above the Step K base pay rate. The appropriate longevity rate based upon years of service shall then be applied to that rate. For example, the regular pay of a CO with 11 years of service shall be calculated by adding 2% of the Base J rate to 100% of the Base K rate, then multiplying that sum by 1.11. The regular pay of a CO with 19 years of service shall be calculated by adding 2% of the Base J rate to 100% of the Base K rate, then multiplying that sum by 1.19. The regular pay of a CO with 20 years of service shall be calculated by multiplying 102% of the Base K rate by 1.20.

3. Shift differential Article 19

Article 19, Section 1 shall be amended to increase each respective shift differential rate by \$.25.

4. Health Care Benefits

- A. Members shall remain within PEBTF (The fund) for the term of the Agreement.
- B. Employer contributions to the fund for each full-time employee per pay period shall be as follows:

July 1, 2014	\$455
July 1, 2015	\$469
July 1, 2016	\$483

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.

- C. For those bargaining unit members retiring on and after July 1, 2014, Article 23, Section 6 (c) shall be modified to provide that retiree contribution for health care (prior to the attainment of Medicare eligibility) shall remain at 3% of final average salary used for pension purposes, excluding any overtime or shift differential earnings calculated within such final average salary.
- D. With respect to PSCOA's request that retirees under age 65 be able to participate in the "get healthy" wellness program with a reduction in contribution from 3.0% to 1.5%, the panel notes that in the previous interest arbitration award covering the 2011-2014 term, the previous panel had directed the parties to meet and discuss the possibility of

such group of retirees to participate in such a program. It is the panel's inclination that such program with appropriate incentives to participate would be beneficial to both the Commonwealth and PSCOA. Therefore, it is the panel's determination to recommend the parties to meet on this issue and determine the appropriateness of implementation of this incentive. The panel will retain jurisdiction of this matter during the term of this Agreement, in the event both parties advise the panel of their willingness to implement such matter.

- E. The panel has carefully reviewed the existing method of employee contribution to their medical coverage. Upon making such review, it has become readily apparent that there could be inequities inherent in the current methodology, specifically because of employees being required to provide cost sharing on the basis of percentage of pay. With respect to this bargaining unit, it could very well be the case, because of the fact that this bargaining unit has a higher average pay than other units which make up the PEBTF. It has also become clear, upon reviewing the evidence, that certain inequities could exist because of all employees making the same contribution toward their health care, regardless of whether the coverage is single coverage, husband and wife coverage or family coverage.

Because of the foregoing, the panel believes it is in the interest of the parties that these issues be reviewed to determine whether or not there is a more fair and equitable system for determining bargaining unit health care costs. Such a study should involve and address the issues of moving from a "percent of pay" to a "percent of cost" method and cost determinations based on individual, husband and wife and family coverage, or any other issue related to this matter. The panel directs that this study be completed by December 1, 2015, and that both the Commonwealth and PSCOA cooperate fully in the development of such study. The panel will then receive the results of the study, and will determine no later than April 30, 2016, whether the current method will remain in effect at the same "percent of pay" percentage or some other percentage, whether an alternative methodology should be implemented, and if so what amount and type of cost sharing would be implemented. In the interim, and until further order of this panel, the current 3%/1.5% of pay schedule shall remain in effect.

5. Miscellaneous Provisions, Article 33, Section 20

Article 33, Section 20 shall be amended to provide that the Commonwealth shall have no requirement to furnish 24 hours advance written notification of inmate or patient charges in accordance with Section 20, when an allegation falls within the purview of the Prison Rape Elimination Act of 2003.

6. Reduction of SPF Benefit Articles 15, 16, 22 and 39.

The language in each of Articles 15, 16, 22 and 39 shall be amended to remove what has been, or is understood to be, the SPF program, and shall otherwise be limited to the 12 weeks provided in accordance with the family and Medical Leave Act.

7. Overtime Article 18

Section 5 (K) (7) shall be amended to include the following:

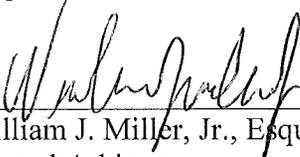
A voucher must be redeemed at least two hours prior to the start of the shift the employee is requesting to work with the voucher.

8. Leaves Article 10

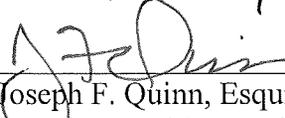
Leave selection will be done by shift, unless a local agreement provides otherwise. All leave used for bereavement shall be deducted from the employee's sick leave account.

Except as otherwise stated, all terms are effective as of July 1, 2014. Except as otherwise explicitly provided by the terms of this Award, all terms and conditions of the parties' collective bargaining agreement for July 1, 2008 through June 30, 2011 and the 2011 DeTreuX Interest Arbitration Award, shall remain in full force and effect for the duration of this Award. Any issue in dispute presented by either party not addressed in this Award has not been awarded by the Panel.

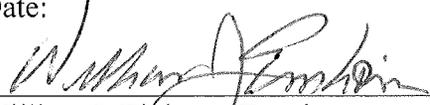
This panel shall retain jurisdiction to resolve any disputes which may arise regarding the implementation of any provision of this Award.



William J. Miller, Jr., Esquire
Neutral Arbitrator
Date: 11/7/14

 DISSENT AS TO A 2,
4C & 4E

Joseph F. Quinn, Esquire
Commonwealth Appointed Arbitrator
Date:



William J. Einhorn, Esquire
PA State Corrections Officers Association
Appointed Arbitrator
Date:

DISSENTING OPINION

I dissent from the Act 195 Interest Arbitration Award issued by a majority of this panel at Paragraphs 2, 4.C and 4.E.

Interest arbitration panels are created by state law. In interest arbitration, the panel's duty and responsibility is to award a contract that would normally be achieved in bargaining. To accomplish this, the panel must consider, in addition to the evidence presented by the parties, established wages in the industry, wage increases awarded to other bargaining units of the employer, and the employer's ability to pay. Unfortunately, this panel has failed in its duty by disregarding all of these.

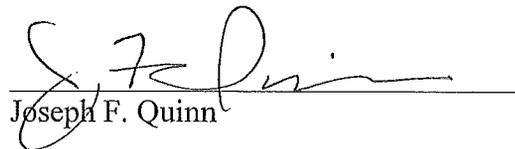
Paragraph 2 of this award provides wage and service increments far in excess of any wage increases awarded in the industry, far greater than those awarded to most any other employee group in the Commonwealth, and far outside of the demonstrated ability of the Commonwealth to pay. The record included no evidence to justify such an award, either in general wage increases or in the longevity/service increments, and there were no significant savings awarded to the Commonwealth to offset this windfall in any way.

Moreover, in Paragraph 2.B, the majority of this panel has awarded a lucrative longevity pay benefit that was not even requested by the Union. Longevity pay was neither set forth as an issue in dispute by either party, nor was it addressed in any way during the lengthy arbitration hearing. Longevity pay is not automatic as demonstrated by a simple review of the prior signed contract (2008-2011) and the DeTruex Interest Arbitration Award dated June 29, 2011, as included in the record of evidence. Nonetheless, over repeated objection made in executive session, the arbitration panel exceeded its jurisdiction and awarded longevity pay in each of the three years of this award.

There also was no evidence introduced into the record to support the panel's determination in Paragraph 4.C to reduce the level of contribution by retirees to their health care costs, or to rebut the Commonwealth's evidence of the serious economic difficulties facing the Retired Employees Health Program.

Finally, while keeping the bargaining unit in the Pennsylvania Employees Benefit Trust Fund, the panel has allowed the bargaining unit to effectively avoid any increases in the employee share of the increasing cost of their health care, and has attempted to unravel the state-wide contribution method utilized to provide revenue for the fund. In Paragraph 4.E, the panel provides that a "study" be done to determine an equitable pay method. The two year period allowed for the "study," without the contribution increase already being paid by virtually all other Commonwealth employees, creates an unproductive exercise which will only serve to drain Commonwealth time and resources while concurrently jeopardizing the revenue necessary to support the Fund.

The majority of this panel has disregarded its responsibility to award a workable, fair contract for the parties. For that reason I dissent from the award, and particularly from the identified paragraphs.



Joseph F. Quinn

11-6-14
Date