

INTEREST ARBITRATION

KENAI PENINSULA EDUCATION  
ASSOCIATION

KENAI PENINSULA EDUCATIONAL SUPPORT  
ASSOCIATION

- And -

KENAI PENINSULA BOROUGH SCHOOL  
DISTRICT

February 26 & 27 2019

Association Exhibits

Kenai Peninsula Educational Support Association and the Kenai Peninsula Education Association  
– and – Kenai Peninsula Borough School District  
Case Number 01-18-0003-3445  
Hearing Date: Feb. 26-27, 2019

Exhibit	Brief Description	Identified	Offered	Admitted	Withdrawn
J-1	KPEA Negotiated Agreement				
J-2	KPESA Negotiated Agreement				
A-1	KPEA and KPESA Bargaining Tracking Documents				
A-2	KPEA Section 105 and KPESA Article 16 Proposals: Salary ✓				
A-3	KPEA Section 210 and KPESA Article 26 Proposals: Health Care ✓				
A-4	KPEA Section 320 and KPESA Article 20 Proposals: Personal Leave ✓				
A-5	August 2018 Health Care Committee Handouts; Sept 2018 Health Care Committee Handouts				
A-6	2018 KPBSD Special Enrollment Guide, 2019 KPBSD Open Enrollment Guide				
A-7	A. McCabe Health Care Program Committee Spreadsheets; Specific Stop Loss Report; D. Jones Open Enrollment Report				
A-8	Jan 14, 2019 Board of Edu. Work Session Agenda; FY19 Budget Revision				
A-9	Newspaper Article on AEA-ASD Collective Bargaining Agreement; Anchorage Education Association and Anchorage School District Tentative Agreement;				
A-10	Newspaper Article on KEA-KGBSD Collective Bargaining Agreement Ketchikan Education Association and Ketchikan Gateway Borough School District Tentative Agreement;				
A-11	KPBSD Cost of KPESA and KPEA Proposals October 8 2018				
A-12	Bargaining Team comparison of KPEA and KPESA Salary and Personal Leave proposals compared to prevailing practice				
A-13	Alaska Base Student Allocation FY 2009 – FY 2019 (projected); Newspaper article on outside of formula k-12 funding;				
A-14	KPBSD 2015 News Release <i>Proposed reduction to education funding in Alaska</i>				
A-15	KPEA Proposal Section 110; National Board for Professional Teaching Standards research				
A-16	KPEA Proposal Section 340 Sick Leave;				
A-17	KPEA Proposal Section 475 Teacher Preparation Periods ✓				
A-18	KPESA Proposal Article 10 Lunch Breaks & Pay Warrants; M. Douglas Memorandum 2005; ✓				

	M. Douglas Memorandum 2003; AS 39.35.160; AS 39.35.170; AS 39.35.270; KPESA-KPBSD Grievance 06-1 Understanding				
A-19	KPESA Proposal Article 12 Resignation				
A-20	KPESA Proposal Article 17 Payment Conditions; Health Care Increases with no step spreadsheet; Shift Work and Health				
A-21	KPESA Proposal Article 21 Association Leave; KPBSD Staff Finder; Health Care Committee, Monthly Recap 11/30/2018				
A-22	KPESA Proposal Article 37 Extracurricular Programs; Department of Labor opinion letter FLSA2005-51				
A-23	KPEA 2017-18 Scattergram; KPEA 2018-19 Scattergram; KPESA 2017-18 Scattergram;				
A-24	D. Mueller Letter 2/22/2019				
A-25	Certificated employee salary and benefit comparison spreadsheet; Support Staff Salaries and Shift Differential Comparisons				
A-26	KPBSD Employee Health Insurance Premium across time				
A-27	KPEA Proposal Section 650 ; KPESA Proposal Article 36 Contract Conditions Term and Savings Clause				
A-28	Student Nutrition Staff List shift and meal times.				





# KPEA Tracking Doc

220 X

100	X
101	X
102	X
105	
110	
115	X
120	X
121	
130	X
135	X
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150	X
210	
221	X
230	X
232	X
305	X
306	X
307	X
310	X
320	
325	
330	X
335	X
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341	X
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343	
345	X
346	X
405	X
410	X
411	X
415	X
420	X
425	X
427	X
430	X
431	X
435	X
436	X
440	X
445	X
446	X
450	X
451	X

455	X
460	X
463	X
466	X
470	X
474	X
475	
479	X
480	X
483	X
490	X
505	X
510	X
515	X
520	X
525	X
530	X
535	X
540	X
541	X
545	X
550	X
553	X
555	X
560	X
565	X
575	X
630	X
640	X
650	
Apnx. A	

# KPESA Tracking Doc

KPESA 2018	TA	Date of TA	Current Language	New Language
Article 1 - Administration	X	2.15	X	
Article 2 - Definitions	X	2.15	X	
Article 3 - Association Rights <i>Reopened</i>	<del>X</del>	<del>2.15</del>	<del>X</del>	X 10/17/18
Article 4 - Fair Practices	X	2.15	X	
Article 5 - Membership Rights	X	2.15	X	
Article 6 - Management Rights	X	2.15	X	
Article 7 - Personnel Files	X	2.15	X	
Article 8 - Safety and Liability	X	2.15	X	
Article 9 - Term of Employment	X	2.15	X	
Article 10 - Work Rules ✓				
Article 11 - Discipline and Discharge	X	3/11		X
Article 12 - Resignation ✓				
Article 13 - Reduction in Force	X	2.15	X	
Article 14 - Mileage Reimbursement	X	2.15	X	
Article 15 - Special Certificate or License Reimbursement	X	2.15	X	
Article 16 - Pay Schedules ✓				
Article 17 - Payment Conditions ✓				
Article 17A - Discretionary Funds	X	2.15	X	
Article 18 - Leaves and Benefits	X	2.15	X	
Article 19 - Holidays	X	2.15	X	
Article 20 - Personal Leave ✓				
Article 21 - Association Leave ✓				
Article 22 - Civic Leave	X	2.15	X	
Article 23 - Unpaid Leave of Absence	X	2.15	X	
Article 24 - Paid Leave of Absence for Military Service	X	2.15	X	
Article 25 - Sick Leave	X	2.15	X	
Article 26 - Physical Examinations Reimbursement	X	2.15	X	
Article 27 - Health Insurance ✓				
Article 28 - Life Insurance	X	2.15	X	
Article 29 - Travel Insurance	X	2.15	X	
Article 30 - Worker's Compensation	X	2.15	X	
Article 31 - In-Service Training	X	2.15	X	
Article 32 - Other Deductions	X	2.15	X	
Article 33 - Career Development Program	X	2.15	X	
Article 34 - Grievance Procedures	X	2.15	X	
Article 35 - Contract Dissemination	X	2.15	X	
Article 36 - Contract Conditions/Term and Savings Clause ✓				
Preamble	X	2.15	X	
Appendix				
Article 37 - Xcurr classified ✓				
Article 9a - Classification	X	2.15	X	
Article 25a - Donation sick				
Article 25b - Sick leave Bank	X	2.15	X	
Article 25c - Sick leave bank	X	3/11		X

Language comparisons (District, Association and Compromise) are based on original proposals from the District and t

Exhibit: A-1

Page 2 of 2

KOLEJA Tracking document





KPEA

# 105 TEACHER'S SALARY SCHEDULE

2017-2018 (1.5% increase)

Step	C	C+18	C+36 or M	C+54/M	C+72/M	C+90/M
(A)	48,045	49,466	51,851	53,549	55,247	56,950
(B)	49,466	51,852	53,549	55,247	56,950	58,650
(C)	51,851	53,550	55,247	56,950	58,650	60,351
(D)	53,549	55,248	56,950	58,650	60,351	62,053
(E)	55,247	56,950	58,650	60,351	62,053	63,752
(F)	56,950	58,650	60,351	62,053	63,752	65,450
(G)	58,648	60,375	62,053	63,752	65,450	67,147
(H)	61,148	62,053	63,752	65,450	67,147	68,852
(I)	62,814	63,752	65,450	67,147	68,852	70,549
(J)	64,445	66,247	67,147	68,852	70,549	72,250
(K)	66,048	67,913	68,852	70,549	72,250	73,947
(L)	67,616	69,547	71,347	72,250	73,947	75,648
(M)		71,146	72,678	73,947	75,648	77,348
(N)		72,716	74,343	75,648	77,348	79,052
(O)			75,977	78,146	79,848	81,552
(P)			77,577	79,810	81,514	83,083
(Q)			79,146	81,444	83,147	84,748
(R)				83,043	84,747	86,382
(S)				84,614	86,316	87,981
(T)						89,551

Step and column movement to all eligible employees ————— LONGEVITY ————— 91,274

2018-2019 (.5% increase)

Step	C	C+18	C+36 or M	C+54/M	C+72/M	C+90/M
(A)	48,285	49,713	52,110	53,817	55,523	57,235
(B)	49,713	52,111	53,817	55,523	57,235	58,943
(C)	52,110	53,818	55,523	57,235	58,943	60,653
(D)	53,817	55,524	57,235	58,943	60,653	62,363
(E)	55,523	57,235	58,943	60,653	62,363	64,071
(F)	57,235	58,943	60,653	62,363	64,071	65,777
(G)	58,941	60,677	62,363	64,071	65,777	67,483
(H)	61,454	62,363	64,071	65,777	67,483	69,196
(I)	63,128	64,071	65,777	67,483	69,196	70,902
(J)	64,767	66,578	67,483	69,196	70,902	72,611
(K)	66,378	68,253	69,196	70,902	72,611	74,317
(L)	67,954	69,895	71,704	72,611	74,317	76,026
(M)		71,502	73,041	74,317	76,026	77,735
(N)		73,080	74,715	76,026	77,735	79,447
(O)			76,357	78,537	80,247	81,960
(P)			77,965	80,209	81,922	83,498
(Q)			79,542	81,851	83,563	85,172
(R)				83,458	85,171	86,814



(S)	85,037	86,748	88,421
(T)			89,999
Step and column movement to all eligible employees		LONGEVITY	91,730

2019-2020 (1.0% increase)

Step	C	C+18	C+36 or M	C+54/M	C+72/M	C+90/M
(A)	48,768	50,210	52,631	54,355	56,078	57,807
(B)	50,210	52,632	54,355	56,078	57,807	59,533
(C)	52,631	54,356	56,078	57,807	59,533	61,259
(D)	54,355	56,079	57,807	59,533	61,259	62,987
(E)	56,078	57,807	59,533	61,259	62,987	64,711
(F)	57,807	59,533	61,259	62,987	64,711	66,435
(G)	59,531	61,284	62,987	64,711	66,435	68,158
(H)	62,068	62,987	64,711	66,435	68,158	69,888
(I)	63,759	64,711	66,435	68,158	69,888	71,611
(J)	65,415	67,244	68,158	69,888	71,611	73,337
(K)	67,042	68,935	69,888	71,611	73,337	75,060
(L)	68,634	70,594	72,421	73,337	75,060	76,787
(M)		72,217	73,772	75,060	76,787	78,512
(N)		73,810	75,462	76,787	78,512	80,242
(O)			77,120	79,322	81,050	82,779
(P)			78,745	81,011	82,741	84,333
(Q)			80,337	82,670	84,398	86,023
(R)				84,293	86,022	87,682
(S)				85,887	87,615	89,305
(T)						90,899
Step and column movement to all eligible employees		LONGEVITY		92,648		

2020-2021 (1.5% increase)

Step	C	C+18	C+36 or M	C+54/M	C+72/M	C+90/M
(A)	49,500	50,964	53,421	55,170	56,920	58,674
(B)	50,964	53,422	55,170	56,920	58,674	60,426
(C)	53,421	55,171	56,920	58,674	60,426	62,178
(D)	55,170	56,921	58,674	60,426	62,178	63,932
(E)	56,920	58,674	60,426	62,178	63,932	65,682
(F)	58,674	60,426	62,178	63,932	65,682	67,432
(G)	60,424	62,203	63,932	65,682	67,432	69,180
(H)	62,999	63,932	65,682	67,432	69,180	70,937
(I)	64,716	65,682	67,432	69,180	70,937	72,685
(J)	66,396	68,253	69,180	70,937	72,685	74,437
(K)	68,048	69,969	70,937	72,685	74,437	76,186
(L)	69,663	71,653	73,507	74,437	76,186	77,938
(M)		73,300	74,878	76,186	77,938	79,690
(N)		74,918	76,594	77,938	79,690	81,445
(O)			78,277	80,512	82,265	84,021



<u>(P)</u>	<u>79,926</u>	<u>82,226</u>	<u>83,982</u>	<u>85,598</u>
<u>(Q)</u>	<u>81,542</u>	<u>83,910</u>	<u>85,664</u>	<u>87,314</u>
<u>(R)</u>		<u>85,557</u>	<u>87,313</u>	<u>88,997</u>
<u>(S)</u>		<u>87,176</u>	<u>88,929</u>	<u>90,645</u>
<u>(T)</u>				<u>92,262</u>
<u>Step and column movement to all eligible employees</u>			<u>LONGEVITY</u>	<u>94,037</u>



**ARTICLE 16 SALARY SCHEDULE**  
**KPESA Salary Schedules:**

<b>Salary Schedule RANGE</b>	<b>2015-2016 Initial</b>	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>F</b>	<b>G</b>	<b>H</b>
<b>1</b>	\$13.97	\$15.53	\$16.10	\$16.68	\$17.44	\$18.04	\$18.75	\$19.49	\$20.27
<b>2</b>	\$14.72	\$16.34	\$16.97	\$17.63	\$18.42	\$19.08	\$19.82	\$20.61	\$21.45
<b>3</b>	\$15.02	\$16.69	\$17.35	\$17.99	\$18.82	\$19.49	\$20.23	\$21.05	\$21.89
<b>4</b>	\$15.58	\$17.31	\$17.97	\$18.71	\$19.56	\$20.25	\$21.03	\$21.87	\$22.76
<b>5</b>	\$16.08	\$17.87	\$18.58	\$19.31	\$20.22	\$20.95	\$21.74	\$22.62	\$23.53
<b>6</b>	\$16.61	\$18.45	\$19.18	\$19.97	\$20.90	\$21.66	\$22.49	\$23.39	\$24.34
<b>7</b>	\$17.16	\$19.07	\$19.86	\$20.67	\$21.64	\$22.41	\$23.28	\$24.23	\$25.20
<b>8</b>	\$17.78	\$19.74	\$20.57	\$21.44	\$22.47	\$23.28	\$24.17	\$25.15	\$26.16
<b>9</b>	\$18.43	\$20.48	\$21.35	\$22.25	\$23.31	\$24.15	\$25.09	\$26.10	\$27.15
<b>10</b>	\$19.14	\$21.27	\$22.17	\$23.16	\$24.26	\$25.15	\$26.12	\$27.18	\$28.26
<b>11</b>	\$20.39	\$22.12	\$23.07	\$24.11	\$25.24	\$26.17	\$27.19	\$28.29	\$29.44
<b>12</b>	\$20.71	\$23.03	\$24.02	\$25.10	\$26.33	\$27.30	\$28.37	\$29.51	\$30.70
<b>13</b>	\$21.57	\$23.97	\$25.07	\$26.19	\$27.47	\$28.50	\$29.61	\$30.80	\$32.05
<b>14</b>	\$22.54	\$25.04	\$26.18	\$27.40	\$28.74	\$29.82	\$30.99	\$32.23	\$33.53
<b>15</b>	\$23.56	\$26.17	\$27.38	\$28.66	\$30.06	\$31.19	\$32.40	\$33.71	\$35.07
<b>16</b>	\$22.54	\$25.04	\$26.18	\$27.40	\$28.63	\$29.62	\$30.76	\$32.01	\$33.30
<b>17</b>	\$23.61	\$26.22	\$27.45	\$28.67	\$29.93	\$30.96	\$32.15	\$33.45	\$34.79
<b>18</b>	\$24.91	\$27.42	\$28.71	\$30.05	\$31.87	\$33.43	\$34.72	\$36.12	\$37.58
<b>19</b>	\$27.44	\$30.83	\$32.17	\$33.60	\$35.16	\$36.40	\$37.75	\$39.16	\$40.67



Salary Schedule RANGE	2016-2017 (1.5% increase)								
	Initial	A	B	C	D	E	F	G	H
1	\$14.18	\$15.76	\$16.34	\$16.93	\$17.70	\$18.31	\$19.03	\$19.78	\$20.57
2	\$14.94	\$16.59	\$17.22	\$17.89	\$18.70	\$19.37	\$20.12	\$20.92	\$21.77
3	\$15.25	\$16.94	\$17.61	\$18.26	\$19.10	\$19.78	\$20.53	\$21.37	\$22.22
4	\$15.81	\$17.57	\$18.24	\$18.99	\$19.85	\$20.55	\$21.35	\$22.20	\$23.10
5	\$16.32	\$18.14	\$18.86	\$19.60	\$20.52	\$21.26	\$22.07	\$22.96	\$23.88
6	\$16.86	\$18.73	\$19.47	\$20.27	\$21.21	\$21.98	\$22.83	\$23.74	\$24.71
7	\$17.42	\$19.36	\$20.16	\$20.98	\$21.96	\$22.75	\$23.63	\$24.59	\$25.58
8	\$18.05	\$20.04	\$20.88	\$21.76	\$22.81	\$23.63	\$24.53	\$25.53	\$26.55
9	\$18.71	\$20.79	\$21.67	\$22.58	\$23.66	\$24.51	\$25.47	\$26.49	\$27.56
10	\$19.43	\$21.59	\$22.50	\$23.51	\$24.62	\$25.53	\$26.51	\$27.59	\$28.68
11	\$20.70	\$22.45	\$23.42	\$24.47	\$25.62	\$26.56	\$27.60	\$28.71	\$29.88
12	\$21.02	\$23.38	\$24.38	\$25.48	\$26.72	\$27.71	\$28.80	\$29.95	\$31.16
13	\$21.89	\$24.33	\$25.45	\$26.58	\$27.88	\$28.93	\$30.05	\$31.26	\$32.53
14	\$22.88	\$25.42	\$26.57	\$27.81	\$29.17	\$30.27	\$31.45	\$32.71	\$34.03
15	\$23.91	\$26.56	\$27.79	\$29.09	\$30.51	\$31.66	\$32.89	\$34.22	\$35.60
16	\$22.88	\$25.42	\$26.57	\$27.81	\$29.06	\$30.06	\$31.22	\$32.49	\$33.80
17	\$23.96	\$26.61	\$27.86	\$29.10	\$30.38	\$31.42	\$32.63	\$33.95	\$35.31
18	\$25.28	\$27.83	\$29.14	\$30.50	\$32.35	\$33.93	\$35.24	\$36.66	\$38.14
19	\$27.85	\$31.29	\$32.65	\$34.10	\$35.69	\$36.95	\$38.32	\$39.75	\$41.28

Salary Schedule RANGE	2017-2018 (1.5% increase)								
	Initial	A	B	C	D	E	F	G	H
1	\$14.39	\$16.00	\$16.59	\$17.18	\$17.97	\$18.58	\$19.32	\$20.08	\$20.88
2	\$15.16	\$16.84	\$17.48	\$18.16	\$18.98	\$19.66	\$20.42	\$21.23	\$22.10
3	\$15.48	\$17.19	\$17.87	\$18.53	\$19.39	\$20.08	\$20.84	\$21.69	\$22.55
4	\$16.05	\$17.83	\$18.51	\$19.27	\$20.15	\$20.86	\$21.67	\$22.53	\$23.45
5	\$16.56	\$18.41	\$19.14	\$19.89	\$20.83	\$21.58	\$22.40	\$23.30	\$24.24
6	\$17.11	\$19.01	\$19.76	\$20.57	\$21.53	\$22.31	\$23.17	\$24.10	\$25.08
7	\$17.68	\$19.65	\$20.46	\$21.29	\$22.29	\$23.09	\$23.98	\$24.96	\$25.96
8	\$18.32	\$20.34	\$21.19	\$22.09	\$23.15	\$23.98	\$24.90	\$25.91	\$26.95
9	\$18.99	\$21.10	\$22.00	\$22.92	\$24.01	\$24.88	\$25.85	\$26.89	\$27.97
10	\$19.72	\$21.91	\$22.84	\$23.86	\$24.99	\$25.91	\$26.91	\$28.00	\$29.11
11	\$21.01	\$22.79	\$23.77	\$24.84	\$26.00	\$26.96	\$28.01	\$29.14	\$30.33
12	\$21.34	\$23.73	\$24.75	\$25.86	\$27.12	\$28.13	\$29.23	\$30.40	\$31.63
13	\$22.22	\$24.69	\$25.83	\$26.98	\$28.30	\$29.36	\$30.50	\$31.73	\$33.02
14	\$23.22	\$25.80	\$26.97	\$28.23	\$29.61	\$30.72	\$31.92	\$33.20	\$34.54
15	\$24.27	\$26.96	\$28.21	\$29.53	\$30.97	\$32.13	\$33.38	\$34.73	\$36.13
16	\$23.22	\$25.80	\$26.97	\$28.23	\$29.50	\$30.51	\$31.69	\$32.98	\$34.31
17	\$24.32	\$27.01	\$28.28	\$29.54	\$30.84	\$31.89	\$33.12	\$34.46	\$35.84
18	\$25.66	\$28.25	\$29.58	\$30.96	\$32.84	\$34.44	\$35.77	\$37.21	\$38.71
19	\$28.27	\$31.76	\$33.14	\$34.61	\$36.23	\$37.50	\$38.89	\$40.35	\$41.90



		2018-2019		0.5%		increase			
Salary Schedule RANGE	Initial	A	B	C	D	E	F	G	H
1	\$14.46	\$16.08	\$16.67	\$17.27	\$18.06	\$18.67	\$19.42	\$20.18	\$20.98
2	\$15.24	\$16.92	\$17.57	\$18.25	\$19.07	\$19.76	\$20.52	\$21.34	\$22.21
3	\$15.56	\$17.28	\$17.96	\$18.62	\$19.49	\$20.18	\$20.94	\$21.80	\$22.66
4	\$16.13	\$17.92	\$18.60	\$19.37	\$20.25	\$20.96	\$21.78	\$22.64	\$23.57
5	\$16.64	\$18.50	\$19.24	\$19.99	\$20.93	\$21.69	\$22.51	\$23.42	\$24.36
6	\$17.20	\$19.11	\$19.86	\$20.67	\$21.64	\$22.42	\$23.29	\$24.22	\$25.21
7	\$17.77	\$19.75	\$20.56	\$21.40	\$22.40	\$23.21	\$24.10	\$25.08	\$26.09
8	\$18.41	\$20.44	\$21.30	\$22.20	\$23.27	\$24.10	\$25.02	\$26.04	\$27.08
9	\$19.08	\$21.21	\$22.11	\$23.03	\$24.13	\$25.00	\$25.98	\$27.02	\$28.11
10	\$19.82	\$22.02	\$22.95	\$23.98	\$25.11	\$26.04	\$27.04	\$28.14	\$29.26
11	\$21.12	\$22.90	\$23.89	\$24.96	\$26.13	\$27.09	\$28.15	\$29.29	\$30.48
12	\$21.45	\$23.85	\$24.87	\$25.99	\$27.26	\$28.27	\$29.38	\$30.55	\$31.79
13	\$22.33	\$24.81	\$25.96	\$27.11	\$28.44	\$29.51	\$30.65	\$31.89	\$33.19
14	\$23.34	\$25.93	\$27.10	\$28.37	\$29.76	\$30.87	\$32.08	\$33.37	\$34.71
15	\$24.39	\$27.09	\$28.35	\$29.68	\$31.12	\$32.29	\$33.55	\$34.90	\$36.31
16	\$23.34	\$25.93	\$27.10	\$28.37	\$29.65	\$30.66	\$31.85	\$33.14	\$34.48
17	\$24.44	\$27.15	\$28.42	\$29.69	\$30.99	\$32.05	\$33.29	\$34.63	\$36.02
18	\$25.79	\$28.39	\$29.73	\$31.11	\$33.00	\$34.61	\$35.95	\$37.40	\$38.90
19	\$28.41	\$31.92	\$33.31	\$34.78	\$36.41	\$37.69	\$39.08	\$40.55	\$42.11

		2019-2020		1.0%		increase			
Salary Schedule RANGE	Initial	A	B	C	D	E	F	G	H
1	\$14.61	\$16.24	\$16.84	\$17.44	\$18.24	\$18.86	\$19.61	\$20.38	\$21.19
2	\$15.39	\$17.09	\$17.74	\$18.43	\$19.27	\$19.96	\$20.73	\$21.55	\$22.43
3	\$15.71	\$17.45	\$18.14	\$18.81	\$19.68	\$20.38	\$21.15	\$22.02	\$22.89
4	\$16.29	\$18.10	\$18.79	\$19.56	\$20.45	\$21.17	\$22.00	\$22.87	\$23.80
5	\$16.81	\$18.69	\$19.43	\$20.19	\$21.14	\$21.90	\$22.74	\$23.65	\$24.60
6	\$17.37	\$19.30	\$20.06	\$20.88	\$21.85	\$22.65	\$23.52	\$24.46	\$25.46
7	\$17.95	\$19.95	\$20.77	\$21.61	\$22.63	\$23.44	\$24.34	\$25.34	\$26.35
8	\$18.60	\$20.65	\$21.51	\$22.42	\$23.50	\$24.34	\$25.27	\$26.30	\$27.36
9	\$19.28	\$21.42	\$22.33	\$23.26	\$24.37	\$25.25	\$26.24	\$27.29	\$28.39
10	\$20.02	\$22.24	\$23.18	\$24.22	\$25.37	\$26.30	\$27.31	\$28.42	\$29.55
11	\$21.33	\$23.13	\$24.13	\$25.21	\$26.39	\$27.37	\$28.43	\$29.58	\$30.79
12	\$21.66	\$24.09	\$25.12	\$26.25	\$27.53	\$28.55	\$29.67	\$30.86	\$32.11
13	\$22.55	\$25.06	\$26.22	\$27.39	\$28.73	\$29.80	\$30.96	\$32.21	\$33.52
14	\$23.57	\$26.19	\$27.38	\$28.65	\$30.06	\$31.18	\$32.40	\$33.70	\$35.06
15	\$24.64	\$27.37	\$28.63	\$29.97	\$31.44	\$32.61	\$33.88	\$35.25	\$36.67



16	\$23.57	\$26.19	\$27.38	\$28.65	\$29.94	\$30.97	\$32.17	\$33.48	\$34.83
17	\$24.69	\$27.42	\$28.71	\$29.98	\$31.30	\$32.37	\$33.62	\$34.98	\$36.38
18	\$26.05	\$28.68	\$30.03	\$31.43	\$33.33	\$34.96	\$36.31	\$37.77	\$39.29
19	\$28.70	\$32.24	\$33.64	\$35.13	\$36.78	\$38.06	\$39.48	\$40.96	\$42.53

2020-2021      2.0% increase

Salary  
Schedule  
RANGE

Initial	A	B	C	D	E	F	G	H	
1	\$14.90	\$16.57	\$17.18	\$17.79	\$18.61	\$19.24	\$20.00	\$20.79	\$21.62
2	\$15.70	\$17.44	\$18.10	\$18.80	\$19.65	\$20.36	\$21.14	\$21.98	\$22.88
3	\$16.03	\$17.80	\$18.50	\$19.19	\$20.08	\$20.79	\$21.58	\$22.46	\$23.35
4	\$16.62	\$18.46	\$19.16	\$19.95	\$20.86	\$21.60	\$22.44	\$23.33	\$24.28
5	\$17.15	\$19.06	\$19.82	\$20.59	\$21.57	\$22.34	\$23.19	\$24.12	\$25.10
6	\$17.71	\$19.68	\$20.46	\$21.30	\$22.29	\$23.10	\$23.99	\$24.95	\$25.97
7	\$18.31	\$20.34	\$21.18	\$22.04	\$23.08	\$23.91	\$24.83	\$25.84	\$26.88
8	\$18.97	\$21.06	\$21.94	\$22.87	\$23.97	\$24.83	\$25.78	\$26.83	\$27.90
9	\$19.66	\$21.85	\$22.78	\$23.73	\$24.86	\$25.76	\$26.76	\$27.84	\$28.96
10	\$20.42	\$22.68	\$23.65	\$24.70	\$25.87	\$26.83	\$27.86	\$28.99	\$30.14
11	\$21.75	\$23.60	\$24.61	\$25.72	\$26.92	\$27.91	\$29.00	\$30.17	\$31.40
12	\$22.09	\$24.57	\$25.62	\$26.77	\$28.08	\$29.12	\$30.26	\$31.47	\$32.75
13	\$23.01	\$25.56	\$26.74	\$27.93	\$29.30	\$30.40	\$31.58	\$32.85	\$34.19
14	\$24.04	\$26.71	\$27.92	\$29.23	\$30.66	\$31.81	\$33.05	\$34.37	\$35.76
15	\$25.13	\$27.91	\$29.21	\$30.57	\$32.06	\$33.27	\$34.56	\$35.96	\$37.41
16	\$24.04	\$26.71	\$27.92	\$29.23	\$30.54	\$31.59	\$32.81	\$34.15	\$35.52
17	\$25.18	\$27.96	\$29.28	\$30.58	\$31.93	\$33.02	\$34.29	\$35.68	\$37.11
18	\$26.57	\$29.25	\$30.63	\$32.05	\$34.00	\$35.66	\$37.03	\$38.53	\$40.08
19	\$29.27	\$32.88	\$34.31	\$35.83	\$37.51	\$38.83	\$40.26	\$41.78	\$43.38





## 210 HEALTH CARE

The District health care program is self-funded. Program costs are solely a product of administrative expenses and actual claims experience as reported in the District's final annual CAFR.

A Health Care Program Committee (HCPC) shall be composed of four (4) representatives selected by the Kenai Peninsula Education Association, three (3) representatives selected by the Kenai Peninsula Education Support Association, one (1) representative selected by the Kenai Peninsula Administrator Association, and three (3) current employee representatives selected by the Superintendent. The Health Care Committee shall select a chairperson from its membership. The Plan Administrator and Benefits Manager are non-voting advisors to the committee. The HCPC shall select a chairperson from its committee of voting members.

A quorum for the meetings shall require no fewer than nine (9) committee members. The HCPC will conduct a formal vote on any matter that could impact the cost or benefits of the health care program or on any matter that would require a change in the summary plan description. Formal votes shall require an eighty percent (80%) vote of the total voting committee members to pass.

The committee shall annually review by-laws in September of each year unless the committee deems that an alternate time would be better. The committee will meet monthly unless this is changed by the committee members in accordance with the committee's by-laws.

The HCPC shall be empowered to determine health care benefits different from benefits in the plan in place on July 1, 2015/January 1, 2017. The committee will determine and control the health care program for all District employees covered by the program during the term of this agreement including but not limited to the following: benefits and coverage provided, cost containment measures, preferred provider programs, co-payment provisions, evaluating other health insurance programs, and implementing any wellness measures it deems beneficial to employees and the health care program. The District shall not be required to adopt changes made by the HCPC which would result in violations of established laws or regulations.

The HCPC shall be advisory to matters related to Broker selection, Third Party Administration and Stop-Loss insurance.

The District shall not be required to adopt changes made by this committee which would result in violations of established laws or regulations.

The District agrees to work with the HCPC to provide reasonable time for meetings and provide adequate support, including an expert health care consultant for plan design. Administrative leave will be provided for all participants.

Members who have alternative health insurance coverage meeting the minimum ACA requirements may elect to waive their entitlement to District provided health insurance coverage. Alternative health insurance coverage shall not include District provided coverage which the member is entitled to by reason of his/his status as a spouse or dependent of a District employee



who is covered by the District's health insurance plan. This provision shall become effective no earlier than November 7, 2016.

	Traditional Health Plan (85/15)	High Deductible Health Plan (90/10)
Deductible	\$200 / Individual \$600 / Family	\$1,500 / Individual \$3,000 / Family
Out of Pocket (Not including deductible)	\$1,000 / Individual \$3,000 / Family	\$2,000 / Individual \$4,000 / Family
Health Reimbursement Arrangement (HRA)	None	\$750 / Year

Total District dollar share of health plan costs is based on the negotiated District percentage as applied to actual plan costs. The District will make contributions to the health care program for each participant on a 12-month basis as follows:

FY17, FY18                      Traditional Health Plan 85% per eligible employee per month.  
High Deductible Plan 90% per eligible employee per month.

~~In FY18, the District's contribution to the Traditional Health Plan shall be no more than \$1731.45/month. If the total premium exceeds the cap, the District and the employees will share the cost over the cap 50/50.~~

~~In FY18, the District's contribution to the High Deductible Health Plan shall be no more than \$1645.61/month. If the total premium exceeds the cap, the District and employees will share the cost over the cap 50/50.~~

The District will independently calculate its contribution amount separately for both Traditional Health Plan and the High Deductible Health Plan and report the amounts to the health care committee.

The total employee dollar share of health plan costs is based on the negotiated employee percentage as applied to actual plan costs. Employee participants will be responsible to the health care program on a 12-month basis as follows:

FY17, FY18                      Traditional Health Plan 15% per eligible employee per month.  
High Deductible Plan 10% per eligible employee per month.

~~In FY18, the employee's contributions are subject to the District's contribution caps set forth above and cost sharing of 50/50 if the premium exceeds the caps.~~

The health care subcommittee comprised of KPEA, KPESA, and KPAA HCPC representatives, shall determine the employee contribution amount separately for both the Traditional Health Plan



and the High Deductible Health Plan. The formula to calculate the rate, established by KPEA/KPESA bargaining team is set out in Appendix A.

**Health Care Reserve Account:** A separate employee health care reserve account shall be established and maintained. The initial amount in this account as of July 1, 2012 was \$1,246,835. Any interest gained on this account shall be retained in this account. \$750,000 of the employee health care reserve account shall be set aside for use at year end for payment of the employee portion of program costs that exceed employee deposits. If the employee health care reserve falls below \$750,000, an amount needed to replenish the fund to \$750,000 will be calculated by the sub-committee and added to the employee's annual rate in the following year. Any amount in the employee health care reserve exceeding the \$750,000 balance will be used to offset future employee costs as determined by the sub-committee.

**Sub Committee -** The Association health care committee representatives (KPEA, KPESA, and KPAA) will have the authority to address the usage of any amount remaining above the \$750,000 requirement stated above. These monies can be used to pay down the employee share of the health care employee contribution or can be placed in the Employee Health Care Reserve account to pay down future costs or overages.

Benefits are afforded to the employee, spouse and all eligible dependents.

As of November 7, 2016, all employees who work thirty (30) or more hours per week or at least .75 FTE are eligible for year round health benefits and are required, as a condition of employment, to participate in the KPBSD health plan. Any employee who as of November 7, 2016, has been working between twenty (20) and thirty (30) hours per week or between .50 and .75 FTE, and has previously been receiving health benefits, shall be grand parented as eligible for health benefits for the remaining length of time they are employed by the District. All such affected employees shall have a one-time option to opt out of health benefit coverage before their start of employment for the 2017-2018 school year.

\*Guidelines involving "qualifying event" and "pre-existing conditions" will be followed in accordance to the health plan document. <http://www.kpbsd.k12.ak.us/employees.aspx?id=10156>

The District shall maintain a "reward" system to protect the plan from inaccurate charges by Service Providers. The District and employee shall evenly divide any monetary benefits resulting from the correction of such charges. Errors made by the plan administrator are ineligible for this reward.

A flexible benefit account program, under the provision of Section 125 of the Internal Revenue Service Code, will continue.

Dental and vision benefits shall be provided separately from medical and prescription benefits. Employees shall have the option to elect not to receive dental and vision coverage. The cost of the dental and vision benefits shall be included in the calculation of the employer and employee contribution amounts. The employer and employee contributions will be the same for an



employee who receives dental and vision coverage as it is for an employee who elects not to received dental and vision coverage.



## ARTICLE 27 HEALTH CARE

The District health care program is self-funded. Program costs are solely a product of administrative expenses and actual claims experience as reported in the District's final annual CAFR.

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\*Guidelines involving "qualifying event" and "pre-existing conditions" will be followed in accordance to the health plan document.

<http://www.kpbsd.k12.ak.us/employees.aspx?id=10156>

The District shall maintain a "reward" system to protect the plan from inaccurate charges by Service Providers. The District and employee shall evenly divide any monetary benefits resulting from the correction of such charges. Errors made by the plan administrator are ineligible for this reward.

A flexible benefit account program, under the provision of Section 125 of the Internal Revenue Service Code, will continue.

Dental and vision benefits shall be provided separately from medical and prescription benefits. Employees shall have the option to elect not to receive dental and vision coverage. The cost of the dental and vision benefits shall be included in the calculation of the employer and employee contribution amounts. The employer and employee contributions will be the same for an employee



who ~~receives~~ receive dental and vision coverage as it is for an employee who elects not to received dental and vision coverage.



### 320 PERSONAL LEAVE

Certificated employees shall have ~~five~~<sup>3</sup> (5) ~~four~~ (4) days personal leave per year cumulative to nine ~~(9)~~ ~~eight~~ (8). Except in situations in which the building administrator and the Superintendent consider extenuating, personal leave will not be granted during the first two (2) weeks or the last two (2) weeks of the school year. No more than ten percent (10%) of certificated staff may take personal leave on any given day.

Unused personal leave may be cashed in at the end of the school year per the following guidelines: No more than ~~five~~ (5) ~~four~~ (4) days per year may be cashed in. The value of each day will be equivalent to the teacher's per diem. A request must be received by payroll on or before May 31. Personal days that are requested and then not used may be reissued after written application (on the form) to the Human Resources Office. Application shall be made within thirty (30) days of the unused personal day.

Teachers formally retiring from the teaching profession with vested service in the Alaska Teacher's Retirement System may choose from the two following options:

- (1) receive a cash settlement for their accrued personal leave days. This amount shall be the number of accrued personal leave days times their per diem rate; or
- (2) may submit a request no later than November 1 to exchange up to five (5) personal leave days for a contract extension for site level approved projects. The remainder of personal leave would be eligible for cash out at the per diem rate.

### 325 PERSONAL AND SICK LEAVE FOR LESS THAN FULL-TIME EMPLOYEES

Teachers on part half-time contracts shall receive ~~only four (4) half days personal leave and twelve (12) half days sick leave. These benefits for other employees working more than one half time will be~~ prorated to the proportion of their contract.



## ARTICLE 20 PERSONAL LEAVE

- A. All employees may earn ~~four (4)~~ **five (5)** of their assigned workdays as personal leave each year cumulative to ~~eight (8)~~ **nine (9)** working days.
- B. Except in the case of extreme emergency or situation in which the administrator involved and the District Superintendent shall consider as particularly extenuating, personal leave will not be granted for the first or last day of school. Personal leave may be granted on the day before and/or the day after school vacation or holiday.
- C. Prior approval is required before personal leave days are taken.
- D. Unused personal leave may be cashed in by submitting application no later than May 31 per the following guidelines:
  - 1. No more than ~~three (3)~~ **four (4)** days per year may be cashed in.
  - 2. The value of each day will be equivalent to the employee's per diem.
  - 3. The cash out provision is available only at the end of the school year.
- E. Employees may purchase one (1) additional personal leave day at the substitute rate of pay after all accrued personal leave has been exhausted
- F. Personal leave shall be used in a minimum of one (1) hour increments.

An employee working a 215 or 216 day work calendar where at least one day falls in each calendar month shall receive one additional day of personal leave. This day may not accumulate or have cash value.



**FY19 Rate Projections 8/17/2018**

**1. FY18 Cap Related Information**

	<b>FY18 Cap Amount <u>Traditional</u></b>	<b>FY18 Cap Amount <u>HDHP</u></b>
District (85% Traditional - 90% HDHP)	\$ 1,731.45	\$ 1,645.61
Employee (15% Traditional - 10% HDHP)	<u>\$ 305.55</u>	<u>\$ 182.85</u>
Monthly Total	\$ 2,037.00	\$ 1,828.46

**2. FY19 Contributions At Marsh & McLennan Recommended Rate**

	<b>FY19 Contributions <u>Traditional</u></b>	<b>FY19 Contributions <u>HDHP</u></b>
FY19 Broker Recommended Amount Monthly	\$ 2,442.59	\$ 1,801.20
Amount above/below Cap	\$ 405.59	\$ (27.26)
50% of Excess	\$ 202.80	\$ -
District	\$ 1,934.25	\$ 1,621.08
Employee*	<u>\$ 508.35</u>	<u>\$ 180.12</u>
Total FY19 Amounts Per Broker Rec	\$ 2,442.59	\$ 1,801.20

**3. 9 Month Employee Rate Amount Calculation**

	<b><u>Traditional</u></b>	<b><u>HDHP</u></b>
Employee* recommended monthly rate	\$ 508.35	\$ 180.12
Times 12 months for yearly total	\$ 6,100.20	\$ 2,161.44
Divided by 9 for monthly nine month contribution total	\$ 677.80	\$ 240.16

\*Based on Broker Recommended Rates - HCPC Subcommittee may establish a different rate



**Kenai Peninsula Borough School District  
2019 Self-Funded Projected Rates**

MEDICAL/RX	Enrollment	FY18 Rates	FY19 Projected Rates
<b>Traditional Plan</b>			
Employee Only	<u>1,010</u>	<u>\$2,172.43</u>	<u>\$2,442.59</u>
Monthly Total	<b>1,010</b>	<b>\$2,194,154</b>	<b>\$2,467,012</b>
Annual Total		<b>\$26,329,852</b>	<b>\$29,604,138</b>
PEPM		<b>\$2,172.43</b>	<b>\$2,442.59</b>
% Increase			<b>12.4%</b>
<b>HDHP</b>			
Employee Only	<u>114</u>	<u>\$1,921.84</u>	<u>\$1,801.20</u>
Monthly Total	<b>114</b>	<b>\$219,090</b>	<b>\$205,336</b>
Annual Total		<b>\$2,629,077</b>	<b>\$2,464,037</b>
PEPM		<b>\$1,921.84</b>	<b>\$1,801.20</b>
% Increase			<b>-6.3%</b>
Monthly Total	1,124	\$2,413,244	\$2,672,348
Annual Total		\$28,958,929	\$32,068,175
PEPM		\$2,147.01	\$2,377.53
% Increase			10.7%

Kenai Peninsula Borough School District  
Healthcare Expenditures Split  
as of June 30, 2018

Traditional Plan				MDHP			
YTD Participants	12,189			YTD Participants	1,783		
Net Expenditures	27,970,083.26			Net Expenditures	993,491.22		
ER - Employer Cap \$1731.45	21,104,644.05			ER - Employer Cap \$1645.81	2,111,317.63		
EE - Employee Cap \$305.55	9,724,348.95			EE - Employee Cap \$182.85	284,596.55		
Total Cap Expenditure EE/EA	24,828,993.00			Total Cap Expenditure EE/ER	2,345,914.18		
Expenditures over Cap	3,141,090.30			Expenditures over Cap	-		
50/50 Split of Expenditures over Cap	1,570,545.15			50/50 Split of Expenditures over Cap	-		
ER Expenditures Up To Cap	21,104,644.05			ER Expenditures Up To Cap	894,142.10		
ER Expenditures Above Cap	1,570,545.15			ER Expenditures Above Cap	-		
Total ER Expenditures	22,675,189.18			Total ER Expenditures	894,142.10		
EE Expenditures Up To Cap	9,724,348.95			EE Expenditures Up To Cap	99,349.12		
EE Expenditures Above Cap	1,570,545.15			EE Expenditures Above Cap	-		
Total EE Expenditures	5,294,894.08			Total EE Expenditures	99,349.12		
Total ER & EE Expenditures	27,970,083.26			Total ER & EE Expenditures	993,491.22		
Traditional Summary				MDHP Summary			
Through June 2018	YTD EXP	YTD REV	REV Less EXP	Through June 2018	YTD EXP	YTD REV	REV Less EXP
Employer	22,675,189.18	21,640,748.64	(1,034,440.54)	Employer	894,142.10	2,136,326.09	1,242,183.99
Employee	5,294,894.08	4,767,877.85	(527,016.23)	Employee	99,349.12	945,680.50	267,331.38
Totals	27,970,083.26	26,408,626.49	(1,561,456.77)	Totals	993,491.22	2,482,006.59	1,489,515.37
Obligation per Employee		Year-to-date		Obligation per Employee		Year-to-date	
388.70 EE/1783.73 ER Split	2,172.43	26,069.16		252.26 EE/1669.58 ER Split	1,921.84	17,286.36	
Monthly Cost per Employee - ER		1860.30		Monthly Cost per Employee - ER		696.92	
Monthly Cost per Employee - EE + Cobra		434.60		Monthly Cost per Employee - EE + Cobra		77.44	
		2294.70				774.35	
Current Variance		(122.27)		Current Variance		1,147.69	

Obligations indicate the funds that will be accumulated per employee per month. Expenditures are amounts that have been paid through the plan.

A positive number for "current variance" represents the amount per employee per month that is estimated to be collected above the amount spent year-to-date. A negative number represents the amount of expenditures (per employee per month) that are more than what is estimated to be collected for payment of those expenditures.

Health Care Committee Monthly recap  
as of June 30, 2018Reserve Account  
Employee Share  
Employer ShareAs of 6-30-16  
578,048.09  
1,350,262.27As of 6-30-17  
701,399.69  
1,353,713.48Monthly Contribution - Traditional  
Employee Share \* 392.15  
Employer Share 1,783.73  
2,175.88**Expenditures**

Since the health care plan is self-funded, both employee and employer contributions are collected and bills are paid from the accumulated funds.

	TRADITIONAL		HDHP	
	Current Month	Year-To-Date	Current Month	Year-To-Date
<b>Claims</b>				
Health Care Claims paid by TPA (Rehn)	1,923,863.80	24,140,575.05	47,036.05	596,543.72
Prescription Claims paid by Caremark	753,564.69	5,657,090.74	5,330.02	59,659.61
HRA		-	3,569.89	52,991.93
<b>Total Claims Paid</b>	<b>2,677,428.49</b>	<b>29,797,665.79</b>	<b>55,935.96</b>	<b>709,195.26</b>
<b>Administration</b>				
TPA (Rehn) fees and costs	3,834.36	547,727.28	1,949.30	34,285.73
TPA (Rehn) HRA fees and costs		-	399.00	8,676.50
Aetna Administration Fees	19,579.35	229,057.11	2,186.23	24,243.88
Consultant Fees	5,037.51	60,783.96	562.49	6,416.03
Stop Loss Premiums	196,877.29	2,031,248.35	21,983.33	216,780.05
Affordable Care Act Fee	28,169.78	126,714.58	3,145.44	13,700.30
<b>Total Administration</b>	<b>253,498.29</b>	<b>2,995,531.28</b>	<b>30,225.79</b>	<b>304,102.49</b>
<b>Total Claims plus Administration</b>	<b>2,930,926.78</b>	<b>32,793,197.07</b>	<b>86,161.75</b>	<b>1,013,297.75</b>
<b>Adjustments</b>				
Stop Loss reimbursements	(285,770.28)	(4,128,038.84)		
Prescription Rebates	(18,201.43)	(694,294.08)	(445.00)	(19,427.64)
Health Care Claims refund	-	(989.78)	-	-
Other adjustments	(120.00)	(170.00)	-	-
<b>Total Adjustments</b>	<b>(304,091.71)</b>	<b>(4,823,492.70)</b>	<b>(445.00)</b>	<b>(19,427.64)</b>
<b>Total Expenditures</b>	<b>2,626,835.07</b>	<b>27,969,704.37</b>	<b>85,716.75</b>	<b>993,870.11</b>

**Obligations/Contributions**

Health care obligations and contributions provide employee and employer amounts of health care contributions using different calculation methods.

Obligations are estimates of funds that employees and the district will be obligated to contribute, based on the plan year (July through June).

Returning employees are covered by the health care plan for the entire plan year, meaning the 12 month period July through June; both employee and employer are obligated to pay for 12 months of coverage. New employees pay for coverage from date of hire through June, the end of the plan year. If an employee works at all during a month, both employee and employer pay for the entire month of coverage.

Actual Contributions made by employees and benefits paid by the employer during the payroll process are shown on the sheet in the columns labeled "Collected." The division of payments is governed by the Collective Bargaining Agreements and Memorandums of Understanding between the district and the employee groups.

Employee-paid contributions are deductions from payroll checks. Employees who work 12 months make contributions each pay period. Many school district employees do not work 12 months, so contributions are collected for those employees during the 9 month period from September through May.

For this reason, contributions are generally larger than obligations for September through May and contributions are generally smaller than obligations for June, July and August.

The "Collected" columns show what is actually available for paying health care costs. The "Obligations" show what is estimated to be available by month, based on number of employees at the current rate of contributions.

Kenai Peninsula Borough School District  
Health Care Committee Monthly recap  
as of June 30, 2018

Reserve Account  
Employee Share  
Employer Share

As of 6-30-16  
578,048.09  
1,350,262.27

As of 6-30-17  
701,399.69  
1,353,713.48

Monthly Contribution - Traditional  
Employee Share \* 392.15  
Employer Share 1,783.73  
1,785.88

Monthly Contribution - HDHP  
Employee Share \* 255.71  
Employer Share 1,669.58  
1,925.29

This document is provided to the Health Care Committee as a work paper to recap the contributions to and expenditures from the Health Care Plan each month. It is to be used primarily as an aid in estimating costs of the plan to determine if changes should be made in employee contribution amounts. Every effort is made to provide current and accurate information, but this information is not audited until after the end of the fiscal year.

	Number of Employees	YTD Employees	Current Month Obligations	YTD Obligations	Contributions Current Month Collected	Contributions YTD Collected
<b>Employees</b>						
KPEA Employees	562	6,746	220,388.30	2,645,443.90	-	2,609,774.97
KPEA Employees - HDHP	62	715	15,854.02	182,832.65	-	181,151.76
KPEA Repay EE Reserve					-	25,592.79
KPESA Employees	369	4,482	144,703.35	1,757,616.30	9,350.63	1,733,272.95
KPESA Employees - HDHP	40	462	10,228.40	118,138.02	278.84	115,488.88
KPESA Repay EE Reserve					(3.45)	16,942.48
Administrators	54	643	21,176.10	252,152.45	4,447.41	250,480.37
Administrators - HDHP	5	61	1,278.55	15,598.31	-	15,321.56
Admin Repay EE Reserve					-	2,435.76
Board Members		49	1,568.60	19,215.35	1,900.00	17,276.74
Board Members - HDHP	1	6	255.71	1,534.26	252.26	1,513.56
Board Repay EE Reserve					-	63.02
Exempt Employees	23	269	9,019.45	105,488.35	8,474.90	104,250.06
Exempt Employees - HDHP	4	59	1,022.84	9,972.69	783.36	10,006.33
Exempt Repay EE Reserve					-	1,035.58
Affordable Care Act **			0.00	0.00	-	-
ACA Empl Repay EE Reserve					-	-
<b>Total Employees on Payroll</b>	<b>1,125</b>	<b>13,472</b>	<b>425,495.32</b>	<b>5,107,992.28</b>	<b>25,483.95</b>	<b>5,084,606.81</b>
COBRA Payers (FY18 = \$2215.88)		25	-	52,894.00	-	52,822.76
COBRA HD Payers (FY18 = \$1960.28)	1	11	1,960.28	21,563.08	-	23,198.41
<b>Total Employees</b>	<b>1,125</b>	<b>13,508</b>	<b>427,455.60 *</b>	<b>5,182,449.36</b>	<b>25,483.95</b>	<b>5,160,627.98</b>

\* Current month employee obligations are a calculation of "Number of Employees" eligible for health care coverage during that month times the "Employee Share" (shown in the upper right corner of the sheet).

\*\* Affordable Care Act (ACA) coverage is offered to employees once eligibility is determined. Eligibility is based on number of hours worked during the measurement period.

<b>Employer</b>						
Employer share	1,012	12,189	1,805,134.76	21,741,884.97	105,384.39	21,640,748.64
Employer share - HDHP	112	1,283	186,992.96	2,142,071.14	8,347.90	2,136,326.09
<b>Total</b>			<b>2,419,583.32</b>	<b>29,066,035.47</b>	<b>139,216.24</b>	<b>28,937,702.71</b>

<b>+ Employee Share Split</b>						
Current Year Contribution Traditional			388.70	Subtotal	24,172.94	4,715,055.09
Cobra			2,215.88	Subtotal	-	52,822.76
					24,172.94	4,767,877.85
Current Year Contribution HDHP			252.26	Subtotal	1,314.46	323,482.09
Cobra HD			1,960.28	Subtotal	-	23,198.41
					1,314.46	346,680.50
Prior Year Reserve Repayment			3.45	Subtotal	(3.45)	46,069.63

Exhibit: A-5  
Page 5 of 64



# Kenai Peninsula Borough School District Health Care Plan Participant Enrollment Form



EMPLOYEE INFORMATION										
Name of Employee:						Date of Enrollment or Change:				
Social Security Number:				Sex: <input type="checkbox"/> M <input type="checkbox"/> F		IHS (Indian Health Services) Eligible: <input type="checkbox"/> Y <input type="checkbox"/> N				
Address:						Date of Birth:				
City:		State:		Zip:		Marital Status:				
Phone:			Email:			Date of Marriage:				
TYPE OF ENROLLMENT/LEGAL DOCUMENTATION										
Legal documentation is <b>REQUIRED</b> for all new enrollments and any changes made (marriage certificate, birth certificate, etc.):										
<input type="checkbox"/> New Enrollment <input type="checkbox"/> Open Enrollment <input type="checkbox"/> Change in Status										
<input type="checkbox"/> DECLINING COVERAGE (Note: You may decline only if you have other health coverage <u>outside KPBSD</u> that meets the minimum Affordable Care Act requirements.)										
Reason for electing, changing or declining coverage: _____										
<input type="checkbox"/> I wish to DECLINE Dental/Vision coverage (I understand this will NOT reduce/change my contribution amount)										
COVERAGE AND DEPENDENT INFORMATION										
One plan option must be selected:										
<input type="checkbox"/> Traditional Plan <input checked="" type="checkbox"/> HDHP Plan (Note: You may choose to opt-out of HRA reimbursements by contacting the Benefits Manager)										
Add	Drop	Relationship to Employee	Last Name	First Name	Middle Initial	IHS Eligible	Social Security No.	Date of Birth	Employer	Gender
<input type="checkbox"/>	<input type="checkbox"/>	SPOUSE				<input type="checkbox"/> Y <input type="checkbox"/> N				<input type="checkbox"/> M <input type="checkbox"/> F
<input type="checkbox"/>	<input type="checkbox"/>					<input type="checkbox"/> Y <input type="checkbox"/> N				<input type="checkbox"/> M <input type="checkbox"/> F
<input type="checkbox"/>	<input type="checkbox"/>					<input type="checkbox"/> Y <input type="checkbox"/> N				<input type="checkbox"/> M <input type="checkbox"/> F
<input type="checkbox"/>	<input type="checkbox"/>					<input type="checkbox"/> Y <input type="checkbox"/> N				<input type="checkbox"/> M <input type="checkbox"/> F
<input type="checkbox"/>	<input type="checkbox"/>					<input type="checkbox"/> Y <input type="checkbox"/> N				<input type="checkbox"/> M <input type="checkbox"/> F
<input type="checkbox"/>	<input type="checkbox"/>					<input type="checkbox"/> Y <input type="checkbox"/> N				<input type="checkbox"/> M <input type="checkbox"/> F
Is any child over the dependent age limit applying for coverage due to disability? <input type="checkbox"/> No <input type="checkbox"/> Yes → Complete the Request for Certification of Disabled Dependent form.										
Does any dependent have a different mailing address? <input type="checkbox"/> No <input type="checkbox"/> Yes → _____										
List Dependent name _____										
Write in Dependent mailing address including City, State and ZIP Code _____										
OTHER COVERAGE INFORMATION										
Do you, your spouse and/or your covered dependents have other coverage for: If yes, please attach a Certificate of Creditable Coverage from your current carrier(s) – Certificates only apply to newly enrolled Employees & Dependents.										
Medical <input type="checkbox"/> No <input type="checkbox"/> Yes Dental <input type="checkbox"/> No <input type="checkbox"/> Yes Vision <input type="checkbox"/> No <input type="checkbox"/> Yes Prescriptions <input type="checkbox"/> No <input type="checkbox"/> Yes Medicare <input type="checkbox"/> No <input type="checkbox"/> Yes										
COVERAGE #1:										
Enrollee's Name: _____ Enrollee's Birth Date: _____ Plan Name: _____										
ID #: _____ Effective Date: _____ Individuals currently covered under this policy: _____										
COVERAGE #2:										
Enrollee's Name: _____ Enrollee's Birth Date: _____ Plan Name: _____										
ID #: _____ Effective Date: _____ Individuals currently covered under this policy: _____										
SIGNATURE										
I declare that to the best of my knowledge, all of the information on this form is true and complete, and all of the persons for whom I am requesting enrollment are eligible for coverage. The changes on this form supersede all previous forms submitted. I UNDERSTAND THAT MISSTATEMENT, OMISSION OF MEDICAL INFORMATION OR FAILURE TO DISCLOSE ANY INFORMATION MAY BE USED AS A BASIS FOR RESCISSION OF COVERAGE FOR ME AND FOR MY DEPENDENTS, AND THAT I WILL BE GUILTY OF INSURANCE FRAUD. I authorize deductions, if any, from any earnings toward the cost of the coverage. A copy of this authorization shall be as valid as the original.										
Sign Here → _____										
Employee's Signature				Print Name				Date		
THIS SECTION TO BE COMPLETED BY EMPLOYER										
Exact date of full-time employment:			Effective Date:			Date Processed:				
Month	Day	Year	Month	Day	Year	Month	Day	Year	Plan Administrator	

Exhibit: A-5  
Page 6 of 64





# 2018 SPECIAL ENROLLMENT

## AUGUST 30<sup>th</sup> to SEPTEMBER 12<sup>th</sup> 2018

### WHAT IS THE SPECIAL ENROLLMENT FOR?

Per IRS Regulation 26 CFR 1.125-4, the Kenai Peninsula Borough School District is allowing a Special Enrollment period due to a significant increase in the Traditional Plan's monthly contribution rate effective September 1, 2018. **During this Special Enrollment, ONLY those employees currently enrolled on the Traditional Health Plan may choose to switch to the High Deductible Health Plan, or decline coverage (see section below on page 2) effective September 1, 2018.** During this Special Enrollment, you may NOT make any other changes to your elections, such as adding a spouse or dependent child. Those changes may be made during the regular annual Open Enrollment Period that will occur from November 15, 2018 through December 15, 2018 with an effective date of January 1, 2019.

- ✓ **ENROLLMENT DEADLINE:** You MUST submit your Plan changes no later than 4:30 pm on September 12, 2018. All enrollment forms must be turned in to Stacey Cockroft at the District Office by the deadline.
- ✓ **NO CHANGES?** No action is required from you; your current enrollment will remain the same.
- ✓ Enrollment forms are included in this packet and will also be available online at <http://www.kpbsd.k12.ak.us/employees.aspx?id=5232>.
- ✓ All changes made during the Special Enrollment will be effective **September 1, 2018**.

### YOUR MEDICAL OPTIONS

**You may ONLY choose to switch from the Traditional Plan to the High Deductible Plan:**

MEDICAL BENEFITS	TRADITIONAL PLAN	HIGH DEDUCTIBLE HEALTH PLAN (HDHP)
Annual Medical Deductible		
Individual	\$200	\$1,500
Family	\$600	\$3,000
Reimbursement Percentage	Plan pays 80% Plan pays 60% (non-PPO facility)	
Out-of-Pocket Maximum (Not including deductible)		
Individual	\$1,000	\$2,000
Family	\$3,000	\$4,000
Prescription Drug Coverage		
Generic Copay		\$5
Preferred Brand Copay		\$25
Non-Preferred Brand Copay		\$50
Specialty Copay		\$100 (limited to a 30-day supply)
Health Reimbursement Arrangement	None	\$750/year*
Employee Contribution		
Monthly (12 month deduction)	\$TBD	\$TBD
Monthly Prorated (9 month deduction)	\$TBD	\$TBD
Annual	\$TBD	\$TBD

\*If you newly elect the HDHP, \$625 will be credited to your HRA account on September 1<sup>st</sup> for September 2018 – June 2019. Another \$750 will be credited on July 1<sup>st</sup> for the period July 2019 – June 2020.

**KPBSD Health Care Contribution Amount Information**

**1. FY18 Cap Information**

	<b>FY18 Cap Amount <u>Traditional</u></b>	<b>FY18 Cap Amount <u>HDHP</u></b>
District (85% Traditional - 90% HDHP)	\$ 1,731.45	\$ 1,645.61
Employee (15% Traditional - 10% HDHP)	\$ <u>305.55</u>	\$ <u>182.85</u>
Monthly Total	\$ 2,037.00	\$ 1,828.46

**2. FY18 Contributions**

	<b>FY18 Contributions <u>Traditional</u></b>	<b>FY18 Contributions <u>HDHP</u></b>
FY18 Broker Recommended Total Amount Monthly	\$ 2,141.55	\$ 1,876.39
Excess above Cap	\$ 104.55	\$ 47.93
50% of Excess	\$ 52.28	\$ 23.97
District	\$ 1,783.73	\$ 1,669.58
Employee	\$ <u>357.83</u>	\$ <u>206.81</u>
Total FY18 Amounts Per Broker Rec	\$ 2,141.55	\$ 1,876.39

**3. Actual FY18 Employee Rates set by Health Care Sub-Committee**

	<b>388.7</b>	<b>252.26</b>
Amount Over Broker Recommendation	\$ 30.87	\$ 45.45
Percentage Over Broker Recommendation	8.63%	21.98%

**4. Contributions and Expenditures YTD Employee**

	<b>Revenues</b>	<b>Expenditures</b>	<b>Revenues Less Expenditures</b>
Through February 8 Months	227,469.95	58,839.48	168,630.47
Per Month	28,433.74	7,354.94	21,078.81
Remaining 4 Months	113,734.98	29,419.74	84,315.24
Projected Totals	341,204.93	88,259.22	252,945.71

## HOW DO I CHANGE MY PLAN SELECTION?

---

➤ **STEP 1:**

If you decide to switch from the Traditional Plan to the High Deductible Health Plan, please fill out the enrollment form selecting the High Deductible Health Plan. If you would like to decline coverage, please fill out the enrollment form selecting "Declining Coverage" and obtain the necessary documents listed above. If you do not want to change your Plan selection, you do not need to submit a form.

➤ **STEP 2:**

Submit the completed enrollment form and applicable documents to Stacey Cockroft at the District Office by the 4:30 pm September 12, 2018 deadline. The enrollment form is included in this packet. Forms are also available online at:

<http://www.kpbsd.k12.ak.us/employees.aspx?id=5232>

**FOR MORE INFORMATION:**

- Go to our website: <http://www.kpbsd.k12.ak.us/employees.aspx?id=5232>  
All documents and forms will be posted on the website.
- **QUESTIONS?** Contact Stacey Cockroft, Employee Benefits Manager, at 907-714-8879 or [scockroft@kpbsd.k12.ak.us](mailto:scockroft@kpbsd.k12.ak.us).



### ***What is a Health Reimbursement Arrangement (HRA)?***

An HRA allows KPBSD to set aside funds for you to spend on qualified health care expenses. Money not used in one calendar year can be rolled over from year-to-year. If you newly enroll in the High Deductible Health Plan during this Special Enrollment, KPBSD will contribute \$625 to your HRA account on September 1, 2018. If you are enrolled in the HRA on July 1<sup>st</sup> (the first day of the fiscal year), KPBSD will contribute another \$750 to your HRA account.

You may use these funds for you and your dependents who are enrolled in the HDHP. If you terminate KPBSD employment, the funds will be forfeited.

Your HRA funds may be used towards medical, prescription, dental, and vision expenses. The HRA will be administered by Rehn. A claim form is available to submit for HRA reimbursements.

### ***How the HRA works with a Health Care Flexible Spending Account (FSA):***

You may have both an HRA and enroll in a Health Care FSA. Expenses are paid from the Health Care FSA first, because that account is "use it or lose it." A Flexible Spending Account is available to employees through American Fidelity. It is not a part of the health plan. For questions relating to the Flexible Spending Account, please contact Darcy Carter at [darcy.carter@americanfidelity.com](mailto:darcy.carter@americanfidelity.com).

***IRS rules do not permit changing your current FSA contribution or opening an FSA during this special mid-year enrollment.***

## **YOU MAY BE ABLE TO DECLINE COVERAGE**

---

- You may decline Health Plan coverage **ONLY** if you are currently enrolled in the Traditional Health Plan and have other health coverage outside of the KPBSD Health Plan that meets the minimum requirements of the Affordable Care Act (ACA). If you decline coverage, you pay no employee contribution. ***Please start this process early to ensure you are able to obtain the necessary Certificate of Coverage and Summary of Benefits and Coverage (SBC) from your current health plan by the September 12, 2018 deadline. Please note the SBC is not the "Summary of Benefits" located in the Plan summary, this document must be specifically requested from the other Plan. Please contact Stacey Cockcroft at [scockcroft@kpbsd.k12.ak.us](mailto:scockcroft@kpbsd.k12.ak.us) to request examples of what is required.***
- If you are double covered within the KPBSD health plan because you are both a KPBSD employee and a spouse or dependent of a KPBSD employee and have no coverage outside of KPBSD, you may not decline coverage.

## HCPC MEETING MINUTES

**DATE AND TIME:** 3/22/18 3:00 PM

**LOCATION:** Risk Management Building

**VOTING MEMBERS:**

x	Stephanie Bohrsen	KPESA
x	Joel Burns	KPEA
x	Vaughn Dosko	KPAA
x	Matt Fischer	KPEA
x	Liz Hayes	District
x	John O'Brien	District
Phone	Bruce Rife	KPEA
x	Tracy Silta	KPESA
phone	John Sanborn	KPESA
x	Kristen Vix	District
x	David Brighton	KPEA

**QUORUM PRESENT:** (NINE MEMBERS NEEDED)   X   YES        NO

**ADMINISTRATION/CONSULTANTS:**

x	Stacey Cockroft	Benefits Manager
x	Dave Jones	Plan Administrator
x	Colleen Savoie	Parker-Smith-Feek Consultant

**GUESTS PRESENT:**

--	--	--

**A. CALL TO ORDER BY   Matt F   TIME   3:03pm  .**

1. Approval of Agenda        as written, with flexibility   x   with additions
  - a. MOTION:   David B   SECOND:   Joel B   VOTE:   unanimous
2. Approval of Minutes May 17, 2017   x   as written.        with amendments
  - a. MOTION:   Tracy S   SECOND:   Kristen V   VOTE:   unanimous

**B. REPORTS**

1. Dave Jones, Plan Administrator.

Annual meeting for Caremark/CVS prescriptions – Some claims are up but joining Caremark has paid off.

Within the Coop (not AK) 75+ pharmacies have been banned for excessive billing and possibly fraudulent prescriptions.

Without a few unusual large claims, our overall prescription drug costs have decreased.

National Cooperative RX undertook a request for proposal process for Prescription Benefits Managers. They will be renewing with Caremark with significant price reductions in the first year, and additional price reductions in years two and three.

Contribution sheet shows at the end of the year there will be a big excess for the High Deductible Plan, maybe reduce premiums toward end of the year.

HDHP such an excess talked about maybe set aside for that plan for future AND refund the employees in that plan.

Kenai Peninsula Borough School District  
Healthcare Expenditures Split  
as of July 31, 2018

Traditional Plan				HDHP			
YTD Participants	939			YTD Participants	102		
Net Expenditures	1,573,851.62			Net Expenditures	68,275.90		
ER - Employer Cap \$1731.45	1,625,831.55			ER - Employer Cap \$1645.61	167,852.22		
EE - Employee Cap \$305.55	<u>286,911.45</u>			EE - Employee Cap \$182.85	<u>18,650.70</u>		
Total Cap Expenditure EE/ER	1,912,743.00			Total Cap Expenditure EE/ER	186,502.92		
Expenditures over Cap	-			Expenditures over Cap	-		
50/50 Split of Expenditures over Cap	-			50/50 Split of Expenditures over Cap	-		
ER Expenditures Up To Cap	781,608.35			ER Expenditures Up To Cap	61,448.31		
ER Expenditures Above Cap	<u>-</u>			ER Expenditures Above Cap	<u>-</u>		
Total ER Expenditures	781,608.35			Total ER Expenditures	61,448.31		
EE Expenditures Up To Cap	137,930.89			EE Expenditures Up To Cap	6,827.59		
EE Expenditures Above Cap	<u>-</u>			EE Expenditures Above Cap	<u>-</u>		
Total EE Expenditures	137,930.89			Total EE Expenditures	6,827.59		
Total ER & EE Expenditures	919,539.24			Total ER & EE Expenditures	68,275.90		
Traditional Summary				HDHP Summary			
Through July 2018	YTD EXP	YTD REV	REV Less EXP	Through July 2018	YTD EXP	YTD REV	REV Less EXP
Employer	1,337,773.88	116,766.00	(1,221,007.88)	Employer	61,448.31	13,355.45	(48,092.86)
Employee	<u>236,077.74</u>	<u>24,729.72</u>	<u>(211,348.02)</u>	Employee	<u>6,827.59</u>	<u>7,991.95</u>	<u>1,164.36</u>
Totals	1,573,851.62	141,495.72	(1,432,355.90)	Totals	68,275.90	21,347.40	(46,928.50)
Obligation per Employee FY18				Obligation per Employee FY18			
		Year-to-date				Year-to-date	
388.70 EE/1976.04 ER Split	2,364.74	2,364.74		252.26 EE/1669.41 ER Split	1,921.67	1,921.67	
Monthly Cost per Employee - ER		1424.68		Monthly Cost per Employee - ER		602.43	
Monthly Cost per Employee - EE + Cobra		<u>251.41</u>		Monthly Cost per Employee - EE + Cobra		<u>66.94</u>	
		1676.09				669.37	
Current Variance		688.65		Current Variance		1,252.30	

Obligations indicate the funds that will be accumulated per employee per month. Expenditures are amounts that have been paid through the plan.

A positive number for "current variance" represents the amount per employee per month that is estimated to be collected above the amount spent year-to-date. A negative number represents the amount of expenditures (per employee per month) that are more than what is estimated to be collected for payment of those expenditures.

Colleen said that for the most part most employees do not switch back and forth between the two plans.

The subcommittee will consider the options.

2. **Stacey Cockroft, Benefits Manager.**

The 2017 stop loss year has been closed and all reimbursements in Jan-Feb hit the individual stop loss deductible already.

3. **Liz Hayes, Director of Finance**

Formats on report changed so cost of each plan is separated out.

Obligation for employee per month, both are positive to date. Traditional low \$\$, HDHP high \$\$.

4. **Colleen Savole, Parker-Smith-Feek Consultant**

Briefly discussed the projection using data through November 2017. Colleen has been updating the projection internally, but has not provided an updated projection to the SD yet.

January claims were higher than expected but February is looking better.

Cost Savings Option sheet handed out and discussed on changes and the cost to employees. Options included changes to the prescription plan including moving from copays to a coinsurance model. The group discussed the possibility of reducing the coinsurance for non-PPO physicians and other providers to 60% of allowable costs. Some plans are also limiting the allowable expense to a percentage of Medicare. An estimate of the cost reduction impact of increasing deductibles and coinsurance was also discussed. This was noted that it is just a cost shift to the employee. Discussion of changing payroll deduction amounts was brought up.

**C. OLD BUSINESS**

1. Health committee communications: While this discussion was tabled, John and Liz indicated that they would negotiate with Tableau to use this platform for health information dissemination.

2. Wellness Program Options: This discussion was also tabled as members indicated that this topic deserves a separate meeting due to time limitations.

**D. NEW BUSINESS.**

a. **Election of Chair and Secretary – Not done**

b. **Medical Travel options**

Tracy Silta and Stephanie Bohrsen shared letters and instances of Doctor charges in our area compared to Anchorage. Tracy shopped around and saved the district \$1000. The Doctor sent her a heated letter on why she went and we discussed that employees should be doing this. Stacey will put out a list of questions/procedures that employees can use to "shop" for services. Then maybe the Doctor community might start paying attention and adjust prices. Two complaints were handed out on AK Regional as our preferred hospital and the experiences these patients/employees had with AK Regional and their concerns with having to use them.

BridgeHealth to take effect April 1, 2018.

Talked about how people will be informed (emails, mail-out).

Discussed how we want BridgeHealth to notify employees if their procedure would be a cost savings to the district. Concern about employees being notified and them wondering how this

company got their information. Dave and Stacey to discuss as they are setting up BridgeHealth for that option or not.

**c. Hearing Aides**

A participant requested the plan cover hearing aids. Colleen will provide cost estimates.

**d. Vision Procedures – Lasik**

A member requested the committee consider possibly covering this considering the potential cost savings for up to 10+ years of not buying glasses/contacts.

**e. Stem Cell Therapies**

Colleen will get more info on this. She is concerned about the additional liability to the District if experimental or investigational treatment were covered. These expenses would not be reinsured through stop loss.

John O'Brien ended the meeting stating that this committee is working and that we need to read the Health Plan Design by the next meeting (April 18<sup>th</sup>, 2018) to see if we need to update, make cuts, etc to save the plan money without detriment to the employee or district. Colleen provided new cost savings sheets as discussed earlier in this report.

**E. ADJOURN TIME 5:05pm**

**a. MOTION John O SECOND Liz H VOTE unanimous**

**F. NEXT MEETINGS** The calendar dates for HCPC meetings at the Risk Management building were set for the 2017-2018 school year:

- Wednesday, August 30, 2017, 3-5 PM
- Thursday, September 21, 2017, 3-5 PM
- Wednesday, October 11, 2017, 3-5 PM
- Wednesday, November 8, 2017, 3-5 PM
- Wednesday, January 10, 2018, 3-5 PM
- Wednesday, February 7, 2018, 3-5 PM (early release day)
- Thursday, March 22, 2018, 3-5 PM
- Wednesday, April 18, 2018, 3-5 PM
- Wednesday, May 16, 2018, 3-5 PM



## Kenai Peninsula Borough School District

Health Care Committee Monthly recap  
as of July 31, 2018Reserve AccountEmployee Share  
Employer ShareAs of 6-30-17701,399.69  
1,353,713.48As of 6-30-18471,065.27  
1,572,408.17FY18 Monthly Contribution - TraditionalEmployee Share \* 388.70  
Employer Share 1,976.04  
2,364.74FY18 Monthly Contribution - HDHPEmployee Share \* 252.26  
Employer Share 1,669.41  
1,921.67

This document is provided to the Health Care Committee as a work paper to recap the contributions to and expenditures from the Health Care Plan each month. It is to be used primarily as an aid in estimating costs of the plan to determine if changes should be made in employee contribution amounts. Every effort is made to provide current and accurate information, but this information is not audited until after the end of the fiscal year.

	Number of Employees	YTD Employees	Current Month Obligations	YTD Obligations	Contributions Current Month Collected	Contributions YTD Collected
<b>Employees</b>						
KPEA Employees	509	509	197,848.30	197,848.30		
KPEA Employees - HDHP	55	55	13,874.30	13,874.30		
KPEA Repay EE Reserve						
KPESA Employees	355	355	137,988.50	137,988.50	8,975.44	8,975.44
KPESA Employees - HDHP	37	37	9,333.62	9,333.62	1,062.20	1,062.20
KPESA Repay EE Reserve						
Administrators	50	50	19,435.00	19,435.00	4,275.70	4,275.70
Administrators - HDHP	5	5	1,261.30	1,261.30		
Admin Repay EE Reserve						
Board Members	4	4	1,554.80	1,554.80	1,100.00	1,100.00
Board Members - HDHP	1	1	252.26	252.26	252.26	252.26
Board Repay EE Reserve						
Exempt Employees	21	21	8,162.70	8,162.70	8,162.70	8,162.70
Exempt Employees - HDHP	4	4	1,009.04	1,009.04	796.65	796.65
Exempt Repay EE Reserve						
Affordable Care Act **	-	-	0.00	0.00		
ACA Empl Repay EE Reserve						
<b>Total Employees on Payroll</b>	<b>1,041</b>	<b>1,041</b>	<b>390,719.82</b>	<b>390,719.82</b>	<b>24,624.95</b>	<b>24,624.95</b>
COBRA Payers (FY18 = \$2215.88)	1	1	2,215.88	2,215.88	2,215.88	2,215.88
COBRA HD Payers (FY18 = \$1960.28)	1	1	1,960.28	1,960.28	5,880.84	5,880.84
<b>Total Employees</b>	<b>1,043</b>	<b>1,043</b>	<b>394,895.98 *</b>	<b>394,895.98</b>	<b>32,721.67</b>	<b>32,721.67</b>

\* Current month employee obligations are a calculation of "Number of Employees" eligible for health care coverage during that month times the "Employee Share" (shown in the upper right corner of the sheet).

\*\* Affordable Care Act (ACA) coverage is offered to employees once eligibility is determined. Eligibility is based on number of hours worked during the measurement period.

**Employer**

Employer share	939	939	1,855,501.56	1,855,501.56	116,766.00	116,766.00
Employer share - HDHP	102	102	170,279.82	170,279.82	13,355.45	13,355.45
<b>Total</b>			<b>2,420,677.36</b>	<b>2,420,677.36</b>	<b>162,843.12</b>	<b>162,843.12</b>

**+ Employee Share Split**

<b>FY18 Contribution Traditional</b>	<b>388.70</b>	<b>Subtotal</b>	<b>22,513.84</b>	<b>22,513.84</b>
Cobra	2,215.88	Subtotal	2,215.88	2,215.88
			24,729.72	24,729.72
<b>FY18 Contribution HDHP</b>	<b>252.26</b>	<b>Subtotal</b>	<b>2,111.11</b>	<b>2,111.11</b>
Cobra HD	1,960.28	Subtotal	5,880.84	5,880.84
			7,991.95	7,991.95
<b>Prior Year Reserve Repayment</b>	<b>TBD</b>	<b>Subtotal</b>	<b>-</b>	<b>-</b>

## Kenal Peninsula Borough School District

Health Care Committee Monthly recap  
as of July 31, 2018Reserve AccountEmployee Share  
Employer ShareAs of 6-30-17701,399.69  
1,353,713.48As of 6-30-18471,065.27  
1,572,408.17FY18 Monthly Contribution - TraditionalEmployee Share \* 388.70  
Employer Share 1,976.04  
2,364.74**Expenditures**

Since the health care plan is self-funded, both employee and employer contributions are collected and bills are paid from the accumulated funds.

	TRADITIONAL		HDHP	
	Current Month	Year-To-Date	Current Month	Year-To-Date
<b>Claims</b>				
Health Care Claims paid by TPA (Rehn)	1,563,352.65	1,563,352.65	32,055.35	32,055.35
Prescription Claims paid by Caremark	342,980.24	342,980.24	4,978.93	4,978.93
HRA	-	-	6,682.25	6,682.25
<b>Total Claims Paid</b>	<b>1,906,332.89</b>	<b>1,906,332.89</b>	<b>43,716.53</b>	<b>43,716.53</b>
<b>Administration</b>				
TPA (Rehn) fees and costs	23,395.85	23,395.85	-	-
TPA (Rehn) HRA fees and costs	-	-	2,271.81	2,271.81
Aetna Administration Fees	17,961.15	17,961.15	1,968.08	1,968.08
Consultant Fees	-	-	-	-
Stop Loss Premiums	180,255.35	180,255.35	19,751.38	19,751.38
Affordable Care Act Fee	5,184.63	5,184.63	568.10	568.10
<b>Total Administration</b>	<b>226,796.98</b>	<b>226,796.98</b>	<b>24,559.37</b>	<b>24,559.37</b>
<b>Total Claims plus Administration</b>	<b>2,133,129.87</b>	<b>2,133,129.87</b>	<b>68,275.90</b>	<b>68,275.90</b>
<b>Adjustments</b>				
Stop Loss reimbursements	(559,278.25)	(559,278.25)	-	-
Prescription Rebates	-	-	-	-
Health Care Claims refund	-	-	-	-
Other adjustments	-	-	-	-
<b>Total Adjustments</b>	<b>(559,278.25)</b>	<b>(559,278.25)</b>	<b>-</b>	<b>-</b>
<b>Total Expenditures</b>	<b>1,573,851.62</b>	<b>1,573,851.62</b>	<b>68,275.90</b>	<b>68,275.90</b>

**Obligations/Contributions**

Health care obligations and contributions provide employee and employer amounts of health care contributions using different calculation methods.

Obligations are estimates of funds that employees and the district will be obligated to contribute, based on the plan year (July through June).

Returning employees are covered by the health care plan for the entire plan year, meaning the 12 month period July through June; both employee and employer are obligated to pay for 12 months of coverage. New employees pay for coverage from date of hire through June, the end of the plan year. If an employee works at all during a month, both employee and employer pay for the entire month of coverage.

Actual Contributions made by employees and benefits paid by the employer during the payroll process are shown on the sheet in the columns labeled "Collected." The division of payments is governed by the Collective Bargaining Agreements and Memorandums of Understanding between the district and the employee groups.

Employee-paid contributions are deductions from payroll checks. Employees who work 12 months make contributions each pay period. Many school district employees do not work 12 months, so contributions are collected for those employees during the 9 month period from September through May.

For this reason, contributions are generally larger than obligations for September through May and contributions are generally smaller than obligations for June, July and August.

The "Collected" columns show what is actually available for paying health care costs. The "Obligations" show what is estimated to be available by month, based on number of employees at the current rate of contributions.



# CLIENT SATISFACTION SURVEY YTD

July 2018

## Tell Us About The Teladoc Prescription Service

Did the pharmacy fill the prescription in a timely manner?

Yes	77.78 %	Responses	14
N/A	22.22 %	Responses	4

Did you encounter any other problems filling the prescription (other than timeliness)?

No	72.22 %	Responses	13
N/A	27.78 %	Responses	5

Exhibit: A-5  
Page 17 of 14

# CLIENT SATISFACTION SURVEY YTD

July 2018

How easy was it for you to find the information you wanted on the site?

Very easy	44.44 %	Responses	8
Fairly easy	38.89 %	Responses	7
No answer stored	16.67 %	Responses	3

## Tell Us About the Teladoc Physician

Did the physician listen and understand your problem?

Yes	88.89 %	Responses	16
Somewhat	11.11 %	Responses	2

Did you feel comfortable asking the physician questions?

Yes	94.44 %	Responses	17
Somewhat	5.56 %	Responses	1

Overall, how would you rate the service provided by the Teladoc physician?

Outstanding	83.33 %	Responses	15
Good	5.56 %	Responses	1
Poor	11.11 %	Responses	2

Exhibit: A-5  
Page 18 of 64



# CLIENT SATISFACTION SURVEY YTD

July 2018

Did you get further care for the same problem during the week after your Teladoc consultation (other than filling a prescription)?

Yes	27.78 %	Responses	5
No	72.22 %	Responses	13

How likely are you to recommend Teladoc to a friend (Where 10=Extremely Likely and 1=Not Likely At All)

10	77.78 %	Responses	14
9	16.67 %	Responses	3
4	5.56 %	Responses	1

## Access Method

Was your call answered in a timely manner?

Yes	16.67 %	Responses	3
No answer stored	83.33 %	Responses	15

Was the representative courteous and helpful?

Yes	16.67 %	Responses	3
No answer stored	83.33 %	Responses	15

How easy was it for you to schedule your consultation using the website?

Very easy	55.56 %	Responses	10
Fairly easy	27.78 %	Responses	5
No answer stored	16.67 %	Responses	3

Exhibit: A-5  
Page 19 of 64

# CLIENT SATISFACTION SURVEY YTD

July 2018

How often when you have requested a Teladoc consultation did the Teladoc service make it easier to get the care or treatment you thought you needed?

Always	83.33 %	Responses	15
Usually	11.11 %	Responses	2
Sometimes	5.56 %	Responses	1

Overall, how would you compare your experience with your Teladoc consultation to your usual face-to-face experience with doctor consultations in terms of how useful the consultation was?

More useful	44.44 %	Responses	8
About the same	50.00 %	Responses	9
Less useful	5.56 %	Responses	1

Overall, how would you compare your experience with your Teladoc consultation to your usual face-to-face experience with doctor consultations in terms of how much time it took away from work or other activities?

Less time away	100.00 %	Responses	18
----------------	----------	-----------	----

Would you use the Teladoc service again?

Yes	94.44 %	Responses	17
Unsure	5.56 %	Responses	1

Did your Teladoc consultation resolve your immediate problem?

Yes	88.89 %	Responses	16
No	11.11 %	Responses	2

Exhibit: A-5  
Page 20 of 64



# CLIENT SATISFACTION SURVEY YTD

July 2018

## About the Teladoc Service

How would you rate the Teladoc service overall?

Outstanding	83.33 %	Responses	15
Good	11.11 %	Responses	2
Poor	5.56 %	Responses	1

How long have you had access to Teladoc?

Less than 6 months	16.67 %	Responses	3
Between 6 and 12 months	33.33 %	Responses	6
More than a year	38.89 %	Responses	7
Don't recall	11.11 %	Responses	2

In that time, how many consultations with a Teladoc physician have you had?

1-3	88.89 %	Responses	16
4-6	11.11 %	Responses	2

Was the Teladoc medical consultation for you or for a family member?

Self	83.33 %	Responses	15
Family member	16.67 %	Responses	3

How often when you have requested a Teladoc consultation did you get a call from the Teladoc physician as soon as you thought you needed it?

Always	88.89 %	Responses	16
Usually	11.11 %	Responses	2

Exhibit: A-5  
Page 21 of 64

# CLINICAL DETAILS YTD

July 2018

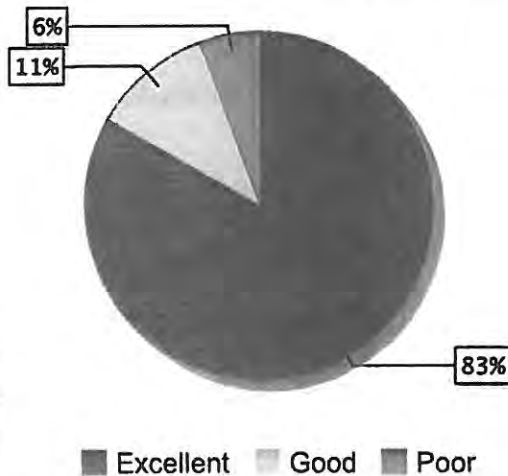
## TOP DIAGNOSES

	Frequency
Acute sinusitis, unspecified	8%
Acute upper respiratory infection, unspecified	7%
Cough	5%
Acute maxillary sinusitis, unspecified	5%
Dysuria	4%
Fever, unspecified	4%
Acute pharyngitis, unspecified	4%
Acute bronchitis, unspecified	3%
Urinary tract infection, site not specified	3%
Rash and other nonspecific skin eruption	3%

## TOP PRESCRIPTIONS

	Frequency
Amoxicillin 875 mg oral tablet	7%
Tessalon Perles 100 mg oral capsule	5%
Tamiflu 75 mg oral capsule	4%
Macrobid macrocrystals-monohydrate 100 mg oral capsule	4%
Flonase 50 mcg/inh nasal spray	4%
Amoxicillin 500 mg oral tablet	3%
Augmentin 875 mg-125 mg oral tablet	3%
Azithromycin 5 Day Dose Pack 250 mg oral tablet	3%
benzonatate 200 mg oral capsule	3%
amoxicillin 400 mg/5 mL oral powder for reconstitution	2%

## MEMBER SATISFACTION



Rating	Respondents
Excellent	15
Good	2
Poor	1
Total	18

## PRESCRIPTIONS BY VISIT

Visits with Rx:	247
Total Rx:	340
% Visits with Rx:	69%
Visits without Rx:	110
Average Rx per Visit:	1.0

Exhibit: A-5  
Page 21 of 64

# WHERE YOUR MEMBERS RECEIVED CARE YTD

July 2018

AVERAGE RESPONSE TIME YTD  
*The time between the visit request and when the physician contacted the member*

**16 minutes**

REPORT PERIOD  
 10 min

State	Visits	% Visits
HAWAII	1	0.3%
INDIANA	1	0.3%
MINNESOTA	1	0.3%
NORTH DAKOTA	1	0.3%
PENNSYLVANIA	1	0.3%
WASHINGTON	1	0.3%
WISCONSIN	1	0.3%

State	Visits	% Visits
ALASKA	321	89.9%
CALIFORNIA	7	2.0%
OHIO	6	1.7%
OREGON	3	0.8%
WYOMING	3	0.8%
ARIZONA	2	0.6%
COLORADO	2	0.6%
ILLINOIS	2	0.6%
TEXAS	2	0.6%
UTAH	2	0.6%

Exhibit: A-5  
 Page 22 of 64



# WHO RECEIVED CARE AND WHEN YTD

July 2018

GENDER

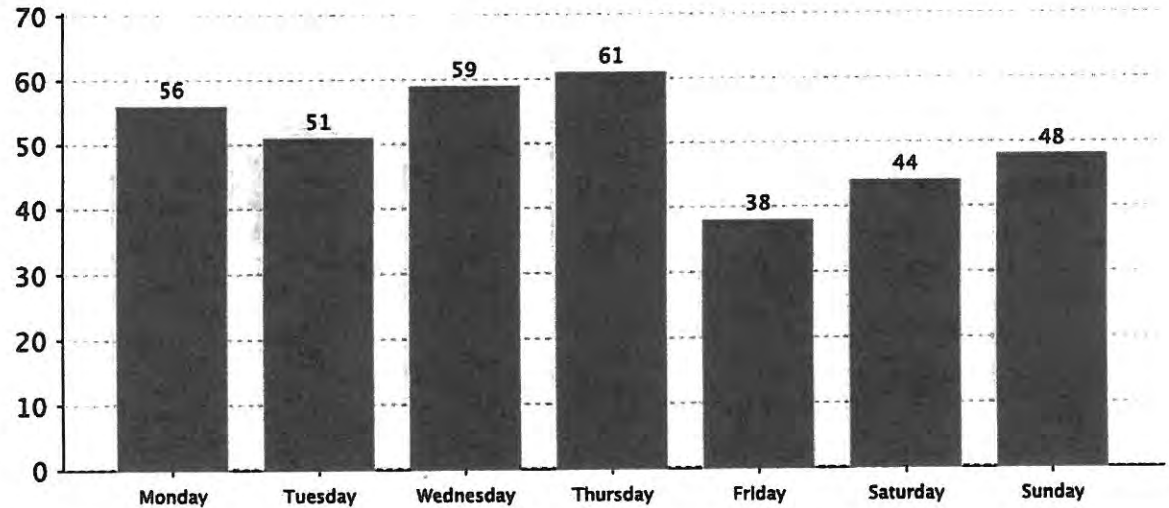


69%  
Female

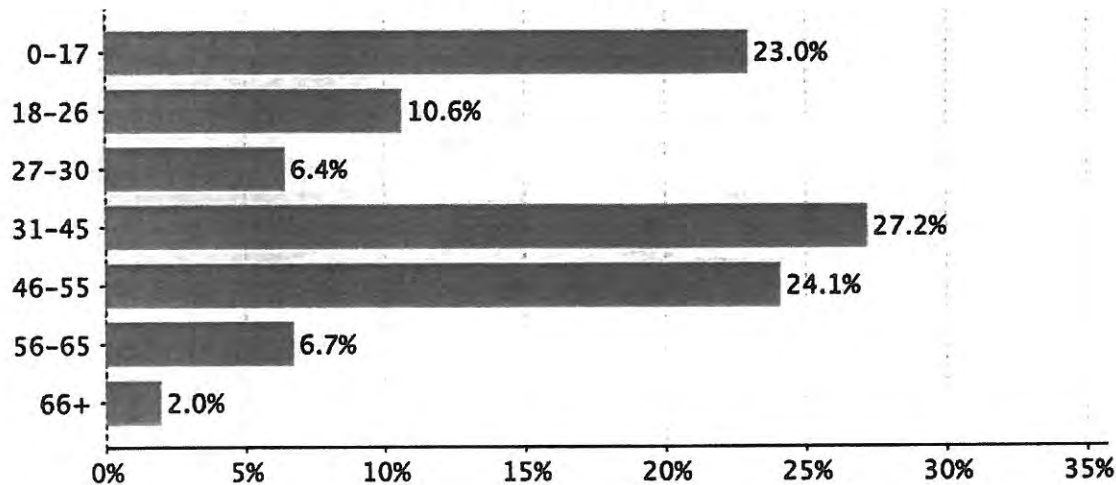


31%  
Male

DAY OF WEEK



UTILIZATION BY AGE



TIME OF DAY

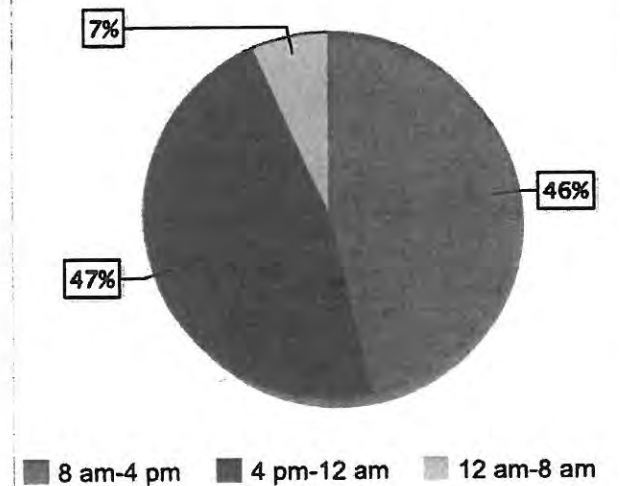
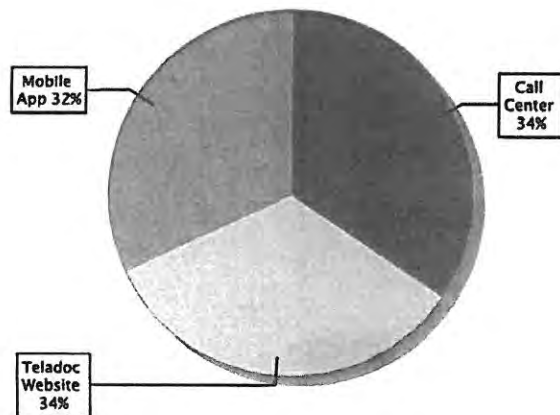


Exhibit: A-5  
Page 23 of 64

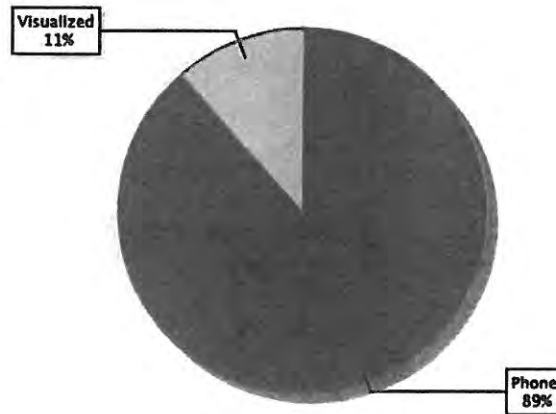
# HOW YOUR MEMBERS RECEIVED CARE YTD

July 2018

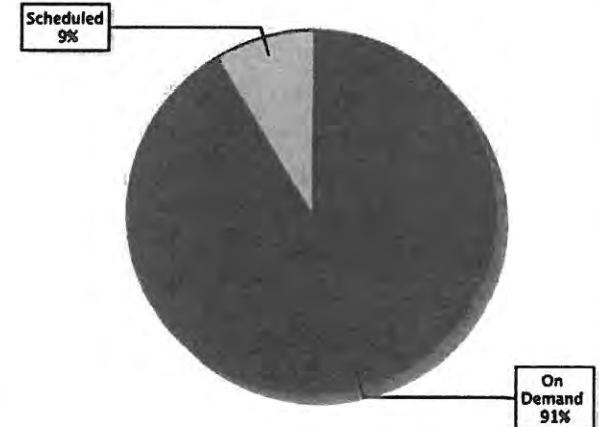
## VISIT REQUEST METHOD



## VISIT METHOD



## ON DEMAND VS SCHEDULED



## VISIT FREQUENCY

Total Number of Unique Users: 268

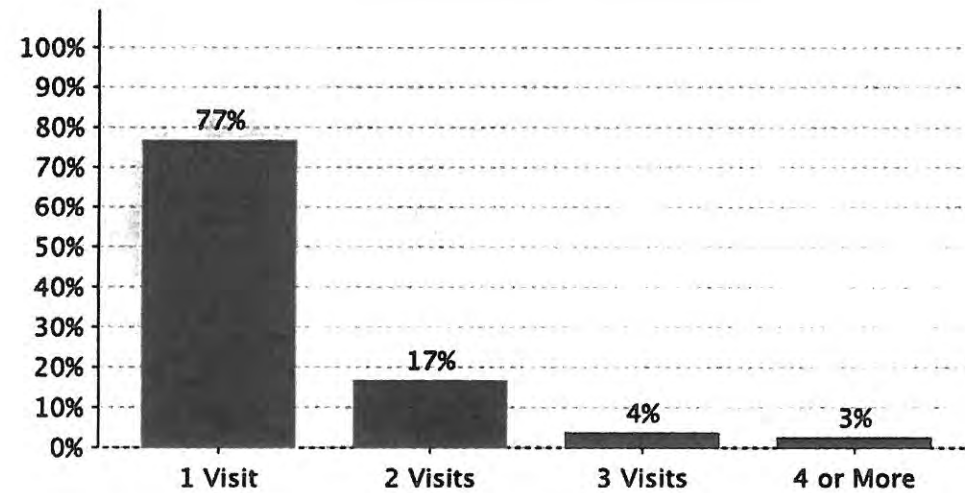
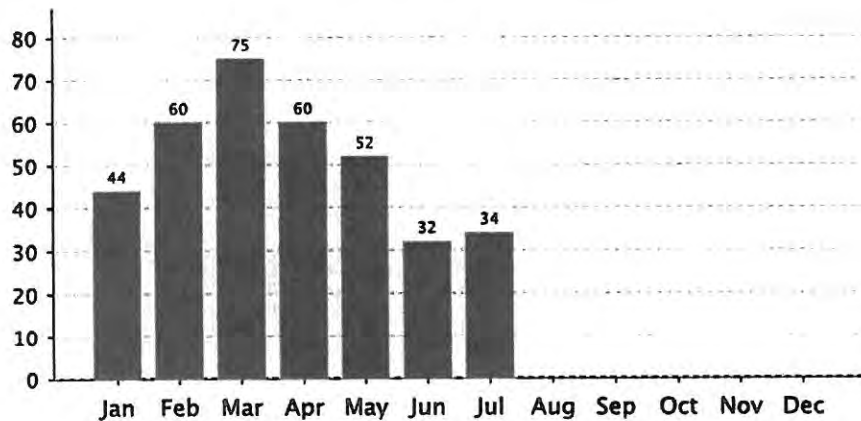


Exhibit: A-5  
Page 24 of 64

# MEMBER ACTIVITY

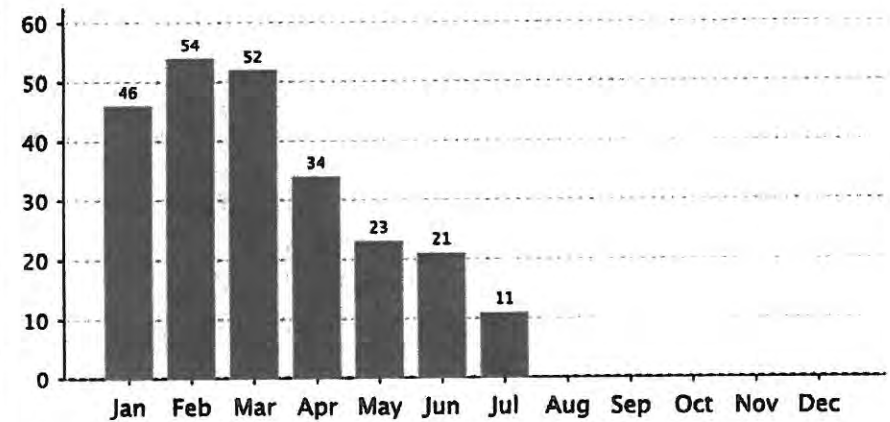
July 2018

VISITS THIS PERIOD **34**



**357** YTD

REGISTRATIONS THIS PERIOD **11**



**241** YTD

	VISITS		MEMBERSHIP		REGISTRATIONS		MEDICAL HISTORY COMPLETIONS	
	Report Period	YTD	Report Period	YTD AVG	Report Period	Since Inception	Report Period	Since Inception
Primaries	18	192	1,031	1,111	7	459	6	342
Dependents	16	165	2,151	2,292	4	323	4	280
Eligible Lives	34	357	3,182	3,403	11	782	10	622

**YTD Average:** Sum of each month's eligible lives divided by the number of calendar months the account is effective.  
**Eligible Lives:** All members with access to the service (primaries & dependents).

Exhibit: A-5  
Page 25 of 64



# REDIRECTION CLAIMS SAVINGS

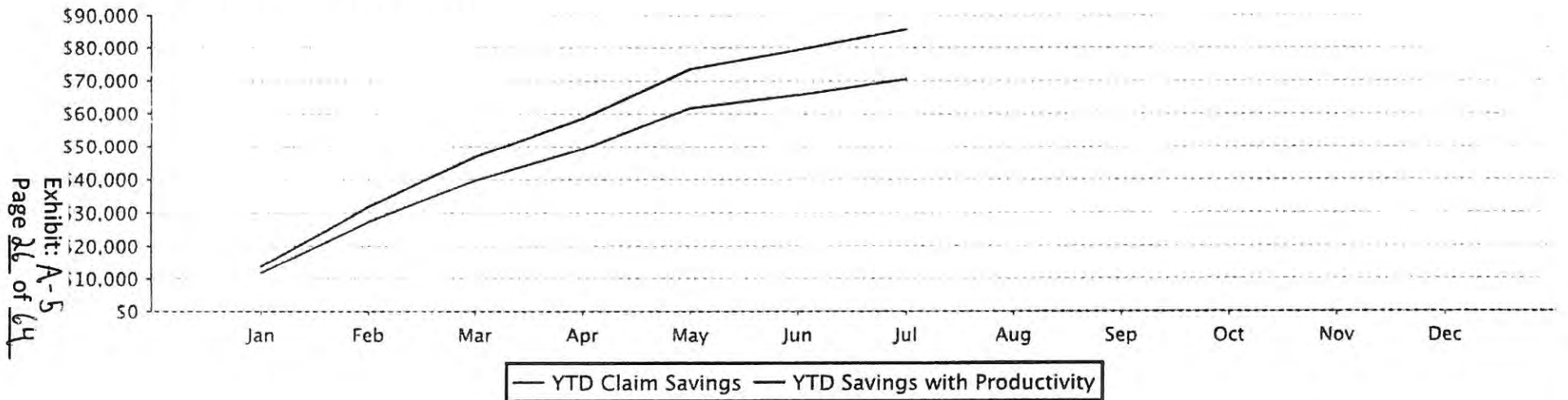
July 2018

## YTD ALTERNATIVE CARE OPTIONS

	Your YTD Consult Count	Average Industry Cost	Teladoc Consult Cost	Net Claim Savings per Consult	Total Net Claim Savings
Primary Care Physician	162	\$129	\$40	\$89	\$14,418
Specialist	3	\$193	\$40	\$153	\$459
Urgent Care Clinic	122	\$161	\$40	\$121	\$14,762
Emergency Room	30	\$1,456	\$40	\$1,416	\$42,480
No Treatment	40	\$0	\$40	\$(40)	\$(1,600)
<b>Total</b>	<b>357</b>		<b>\$40</b>		<b>\$70,519</b>

\*Savings calculation based on claims impact only using average healthcare blue book values and your specific employee redirection statistics; **does not include monthly Teladoc Administrative fees.** Please refer to your ROI statement for cost-savings analysis using your specific monthly Teladoc Administrative fees. (To obtain a current ROI statement, request through your Aetna Account Manager.)

## COST ANALYSIS ILLUSTRATION



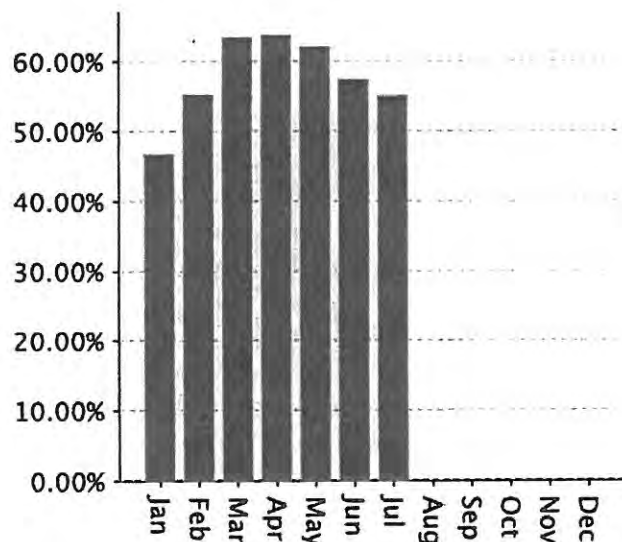
# CLAIMS SAVINGS & UTILIZATION

July 2018

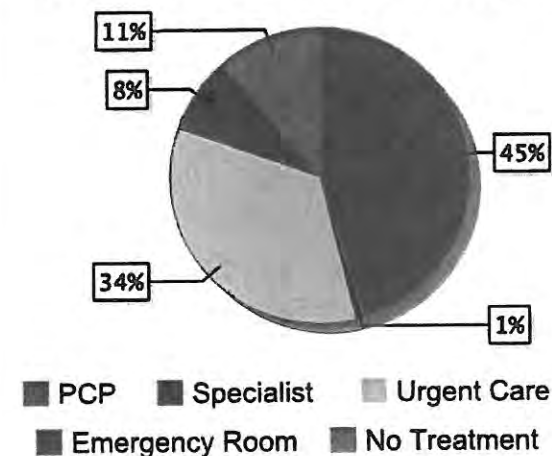
## ANNUALIZED UTILIZATION

55.1%

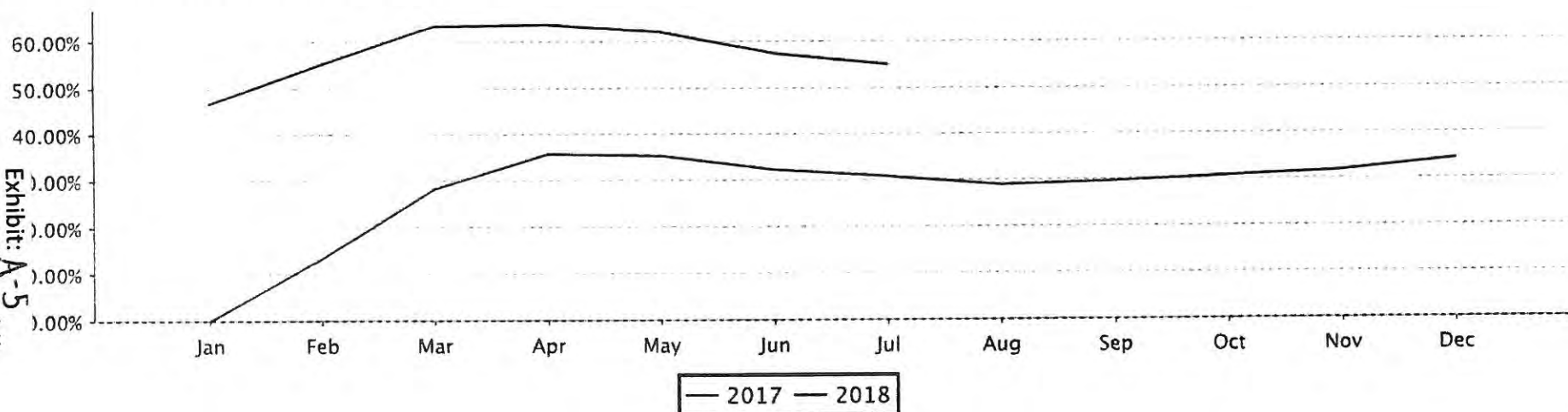
(YTD total consults x 12 /  
# months accrued) /  
YTD average primaries.  
The denominator for per  
member per month  
annualized utilization is  
YTD average eligible lives.



## WHERE MEMBER WOULD HAVE GONE IF TELADOC WERE NOT AVAILABLE



## ANNUALIZED UTILIZATION TREND



Page 27 of 64  
Exhibit: A-5



# Utilization Report

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July 2018

Kenai Peninsula Borough School District



### BridgeHealth Savings Report 8/29/2018

Procedure Area	Regionally Adjusted Average	BH Case Rate	Case Management Fee	Travel Expenses	Total MI&G	Case Total Cost	Savings
General Surgery	\$17,083.54	\$5,146.00	\$1,029.20	\$3,882.38	\$600.00	\$10,657.58	\$6,425.96
Orthopedic	\$77,705.68	\$25,975.00	\$3,896.25	\$2,256.04	\$1,667.90	\$33,795.19	\$43,910.49
Orthopedic	\$70,677.03	\$28,000.00	\$4,200.00	\$3,527.81	\$900.00	\$36,627.81	\$34,049.22
Orthopedic	\$49,465.54	\$17,250.00	\$3,450.00	\$3,106.40	\$1,100.00	\$24,906.40	\$24,559.14
Orthopedic	\$23,892.37	\$10,815.00	\$2,163.00	\$4,454.96	\$700.00	\$18,132.96	\$5,759.41
	\$238,824.16	\$87,186.00	\$14,738.45	\$17,227.59	\$4,967.90	\$124,119.94	\$114,704.22

*There are also three additional pending surgeries*

## Stacey Cockroft

**To:** Dave Jones; David Brighton; Elizabeth Hayes; Joel Burns; John O'Brien; Kristen Vix; Laura Wertanen; Matt Fischer; Rachel Sinclair; Robert Ernst; Stephanie Bohrnsen; Vaughn Dosko  
**Cc:** Broker  
**Subject:** Specific Stop Loss Report

Good Morning,

Below is the 2018 Specific Stop Loss report through today.

Line Item	Relationship	Current Balance	Unpaid Balance	Unpaid Balance	Unpaid Balance	Unpaid Balance	Unpaid Balance
1	Dependent	\$1,141,561.76	\$921,561.76	\$921,561.76	\$777,836.11		\$143,725.65
2	Dependent	\$1,110,209.54	\$890,209.54	\$890,209.54	\$751,679.01		\$138,530.53
3	Self	\$280,088.41	\$60,088.41	\$60,088.41	\$0.00		\$60,088.41
4	Spouse	\$285,714.68	\$65,714.68	\$65,714.68	\$0.00		\$65,714.68
		<b>\$2,817,574.39</b>	<b>\$1,937,574.39</b>	<b>\$1,937,574.39</b>	<b>\$1,529,515.12</b>	<b>\$0.00</b>	<b>\$408,059.27</b>

Thank you,

---

*Stacey Cockroft*

Kenai Peninsula Borough School District  
Employee Benefits Manager  
148 N. Binkley St. Soldotna, AK 99669  
Phone: (907) 714-8879 Fax: (907) 262-9645  
[scockroft@kpbsd.k12.ak.us](mailto:scockroft@kpbsd.k12.ak.us)



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- Wednesday, October 10, 2018, 3-5 PM
- Wednesday, November 28, 2018, 3-5 PM
- Wednesday, January 15, 2019, 3-5 PM
- Wednesday, February 20, 2019, 3-5 PM (early release day)
- Thursday, March 20, 2019, 3-5 PM
- Wednesday, April 17, 2019, 3-5 PM
- Wednesday, May 15, 2019, 3-5 PM



8/29/18 Handouts

# HCPC MEETING MINUTES

DATE AND TIME: 5/16/18 3:00 PM

LOCATION: Risk Management Building

## VOTING MEMBERS:

x	Stephanie Bohrsen	KPESA
x	Joel Burns	KPEA
x	Vaughn Dosko	KPAA
x	Matt Fischer	KPEA
x	Liz Hayes	District
x	John O'Brien	District
x	Bruce Rife	KPEA
Absent	Tracy Silta	KPESA
x	John Sanborn	KPESA
x	Kristen Vix	District
x	David Brighton	KPEA
New X	Laura Wertanen	KPESA
New X	Robert Ernst	KPEA

QUORUM PRESENT: (NINE MEMBERS NEEDED) X YES \_\_\_\_ NO

## ADMINISTRATION/CONSULTANTS:

x	Stacey Cockroft	Benefits Manager
x	Dave Jones	Plan Administrator
x	Colleen Savoie	Parker-Smith-Feek Consultant

## GUESTS PRESENT:

--	--	--

### A. CALL TO ORDER BY Matt F TIME 3:05pm

1. Approval of Agenda x as written, with flexibility x with additions
  - a. MOTION: John O SECOND: Liz H VOTE: Unanimous
2. Approval of Minutes March 22, 2018 x as written. \_\_\_\_\_ with amendments
  - a. MOTION: John O SECOND: Liz H VOTE: Unanimous

### B. REPORTS

1. Dave Jones, Plan Administrator.
 

Colleen updated info to Dave Jones for projected rates.

Another big month for Claims, over 3 million. Stop Loss brought back down to 2.8 million

The employee contribution for HDHP exceeded the employee share of costs by approximately \$200,000 for the year to date.

Next year's employee contribution for the traditional plan is estimated at 733.52 per month for 9 month employees and \$550.14 per month for 12 month employees for the 18-19 year.
2. Stacey Cockroft, Benefits Manager.
 

Stop Loss – thru April waiting on \$285,000.00+- for reimbursement.

Set Health Care Committee meetings for 18-19 year.
3. Liz Hayes, Director of Finance

Liz provided report and clarified a few numbers, otherwise, no questions asked.

**4. Colleen Savoie, Parker-Smith-Feek Consultant**

Colleen provided handouts for non-PPO proposed changes with savings of we changed to 70% reimbursement or 60% reimbursement. 70% saves about \$394,000.00, 60% saves about \$580,000.00 just based on the reduced reimbursement rate. This assumes the non-PPO reimbursement does not accrue to the out-of-pocket maximum, which is consistent with the current language for non-PPO facilities in Anchorage. However, the goal is to encourage employees to use PPO providers and to encourage local providers to contract at reasonable rates. If these non-PPO providers joined Aetna and offered 20% discount the plan would save about \$340,000.

Durable medical equipment not an issue with us very little use.

Infertility testing use only cost \$24,000

Abortion use cost was \$21,000

Handout for Prescription drug change if went to 10% coinsurance for generic medications, 20% for preferred brands and 50% for non-preferred brands. Specialty medications would have a 10% coinsurance up to \$150 / script. Mixed feelings on this that it would fall on employees ONLY and some would be hurt and others would save. Future discussions needed. We need to provide incentives for our employees to take generics or cost effective brands. Estimated savings low of \$150,000 with no behavior change, high of \$530,000 with behavior change Employees NEED to change!

Surgery Center of Kenai handout showed the cost difference between CPH and the charges were so much higher that the committee voted to EXCLUDE coverage for the Surgery Center of Kenai starting September 1, 2018. John O motioned, Robert E seconded it, with a unanimous vote.

Tier Health plan illustration was brought but it is a negotiation item so no discussion was done.

**C. OLD BUSINESS**

Review of Current Health Plan language tabled until next Fall. John O motioned, John S seconded it, and vote was unanimous.

**D. NEW BUSINESS.**

1. Appeal process- David B. Discussed and there is a process in place already.
2. Special enrollment-Kristen V. Discussed another open enrollment so employees could decide if they want the Traditional or HDHP plan since the contribution next year will increase. Concern over too many open enrollments and figuring out AETNA. No decision made as John O stated that that is the Plan Administrator's call to make, not the committee.

Robert Ernts was introduced as Bruce Rife's replacement for next year's member.

The meeting ended and the agenda item mentioned for next Fall meeting is:

Review of Current Health Plan Language.

**E. ADJOURN TIME 4:54pm**

a. MOTION John O SECOND Liz H VOTE Unanimous

**F. NEXT MEETINGS** The calendar dates for HCPC meetings at the Risk Management building were set for the 2018-2019 school year:

- Wednesday, August 29, 2018, 3-5 PM
- Thursday, September 19, 2018, 3-5 PM

9/19/18 Handouts

## HCPC MEETING MINUTES

DATE AND TIME: 8/29/18 3:00 PM

LOCATION: Risk Management Building

### VOTING MEMBERS:

P	Stephanie Bohrsen	KPESA
A	Joel Burns	KPEA
P	Vaughn Dosko	KPAA
P	Matt Fischer	KPEA
P	Liz Hayes	District
P	John O'Brien	District
P	Robert Ernst	KPEA
Late	Laura Wertanen	KPESA
P	Rachel Sinclair	KPESA
P	Kristen Vix	District
P	David Brighton	KPEA

QUORUM PRESENT: (NINE MEMBERS NEEDED)   X   YES        NO

### ADMINISTRATION/CONSULTANTS:

x	Stacey Cockroft	Benefits Manager
x	Dave Jones	Plan Administrator
x	Curt Hebert & Nicole Culbertson	Marsh & McLennan

### GUESTS PRESENT:

--	--	--

### A. CALL TO ORDER BY   Matt   TIME 3:19pm

1. Approval of Agenda        as written, with flexibility        with additions
  - a. MOTION:   Anne   SECOND:   David   VOTE:   Unanimous
2. Approval of Minutes May 16, 2018        as written.   X   with amendments
  - a. MOTION:   Vaughn   SECOND:   John   VOTE:   Unanimous

### B. REPORTS

1. Dave Jones, Plan Administrator
  - Discussion of rates
  - Discussion of open enrollment
2. Curt Hebert & Nicole Culbertson, Marsh & McLennan
  - Introduction
  - Discussion of how rates are set
  - Request for migration rate data
  - Request for historical claims data from HD usage
  - Discussion of Kenai Surgery Center
3. Liz Hayes, Director of Finance



**4. Stacey Cockroft, Benefits Manager**

**Emailed Specific Stop Loss Report - \$408,059.27 still outstanding.**

**BridgeHealth Savings Report – Total savings of \$114,704.22 for 5 surgeries.**

**Teladoc Report July 2018 – YTD savings of \$70,519. YTD visits of 357.**

**C. OLD BUSINESS**

**D. NEW BUSINESS.**

- a. Election of officers Matt Fischer elected as chair unanimously and David Brighton elected to secretary unanimously
- b. Subcommittee report on setting the employee rate

**E. ADJOURN TIME 5:21pm**

a. MOTION Anne SECOND Liz VOTE Unanimous

**F. NEXT MEETINGS** The calendar dates for HCPC meetings at the Risk Management building were set for the 2018-2019 school year:

- Wednesday, August 29, 2018, 3-5 PM
- Thursday, September 19, 2018, 3-5 PM
- Wednesday, October 10, 2018, 3-5 PM
- Wednesday, November 28, 2018, 3-5 PM
- <sup>Tuesday</sup> ~~Wednesday~~ January 15, 2019, 3-5 PM
- Wednesday, February 20, 2019, 3-5 PM (early release day)
- Thursday, March 20, 2019, 3-5 PM
- Wednesday, April 17, 2019, 3-5 PM
- Wednesday, May 15, 2019. 3-5 PM

**To:** Health Committee Members  
**Cc:** Broker  
**Subject:** Individual Stop Loss Report

Line Item	Description	Quantity	Unit Price	Total Price	Tax	Net Price
1	Item 1	100	\$15.33	\$1,533.00	\$0.00	\$1,533.00
2	Item 2	100	\$15.33	\$1,533.00	\$0.00	\$1,533.00
3	Item 3	100	\$15.33	\$1,533.00	\$0.00	\$1,533.00
4	Item 4	100	\$15.33	\$1,533.00	\$0.00	\$1,533.00
5	Item 5	100	\$15.33	\$1,533.00	\$0.00	\$1,533.00
6	Item 6	100	\$15.33	\$1,533.00	\$0.00	\$1,533.00
7	Item 7	100	\$15.33	\$1,533.00	\$0.00	\$1,533.00
8	Item 8	100	\$15.33	\$1,533.00	\$0.00	\$1,533.00
9	Item 9	100	\$15.33	\$1,533.00	\$0.00	\$1,533.00
10	Item 10	100	\$15.33	\$1,533.00	\$0.00	\$1,533.00
11	Item 11	100	\$15.33	\$1,533.00	\$0.00	\$1,533.00
12	Item 12	100	\$15.33	\$1,533.00	\$0.00	\$1,533.00
13	Item 13	100	\$15.33	\$1,533.00	\$0.00	\$1,533.00
14	Item 14	100	\$15.33	\$1,533.00	\$0.00	\$1,533.00
15	Item 15	100	\$15.33	\$1,533.00	\$0.00	\$1,533.00
16	Item 16	100	\$15.33	\$1,533.00	\$0.00	\$1,533.00
17	Item 17	100	\$15.33	\$1,533.00	\$0.00	\$1,533.00
18	Item 18	100	\$15.33	\$1,533.00	\$0.00	\$1,533.00
19	Item 19	100	\$15.33	\$1,533.00	\$0.00	\$1,533.00
20	Item 20	100	\$15.33	\$1,533.00	\$0.00	\$1,533.00
21	Item 21	100	\$15.33	\$1,533.00	\$0.00	\$1,533.00
22	Item 22	100	\$15.33	\$1,533.00	\$0.00	\$1,533.00
23	Item 23	100	\$15.33	\$1,533.00	\$0.00	\$1,533.00
24	Item 24	100	\$15.33	\$1,533.00	\$0.00	\$1,533.00
25	Item 25	100	\$15.33	\$1,533.00	\$0.00	\$1,533.00
26	Item 26	100	\$15.33	\$1,533.00	\$0.00	\$1,533.00
27	Item 27	100	\$15.33	\$1,533.00	\$0.00	\$1,533.00
28	Item 28	100	\$15.33	\$1,533.00	\$0.00	\$1,533.00
29	Item 29	100	\$15.33	\$1,533.00	\$0.00	\$1,533.00
30	Item 30	100	\$15.33	\$1,533.00	\$0.00	\$1,533.00
31	Item 31	100	\$15.33	\$1,533.00	\$0.00	\$1,533.00
32	Item 32	100	\$15.33	\$1,533.00	\$0.00	\$1,533.00
33	Item 33	100	\$15.33	\$1,533.00	\$0.00	\$1,533.00
34	Item 34	100	\$15.33	\$1,533.00	\$0.00	\$1,533.00
35	Item 35	100	\$15.33	\$1,533.00	\$0.00	\$1,533.00
36	Item 36	100	\$15.33	\$1,533.00	\$0.00	\$1,533.00
37	Item 37	100	\$15.33	\$1,533.00	\$0.00	\$1,533.00
38	Item 38	100	\$15.33	\$1,533.00	\$0.00	\$1,533.00
39	Item 39	100	\$15.33	\$1,533.00	\$0.00	\$1,533.00
40	Item 40	100	\$15.33	\$1,533.00	\$0.00	\$1,533.00
41	Item 41	100	\$15.33	\$1,533.00	\$0.00	\$1,533.00
42	Item 42	100	\$15.33	\$1,533.00	\$0.00	\$1,533.00
43	Item 43	100	\$15.33	\$1,533.00	\$0.00	\$1,533.00
44	Item 44	100	\$15.33	\$1,533.00	\$0.00	\$1,533.00
45	Item 45	100	\$15.33	\$1,533.00	\$0.00	\$1,533.00
46	Item 46	100	\$15.33	\$1,533.00	\$0.00	\$1,533.00
47	Item 47	100	\$15.33	\$1,533.00	\$0.00	\$1,533.00
48	Item 48	100	\$15.33	\$1,533.00	\$0.00	\$1,533.00
49	Item 49	100	\$15.33	\$1,533.00		

**Kenai Peninsula Borough School District**  
***Employee Benefits Manager***  
 148 N. Binkley St. Soldotna, AK 99669  
 Phone: (907) 714-8879 Fax: (907) 262-9645  
[scockroft@kpbbsd.k12.ak.us](mailto:scockroft@kpbbsd.k12.ak.us)



Exhibit: A-5  
Page 36 of 64

### BridgeHealth Savings Report 9/12/2018

Procedure Area	Regionally Adjusted Average	BH Case Rate	Case Management Fee	Travel Expenses	Total MI&G	Case Total Cost	Savings
Total:	\$246,870.99	\$87,186.00	\$14,738.45	\$17,227.59	\$4,967.90	\$126,843.92	\$120,027.07

*There are currently 8 open cases*





# Utilization Report

---

August 2018  
Kenai Peninsula Borough School District

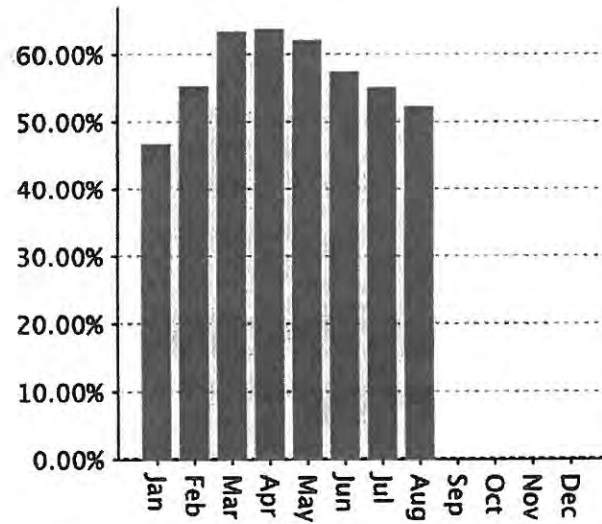
# CLAIMS SAVINGS & UTILIZATION

August 2018

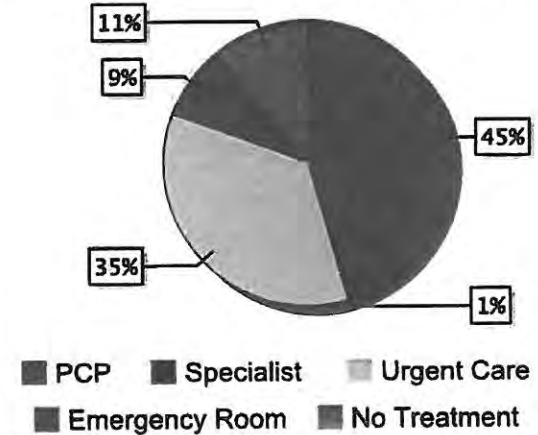
## ANNUALIZED UTILIZATION

52.3%

(YTD total consults x 12 /  
# months accrued) /  
YTD average primaries.  
The denominator for per  
member per month  
annualized utilization is  
YTD average eligible lives.



## WHERE MEMBER WOULD HAVE GONE IF TELADOC WERE NOT AVAILABLE



## ANNUALIZED UTILIZATION TREND

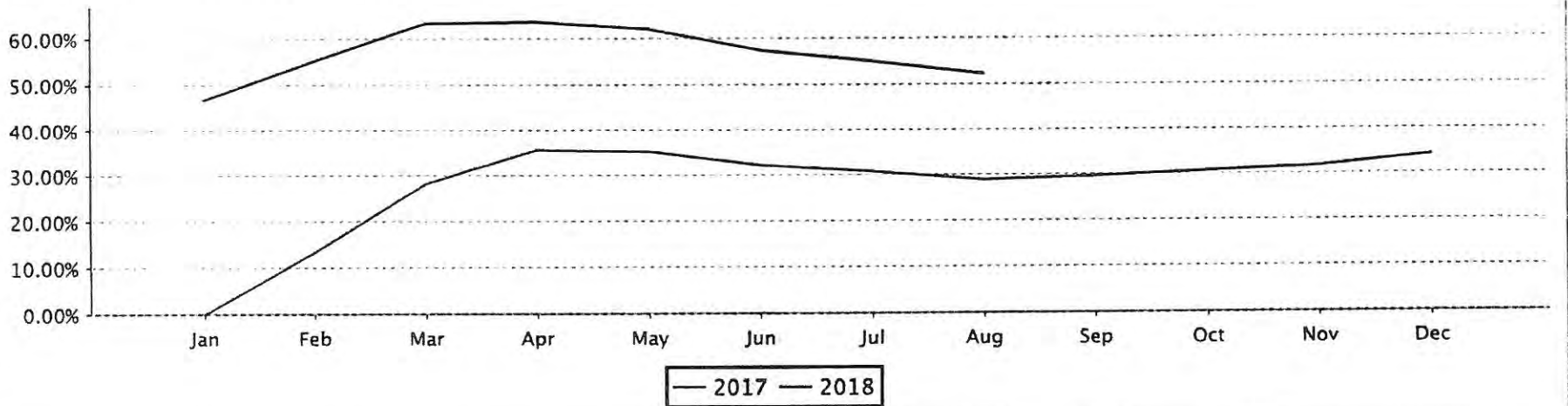


Exhibit: A-5  
Page 39 of 64

# REDIRECTION CLAIMS SAVINGS

August 2018

## YTD ALTERNATIVE CARE OPTIONS

	Your YTD Consult Count	Average Industry Cost	Teladoc Consult Cost	Net Claim Savings per Consult	Total Net Claim Savings
Primary Care Physician	173	\$129	\$40	\$89	\$15,397
Specialist	3	\$193	\$40	\$153	\$459
Urgent Care Clinic	135	\$161	\$40	\$121	\$16,335
Emergency Room	33	\$1,456	\$40	\$1,416	\$46,728
No Treatment	42	\$0	\$40	\$(40)	\$(1,680)
<b>Total</b>	<b>386</b>		<b>\$40</b>		<b>\$77,239</b>

\*Savings calculation based on claims impact only using average healthcare blue book values and your specific employee redirection statistics; **does not include monthly Teladoc Administrative fees.** Please refer to your ROI statement for cost-savings analysis using your specific monthly Teladoc Administrative fees. (To obtain a current ROI statement, request through your Aetna Account Manager.)

## COST ANALYSIS ILLUSTRATION

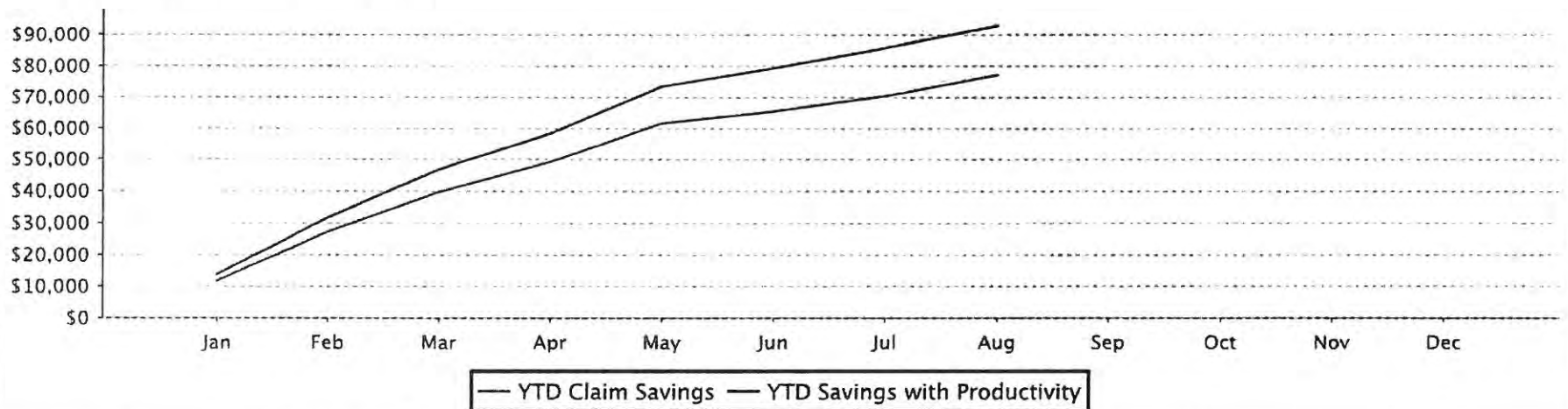


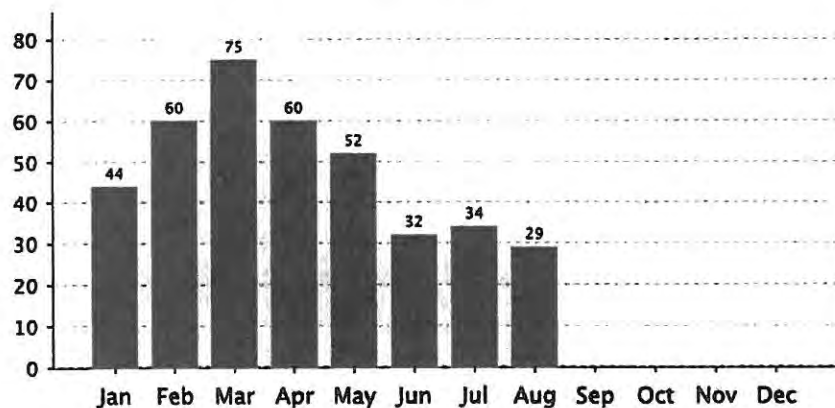
Exhibit: A-5  
Page 40 of 64



# MEMBER ACTIVITY

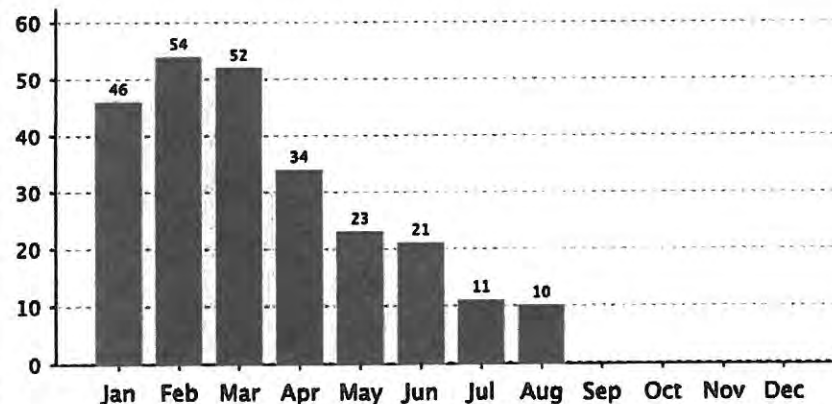
August 2018

VISITS THIS PERIOD 29



386 YTD

REGISTRATIONS THIS PERIOD 10



251 YTD

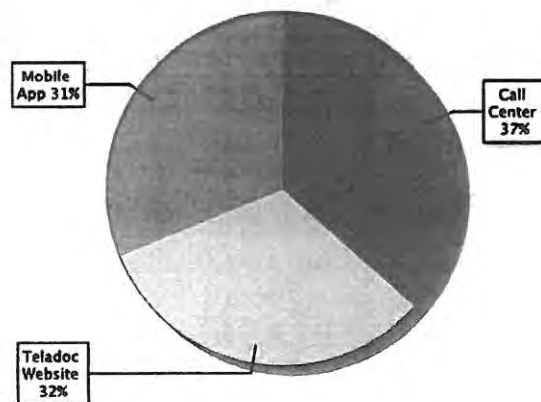
	VISITS		MEMBERSHIP		REGISTRATIONS		MEDICAL HISTORY COMPLETIONS	
	Report Period	YTD	Report Period	YTD AVG	Report Period	Since Inception	Report Period	Since Inception
Primaries	14	206	1,085	1,108	3	463	3	348
Dependents	15	180	2,211	2,282	7	329	7	287
Eligible Lives	29	386	3,296	3,390	10	792	10	635

YTD Average: Sum of each month's eligible lives divided by the number of calendar months the account is effective.  
 Eligible Lives: All members with access to the service (primaries & dependents).

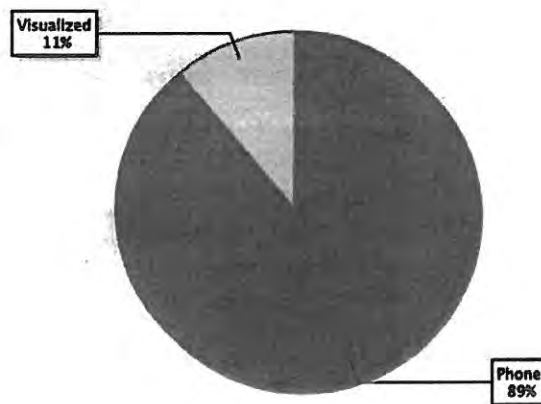
# HOW YOUR MEMBERS RECEIVED CARE YTD

August 2018

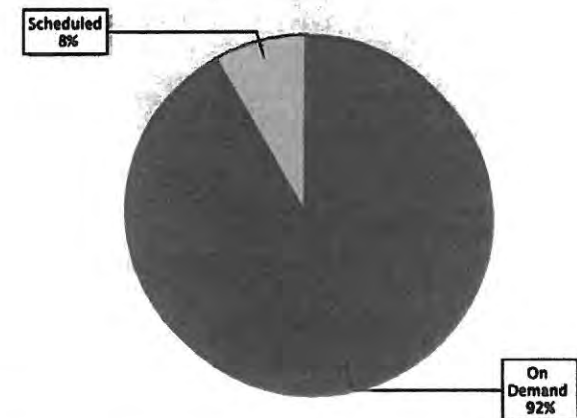
## VISIT REQUEST METHOD



## VISIT METHOD



## ON DEMAND VS SCHEDULED



## VISIT FREQUENCY

Total Number of Unique Users: 281

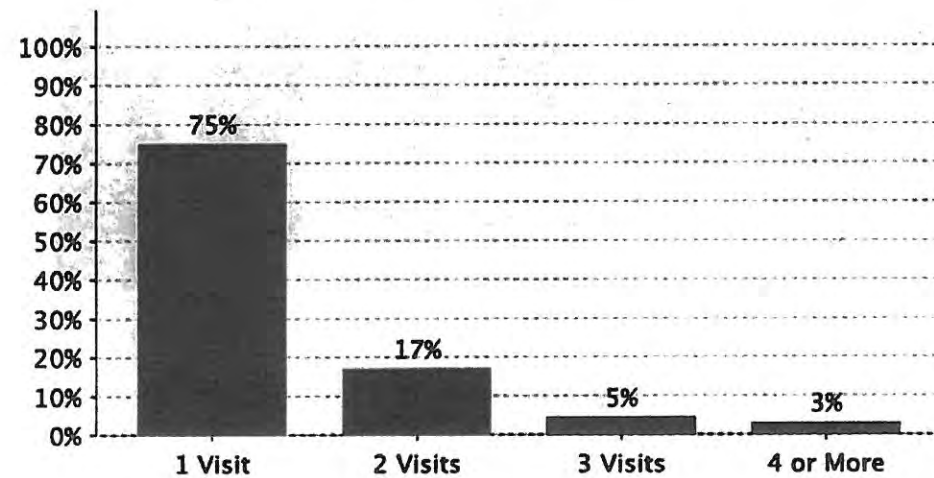


Exhibit: A-5  
Page 42 of 64

# WHO RECEIVED CARE AND WHEN YTD

August 2018

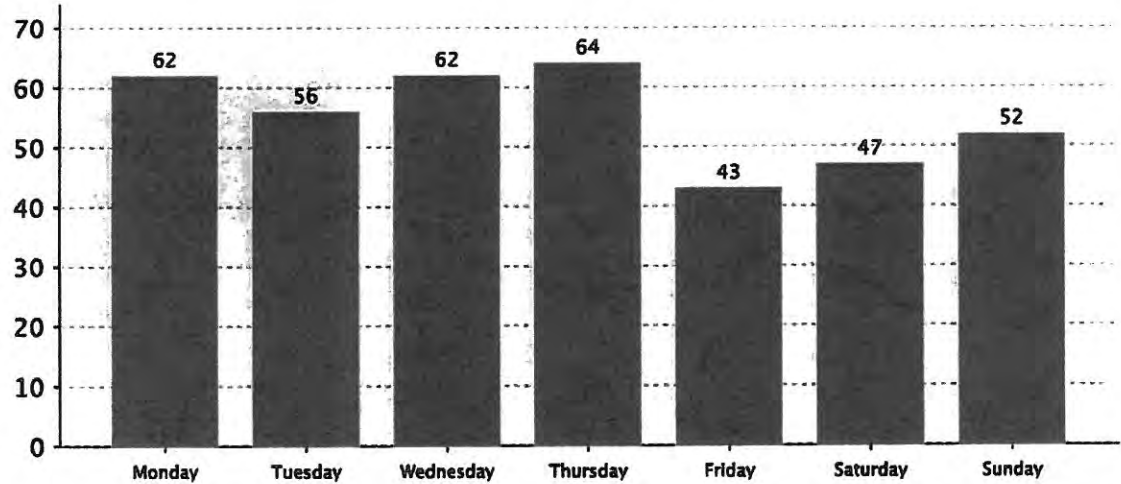
GENDER



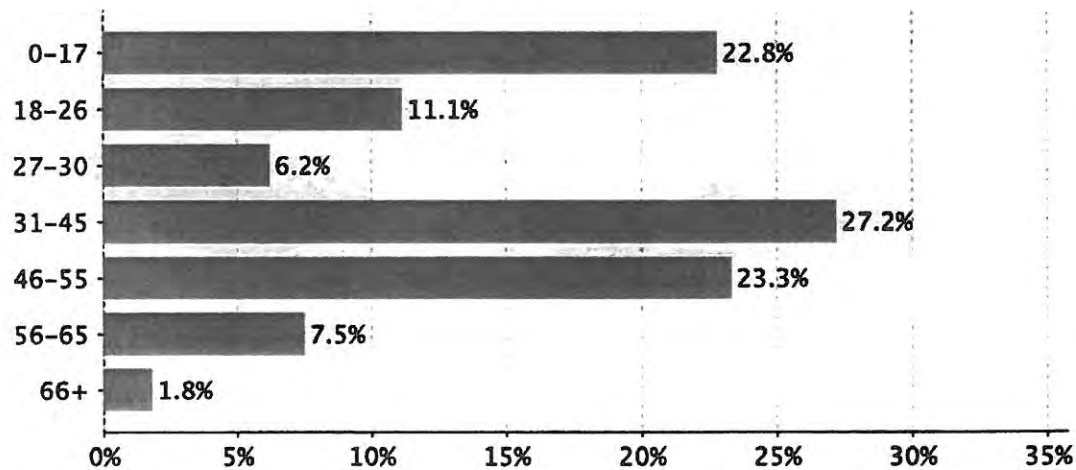
69%  
Female

31%  
Male

DAY OF WEEK



UTILIZATION BY AGE



TIME OF DAY

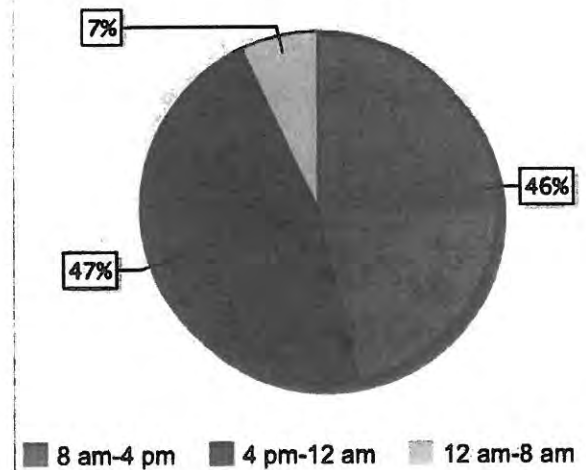


Exhibit: A-5  
Page 43 of 64



# WHERE YOUR MEMBERS RECEIVED CARE YTD

August 2018

**AVERAGE RESPONSE TIME YTD**  
*The time between the visit request and when the physician contacted the member*

**16 minutes**

REPORT PERIOD

**9 min**

State	Visits	% Visits
UTAH	2	0.5%
HAWAII	1	0.3%
INDIANA	1	0.3%
NORTH DAKOTA	1	0.3%
PENNSYLVANIA	1	0.3%
SOUTH DAKOTA	1	0.3%
WASHINGTON	1	0.3%
WISCONSIN	1	0.3%

State	Visits	% Visits
ALASKA	348	90.2%
CALIFORNIA	7	1.8%
OHIO	6	1.6%
OREGON	3	0.8%
WYOMING	3	0.8%
ARIZONA	2	0.5%
COLORADO	2	0.5%
ILLINOIS	2	0.5%
MINNESOTA	2	0.5%
TEXAS	2	0.5%

Exhibit: A-5  
 Page 44 of 64

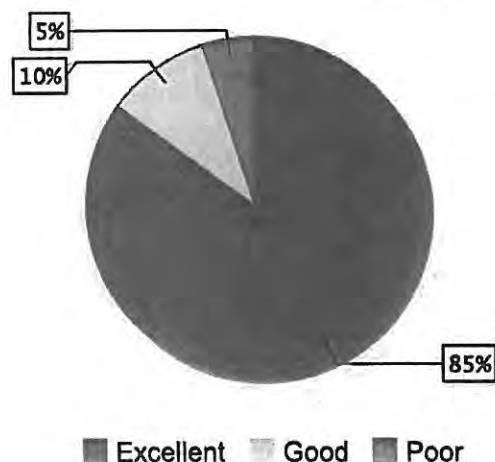
# CLINICAL DETAILS YTD

August 2018

TOP DIAGNOSES	Frequency
Acute upper respiratory infection, unspecified	8%
Acute sinusitis, unspecified	8%
Acute maxillary sinusitis, unspecified	5%
Cough	5%
Dysuria	4%
Fever, unspecified	4%
Acute pharyngitis, unspecified	3%
Urinary tract infection, site not specified	3%
Acute bronchitis, unspecified	3%
Rash and other nonspecific skin eruption	3%

TOP PRESCRIPTIONS	Frequency
Amoxicillin 875 mg oral tablet	6%
Tessalon Perles 100 mg oral capsule	5%
Tamiflu 75 mg oral capsule	4%
Macrobid macrocrystals-monohydrate 100 mg oral capsule	4%
Flonase 50 mcg/inh nasal spray	4%
Amoxicillin 500 mg oral capsule	3%
Amoxicillin 500 mg oral tablet	3%
Augmentin 875 mg-125 mg oral tablet	3%
benzonatate 200 mg oral capsule	3%
Azithromycin 5 Day Dose Pack 250 mg oral tablet	2%

## MEMBER SATISFACTION



Rating	Respondents
Excellent	17
Good	2
Poor	1
Total	20

## PRESCRIPTIONS BY VISIT

Visits with Rx:	270
Total Rx:	371
% Visits with Rx:	70%
Visits without Rx:	116
Average Rx per Visit:	1.0

Exhibit: A-5  
Page 45 of 64

# CLIENT SATISFACTION SURVEY YTD

August 2018

## About the Teladoc Service

### How would you rate the Teladoc service overall?

Outstanding	85.00 %	Responses	17
Good	10.00 %	Responses	2
Poor	5.00 %	Responses	1

### How long have you had access to Teladoc?

Less than 6 months	15.00 %	Responses	3
Between 6 and 12 months	35.00 %	Responses	7
More than a year	40.00 %	Responses	8
Don't recall	10.00 %	Responses	2

### In that time, how many consultations with a Teladoc physician have you had?

1-3	90.00 %	Responses	18
4-6	10.00 %	Responses	2

### Was the Teladoc medical consultation for you or for a family member?

Self	85.00 %	Responses	17
Family member	15.00 %	Responses	3

### How often when you have requested a Teladoc consultation did you get a call from the Teladoc physician as soon as you thought you needed it?

Always	85.00 %	Responses	17
Usually	10.00 %	Responses	2
Sometimes	5.00 %	Responses	1



# CLIENT SATISFACTION SURVEY YTD

August 2018

How often when you have requested a Teladoc consultation did the Teladoc service make it easier to get the care or treatment you thought you needed?

Always	85.00 %	Responses	17
Usually	10.00 %	Responses	2
Sometimes	5.00 %	Responses	1

Overall, how would you compare your experience with your Teladoc consultation to your usual face-to-face experience with doctor consultations in terms of how useful the consultation was?

More useful	45.00 %	Responses	9
About the same	50.00 %	Responses	10
Less useful	5.00 %	Responses	1

Overall, how would you compare your experience with your Teladoc consultation to your usual face-to-face experience with doctor consultations in terms of how much time it took away from work or other activities?

Less time away	95.00 %	Responses	19
More time away	5.00 %	Responses	1

Would you use the Teladoc service again?

Yes	95.00 %	Responses	19
Unsure	5.00 %	Responses	1

Did your Teladoc consultation resolve your immediate problem?

Yes	90.00 %	Responses	18
No	10.00 %	Responses	2

Exhibit: A-5  
Page 47 of 64

# CLIENT SATISFACTION SURVEY YTD

August 2018

Did you get further care for the same problem during the week after your Teladoc consultation (other than filling a prescription)?

Yes	25.00 %	Responses	5
No	75.00 %	Responses	15

How likely are you to recommend Teladoc to a friend (Where 10=Extremely Likely and 1=Not Likely At All)

10	75.00 %	Responses	15
9	15.00 %	Responses	3
8	5.00 %	Responses	1
4	5.00 %	Responses	1

## Access Method

Was your call answered in a timely manner?

Yes	20.00 %	Responses	4
No answer stored	80.00 %	Responses	16

Was the representative courteous and helpful?

Yes	20.00 %	Responses	4
No answer stored	80.00 %	Responses	16

How easy was it for you to schedule your consultation using the website?

Very easy	55.00 %	Responses	11
Fairly easy	25.00 %	Responses	5
No answer stored	20.00 %	Responses	4

Exhibit: A-5  
Page 48 of 64

# CLIENT SATISFACTION SURVEY YTD

August 2018

## How easy was it for you to find the information you wanted on the site?

Very easy	45.00 %	Responses	9
Fairly easy	35.00 %	Responses	7
No answer stored	20.00 %	Responses	4

## Tell Us About the Teladoc Physician

### Did the physician listen and understand your problem?

Yes	90.00 %	Responses	18
Somewhat	10.00 %	Responses	2

### Did you feel comfortable asking the physician questions?

Yes	95.00 %	Responses	19
Somewhat	5.00 %	Responses	1

### Overall, how would you rate the service provided by the Teladoc physician?

Outstanding	80.00 %	Responses	16
Good	10.00 %	Responses	2
Poor	10.00 %	Responses	2



# CLIENT SATISFACTION SURVEY YTD

August 2018

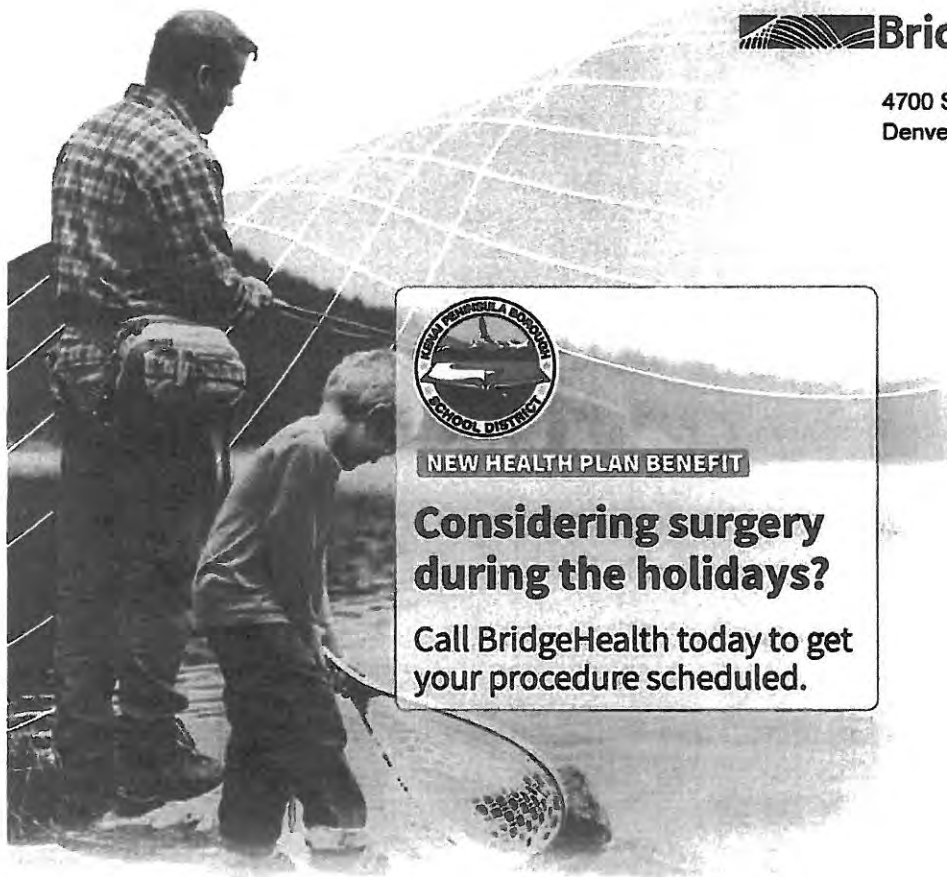
## Tell Us About The Teladoc Prescription Service

Did the pharmacy fill the prescription in a timely manner?

Yes	75.00 %	Responses	15
N/A	25.00 %	Responses	5

Did you encounter any other problems filling the prescription (other than timeliness)?

No	70.00 %	Responses	14
N/A	30.00 %	Responses	6



4700 South Syracuse Street, Suite 900  
Denver, CO 80237



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Address Line 2

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Kenai Peninsula Borough School District health plan expands your providers options for planned procedures with a company-paid surgery program through BridgeHealth—for little to no out-of-pockets costs.

<b>YOU PAY</b>	<b>\$0</b> No deductible, no coinsurance
<b>TRAVEL BENEFITS</b>	Airfare, lodging, and meal allowance are covered for the patient and a companion

*To be eligible for the BridgeHealth surgery program, Kenai Peninsula Borough School District must be the patient's primary health plan.*

## **MOST COMMON COVERED PROCEDURES**

Emergency, vision, dental, and diagnostic procedures are not available through BridgeHealth.  
Some pediatric surgeries are not available for children under 12.



**BARIATRIC**



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Kenai Peninsula Borough School District  
Health Care Committee Monthly recap  
as of August 31, 2018

Reserve Account	As of 6-30-17	As of 6-30-18	FY18 Monthly Contribution - Traditional
Employee Share	701,399.69	471,065.27	Employee Share * 550.14
Employer Share	1,353,713.48	1,572,408.17	Employer Share 1,934.25
			2,484.39
			FY18 Monthly Contribution - HDHP
			Employee Share * 228.00
			Employer Share 1,621.08
			1,849.08

This document is provided to the Health Care Committee as a work paper to recap the contributions to and expenditures from the Health Care Plan each month. It is to be used primarily as an aid in estimating costs of the plan to determine if changes should be made in employee contribution amounts. Every effort is made to provide current and accurate information, but this information is not audited until after the end of the fiscal year.

	Number of Employees	YTD Employees	Current Month Obligations	YTD Obligations	Contributions Current Month Collected	Contributions YTD Collected
<b>Employees</b>						
KPEA Employees	533	1,042	293,224.62	573,245.88		
KPEA Employees - HDHP	74	129	16,872.00	29,412.00		
KPEA Repay EE Reserve						
KPESA Employees	353	708	194,199.42	389,499.12	8,975.44	17,950.88
KPESA Employees - HDHP	49	86	11,172.00	19,608.00	1,062.20	2,124.40
KPESA Repay EE Reserve						
Administrators	52	102	28,607.28	56,114.28	4,275.70	8,551.40
Administrators - HDHP	6	11	1,368.00	2,508.00		
Admin Repay EE Reserve						
Board Members	4	8	2,200.56	4,401.12	1,100.00	2,200.00
Board Members - HDHP	1	2	228.00	456.00	252.26	504.52
Board Repay EE Reserve						
Exempt Employees	20	41	11,002.80	22,555.74	7,774.00	15,936.70
Exempt Employees - HDHP	4	8	912.00	1,824.00	796.65	1,593.30
Exempt Repay EE Reserve						
Affordable Care Act **	-	-	0.00	0.00		
ACA Empl Repay EE Reserve						
<b>Total Employees on Payroll</b>	<b>1,096</b>	<b>2,137</b>	<b>559,786.68</b>	<b>1,099,624.14</b>	<b>24,236.25</b>	<b>48,861.20</b>
COBRA Payers (FY19 = \$2215.88)	3	4	6,647.64	8,863.52	6,647.64	8,863.52
COBRA HD Payers (FY19 = \$1960.28)	1	2	1,960.28	3,920.56	5,880.84	5,880.84
<b>Total Employees</b>	<b>1,100</b>	<b>2,143</b>	<b>568,394.60 *</b>	<b>1,112,408.22</b>	<b>36,764.73</b>	<b>63,605.56</b>

\* Current month employee obligations are a calculation of "Number of Employees" eligible for health care coverage during that month times the "Employee Share" (shown in the upper right corner of the sheet).

\*\* Affordable Care Act (ACA) coverage is offered to employees once eligibility is determined. Eligibility is based on number of hours worked during the measurement period.

<b>Employer</b>						
Employer share	962	1,901	1,860,748.50	3,677,009.25	114,789.96	231,555.96
Employer share - HDHP	134	236	217,224.72	382,574.88	13,355.28	26,710.73
<b>Total</b>			<b>2,646,367.82</b>	<b>5,171,992.35</b>	<b>164,909.97</b>	<b>321,872.25</b>

<b>+ Employee Share Split</b>	<b>FY19 Contribution Traditional</b>	<b>550.14</b>	<b>Subtotal</b>	<b>22,125.14</b>	<b>44,638.98</b>
	<b>Cobra</b>	<b>2,215.88</b>	<b>Subtotal</b>	<b>6,647.64</b>	<b>8,863.52</b>
				<b>28,772.78</b>	<b>53,502.50</b>
	<b>FY19 Contribution HDHP</b>	<b>228.00</b>	<b>Subtotal</b>	<b>2,111.11</b>	<b>4,222.22</b>
	<b>Cobra HD</b>	<b>1,960.28</b>	<b>Subtotal</b>	<b>5,880.84</b>	<b>5,880.84</b>
				<b>7,991.95</b>	<b>10,103.06</b>
	<b>Prior Year Reserve Repayment</b>	<b>20.70</b>	<b>Subtotal</b>	<b>-</b>	<b>-</b>

## Expenditures

Since the health care plan is self-funded, both employee and employer contributions are collected and bills are paid from the accumulated funds.

	TRADITIONAL		HDHP	
Claims	Current Month	Year-To-Date	Current Month	Year-To-Date
Health Care Claims paid by TPA (Rehn)	1,717,479.74	3,280,832.39	76,827.26	108,882.61
Prescription Claims paid by Caremark	470,221.21	813,201.45	6,537.32	11,516.25
HRA	-	-	2,624.46	9,306.71
<b>Total Claims Paid</b>	<b>2,187,700.95</b>	<b>4,094,033.84</b>	<b>85,989.04</b>	<b>129,705.57</b>
Administration				
TPA (Rehn) fees and costs	41,309.95	64,705.80	-	-
TPA (Rehn) HRA fees and costs	-	-	2,798.71	5,070.52
Aetna Administration Fees	17,497.07	35,458.22	2,432.16	4,400.24
Consultant Fees	-	-	-	-
Stop Loss Premiums	175,939.19	356,194.54	24,456.28	44,207.66
Affordable Care Act Fee	26,825.96	32,010.59	3,728.92	4,297.02
<b>Total Administration</b>	<b>261,572.17</b>	<b>488,369.15</b>	<b>33,416.07</b>	<b>57,975.44</b>
<b>Total Claims plus Administration</b>	<b>2,449,273.12</b>	<b>4,582,402.99</b>	<b>119,405.11</b>	<b>187,681.01</b>
Adjustments				
Stop Loss reimbursements	(307,745.84)	(867,024.09)	-	-
Prescription Rebates	(55,739.69)	(55,739.69)	-	-
Health Care Claims refund	-	-	-	-
Other adjustments	(718.05)	(718.05)	-	-
<b>Total Adjustments</b>	<b>(364,203.58)</b>	<b>(923,481.83)</b>	<b>-</b>	<b>-</b>
<b>Total Expenditures</b>	<b>2,085,069.54</b>	<b>3,658,921.16</b>	<b>119,405.11</b>	<b>187,681.01</b>

## Obligations/Contributions

Health care obligations and contributions provide employee and employer amounts of health care contributions using different calculation methods.

Obligations are estimates of funds that employees and the district will be obligated to contribute, based on the plan year (July through June).

Returning employees are covered by the health care plan for the entire plan year, meaning the 12 month period July through June; both employee and employer are obligated to pay for 12 months of coverage. New employees pay for coverage from date of hire through June, the end of the plan year. If an employee works at all during a month, both employee and employer pay for the entire month of coverage.

Actual Contributions made by employees and benefits paid by the employer during the payroll process are shown on the sheet in the columns labeled "Collected." The division of payments is governed by the Collective Bargaining Agreements and Memorandums of Understanding between the district and the employee groups.

Employee-paid contributions are deductions from payroll checks. Employees who work 12 months make contributions each pay period. Many school district employees do not work 12 months, so contributions are collected for those employees during the 9 month period from September through May.

For this reason, contributions are generally larger than obligations for September through May and contributions are generally smaller than obligations for June, July and August.

The "Collected" columns show what is actually available for paying health care costs. The "Obligations" show what is estimated to be available by month, based on number of employees at the current rate of contributions.

Kenai Peninsula Borough School District  
Healthcare Expenditures Split  
as of August 31, 2018

Traditional Plan				HDHP			
YTD Participants	1,905			YTD Participants	238		
Net Expenditures	3,658,921.16			Net Expenditures	187,681.01		
ER - Employer Cap \$1731.45	3,298,412.25			ER - Employer Cap \$1645.61	391,655.18		
EE - Employee Cap \$305.55	<u>582,072.75</u>			EE - Employee Cap \$182.85	<u>43,518.30</u>		
Total Cap Expenditure EE/ER	3,880,485.00			Total Cap Expenditure EE/ER	435,173.48		
Expenditures over Cap	-			Expenditures over Cap	-		
50/50 Split of Expenditures over Cap	-			50/50 Split of Expenditures over Cap	-		
ER Expenditures Up To Cap	781,608.35			ER Expenditures Up To Cap	168,912.91		
ER Expenditures Above Cap	<u>-</u>			ER Expenditures Above Cap	<u>-</u>		
Total ER Expenditures	781,608.35			Total ER Expenditures	168,912.91		
EE Expenditures Up To Cap	137,930.89			EE Expenditures Up To Cap	18,768.10		
EE Expenditures Above Cap	<u>-</u>			EE Expenditures Above Cap	<u>-</u>		
Total EE Expenditures	137,930.89			Total EE Expenditures	18,768.10		
Total ER & EE Expenditures	919,539.24			Total ER & EE Expenditures	187,681.01		
Traditional Summary				HDHP Summary			
Through August 2018	YTD EXP	YTD REV	REV Less EXP	Through August 2018	YTD EXP	YTD REV	REV Less EXP
Employer	3,066,166.55	231,555.96	(2,834,610.59)	Employer	168,912.91	26,710.56	(142,202.35)
Employee	<u>592,754.61</u>	<u>54,195.72</u>	<u>(538,558.89)</u>	Employee	<u>18,768.10</u>	<u>10,103.06</u>	<u>(8,665.04)</u>
Totals	3,658,921.16	285,751.68	(3,373,169.48)	Totals	187,681.01	36,813.62	(150,867.39)
Obligation per Employee FY19		Year-to-date		Obligation per Employee FY19		Year-to-date	
550.14 EE/1934.25 ER Split	2,484.39	2,484.39		228 EE/1621.08 ER Split	1,849.08	1,849.08	
Monthly Cost per Employee - ER		1609.54		Monthly Cost per Employee - ER		709.72	
Monthly Cost per Employee - EE + Cobra		<u>311.16</u>		Monthly Cost per Employee - EE + Cobra		<u>78.86</u>	
		1920.69				788.58	
Current Variance		563.70		Current Variance		1,060.50	

Obligations indicate the funds that will be accumulated per employee per month. Expenditures are amounts that have been paid through the plan.

A positive number for "current variance" represents the amount per employee per month that is estimated to be collected above the amount spent year-to-date. A negative number represents the amount of expenditures (per employee per month) that are more than what is estimated to be collected for payment of those expenditures.



## Stacey Cockroft

---

**From:** Dave Jones  
**Sent:** Tuesday, September 11, 2018 2:06 PM  
**To:** Robert Ernst; David Brighton; Matt Fischer; Joel Burns; Stephanie Bohrsen; Laura Wertanen; Anne McCabe; Vaughn Dosko; John O'Brien; Kristen Vix; Elizabeth Hayes; Stacey Cockroft  
**Subject:** Tiered Migration Information  
**Attachments:** FY19 Broker Projected Rates with Migration Tiers.pdf

Good Afternoon HCPC members,

I have attached two sheets for your review.

The first is a sheet created by Marsh & McLennan that shows their recommendation for funding levels at each 10% migration of employees from the Traditional Plan to the HDHP Plan as requested at the HCPC meeting.

The second sheet is a worksheet that I created to show what the District and Employee share would be under each migration scenario according to the language in the CBA's.

The Brokers checked their schedules and they would be available for a teleconference on Monday, September 17, 2018 at 4:00 PM if you would like, or they would be prepared to talk about the information at the HCPC meeting scheduled for Wednesday, September 19, 2018. Please let me know your preference.

As you are aware, the recommended rates were set in anticipation of 200 employees migrating from Traditional to HDHP. At this time Stacey has received approximately 174 forms from employees requesting to be switched from the Traditional to the HDHP Plan.

Thanks,

Dave Jones  
Assistant Superintendent  
KPBSD  
(907) 714-8858

**Kenai Peninsula Borough School District  
2019 Self-Funded Projected Rates**

MEDICAL/RX/DENTAL/VISION	Traditional Plan	HDHP
<b>FY18 Rate</b>	<b>\$2,172.43</b>	<b>\$1,921.84</b>
<b>Projected Rates FY19</b>		
0% Migration to HDHP	\$2,450.22	\$882.05
10% (101 employees) Migration to HDHP	\$2,446.75	\$1,550.12
20% (202 employees) Migration to HDHP	\$2,442.49	\$1,804.70
30% (303 employees) Migration to HDHP	\$2,437.16	\$1,938.94
40% (404 employees) Migration to HDHP	\$2,430.29	\$2,021.87
50% (505 employees) Migration to HDHP	\$2,421.08	\$2,078.17
60% (606 employees) Migration to HDHP	\$2,408.13	\$2,118.91
70% (707 employees) Migration to HDHP	\$2,388.55	\$2,149.74
80% (808 employees) Migration to HDHP	\$2,355.52	\$2,173.90
90% (909 employees) Migration to HDHP	\$2,287.87	\$2,193.33
100% Migration to HDHP	N/A	\$2,209.31

The rates that were given to the committee on 8/29/18 were based on 200 employees migrating.  
The rates of Traditional-\$2,442.59 and HDHP-\$1,801.20 was based on 200 employee figure.

**FY19 Broker Projected Monthly Rates With Tiered Migration**

	Traditional	Enrollment	HDHP	Enrollment	KPBSD Share Traditional	Employee Share Traditional	KPBSD Share HDHP	Employee Share HDHP
<b>FY18 Total Monthly Rates Charged</b>	\$ 2,172.43	1,010	\$ 1,921.84	114	\$ 1,783.73	\$ 388.70	\$ 1,669.58	\$ 252.26
<b>FY19 Broker Projected Monthly Rates</b>	Traditional	Enrollment	HDHP	Enrollment	KPBSD Share Traditional	Employee Share Traditional	KPBSD Share HDHP	Employee Share HDHP
0% Migration to HDHP	\$ 2,450.22	1,010	\$ 882.05	114	\$ 1,938.06	\$ 512.16	\$ 793.85	\$ 88.21
10% (101 employees) Migration to HDHP	\$ 2,446.75	909	\$ 1,550.12	215	\$ 1,936.33	\$ 510.43	\$ 1,395.11	\$ 155.01
20% (202 employees) Migration to HDHP	\$ 2,442.49	808	\$ 1,804.70	316	\$ 1,934.20	\$ 508.30	\$ 1,624.23	\$ 180.47
30% (303 employees) Migration to HDHP	\$ 2,437.16	707	\$ 1,938.94	417	\$ 1,931.53	\$ 505.63	\$ 1,700.85	\$ 238.09
40% (404 employees) Migration to HDHP	\$ 2,430.29	606	\$ 2,021.87	518	\$ 1,928.10	\$ 502.20	\$ 1,742.32	\$ 279.55
50% (505 employees) Migration to HDHP	\$ 2,421.08	505	\$ 2,078.17	619	\$ 1,923.49	\$ 497.59	\$ 1,770.47	\$ 307.70
60% (606 employees) Migration to HDHP	\$ 2,408.13	303	\$ 2,118.91	821	\$ 1,917.02	\$ 491.12	\$ 1,790.84	\$ 328.07
70% (707 employees) Migration to HDHP	\$ 2,388.55	303	\$ 2,149.74	821	\$ 1,907.23	\$ 481.33	\$ 1,806.25	\$ 343.49
80% (808 employees) Migration to HDHP	\$ 2,355.52	202	\$ 2,173.90	922	\$ 1,890.71	\$ 464.81	\$ 1,818.33	\$ 355.57
90% (909 employees) Migration to HDHP	\$ 2,287.87	101	\$ 2,193.33	1,023	\$ 1,856.89	\$ 430.99	\$ 1,825.05	\$ 365.28
100% Migration to HDHP	\$ -	0	\$ 2,209.31	1,124	\$ -	\$ -	\$ 1,836.04	\$ 373.27

## Stacey Cockroft

---

**From:** Dave Jones  
**Sent:** Tuesday, September 18, 2018 2:10 PM  
**To:** Stacey Cockroft  
**Cc:** Joel Burns; Elizabeth Hayes; Matt Fischer; Stephanie Bohrsen; Vaughn Dosko; John O'Brien; Robert Ernst; Laura Wertanen; Anne McCabe; Kristen Vix; David Brighton  
**Subject:** HDHP Numbers  
  
**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

Good Afternoon,

I know there is an interest in how many people are now in the HDHP. Stacey is still working on finalizing things, so these numbers may change slightly.

101. HDHP membership 7-31-18  
64. New hires enrolling in HDHP  
405. Special enrollment transfers  
  
570 Approximate number of HDHP members

Thanks,

Dave J

Sent from my iPhone

On Sep 18, 2018, at 9:56 AM, Stacey Cockroft <[SCockroft@KPBSD.k12.ak.us](mailto:SCockroft@KPBSD.k12.ak.us)> wrote:

Hi Joel,

That is the agenda for the 8/19/18 meeting, not the minutes from the last meeting on 8/29/18.

Thanks,

---

*Stacey Cockroft*

**Kenai Peninsula Borough School District**  
**Employee Benefits Manager**

148 N. Binkley St. Soldotna, AK 99669  
Phone: (907) 714-8879 Fax: (907) 262-9645  
[scockroft@kpbsd.k12.ak.us](mailto:scockroft@kpbsd.k12.ak.us)

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## Stacey Cockroft

---

**From:** Stacey Cockroft  
**Sent:** Tuesday, September 18, 2018 8:27 AM  
**To:** Matt Fischer; Stephanie Bohrsen; Joel Burns; Vaughn Dosko; Elizabeth Hayes; John O'Brien; Robert Ernst; Laura Wertanen; Anne McCabe; Kristen Vix; David Brighton; Dave Jones  
**Subject:** RE: September 19 Heath Care agenda  
**Attachments:** 2nd Quarter 2018 AK Provider Expansion.docx; 2nd Quarter 2018 AK Provider Network Development.xlsx  
  
**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

Good Morning,

Below are Aetna's answers to Matt's questions along with two attachments.

1. What are they doing for outreach to get more local providers into the network  
Due to the network teams progress with contracting throughout the state we have not been able to focus on specific areas for recruitment recently. We have added new providers in the Kenai area and are continuing to work with providers in the area. We do have a nomination process available for plans and members if the process is followed we are always willing to make outreaches to the providers.
2. What is the time frame for providers to get into the network  
Time frame can be usually anywhere from 2 months to 6 months possibly a year depending upon the rate negotiations and the type provider. The majority of the providers are in the network within 3 months or so.

Thank you,

---

*Stacey Cockroft*

**Kenai Peninsula Borough School District**  
*Employee Benefits Manager*  
148 N. Binkley St. Soldotna, AK 99669  
Phone: (907) 714-8879 Fax: (907) 262-9645  
[sccockroft@kpbsd.k12.ak.us](mailto:sccockroft@kpbsd.k12.ak.us)

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**From:** Matt Fischer  
**Sent:** Wednesday, September 12, 2018 2:44 PM  
**To:** Stephanie Bohrsen <SBohrsen@KPBSD.k12.ak.us>; Joel Burns <JBurns@KPBSD.k12.ak.us>; Vaughn Dosko <VDosko@KPBSD.k12.ak.us>; Elizabeth Hayes <EHayes@KPBSD.k12.ak.us>; John O'Brien <JO'Brien@KPBSD.k12.ak.us>; Robert Ernst <RErnst2@KPBSD.k12.ak.us>; Laura Wertanen <LWertanen@KPBSD.k12.ak.us>; Anne McCabe <AMcCabe@KPBSD.k12.ak.us>; Kristen Vix <KVix@KPBSD.k12.ak.us>; David Brighton <DBrighton@KPBSD.k12.ak.us>;

Dave Jones <DJones2@KPBSD.k12.ak.us>; Stacey Cockroft <SCockroft@KPBSD.k12.ak.us>  
Subject: September 19 Heath Care agenda

Attached is the agenda for next Wednesdays meeting.

Location will be at the Skyview Middle School Library. It's getting a little crowded at the risk management building.

Dave, can you please ask our Aetna consultants to present on two items:

1. What are they doing for outreach to get more local providers into the network
2. What is the time frame for providers to get into the network

Thanks, Matt

Hello -

Attached is a spreadsheet with the 2nd Quarter 2018 Network Expansion numbers in Alaska. There are two tabs included:

- 2nd Qtr. Head Count - This provides you with the number of providers/locations that were added to the network between 04/01/2018 & 06/30/2018. If a provider has multiple locations and/or specialties each is counted under the borough name. The head count column will show the single count of providers.
- 2nd Qtr. Adds by Specialty - This provides you with the Provider head count by Specialty.

The following groups were added to our networks during the 2nd Quarter 2018:

#### April

- Fascia Rehab (Anchorage - Effective 4/6/2018)
- Thrive Integrative Medicine (Anchorage - Effective 4/20/2018)
- Intuitive Hands for Healing (Anchorage - Effective 4/23/2018)

#### May

- Healing Hands Body Therapy (Kodiak - Effective 5/3/2018)
- Summit Physical Therapy (Homer - Effective 5/10/2018)
- Arctic Massage (Palmer - Effective 5/18/2018)
- North Pole EyeCare (North Pole - Effective 5/31/2018)

#### June

- Dr. Ben Cain - Chiropractor (Anchorage - Effective 6/8/2018)
- MediCenter (Kenai - Effective 6/15/2018)
- Nova Wellness Solutions (Soldotna - Effective 6/15/2018)
- Rainwood Counseling (Ketchikan - Effective 6/15/2018)

Update- These are new groups to our networks. Please note that these numbers are not reflected within the attached spreadsheet.

#### July

- McKinley Sport Medicine - (Fairbanks - Effective 7/1/2018)
- McKinley Orthopedics & Sports Medicine - (Fairbanks - Effective 7/1/2018)
- Lemon Tree Family Medicine - (Anchorage - Effective 7/6/2018)
- Adkins Chiropractic - (Anchorage - Effective 7/10/2018)
- Denali Orthopedic Surgery - (Palmer - Effective 7/15/2018)

## Network Development

Summary of expansion by provider type and location, numbers  
reflect providers added 4/1/18 to 6/30/18

	Anchorage	Fairbanks	Juneau	Matanuska	All Other	Total	Head Count	Difference
All Other Specialists	4	3	0	1	4	12	12	0
Behavioral Health	6	0	0	0	11	17	8	9
MD Specialists	18	1	0	1	5	25	22	3
Midlevels	11	10	2	10	26	59	31	28
PCP	11	0	0	1	4	16	14	2
Total	50	14	2	13	50	129	87	42









# 2018 SPECIAL ENROLLMENT

## AUGUST 30 - SEPTEMBER 12, 2018

### WHAT IS THE SPECIAL ENROLLMENT FOR?

Per IRS Regulation 26 CFR 1.125-4, the Kenai Peninsula Borough School District is allowing a Special Enrollment period due to a significant increase in the Traditional Plan's monthly contribution rate effective September 1, 2018. **During this Special Enrollment, ONLY those employees currently enrolled on the Traditional Health Plan may choose to switch to the High Deductible Health Plan, or decline coverage (see section below on page 2) effective September 1, 2018.** During this Special Enrollment, you may NOT make any other changes to your elections, such as adding a spouse or dependent child. Those changes may be made during the regular annual Open Enrollment Period that will occur from November 15, 2018 through December 15, 2018 with an effective date of January 1, 2019.

- ✓ **ENROLLMENT DEADLINE:** You MUST submit your Plan changes no later than 4:30 pm on September 12, 2018. All enrollment forms must be turned in to Stacey Cockroft at the District Office by the deadline.
- ✓ **NO CHANGES?** No action is required from you; your current enrollment will remain the same.
- ✓ Enrollment forms are included in this packet and will be available online at <http://www.kpbsd.k12.ak.us/employees.aspx?id=5232>.
- ✓ All changes made during the Special Enrollment will be effective **September 1, 2018**.

### YOUR MEDICAL OPTIONS

**You may ONLY choose to switch from the Traditional Plan to the High Deductible Plan:**

MEDICAL BENEFITS	TRADITIONAL PLAN	HIGH DEDUCTIBLE HEALTH PLAN (HDHP)
Annual Medical Deductible		
Individual	\$200	\$1,500
Family	\$600	\$3,000
Reimbursement Percentage	Plan pays 80% Plan pays 60% (non-PPO facility)	
Out-of-Pocket Maximum (Not including deductible)		
Individual	\$1,000	\$2,000
Family	\$3,000	\$4,000
Prescription Drug Coverage		
Generic Copay		\$5
Preferred Brand Copay		\$25
Non-Preferred Brand Copay		\$50
Specialty Copay		\$100 (limited to a 30-day supply)
Health Reimbursement Arrangement	None	\$750/year*
Employee Contribution		
Monthly (12 month deduction)	\$550.14**	\$228.00**
Monthly Prorated (9 month deduction)	\$733.52**	\$304.00**
Annual	\$6,601.68**	\$2,736.00**

\*If you newly elect the HDHP, \$625 will be credited to your HRA account on September 1<sup>st</sup> for September 2018 – June 2019.

Another \$750 will be credited on July 1<sup>st</sup> for the period July 2019 – June 2020.

\*\*These rates were set by the Health Care Sub-Committee on 8/29/2018.

### ***What is a Health Reimbursement Arrangement (HRA)?***

An HRA allows KPBSD to set aside funds for you to spend on qualified health care expenses. Money not used in one calendar year can be rolled over from year-to-year. If you newly enroll in the High Deductible Health Plan during this Special Enrollment, KPBSD will contribute \$625 to your HRA account on September 1, 2018. If you are enrolled in the HRA on July 1<sup>st</sup> (the first day of the fiscal year), KPBSD will contribute another \$750 to your HRA account.

You may use these funds for you and your dependents who are enrolled in the HDHP. If you terminate KPBSD employment, the funds will be forfeited.

Your HRA funds may be used towards medical, prescription, dental, and vision expenses. The HRA will be administered by Rehn. A claim form is available to submit for HRA reimbursements.

### ***How the HRA works with a Health Care Flexible Spending Account (FSA):***

You may have both an HRA and enroll in a Health Care FSA. Expenses are paid from the Health Care FSA first, because that account is "use it or lose it." A Flexible Spending Account is available to employees through American Fidelity. It is not a part of the health plan. For questions relating to the Flexible Spending Account, please contact Darcy Carter at [darcy.carter@americanfidelity.com](mailto:darcy.carter@americanfidelity.com).

***IRS rules do not permit changing your current FSA contribution or opening an FSA during this special mid-year enrollment.***

## **YOU MAY BE ABLE TO DECLINE COVERAGE**

---

- You may decline Health Plan coverage ONLY if you are currently enrolled in the Traditional Health Plan and have other health coverage outside of the KPBSD Health Plan that meets the minimum requirements of the Affordable Care Act (ACA). If you decline coverage, you pay no employee contribution. ***Please start this process early to ensure you are able to obtain the necessary Certificate of Coverage and Summary of Benefits and Coverage (SBC) from your current health plan by the September 12, 2018 deadline. Please note the SBC is not the "Summary of Benefits" located in the Plan summary, this document must be specifically requested from the other Plan. Please contact Stacey Cockroft at [scockroft@kpbsd.k12.ak.us](mailto:scockroft@kpbsd.k12.ak.us) to request examples of what is required.***
- If you are double covered within the KPBSD health plan because you are both a KPBSD employee and a spouse or dependent of a KPBSD employee and have no coverage outside of KPBSD, you may not decline coverage.



## HOW DO I CHANGE MY PLAN SELECTION?

---

➤ **STEP 1:**

If you decide to switch from the Traditional Plan to the High Deductible Health Plan, please fill out the enrollment form selecting the High Deductible Health Plan. If you would like to decline coverage, please fill out the enrollment form selecting "Declining Coverage" and obtain the necessary documents listed above. If you do not want to change your Plan selection, you do not need to submit a form.

➤ **STEP 2:**

Submit the completed enrollment form and applicable documents to Stacey Cockroft at the District Office by the 4:30 pm September 12, 2018 deadline. The enrollment form is included in this packet. Forms are also available online at:

<http://www.kpbsd.k12.ak.us/employees.aspx?id=5232>

**FOR MORE INFORMATION:**

- Go to our website: <http://www.kpbsd.k12.ak.us/employees.aspx?id=5232>  
All documents and forms will be posted on the website.
- **QUESTIONS?** Contact Stacey Cockroft, Employee Benefits Manager, at 907-714-8879 or [scockroft@kpbsd.k12.ak.us](mailto:scockroft@kpbsd.k12.ak.us).



# Kenai Peninsula Borough School District Health Care Plan Participant Enrollment Form



## EMPLOYEE INFORMATION

Name of Employee:			Date of Enrollment or Change:		
Social Security Number:		Sex: <input type="checkbox"/> M <input type="checkbox"/> F	IHS (Indian Health Services) Eligible: <input type="checkbox"/> Y <input type="checkbox"/> N		
Address:			Date of Birth:		
City:	State:	Zip:	Marital Status:		
Phone:		Email:	Date of Marriage:		

## TYPE OF ENROLLMENT/LEGAL DOCUMENTATION

Legal documentation is **REQUIRED** for all new enrollments and any changes made (marriage certificate, birth certificate, etc.):

- ☐ New Enrollment ☒ Open Enrollment ☐ Change in Status  
☐ DECLINING COVERAGE (Note: You may decline only if you have other health coverage outside KPBSD that meets the minimum Affordable Care Act requirements.)  
Reason for electing, changing or declining coverage: \_\_\_\_\_  
☐ I wish to DECLINE Dental/Vision coverage (I understand this will NOT reduce/change my contribution amount)

## COVERAGE AND DEPENDENT INFORMATION

One plan option must be selected:

- ☐ Traditional Plan ☒ HDHP Plan (Note: You may choose to opt-out of HRA reimbursements by contacting the Benefits Manager)

Add	Drop	Relationship to Employee	Last Name	First Name	Middle Initial	IHS Eligible	Social Security No.	Date of Birth	Employer	Gender
<input type="checkbox"/>	<input type="checkbox"/>	SPOUSE				<input type="checkbox"/> Y <input type="checkbox"/> N				<input type="checkbox"/> M <input type="checkbox"/> F
<input type="checkbox"/>	<input type="checkbox"/>					<input type="checkbox"/> Y <input type="checkbox"/> N				<input type="checkbox"/> M <input type="checkbox"/> F
<input type="checkbox"/>	<input type="checkbox"/>					<input type="checkbox"/> Y <input type="checkbox"/> N				<input type="checkbox"/> M <input type="checkbox"/> F
<input type="checkbox"/>	<input type="checkbox"/>					<input type="checkbox"/> Y <input type="checkbox"/> N				<input type="checkbox"/> M <input type="checkbox"/> F
<input type="checkbox"/>	<input type="checkbox"/>					<input type="checkbox"/> Y <input type="checkbox"/> N				<input type="checkbox"/> M <input type="checkbox"/> F
<input type="checkbox"/>	<input type="checkbox"/>					<input type="checkbox"/> Y <input type="checkbox"/> N				<input type="checkbox"/> M <input type="checkbox"/> F

Is any child over the dependent age limit applying for coverage due to disability? ☐ No ☐ Yes → Complete the Request for Certification of Disabled Dependent form.

Does any dependent have a different mailing address? ☐ No ☐ Yes →

List Dependent name

Write in Dependent mailing address including City, State and ZIP Code

## OTHER COVERAGE INFORMATION

Do you, your spouse and/or your covered dependents have other coverage for: If yes, please attach a Certificate of Creditable Coverage from your current carrier(s) – Certificates only apply to newly enrolled Employees & Dependents.

Medical ☐ No ☐ Yes Dental ☐ No ☐ Yes Vision ☐ No ☐ Yes Prescriptions ☐ No ☐ Yes Medicare ☐ No ☐ Yes

COVERAGE #1:

Enrollee's Name: \_\_\_\_\_ Enrollee's Birth Date: \_\_\_\_\_ Plan Name: \_\_\_\_\_

ID #: \_\_\_\_\_ Effective Date: \_\_\_\_\_ Individuals currently covered under this policy: \_\_\_\_\_

COVERAGE #2:

Enrollee's Name: \_\_\_\_\_ Enrollee's Birth Date: \_\_\_\_\_ Plan Name: \_\_\_\_\_

ID #: \_\_\_\_\_ Effective Date: \_\_\_\_\_ Individuals currently covered under this policy: \_\_\_\_\_

## SIGNATURE

I declare that to the best of my knowledge, all of the information on this form is true and complete, and all of the persons for whom I am requesting enrollment are eligible for coverage. The changes on this form supersede all previous forms submitted. I UNDERSTAND THAT MISSTATEMENT, OMISSION OF MEDICAL INFORMATION OR FAILURE TO DISCLOSE ANY INFORMATION MAY BE USED AS A BASIS FOR RESCISSION OF COVERAGE FOR ME AND FOR MY DEPENDENTS, AND THAT I WILL BE GUILTY OF INSURANCE FRAUD. I authorize deductions, if any, from any earnings toward the cost of the coverage. A copy of this authorization shall be as valid as the original.

Sign Here →

Employee's Signature

Print Name

Date

## THIS SECTION TO BE COMPLETED BY EMPLOYER

Exact date of full-time employment:			Effective Date:			Date Processed:		
Month	Day	Year	Month	Day	Year	Month	Day	Year

Exhibit: A-6  
Page 4 of 9



# 2019 HEALTH PLAN OPEN ENROLLMENT

## NOVEMBER 15<sup>th</sup> to DECEMBER 14<sup>th</sup> 2018

- ✓ **EFFECTIVE DATE:** All changes made during Open Enrollment will be effective January 1, 2019.
- ✓ **ENROLLMENT DEADLINE:** You **MUST** enroll no later than 4:30 pm on Friday, December 14, 2018.  
All legal documents and other required documents must be turned in to Stacey Cockcroft at the District Office by the deadline as well.
- ✓ **NO CHANGES?** No action is required from you; your current enrollment will remain the same.
- ✓ Enrollment forms are included in this packet and will also be available online at <http://www.kpbsd.k12.ak.us/employees.aspx?id=5232>.

## YOUR MEDICAL OPTIONS

### Choice of Traditional Plan or High Deductible Plan:

MEDICAL BENEFITS	TRADITIONAL PLAN	HIGH DEDUCTIBLE HEALTH PLAN (HDHP)
Annual Medical Deductible		
Individual	\$200	\$1,500
Family	\$600	\$3,000
Reimbursement Percentage	Plan pays 80% Plan pays 60% (non-PPO facility)	
Out-of-Pocket Maximum (Not including deductible)		
Individual	\$1,000	\$2,000
Family	\$3,000	\$4,000
Prescription Drug Coverage		
Generic Copay		\$5
Preferred Brand Copay		\$25
Non-Preferred Brand Copay		\$50
Specialty Copay		\$100 (limited to a 30-day supply)
Health Reimbursement Arrangement	None	\$750/year*
Employee Contribution**		
Monthly	\$498.00	\$308.00
Annual	\$5,976.00	\$3,696.00

\*If you newly elect the HDHP, \$375 will be credited on January 1<sup>st</sup> for January – June 2019. Another \$750 will be credited on July 1<sup>st</sup> for the period July 2019 – June 2020.

\*\*As set by the HCPC Subcommittee on September 24, 2018. Please note: The above rates apply to employees with a full year of health care coverage. Employees hired later in the year or that switched Plans during the Special Enrollment will have different contribution rates.

### ***What is a Health Reimbursement Arrangement (HRA)?***

An HRA allows KPBSD to set aside funds for you to spend on qualified health care expenses. Money not used in one calendar year will be rolled over from year-to-year. If you newly enroll in the High Deductible Health Plan during Open Enrollment, KPBSD will contribute \$375 to your HRA account on January 1, 2019. If you are enrolled in the HRA on July 1<sup>st</sup> (the first day of the fiscal year), KPBSD will contribute another \$750 to your HRA account.

You may use these funds for you and your dependents who are enrolled in the HDHP. If you terminate KPBSD employment, the funds will be forfeited. If you switch from the HDHP to the Traditional Plan, your HRA balance will become available to you again in the event you switch back to the HDHP and your employment with KPBSD was not terminated in between that time.

Your HRA funds can be used towards medical, prescription, dental, and vision expenses. The HRA will be administered by Rehn. A claim form is available to submit for HRA reimbursements.

### ***How the HRA works with a Health Care Flexible Spending Account (FSA):***

You may have both an HRA and a Health Care FSA (the FSA is elected through American Fidelity at the beginning of each fiscal year). Expenses are paid from the Health Care FSA first, because that account is "use it or lose it." A Flexible Spending Account is available to employees through American Fidelity. It is not a part of the health plan.

***IRS rules do not permit changing your current FSA contribution or opening an FSA during this Open Enrollment.***

## **WHAT HAPPENS TO MY HRA IF I SWITCH BACK TO THE TRADITIONAL PLAN?**

---

When you enroll in the HDHP, you are provided with a Health Reimbursement Arrangement (HRA) account that you may access while you are enrolled on the HDHP. KPBSD credits your HRA account \$750 per Fiscal Year, or prorates the amount based on how many months are left in the Fiscal Year when you enroll (July through June). Please keep in mind that if you terminate employment, decline coverage, or move to the Traditional Plan mid-year, your HRA account will be adjusted to reflect the months you were actually covered under the HDHP.

### ***For example:***

1. Your HRA account is credited \$750 on July 1, 2018 because you are enrolled on the HDHP. You choose to switch to the Traditional Plan during Open Enrollment effective January 1, 2019. Your HRA account balance will be adjusted to \$375.00 (\$750 less \$375) for the 6 months you were actually covered under the HDHP. If you used a portion of that money, Rehn will request a reimbursement for the applicable amount. If you had an HRA balance of \$750 and used \$500 of that prior to switching to the Traditional Plan, Rehn will require a refund from you of \$125.
2. Your HRA was credited for \$625 due to your enrollment in the HDHP during the Special Enrollment period. You choose to switch to the Traditional Plan during Open Enrollment effective January 1, 2019. Your HRA account balance will be adjusted to \$250 (\$625 less \$375) for the 4 months you were actually covered under the HDHP. If you used a portion of that money, Rehn will request a reimbursement for the applicable amount. If you had an HRA balance of \$625 and used \$500 of that prior to switching to the Traditional Plan, Rehn will require a refund from you of \$250.



## SEPARATE DENTAL AND VISION COVERAGE OPTIONS

DENTAL	TRADITIONAL OR HDHP PLAN
Annual Deductible	
Individual	\$50
Family	\$150
Reimbursement Percentage	
Preventive	Plan pays 100% (not subject to the deductible)
Basic	Plan pays 100%
Major	Plan pays 50%
Calendar Year Benefit Maximum	\$2,500

VISION	TRADITIONAL OR HDHP PLAN
Eye Exam	Plan pays 80%
Frames	Plan pays 80% up to \$100 every two years
Lenses	Plan pays 80%
Contacts	Plan pays 80%

Allowable charges and all plan provisions apply. Please see the Summary Plan Description for more information.

## YOU MAY BE ABLE TO DECLINE COVERAGE

- You may decline coverage if you have other health coverage outside of the KPBSD health plan that meets the minimum requirements of the Affordable Care Act (ACA). If you decline coverage, you pay no employee contribution. ***Please start this process early to ensure you are able to obtain the necessary Certificate of Coverage and Summary of Benefits and Coverage (SBC) from your current health plan by the December 14, 2018 deadline.***
- If you are double covered within the KPBSD health plan because you are both a KPBSD employee and a spouse or dependent of a KPBSD employee, you may not decline coverage.
- DECLINING DENTAL/VISION COVERAGE:** The dental/vision plan is separate from the medical and prescription plan. If you enroll in medical and prescription coverage, you are automatically enrolled in the dental/vision plan. You may decline coverage in the dental/vision plan, but your employee contribution amount will not change.

## HOW DO I ENROLL?

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➤ **STEP 1:**

Review your options. Select the option that is best for you and your family. If you do not want to make any changes, you do not need to submit a form.

➤ **STEP 2:**

Complete an enrollment form with applicable changes and submit documentation to Stacey Cockroft at the District Office by the 4:30 pm December 14, 2018 deadline. For newly enrolled dependents, legal documentation is required (copy of marriage certificate for spouse and birth certificate for dependent child). The enrollment form is included in this packet. Forms are also available online at:

<http://www.kpbsd.k12.ak.us/employees.aspx?id=5232>

**FOR MORE INFORMATION:**

- Go to our website: <http://www.kpbsd.k12.ak.us/employees.aspx?id=5232>  
All documents and forms will be posted on the website.
- **QUESTIONS?** Contact Stacey Cockroft, Employee Benefits Manager, at 907-714-8879 or [scockroft@kpbsd.k12.ak.us](mailto:scockroft@kpbsd.k12.ak.us).



# Kenai Peninsula Borough School District Health Care Plan Participant Enrollment Form



## EMPLOYEE INFORMATION

Name of Employee:			Date of Enrollment or Change:		
Social Security Number:		Sex: <input type="checkbox"/> M <input type="checkbox"/> F	IHS (Indian Health Services) Eligible: <input type="checkbox"/> Y <input type="checkbox"/> N		
Mailing Address:			Date of Birth:		
City:	State:	Zip:	Marital Status:		
Phone:		Email:	Date of Marriage:		

## TYPE OF ENROLLMENT/LEGAL DOCUMENTATION

Legal documentation is **REQUIRED** for all new enrollments and any changes made (marriage certificate, birth certificate, etc.):

☐ New Enrollment ☐ Open Enrollment ☐ Change in Status

☐ DECLINING COVERAGE (Note: You may decline only if you have other health coverage outside KPBSD that meets the minimum Affordable Care Act requirements.)

Reason for electing, changing or declining coverage: \_\_\_\_\_

☐ I wish to DECLINE Dental/Vision coverage (I understand this will NOT reduce/change my contribution amount)

## COVERAGE AND DEPENDENT INFORMATION

One plan option must be selected:

☐ Traditional Plan ☐ HDHP Plan (Note: You may choose to opt-out of HRA reimbursements by contacting the Benefits Manager)

Add	Drop	Relationship to Employee	Last Name	First Name	Middle Initial	IHS Eligible	Social Security No.	Date of Birth	Employer	Gender
<input type="checkbox"/>	<input type="checkbox"/>	SPOUSE				<input type="checkbox"/> Y <input type="checkbox"/> N				<input type="checkbox"/> M <input type="checkbox"/> F
<input type="checkbox"/>	<input type="checkbox"/>					<input type="checkbox"/> Y <input type="checkbox"/> N				<input type="checkbox"/> M <input type="checkbox"/> F
<input type="checkbox"/>	<input type="checkbox"/>					<input type="checkbox"/> Y <input type="checkbox"/> N				<input type="checkbox"/> M <input type="checkbox"/> F
<input type="checkbox"/>	<input type="checkbox"/>					<input type="checkbox"/> Y <input type="checkbox"/> N				<input type="checkbox"/> M <input type="checkbox"/> F
<input type="checkbox"/>	<input type="checkbox"/>					<input type="checkbox"/> Y <input type="checkbox"/> N				<input type="checkbox"/> M <input type="checkbox"/> F
<input type="checkbox"/>	<input type="checkbox"/>					<input type="checkbox"/> Y <input type="checkbox"/> N				<input type="checkbox"/> M <input type="checkbox"/> F

Is any child over the dependent age limit applying for coverage due to disability? ☐ No ☐ Yes → Complete the Request for Certification of Disabled Dependent form.

Does any dependent have a different mailing address? ☐ No ☐ Yes →

List Dependent name

Write in Dependent mailing address including City, State and ZIP Code

## OTHER COVERAGE INFORMATION

Do you, your spouse and/or your covered dependents have other coverage for: If yes, please attach a Certificate of Creditable Coverage from your current carrier(s) – Certificates only apply to newly enrolled Employees & Dependents.

Medical ☐ No ☐ Yes Dental ☐ No ☐ Yes Vision ☐ No ☐ Yes Prescriptions ☐ No ☐ Yes Medicare ☐ No ☐ Yes

COVERAGE #1:

Enrollee's Name: \_\_\_\_\_ Enrollee's Birth Date: \_\_\_\_\_ Plan Name: \_\_\_\_\_

ID #: \_\_\_\_\_ Effective Date: \_\_\_\_\_ Individuals currently covered under this policy: \_\_\_\_\_

COVERAGE #2:

Enrollee's Name: \_\_\_\_\_ Enrollee's Birth Date: \_\_\_\_\_ Plan Name: \_\_\_\_\_

ID #: \_\_\_\_\_ Effective Date: \_\_\_\_\_ Individuals currently covered under this policy: \_\_\_\_\_

## SIGNATURE

I declare that to the best of my knowledge, all of the information on this form is true and complete, and all of the persons for whom I am requesting enrollment are eligible for coverage. The changes on this form supersede all previous forms submitted. I UNDERSTAND THAT MISSTATEMENT, OMISSION OF MEDICAL INFORMATION OR FAILURE TO DISCLOSE ANY INFORMATION MAY BE USED AS A BASIS FOR RESCISSION OF COVERAGE FOR ME AND FOR MY DEPENDENTS, AND THAT I WILL BE GUILTY OF INSURANCE FRAUD. I authorize deductions, if any, from any earnings toward the cost of the coverage. A copy of this authorization shall be as valid as the original.

Sign Here →

Employee's Signature

Print Name

Date

## THIS SECTION TO BE COMPLETED BY EMPLOYER

Exact date of full-time employment:			Effective Date:			Date Processed:			
Month	Day	Year	Month	Day	Year	Month	Day	Year	Plan Administrator

Exhibit: A-6  
Page 9 of 9





**FY 19**

**YTD through January 31**

Traditional Net expenditures		FY 19 Through January 31					Total 11,913,104
District	85%	10,126,138	Cap	6,841,284	50% split	1,642,427	8,483,712
Employees	15%	1,786,965			50% split	1,642,427	3,429,392

High Deductible Net expenditures							Total 3,250,451
District	90%	2,925,406					2,925,406
Employees	10%	325,045					325,045

Through January 31	FY 18		FY 19		
	17,389,144		15,163,555		(2,225,589)
District Combined Share	<b>78.632</b>	13,673,518.5	<b>75.24</b>	11,409,118	(2,264,400.5)
Employee Combined Share	<b>21.368</b>	3,715,625.5	<b>24.759</b>	3,754,437	+ 38,811.5

**FY 18**

**YTD through January 31**

Traditional Net expenditures							Total 16,877,192
District	85%	14,345,613	Cap	12,079,910	50% split	1,132,851.5	13,212,761.5
Employees	15%	2,531,579			50% split	1,132,851.5	3,664,430.5

High Deductible Net expenditures							Total 511,952
District	90%	460,757					460,757
Employees	10%	51,195					51,195

Fiscal Year	Administrative Fees & Stop Loss Premium	Health Care Costs	Prescription Costs	Total Costs	Average # Employees per Month	Total Employees	Average Cost per Employee	Employee Contribution	District Contribution	Total Contribution	EE %	ER %
FY08 Actual		13,053,373		13,053,374	1,105	13,256	11,813	2,283,628	10,857,387	13,141,015	17	83
FY09 Actual		14,537,561	829,865	15,367,426	1,161	13,932	13,236	2,478,148	12,823,910	15,302,058	16	84
FY10 Actual	1,184,951	15,551,234	1,551,669	18,287,854	1,207	14,487	15,151	3,361,635	14,487,000	17,848,635	19	81
FY11 Actual	1,230,775	14,765,833	1,757,193	17,753,801	1,211	14,528	14,660	4,635,498	15,959,252	20,594,750	23	77
FY12 Actual	1,654,971	17,811,340	1,781,165	21,247,476	1,235	14,825	17,204	5,277,207	16,578,952	21,856,153	24	76
FY13 Actual	2,082,705	17,624,127	1,834,548	21,541,380	1,221	14,655	17,642	4,505,891	17,624,414	22,130,310	20	80
FY14 Actual	2,481,754	18,772,341	1,887,067	23,141,162	1,223	14,672	18,922	3,933,997	19,207,165	23,141,168	17	83
FY15 Actual	3,026,206	20,183,863	2,100,720	25,310,789	1,214	14,566	20,849	3,796,618	21,514,171	25,310,796	15	85
FY16 Actual	3,148,503	23,092,082	2,470,867	28,711,452	1,205	14,458	23,827	4,082,521	22,991,565	27,074,086	15	85
FY17 Actual	3,251,265	23,136,817	3,078,253	29,466,286	1,170	14,078	25,185	4,419,943	25,046,343	29,466,286	15	85
				-1.70%	-3.80%		2.20%	20.10%	-5.50%	-1.70%		
FY18 Actual	3,299,634	20,662,071		28,963,574	1,125	13,508	25,745	5,311,025	23,652,549	28,963,574	18.6	81.4
				(502,712)	45		560	891,082	(1,393,794)	(502,712)		

**Anne McCabe**

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**From:** Dave Jones  
**Sent:** Tuesday, December 18, 2018 5:19 PM  
**To:** All Staff  
**Subject:** Open Enrollment Final Numbers

Good Afternoon,

During the Open Enrollment Meetings in November, we had multiple people request that we share the final movement numbers, and let people know if a rate change was anticipated.

During the Open Enrollment Period, we had employees that had previously opted out of the plan opt back in, we had employees decline coverage, we had employees switch from the HDHP plan to the Traditional plan, and we had employees switch from the Traditional plan to the HDHP plan. The net change from all of these actions was that enrollment in the Traditional plan increased by one employee, and enrollment in the HDHP plan decreased by twelve employees.

This information was shared with our brokers at Marsh & McLennan Agency, and they stated that "With such minimal migration between the plans, we strongly recommend NOT adjusting the rates."

The next meeting of the Health Care Program Committee (HCPC) is January 15, 2019. As the Plan Administrator I will share this information with the HCPC and the Health Care Subcommittee with a recommendation that the rates not be adjusted from their current amounts.

Thanks,

Dave Jones  
Assistant Superintendent  
KPBSD  
(907) 714-8858

Anne McCabe

**From:** Stacey Cockroft  
**Sent:** Tuesday, February 19, 2019 12:39 PM  
**To:** Anne McCabe; Dave Jones; David Brighton; Elizabeth Hayes; Joel Burns; John O'Brien; Kristen Vix; Laura Wertanen; Matt Fische  
**Subject:** Rachel Sinclair; Robert Ernst; Stephanie Bohmsen; Vaughn Dosko  
Specific Stop Loss 12/31/2018

Exhibit: A-7  
Page 4 of 4

Below is the Specific Stop loss Report through 12/31/2018.

Subscriber	Total Amt	Amt over Spec	Amt Requested	Amt Reimbursed	Non Reimbursed Expenses	Amt Open
1	\$1,715,448.92	\$1,495,448.92	\$1,495,448.92	\$1,354,687.74	\$2,484.54	\$138,276.64
2	\$1,665,354.99	\$1,445,354.99	\$1,445,406.40	\$1,306,863.58		\$138,491.41
3	\$283,764.81	\$63,764.81	\$59,912.76	\$59,912.76		\$3,852.05
4	\$330,121.85	\$110,548.41	\$110,548.41	\$110,548.41		\$0.00
5	\$492,007.71	\$272,007.71	\$272,007.71	\$272,007.71		\$0.00
6	\$327,383.64	\$107,383.64	\$107,383.64	\$107,383.64		\$0.00
7	\$271,810.93	\$51,810.93	\$51,810.93	\$51,810.93		\$0.00
8	\$226,206.93	\$6,206.93	\$6,206.93	\$6,206.93		\$0.00
	<b>\$5,312,099.78</b>	<b>\$3,552,526.34</b>	<b>\$3,548,725.70</b>	<b>\$3,269,421.70</b>	<b>\$2,484.54</b>	<b>\$280,620.10</b>

*Stacey Cockroft*

Kenai Peninsula Borough School District  
*Employee Benefits Manager*  
148 N. Binkley St. Soldotna, AK 99669  
Phone: (907) 714-8879 Fax: (907) 262-9645  
[scockroft@kpbsd.k12.ak.us](mailto:scockroft@kpbsd.k12.ak.us)







**Monday, January 14, 2019**  
**Board of Education Work Sessions**

**Borough Administration Building**  
**148 N. Binkley St.**  
**Soldotna, AK 99669**  
**Assembly Chambers**

**2:15 p.m. Board Policy Review**  
**2:30 p.m. Math Curriculum Update**  
**3:00 p.m. FY19 Budget Revision and FY20 Budget Update**  
**4:30 p.m. Board Discussion**

**1. Board Policy Review**

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A. BP & AR 5112.6 Education for Homeless Children and Youths

**2. Work Sessions**

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A. Math Curriculum Revision

B. FY19 Budget Revision

C. FY20 Preliminary Budget

**3. Board Discussion**

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A. Other

**4. Work Session Video**

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A. Work Session Video Jan. 14, 2019

**Agenda Item Details**

Meeting Jan 14, 2019 - Board of Education Work Sessions

Category 2. Work Sessions

Subject B. FY19 Budget Revision

Type Discussion

**General Fund****Revenue Budget**

The FY19 20-day count ended October 26, 2018 and the Average Daily Membership (ADM) information was submitted to the state on November 7, 2018. The FY19 ADM, which determines the level of state funding for this year, was reported at 8,673.67 students, which was 104.33 students below the 8,778 students projected for FY19. The count included 7,902.19 students in brick and mortar schools and 771.48 students enrolled in the Connections home school program. The original enrollment projection also included 199 intensive needs students. An additional 11 students were identified as intensive needs and the number of intensive needs students submitted to the state was 210. This preliminary ADM will likely change because of the reconciliation process with other districts and the final ADM will be confirmed by the state in February or March.

The total adjustment to the State of Alaska revenue is (\$322,997), which includes a decrease of (\$315,891) in foundation funding, a reduction in one-time funding of (\$6,254) and a change in the Quality Schools in the amount of (\$852). The total decrease in state aid of (\$322,997) brings the total revenue budget to \$141,202,491.

**Expenditure Budget**

The district reviews actual employees hired in each position in order to adjust salary and benefit accounts from estimates made during the preliminary budgeting process. In addition, for some of the positions that were unable to be filled in Special Education, the salaries and benefits were moved to Professional and Technical services to pay for contracted services. Healthcare costs were reduced due to the Special Open Enrollment that took place and was effective September 1, 2018. We had an additional 15 employees opt-out of coverage and 447 switch from the Traditional plan to the High Deductible Health Plan. The total reduction to salaries and benefits is (\$1,627,773).

Changes to the expenditure budget also include a decrease in Charter Schools' expenditure budgets of (\$28,313), which includes all expenditure changes due to the recalculation of additional allowable and state aid. Increases in contracted services in the amount of \$319,451 for hard to fill positions such as Speech Therapy, Occupational Therapy and Psychologist services. Adjustments in contracted services, supplies, travel and software for intervention training for \$70,730. Increases in software for staff training, professional development, and Special Education curriculum for a total of \$188,328. Other adjustments to the budget decrease the expenditures by (\$19,887) for a total change to the expenditure budgets of (\$1,097,464). This brings the total FY19 anticipated expenditures to \$141,878,246.

An adjustment to KPB In-Kind services for changes in KPB resolution 2017-035 are as follows:

	Board Approved FY19 Budget Local Effort	Changes per Resolution 2017-035	Difference
In-Kind Services			
Audit	\$ 65,000	\$ 93,000	\$28,000
Custodial	118,063	120,393	2,330
Maintenance	7,967,751	7,929,758	(37,993)
Utilities	89,900	89,900	-
Insurance	2,613,921	2,621,584	7,663
Total In-Kind	10,854,635	10,854,635	-
Appropriation	\$ 38,883,797	\$38,883,797	\$ -
Total Local Effort	\$ 49,738,432	\$49,738,432	\$ -

### **Fund Balance**

The original FY19 budget listed anticipated use of fund balance at \$1,450,222. With the changes to revenues and expenditures explained above, there is a need for reduction in the use of fund balance in the amount of (\$774,467). This will bring use of fund balance to \$675,755.

### **Other Information**

At this time, this FY19 budget revision has not taken into account any changes due to negotiations. Arbitration is scheduled for late February. Since part of the conversations with the bargaining units included using the DC Forfeiture amounts, we have not included those amounts in this revision.

[FY19 Budget Revision 2018-1-14.pdf \(16 KB\)](#)
[FY19 Budget Worksession 2019-1-14.pdf \(181 KB\)](#)



Kenai Peninsula Borough School District			
FY19 Budget			
	8/6/2018		1/14/2018
	Original FY19		Revised FY19
	Budget	Revision	Budget
<b>Revenue:</b>			
Borough In-Kind	\$ 10,854,635	-	\$ 10,854,635
Borough Appropriation	38,883,797	-	38,883,797
Earnings on Investments	300,000	-	300,000
E-Rate	700,000	-	700,000
Other Local	180,000	-	180,000
State Foundation	79,434,290	(315,891)	79,118,399
State One-Time Funding	1,405,152	(6,254)	1,398,898
Quality Schools	287,724	(852)	286,872
TRS On-Behalf	8,224,717		8,224,717
PERS On-Behalf	1,030,173		1,030,173
Federal Medicaid	225,000		225,000
<b>Total Revenue</b>	<b>\$ 141,525,488</b>	<b>(322,997)</b>	<b>\$ 141,202,491</b>
<b>Expenditures</b>			
Salaries	\$ 69,303,166	\$ (381,153)	\$ 68,922,013
Benefits	46,865,449	(1,246,620)	45,618,829
Professional - Technical	1,915,093	334,459	2,249,552
Travel	789,287	2,848	792,135
Utilities	6,890,285	-	6,890,285
Purchased Services	9,709,636	21,102	9,730,738
Supplies	3,653,918	172,006	3,825,924
Other Expenses	1,962,542	(106)	1,962,436
Equipment	936,334	-	936,334
Transfers	950,000	-	950,000
<b>Total Expenditures</b>	<b>\$ 142,975,710</b>	<b>\$ (1,097,464)</b>	<b>\$ 141,878,246</b>
<b>Excess (Deficiency) of Revenues</b>			
<b>over Expenditures</b>	<b>(1,450,222)</b>		<b>(675,755)</b>
<b>Use of Fund Balance</b>	<b>\$ 1,450,222</b>		<b>\$ 675,755</b>



# ANCHORAGE DAILY NEWS

Anchorage

## It's official: Anchorage School District teachers have a new contract

✍ Author: Tegan Hanlon ⓘ Updated: December 18, 2018 📅 Published December 17, 2018

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It's official: The roughly 3,300 members of the Anchorage Education Association teachers union have a new three-year contract.

The Anchorage School Board sealed the deal at its meeting Monday night, marking the end of months of contentious contract negotiations. The board approved the contract in a 4-2 vote, but not before expressing several concerns. Board members Dave Donley and Mark Foster voted against the contract. Board member Elisa Snelling was absent.

"I want to thank everybody for how long and hard they worked on reaching this tentative agreement," said board member Alisha Hilde, who voted for the contract. "I do have concerns on how it's going to affect class sizes, and that's something we have to address as a board."

The contract takes effect retroactively to July 1, 2018 and expires June 30, 2021. Union members have already voted to approve it.

Here's some of what the 73-page contract includes:

- **Pay increases:** Members of the teachers union are paid based on a combination of experience and how much college education they have. The union's last contract expired June 30, 2018. Union members — including teachers, counselors and school nurses — kept working under its terms while negotiations for a new contract spilled into the current school year.

The salary schedule in the expired contract started at \$48,886 for a first-year teacher with a bachelor's degree. The new contract agreement adjusts the salary schedule in the current school year so union members receive an additional experience step, retroactive to July 1, 2018. That means the salary for a first-year teacher with a bachelor's degree will bump up to \$50,213. Teachers who have topped out of the salary schedule will get a \$1,300 "in lieu of step" this school year.

The school district will calculate the retroactive salary increase for each union member and average it out over the remaining pay periods of this school year, according to Todd Hess, the district's chief human resource officer.

In the 2019-20 school year, the base pay of the salary schedule will increase by 2 percent, followed by another 2 percent increase the next year. So in 2020-21, a first-year teacher with a bachelor's degree will earn \$52,242.

- **District increases its contribution to health care costs:** The district will contribute \$1.9 million to the union's health reserve account this school year to offset premium increases. Next school year, the district will increase its contribution to a union member's health insurance premium by \$50 per month, bringing it to \$1,695 per member per month. There will be no change in 2020-21.

- **Additions to "academic freedom" section:** Union members "have a professional responsibility to meet student learning styles and differentiate instruction," new contract language says. Members are only required to submit lesson plans if they're on a growth or improvement plan, or if there's a previously documented performance concern. They can provide students with additional time for physical activity "in keeping with school schedules and district expectations and state requirements."

The new contract will cost an additional \$22.6 million over its three years, the district's chief financial officer has said.

Under the expired contract, the district spent about \$345 million on salaries and benefits for members of the teachers union. The district's total general fund budget for the current school year is about \$565 million.

Negotiations for the new, three-year contract started in April and were punctuated by educator-led demonstrations and heated public comment at school board meetings.

Monday's board meeting didn't draw a large crowd. Aside from the district administrators at desks in the room, there were fewer than a dozen people in the audience as the board commented on the contract.

Some board members said they felt grateful for the contract, especially that it was a three-year deal. The district and union last agreed to a one-year contract, which expired June 30, 2018. Before that, the groups had agreed to a one-year contract extension for the 2016-17 school year.

Board members, however, also expressed concerns about the new contract, including with its increased price tag. The district estimated that a roughly \$10.4 million budget gap would arise next school year if it maintained the same level of services.

"It's a tough situation that we're in because money is tight and nobody wants to make cuts in other areas, and yet it is nice to be able to reward our really dedicated, wonderful, talented, hard-working teachers with a pay raise as well as some other things," said school board member Deena Mitchell, who voted in favor of the contract.

Donley said he didn't believe the contract was in the best interest of the community.

"I'm very concerned that it's going to create a significant funding problem with the district that will result in negative impacts on our classrooms by increasing class sizes," said Donley, who voted against the contract.



2/20/2019

It's official: Anchorage School District teachers have a new contract - Ar

The contract also failed to address a shortage of special education teachers, he said. He said it failed to fairly compensate those who must teach “combo classes” due to low enrollment in certain grades at certain schools — for instance, a class of fourth- and fifth-graders. He also believed the new contract created an unfairness with other bargaining groups in the district.

Foster, who voted against the contract, said he had concerns not only about teacher shortages in special education, but also about higher turnover and vacancy rates in higher-poverty schools. Plus, he said, there are “challenges finding a diverse group of teachers to serve our populations in the at-risk schools.”

“That’s clearly a policy issue that boards around the country are addressing that we fail to do here. I’m sort of struck by the amount of talk, but not much action on the part of the board in that area,” said Foster, a former chief financial officer for the district who became the newest school board member in October.

Mitchell said she also believed the school board needed to look at diversity issues and how to recruit teachers in hard-to-fill positions, including in special education.

Starr Marsett, school board president, said she supported the new contract but realized the district was facing budget constraints and that there was a need to continue looking at teacher recruitment. She said she supported increasing diversity, including on the school board.

Board member Andy Holleman voted in favor of the new contract and said he hoped it “cleared a lot of debris off the deck,” so the board could focus on addressing specific issues — including some that Donley brought up — without getting them tangled in a nearly 75-page contract document. He said the board shouldn’t wait until contract bargaining sessions to resolve issues.

“Then contract renewals won’t be quite the huge speed bump that they have been for so long because we will have ironed out some of those issues along the way,” he said.

#### About this Author

#### Tegan Hanlon

Tegan Hanlon covers education and general assignments, and has covered the Iditarod Trail Sled Dog race the past three years from the trail. Reach her at 907-257-4589 or thanlon@adn.com.

## Comments

**ANCHORAGE SCHOOL DISTRICT  
ANCHORAGE EDUCATION ASSOCIATION**

**105 SALARY SCHEDULE**

**2017-2018 Salary Schedule**

Step	B00	B18	B36	M54	M72	M90
0	48,886	51,221	53,756	-	-	-
1	50,213	52,649	55,084	-	-	-
2	51,543	53,978	56,412	58,847	61,279	63,713
3	52,870	55,305	57,739	60,173	62,609	65,044
4	54,198	56,633	59,067	61,502	63,936	66,271
5	55,527	57,960	60,394	62,830	65,264	67,699
6	56,853	59,288	61,723	64,158	66,591	69,026
7	58,183	60,616	63,051	65,485	67,919	70,354
8	59,511	61,945	64,379	66,812	69,247	71,682
9	60,838	63,272	65,707	68,140	70,575	73,012
10	62,165	64,600	67,034	69,469	71,905	74,338
11	-	65,928	68,363	70,796	73,232	75,666
12	-	67,255	69,690	72,125	74,560	76,993
13	-	-	71,017	73,452	75,887	78,322
14	-	-	72,345	74,780	77,214	79,648
15	-	-	-	76,109	78,543	80,978
16	-	-	-	77,436	79,872	82,306
17	-	-	-	-	81,198	83,634
18	-	-	-	-	-	84,960

**2017-2018 Salary Schedule**

Step	Masters	B54 w/Masters	B72 w/Masters	B90 w/Masters	B90D w/D doctorate
0	54,346	56,782	59,215	61,650	63,424
1	55,674	58,108	60,545	62,979	64,751
2	57,002	59,437	61,873	64,306	66,080
3	58,331	60,765	63,198	65,634	67,408
4	59,657	62,093	64,526	66,961	68,735
5	60,987	63,420	65,855	68,290	70,064
6	62,314	64,748	67,183	69,618	71,391
7	63,643	66,075	68,511	70,947	72,720
8	64,969	67,405	69,840	72,273	74,048
9	66,297	68,732	71,167	73,601	75,375
10	67,625	70,060	72,495	74,928	76,702
11	68,954	71,388	73,823	76,257	78,031
12	70,281	72,716	75,150	77,586	79,359
13	71,609	74,044	76,478	78,913	80,686
14	72,936	75,372	77,807	80,240	82,014
15	74,266	76,700	79,133	81,569	83,343
16	-	78,027	80,462	82,896	84,670
17	-	79,356	81,790	84,224	85,999
18	-	-	83,118	85,552	87,326
19	-	-	84,447	86,880	88,653
20	-	-	-	88,208	89,982

TA'd

 11-14-2018

AEA

Date

TA'd

 11-14-18

ASD

Date

**2018-2019 Salary Schedule**

Step	B00	B18	B36	M54	M72	M90
0	50,213	52,649	55,084	-	-	-
1	51,543	53,978	56,412	-	-	-
2	52,870	55,305	57,739	-	-	-
3	54,198	56,633	59,067	-	-	-
4	55,527	57,960	60,394	-	-	-
5	56,853	59,288	61,723	64,158	66,591	69,026
6	58,183	60,616	63,051	65,485	67,919	70,354
7	59,511	61,945	64,379	66,812	69,247	71,682
8	60,838	63,272	65,707	68,140	70,575	73,012
9	62,165	64,600	67,034	69,469	71,905	74,338
10	63,492	65,928	68,363	70,796	73,232	75,666
11	-	67,255	69,690	72,125	74,560	76,993
12	-	68,582	71,017	73,452	75,887	78,322
13	-	-	72,345	74,780	77,214	79,648
14	-	-	73,673	76,109	78,543	80,978
15	-	-	-	77,436	79,872	82,306
16	-	-	-	78,763	81,198	83,634
17	-	-	-	-	82,524	84,960
18	-	-	-	-	-	86,286

**2018-2019 Salary Schedule**

Step	Masters	B54 w/ Masters	B72 w/ Masters	B90 w/ Masters	B90 w/ Doctorate
0	55,674	58,108	60,545	62,979	64,751
1	57,002	59,437	61,872	64,306	66,080
2	58,331	60,765	63,198	65,634	67,408
3	59,657	62,093	64,526	66,961	68,735
4	60,987	63,420	65,855	68,290	70,064
5	62,314	64,748	67,183	69,618	71,391
6	63,643	66,075	68,511	70,947	72,720
7	64,969	67,405	69,840	72,273	74,048
8	66,297	68,732	71,167	73,601	75,375
9	67,625	70,060	72,495	74,928	76,702
10	68,954	71,388	73,823	76,257	78,031
11	70,281	72,716	75,150	77,586	79,359
12	71,609	74,044	76,478	78,913	80,686
13	72,936	75,372	77,807	80,240	82,014
14	74,266	76,700	79,133	81,569	83,343
15	75,596	78,027	80,462	82,896	84,670
16	-	79,356	81,790	84,224	85,999
17	-	80,685	83,118	85,552	87,326
18	-	-	84,447	86,880	88,653
19	-	-	85,776	88,208	89,982
20	-	-	-	89,536	91,311

TA'd

 11-14-2018

AEA

Date

TA'd

 11-14-18

ASD

Date

**2019-2020 Salary Schedule**

Step	B00	B18	B36	M54	M72	M90
0	51,217	53,702	56,186	-	-	-
1	52,574	55,058	57,540	-	-	-
2	53,927	56,411	58,894	-	-	-
3	55,282	57,766	60,248	-	-	-
4	56,638	59,119	61,602	-	-	-
5	57,990	60,474	62,957	65,441	67,923	70,407
6	59,347	61,828	64,312	66,795	69,277	71,761
7	60,701	63,184	65,667	68,148	70,632	73,116
8	62,055	64,537	67,021	69,503	71,987	74,472
9	63,408	65,892	68,375	70,858	73,343	75,825
10	64,762	67,247	69,730	72,212	74,697	77,179
11	-	68,600	71,084	73,568	76,051	78,533
12	-	69,954	72,437	74,921	77,405	79,888
13	-	-	73,792	76,276	78,758	81,241
14	-	-	75,146	77,631	80,114	82,598
15	-	-	-	78,985	81,469	83,952
16	-	-	-	80,338	82,822	85,307
17	-	-	-	-	84,174	86,659
18	-	-	-	-	-	88,012

**2019-2020 Salary Schedule**

Step	Masters	B54 w/ Masters	B72 w/ Masters	B90 w/ Masters	B90 w/ Doctorate
0	56,787	59,270	61,756	64,239	66,046
1	58,142	60,626	63,109	65,592	67,402
2	59,498	61,980	64,462	66,947	68,756
3	60,850	63,335	65,817	68,300	70,110
4	62,207	64,688	67,172	69,656	71,465
5	63,560	66,043	68,527	71,010	72,819
6	64,916	67,397	69,881	72,366	74,174
7	66,268	68,753	71,237	73,718	75,529
8	67,623	70,107	72,590	75,073	76,883
9	68,978	71,461	73,945	76,427	78,236
10	70,333	72,816	75,299	77,782	79,592
11	71,687	74,170	76,653	79,138	80,946
12	73,041	75,525	78,008	80,491	82,300
13	74,395	76,879	79,363	81,845	83,654
14	75,751	78,234	80,716	83,200	85,010
15	77,108	79,588	82,071	84,554	86,363
16	-	80,943	83,426	85,908	87,719
17	-	82,299	84,780	87,263	89,073
18	-	-	86,136	88,618	90,426
19	-	-	87,492	89,972	91,782
20	-	-	-	91,327	93,137

TA'd

 11-14-2018

AEA

Date

TA'd

 11-14-18

ASD

Date



**2020-2021 Salary Schedule**

Step	B00	B18	B36	M54	M72	M90
0	52,242	54,776	57,309	-	-	-
1	53,625	56,159	58,691	-	-	-
2	55,006	57,539	60,072	-	-	-
3	56,388	58,921	61,453	-	-	-
4	57,770	60,302	62,834	-	-	-
5	59,150	61,683	64,217	66,750	69,281	71,815
6	60,534	63,065	65,598	68,131	70,663	73,196
7	61,915	64,448	66,980	69,511	72,045	74,578
8	63,296	65,828	68,362	70,893	73,426	75,962
9	64,676	67,210	69,742	72,276	74,810	77,341
10	66,057	68,591	71,125	73,656	76,191	78,723
11	-	69,972	72,505	75,039	77,572	80,104
12	-	71,353	73,886	76,419	78,953	81,486
13	-	-	75,268	77,801	80,333	82,866
14	-	-	76,649	79,184	81,716	84,250
15	-	-	-	80,564	83,099	85,631
16	-	-	-	81,945	84,478	87,013
17	-	-	-	-	85,858	88,392
18	-	-	-	-	-	89,772

**2020-2021 Salary Schedule**

Step	Masters	B54 w/ Masters	B72 w/ Masters	B90 w/ Masters	B90 w/ Doctorate
0	57,923	60,456	62,991	65,523	67,367
1	59,305	61,838	64,372	66,904	68,750
2	60,688	63,220	65,751	68,286	70,131
3	62,067	64,602	67,133	69,666	71,512
4	63,451	65,982	68,516	71,049	72,895
5	64,831	67,364	69,897	72,431	74,275
6	66,214	68,744	71,279	73,813	75,658
7	67,594	70,128	72,662	75,193	77,040
8	68,975	71,509	74,042	76,574	78,420
9	70,357	72,890	75,424	77,955	79,801
10	71,740	74,272	76,805	79,338	81,183
11	73,120	75,654	78,186	80,720	82,565
12	74,502	77,035	79,568	82,101	83,946
13	75,883	78,417	80,950	83,482	85,327
14	77,266	79,799	82,330	84,864	86,710
15	78,650	81,179	83,713	86,245	88,091
16	-	82,562	85,094	87,627	89,473
17	-	83,945	86,476	89,008	90,854
18	-	-	87,859	90,390	92,235
19	-	-	89,241	91,772	93,617
20	-	-	-	93,153	95,000

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 11-14-2018

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Date

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 11/14/18

ASD

Date

**ANCHORAGE SCHOOL DISTRICT  
ANCHORAGE EDUCATION ASSOCIATION**

**110 SALARY SCHEDULE BASIC CONDITIONS**

- A. Contracted members serving a school term of 140 full-time or part-time instructional days or more shall be credited with a year of teaching service.
- B. Those members at BA-90 with Master's Step 20 or BA-90 with Doctorate Step 20 or ME-90 Step 18, who did not receive step movement in the 2016~~17~~-2017~~18~~ contract year, will receive an "in lieu of step" in the amount of \$1,000 \$1,300, prorated by their 2017~~18~~-2018~~19~~ FTE, for the 2017~~18~~-2018~~19~~ contract year.

Those members at BA-90 with Master's Step 20 or BA-90 with Doctorate Step 20 or ME-90 Step 18, who did not receive step movement in the 2018-2019 contract year, will receive an "in lieu of step" in the amount of \$1,300, prorated by their 2019-2020 FTE, for the 2019-2020 contract year.

Those members at BA-90 with Master's Step 20 or BA-90 with Doctorate Step 20 or ME-90 Step 18, who did not receive step movement in the 2019-2020 contract year, will receive an "in lieu of step" in the amount of \$1,300, prorated by their 2020-2021 FTE, for the 2020-2021 contract year.

An experience step and educational attainment shall be provided to eligible members in 2017-2018 each year of this agreement effective July 1. Members on a plan of improvement are not eligible for step movement and educational attainment.

Effective January 1, 2019 of this agreement, the zero step will be removed and the salary schedule will be renumbered, retroactive to July 1, 2018. As a result of this renumbering, members who receive experience step movement will be placed at the same step number for the remainder of the 2018-2019 school year.

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AEA Date 11-14-2018

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ASD Date 11-14-18

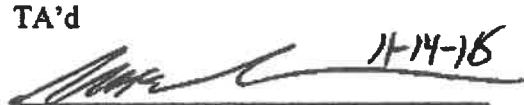
**SALARY PLACEMENT LANE MOVEMENT MATRIX**

July 1, 2018	January 1, 2019
0 → → ↓ ↓	
1 →	0 → → ↓ ↓
2	1 ↓ ↓
3	2
4	3
↓	↓
Through Step 20	Through Step 20

Members hired to begin work for the 2011-2012 school year and school years thereafter are required to have a Master's Degree after reaching BA 36 in order to continue to make lane movement.


- C. Vertical movement on the salary schedule shall be limited in any one year to two steps.
- D. Fractional years of teaching, either through teaching full days on contracts for less than a full term or through teaching part of a day on full term contracts or part of an instructional day on contracts of less than a full term shall be converted to full school terms in determining creditable service, so long as the combined total equals 180 days or more. Part-time teaching contracts must specify the term of the contract. Not more than 180 days toward a creditable year may be accrued in a school year.
- E. A member serving for more than five consecutive days in a specific position and who is subsequently contracted for that specific position shall be allowed fractional experience creditable for salary placement and seniority in the District for days worked.
- F. The District shall provide up to five-six years of prior experience credit for placement on the salary schedule, For placement on the Master's schedule, in 2018-2019 six years of prior experience credit, in 2019-2020 seven years of prior experience credit, and in 2020-2021 eight years of prior experience credit for placement on the Master's schedule, at time of hire.
- G. Members who hold Certificates from the National Board of Professional Teaching Standards shall receive a \$2000 salary supplement each year for the life of the certificate or 10 years, whichever is shorter. A \$2000 payment shall also be paid for certificates or advanced training (for Occupational and Physical Therapists only) that the District judges to be comparable to that conferred by the National Board of Professional Teaching Standards. These supplements

TA'd  
  
AEA Date 11-14-2018

TA'd  
  
ASD Date 11-14-18

shall be paid by addenda, issued by Human Resources, within sixty (60) days of the completion of all required paperwork. A District committee shall be established to review requests; the Association will appoint two members to that committee. The decision of the District regarding eligibility for the supplemental payment shall be final.

- H. The following are hard-to-fill positions nationwide. The District may wish to compensate these positions with a supplemental wage: Audiologist, CTE Teachers, Occupational Therapists, Physical Therapists, Psychologists, Speech Language Pathologists, Teachers of the Blind and Visually Impaired, and World Language Immersion Teachers.

TA'd  
  
AEA Date 11-14-2018

TA'd  
  
ASD Date 11-14-18



**ANCHORAGE SCHOOL DISTRICT  
ANCHORAGE EDUCATION ASSOCIATION**

**150 ADDED DUTY ACTIVITIES**

Contract addenda will be signed prior to the beginning of the activity, except by mutual agreement. In no case shall more than thirty days pass from the onset of activity before the completion of necessary addenda.


- A. Activities authorized by the Board will be compensated by assignment to one of the seven ranges shown in the following schedule. The range number at the right of each activity is the range assigned for added duty compensation amounts.

RANGE	1	2	3	4	5	6	7
AMOUNT	840.00 1000.00	1575.00	1840.00	2100.00	2520.00	3150.00	4725.00

**B. School Activities**

Activities	High School	Middle	Elementary
Basketball, Head Coach	7	5	
Assistant Coach(es)	6	4	
Cheerleader, Head Coach (per sport)	6		
Cheerleader, Assistant Coach (per sport)	5		
Cross-Country Running, Head Coach	6	5	
Assistant Coach(es)	5	4	
Cross-Country Skiing, Head Coach	7	5	
Assistant Coach(es)	6	4	
Debate	3		
Drama Competitive	3		
Drill Team Coach	2		
Football, Head Coach	7		
Assistant Coach(es)	6		
Forensics-Speech	3		
Gymnastics, Head Coach	7		
Assistant Coach(es)	6	4	
Hockey, Head Coach	7		
Assistant Coach(es)	6	4	
Intramurals (per activity)	1	1	
*Interschool academic competition	1	1	1
Rifle, Head Coach	7		
Assistant Coach(es)	6		
Soccer, Head Coach	6		
Assistant Coach(es)	5		

TA'd  
  
 AEA  
 8-7-2018  
 Date

TA'd  
  
 ASD  
 8-7-2018  
 Date

Swimming, Head Coach	7		
Assistant Coach(es)	6		
Student Council (all year)	3-4	2	1
Tennis, Head Coach	6		
Assistant Coach(es)	5		
Track & Field, Head Coach	6	5	
Assistant Coach(es)	5	4	
Volleyball, Head Coach	7	5	
Assistant Coach(es)	6	4	
Wrestling, Head Coach	7	5	
Assistant Coach(es)	6	4	
Drama (per production)	4		
Drama (Middle Level, all year)		2	
Honor Society	1	1	
Music (per activity)	1	1	1
Newspaper Advisor (per semester)	3	1	
Yearbook Advisor (per semester)	5		

\*District-approved activities like Battle of the Books, Mock Trial, Science Olympiad, Math Derby, Academic Decathlon, etc.

If authorized, all Elementary Division schools shall be funded at 7-8 Level 1 addenda, to be determined by the principal. Members may provide input to the principal for consideration.

- C. High School/Middle level club and class sponsors in activities of 40 hours or less shall be paid at Range 1 or part thereof according to Article 150 H. if the activity requires more than 20 hours outside the normal workday and when assigned in advance by a unit administrator. Pay for approved elementary activities will be at Range 1 unless otherwise stipulated. Elementary activities (such as music, intramurals, and student council) of less than 40 hours shall be compensated on a prorated basis provided the maximum number of compensated hours is clearly stipulated in the addendum and the activity is approved by the unit administrator.
- D. Activities authorized by the Board are defined as Board approved activities for which there is a signed/approved written addendum.
- E. Activities authorized by the unit administrator responsible may be sponsored without compensation being provided, by mutual consent. No addenda are necessary for such activities. The District shall not encourage, coerce, or in any way solicit such voluntary services. No reference to the non-performance of volunteer activity will be made in any evaluation/observation document, or in any evaluation conference between a member and supervisor. No request for volunteer sponsors will be circulated among members, posted

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 8-7-2018  
AEA Date


TA'd

 8-7-2018  
ASD Date

in any building, or in any manner communicated by principals, except in response to specific requests for such information by a member(s).

- F. Added duty activities not specifically provided for herein may be established by the District in keeping with the above schedule. In the event the District establishes a new Added Duty activity, it shall, upon request by the Union, negotiate the pay range.
- G. An activity at Range 1 is defined as 40 hours devoted to the activity.
- H. The District reserves the option to group High School/Middle level extra-curricular activities as an assignment in exchange for a given teaching assignment without paying an added duty salary. The District may, at its discretion, combine activities of shorter duration to allow a member to qualify for an addendum. Likewise, the District may divide a single activity between two or more members or prorate salary payments for an activity of less than 40 hours.
- I. In filling added duty positions during the school year, ~~the unit will post activity openings~~ will be posted for five business days (independent of the school calendar). The District shall prepare and distribute common job descriptions for Head Coach positions in all major sports. Other job descriptions will be developed at the school and shall include a list of basic expectations for the position. ~~The p-Posted vacancy announcement must specify whatever special qualifications are required. Building candidates will be considered first. If no building candidate is selected, t~~ The opening will be posted throughout the District. A minimum of three Bargaining Unit candidates will be interviewed if at least that number has applied. ~~If no District candidate is hired, out-of-District applicants will be considered.~~ In assessing the qualification of applicants, the District shall give preference to in-district Bargaining Unit applicants as long as their qualifications are relatively equal. If the District determines that an in-district Bargaining Unit applicant should not be selected because an outside applicant possesses substantially greater skills and qualifications, it shall set forth in writing the reasons for its determinations both to the unsuccessful in-district applicants and AEA's grievance committee.
- J. ~~Should the Board choose not to rehire a bargaining unit member for an added duty assignment for a subsequent year, the member will be notified of this on or before the last day of the school term~~ Added duty assignments may be terminated with 45 calendar days written notice. Notice in advance of 45 calendar days Such advance notice will also be provided, to the degree possible, of the elimination of a member's added duty assignment. ~~When performance problems arise with a Head Coach/Publications Advisor who has served for three (3) or more years, principals may elect to place the coach on probation for one season, prior to deciding whether or not to~~

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 AEA  
 8-7-2018  
 Date

TA'd  
  
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 8-7-2018  
 Date

~~non retain. Probation status will be limited to circumstances and problems which principals believe can be overcome. The District retains its right to non-retain without a probation if it believes the interests of the school and/or program will be better served. At the member's request, a written statement of the reason will be provided; however, the determination of the District will be final. The Association and the District shall develop a performance standards protocol to address performance concerns of an added duty activity addendum holder.~~

K. When performance problems arise with a Head Coach/Publications Advisor who has served for three (3) or more years, principals may elect to place the coach on probation for one season, prior to deciding whether or not to non-retain. Probation status will be limited to circumstances and problems which principals believe can be overcome. The District retains its right to non-retain without a probation if it believes the interests of the school and/or program will be better served. At the member's request, a written statement of the reason will be provided; however, the determination of the District will be final. The Association and the District shall develop a performance standards protocol to address performance concerns of an added duty activity addendum holder.

L. The District will commit \$30,000 during the life of this agreement to reimburse members selected to provide added duty under this section for the cost of a certificate required by the Alaska Association for School Activities for coaches/sponsors in the affected areas. Reimbursement shall occur on a first come, first served basis and shall be available only to those receiving addenda for activities that require possession of the certificate. Requests for reimbursement shall be presented to the school principal.

TA'd

 8-7-2018

AEA

Date

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 8-7-2018

ASD

Date



**ANCHORAGE SCHOOL DISTRICT  
ANCHORAGE EDUCATION ASSOCIATION**

**155 SALARY FOR ADDITIONAL DUTY POSITION**

**A. Department Chairs in Regular Secondary Education**

The District may elect to create and support Department Chair positions. A member who serves as Department Chair shall be paid according to the following schedule:

Number of members reporting to a Range (per Article 150 A.)  
Department Chair

3-8	Range 5
9-17	Range 6
18 or more	Range 7

The District retains the right to provide an additional conference period as partial compensation. Should an additional conference period be provided, the category of payment shall be two ranges lower than listed in 155 A.

Department Chairs shall not be responsible for evaluation or supervision of members. Department Chairs may provide input on a member's evaluation.

**B. Department Chair in Special Education**

The District may elect to create and support Special Education Department Chair positions. A member who serves as Special Education Department Chair shall be paid according to the following schedule and may be assigned direct teaching responsibilities:

TA'd

  
AEA Date 11-14-2018

TA'd

  
ASD Date 11/14/2018

Number of members and Teacher Assistants reporting to a Department Chair      Range (per Article 150 A.)

3-8      Range 5

9-17      Range 6

18 or more      Range 7

Department Chairs shall not be responsible for evaluation or supervision of members. Department Chairs may provide input on a member's evaluation.

C. Elementary

The principal may designate addenda for the following positions:

1. Elementary Curriculum Contact

This position provides support to members, training, or other areas determined to be of need to the school.

2. Technology Assignment

This position provides support to members, training, maintenance of equipment, or other areas determined to be of need to the school.

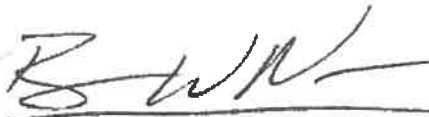
3. Student Support Team Coordinator


This position provides support to team members, training, scheduling of meetings, development and coordinating of agendas, notification to attendees, or other areas determined to be of need to the school.

4. Test Coordinator

This position provides support to coordinate state & district tests at the school.

These positions shall carry a Range 1 addendum and will be selected in the same manner and operate under the rules established in Article 150. No member shall be required to serve in these positions. Positions of less than forty (40) hours shall be compensated on a prorated basis provided the maximum number of compensated hours is clearly stipulated

  
AEA 11-14-2018

 11/14/2018

in the addendum. Individuals holding these positions are automatically released at the end of the school year.

D. Elementary Teacher-in-Charge


1. A member who serves as elementary teacher-in-charge shall be provided a written "standard operating procedure" manual covering procedures for dealing with probable situations, such as accidents or parent complaints for which the principal is responsible.
2. Teacher-in-charge shall have the same protection as provided for the principal while acting for the principal.
3. A member designated by the principal as teacher-in-charge for the school year will be paid at Range 3 as provided in Article 150, Added Duty Activities. If the school has an assistant principal or intern pay will be at Range 1. Pay will be prorated while serving for less than a full school term.
4. When the principal is out of town for five consecutive student days and a substitute administrator is not provided, a substitute teacher shall be provided for the teacher-in-charge for a minimum of one-half of the time of principal absence. When the principal is out of the building for a shorter duration, decisions with regard to substitute coverage will be made on a case-by-case basis.

E. Secondary

1. A member designated by the principal as a 504 coordinator for the school year will be paid at Range 2 per semester as provided in Article 150, Added Duty Activities. Pay will be prorated while serving for less than a full school term.
2. A member designated by the principal as a test coordinator for the school year will be paid at Range 1 per year as provided in Article 150, Added Duty Activities. Pay will be prorated while serving for less than a full school term.

F. Building School Liaison for New Hires

Should a principal choose to participate in the AEA/ASD building induction program, an AEA building liaison will be selected from the staff at the site and paid a Range 1

  
AEA 11-14-2018

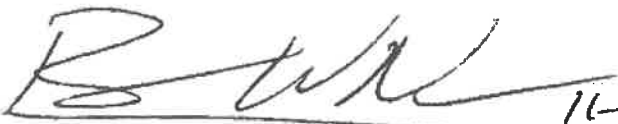
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**addendum as provided in Article 150 Added Duty Activities. Liaison responsibilities developed by the AEA and ASD will be provided to the liaison prior to the signing of the Range 1 addenda. No member shall be required to serve in these positions.**

**G. Summer School Assignment**

Summer school assignments are for one summer school term only and all members are automatically released at the end of the term and must reapply for future summer school opportunities. All positions will be posted and the qualifications required shall be listed on the PVA. Participation in any summer teaching activity will be voluntary.

1. Members assigned to summer school duties shall be paid at their current per diem rate or appropriate portion thereof, depending on time on duty. However, effective July 1, any change in the per diem rate will be reflected on new or continuing contracts.
2. Regular Summer School vacancies shall be posted in the Human Resources Office and in all schools and shall list any special qualifications required. District candidates will be considered first. By consideration is meant that applicants are sought, their qualifications evaluated with respect to those required, and decisions made as a consequence of such evaluation. A minimum of three candidates will be interviewed if at least that number has applied. If no District candidate is hired, out-of-District candidates will be considered. Applicants will be notified of the status of their candidacy.
3. Summer service provided to Special Education students will be arranged by the Special Education Department.

  
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11-14-2018

  
11/24/2018



**ANCHORAGE SCHOOL DISTRICT  
ANCHORAGE EDUCATION ASSOCIATION**

**205 HEALTH BENEFITS**

For the ~~2017-2018~~ 2018-2019 year, the District shall contribute toward the cost of health care, \$1,645 monthly per eligible member (.75 or greater FTE) who elects health coverage. In 2019-2020 and 2020-2021 the District shall contribute \$1,695 monthly per eligible member, through the Public Education Health Trust (PEHT).

This contribution shall be transmitted to the PEHT account with the clear understanding that such funds may be used only to provide a comprehensive health plan for Anchorage School District teachers. The District shall have no obligation or responsibility for any aspect of plan selection or for administration of benefits offered under whatever plan may be purchased by the Association.

- A. The District will apply the full amount of waiver funds retained in prior fiscal years to the members' portion of the premium amount on a monthly basis until the retained funds from the prior fiscal years are expended.

The District will deposit a one-time payment of ~~\$800,000~~ 1.9 million into the waiver/reserve fund on or before February 1, 2018~~9~~.

An independent accounting of the waiver monies will be provided by the District to the Association as agreed upon by the parties.

- B. The following procedures will be adhered to with respect to the timing of the District's contribution of funds to the PEHT:
- The District will run an initial eligibility report, and based on that report will transmit the agreed-upon District contribution per member times the number of members on the initial eligibility report to the PEHT within five District working days of the first of the month.
  - Prior to running the next month's eligibility report, the District will reconcile the actual number of eligible members with the number on the initial eligibility report, make any necessary adjustments and include any credit or debit adjustment with the next remittance of District contributions. A possible exception may occur with the June payment: if the reconciliation for June indicates the District needs to take a credit, it will be deducted from the June transmittal of the deductions taken from members' checks.

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- Failure to meet the deadlines for District contributions more than four times in one fiscal year will subject the District to a late payment penalty of one hundred ten (\$110.00) dollars per day for each day beyond the 5<sup>th</sup> District working day of the month for the remaining contributions deadlines in that fiscal year.
- Deductions from AEA members' checks for health insurance will be transmitted within five District working days following the issuance of the members' checks.

The details of the health plan for members shall be determined by the Association, in accord with its agreement with the PEHT.

1. During open enrollment, the District shall make available to members the enrollment/waiver form as supplied by the Association.

Members who chose to waive health insurance benefits during open enrollment must provide proof of insurance coverage through another plan to the PEHT and the District. Members may waive or enroll for health coverage under a qualifying event as defined in the PEHT. The waiver will go into effect the first of the month following receipt of the waiver from the Trust by the District.

- C. Benefits provided shall be described in an electronic format by the Association and made available to all members. The Association shall convey changes in services or benefits in writing to all members, as deemed appropriate and necessary.

- D. Members on District-approved long-term unpaid leave, laid-off members, or members who terminate their employment may elect to pay the full cost of the health plan then in effect in accordance with the provisions of the Consolidated Omnibus Budget Reconciliation Act of 1986. All arrangements for such continued coverage must be made with the appropriate representatives of the PEHT, or designee, in coordination with the District's Benefits Department.

- ~~E. The District shall provide, at no cost to the member, a physical examination to minimally meet the requirements of the Department of Education and Early Development.~~

- ~~F.~~ E. The following conditions apply to members who are resigning or retiring at the end of a school year:

1. Members who submit a Notice of Resignation for the purpose of retirement with an effective date of the last day worked in a contract year, by 5:00 p.m. on the last District workday in March of that contract year, will have their health care coverage continued

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Date

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Date

through June 30. The member will be responsible for any employee contribution amounts owed for the month of June.

2. Members who submit paperwork resigning from their position with the District effective on the last day worked in a contract year, by 5:00 p.m. on the last District workday in March of that contract year, and who have not obtained coverage through another employer, will have their health care coverage continued through August 31. The member will be responsible for employee contribution amounts owed, if there are any, for the months of June, July and August.
3. Members planning to apply to teach summer school prior to their retirement or resignation will submit a Notice of Resignation for the purpose of retirement or resignation to the District, effective on the last working day of summer school, by 5:00 p.m. on the last working day of March. If not selected to teach a summer school session, their last working day will be changed to reflect the last working day of the contract year. These members will continue to have health care coverage until they begin receiving retirement medical coverage, but in no case later than August 31<sup>st</sup> of that year.
4. Members who qualify for and elect disability retirement after the last workday in March but prior to the start of a new contract year will continue to have health care coverage up to the beginning of the month they start receiving disability retirement medical coverage, but in no case later than August 31<sup>st</sup> of that year.
5. Members who are retiring prior to the start date of a new contract year, but who will not reach retirement age until July or August following the end of a contract year, will have their health care coverage continued up to the month they begin receiving retirement medical coverage – but no later than August 31<sup>st</sup> – provided they submit a Notice of Resignation for the purpose of retirement, effective at the end of the month in which they reach retirement age, by 5:00 p.m. on the last District workday in March of that contract year.
6. Members who notify the District of their resignation after the last ASD workday in March but before the last workday of the school year, will retain coverage through the end of the month in which their last workday occurs.

Members who submit their notice of resignation to the District after the last work day of the school year will lose their coverage at the end of the month in which their notice of resignation was submitted. Said members shall then be responsible for both the employer and employee contribution for any months of coverage received after

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May. Failure of the member to pay both these amounts to the NEA Health Plan Trust will result in the matter being sent to a collection agency.

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[Signature] 11-14-18

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Date

**ANCHORAGE SCHOOL DISTRICT  
ANCHORAGE EDUCATION ASSOCIATION**

**210 LIFE INSURANCE**

- A. The District shall provide, on a non-contributory basis, a group Life and Accidental Death and Dismemberment Insurance Plan. Coverage shall be for three times the member's annual salary rounded to the next higher \$1,000 to a maximum of \$100,000 as described in the insurance policy between the District and the insurance carrier. In the event of an accidental death, the insurance shall pay an additional amount equal to the basic life insurance amount. The program of benefits will be described in the insurance policy between the District and the insurance carrier.
- B. Members may purchase, at their expense, and at the then current group rate, supplemental term life insurance in an amount equal to the difference between three times their annual salary and \$100,000. Member contributions shall be made by payroll deduction.
- C. Members may purchase, at their expense, at the then current rates, life insurance for eligible dependents in accordance with current Alaska Statutes and as described in the insurance policy between the District and the insurance carrier.
- D. Upon termination, a member may elect to convert the life insurance coverage provided by the District during the period of the member's employment. If such election is made, the terminated member shall pay all the premiums for the insurance. The conversion rate shall be established by the insurance carrier. The maximum face value of such insurance may not exceed that of the coverage in force on the member immediately prior to the member's termination.

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AEA Date 11-11-2018

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ASD Date 11-14-18



ANCHORAGE SCHOOL DISTRICT  
ANCHORAGE EDUCATION ASSOCIATION

402 ACADEMIC FREEDOM

Members enjoy academic freedom in the District. Members are free to present instructional materials that are pertinent to the subject and level taught, within the outlines of the appropriate course content, the planned instructional program, and in accordance with School Board policy.

Members have a professional responsibility to meet student learning styles and differentiate instruction. Educators prepare lesson plans, adjust lessons, utilize supplemental teaching materials, create an appropriate learning environment, and administer appropriate assessments.

Members shall also be entitled to freedom of discussion within the classroom on all matters relevant to the subject matter under study within their areas of professional competence. Facts concerning controversial issues shall be presented in a scholarly and objective manner and shall be pedagogically justifiable and discussion shall be maintained within the outlines of the member's course content. Members shall not be censored or restrained in the performance of their duties exclusively on the grounds that the material discussed and/or opinions expressed are controversial.

Members may provide additional time for physical activity in keeping with school schedules and District expectations and state requirements.

The submission of lesson plans shall only be required for a member on a plan of growth or a plan of improvement, or if the Administrator has a specific previously documented performance concern.

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Date

**ANCHORAGE SCHOOL DISTRICT  
ANCHORAGE EDUCATION ASSOCIATION**

**403 SERVICES FOR STUDENTS WITH ~~DISABILITIES~~ RECEIVING SPECIAL EDUCATION SERVICES**

The District and the Association are committed to providing the best possible education for all students, ~~including students with disabilities~~. To help prepare members to address the great variety of student needs ~~found in regular classrooms~~, the following is provided:

A. If, in the judgment of the Individual Education Plan (IEP) team, supplemental supports and services are needed for the member to meet the needs of the eligible student, each must be included in the IEP. The District will provide those services as designated. IEP team decisions are made by consensus, whenever possible. The District representative may schedule extra meetings, to allow for full discussion of concerns. In the event consensus cannot be reached, the District's decision will stand. The District will make training options available during the work day, state released professional development days, evenings, and weekends to affected members in at least, but not necessarily limited to, the following areas:

1. The various methods required to work with the special needs of students with disabilities in order to integrate them effectively into regular classroom instruction.
2. Alternative instructional strategies which enable them to utilize appropriate interventions, i.e. behavior ~~modification~~ support, de-escalation, to deal support with a variety of behavioral needs and learning styles within a given classroom environment.
3. Familiarity with the use of resources and materials available for working with students with disabilities.
4. Methods and skills to develop and convey to other students in the class an appropriate sensitivity to the needs and feelings of students with disabilities.
5. Methods and skills to assist in assessing students with disabilities, to help determine eligibility, and to evaluate the students' progress.
6. Update of paperwork procedures and recordkeeping.

B. The District is committed to serve the needs of students in accordance with developed education plans as defined by Board Policy, State and Federal laws. The District's

TA'd

  
AEA Date 11-14-2018

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ASD Date 11-14-18

**State of Alaska Special Education Handbook and Anchorage School District Procedure Guidance**, which contains information regarding the implementation of ~~current law~~ **Special Education and legal requirements**, will be are available to all certificated staff through the District's website intranet.

- C. IEP teams will identify students with disabilities whose behavior interferes with their own learning and the learning of others. Behavior support plans will be developed, implemented and revised as needed. If one or more members of the IEP team believe that modifications to the IEP or behavior plan are needed, the team shall meet to modify the plan.
- D. The IEP team will review and determine the least restrictive environment in meeting the needs of students with disabilities. In establishing the plan of service for a student with disabilities, the IEP Team will consider factors allowed under law, which may include:
1. The educational benefits of placement full-time in a regular class;
  2. The non-academic benefits of such placement;
  3. The effect of the student on the member and children in the regular class; and
  4. The costs involved so long as costs are not the sole determining factor.
- E. **As part of the team's discussion in the development of the draft individual educational plan, teachers will have the opportunity to provide input regarding the services for students.** The District will make every effort to ensure that student placements services are reviewed often enough to ensure meaningful inclusion placement. To help in this regard:
1. **The District will follow state of Alaska Special Education Handbook for IEP attendees. At least one of the m**~~Members expected to implement plans of service contained in IEPs will be a member of the IEP Team and is~~ **are** free to express concerns to the district representative; ~~other members involved may be invited to attend IEP meetings as needed;~~
  2. IEP Team members are free to express concerns candidly during the development of the IEP;
  3. No member of the IEP Team shall suffer reprisals or be subjected to disciplinary action solely for expression of a dissenting opinion or for informing parents or students of their rights under state and/or federal law, prior to the adoption of the IEP or for raising objections at any IEP Team meeting called subsequent to the adoption of the IEP;
  4. IEP Team members may request to reconvene the Team to review the IEP.

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AEA

11-14-2018  
Date

TA'd



ASD

11-14-18  
Date

5. When possible, IEP meetings shall be scheduled within the workday, excluding elementary planning time and duty-free lunch, unless the member approves the exception. The District shall provide coverage for members required to be at the meetings during student contact time. ~~When meetings are scheduled for the workday but extend 45-30 minutes beyond the workday, or when the principal or designee schedules a meeting totally outside the workday, For meetings which last more than 15 minutes beyond the workday,~~ a compensation plan (which may include flexing the work schedule) for the extended time shall be mutually developed by the member and the principal.

In the event of monetary compensation, it shall be paid at the rate of \$30.00 per hour, in half-hour increments, to members who are required to participate in IEP meetings.

When IEP meetings are prescheduled, it is a professional responsibility for members to schedule their workday to maximize meeting participation.

- F. Members assigned students with disabilities shall be ~~apprised~~ notified by the principal or Special Education Department Chair of their right to request an IEP conference to review placement goals and responsibilities;
1. The division of responsibilities regarding grading and reporting the progress of students with disabilities shall be designated in the IEP as appropriate.
  2. As part of the IEP team process, members shall be informed of and may request training to meet the needs of an exceptional student, as indicated in "A" above. Any member of the IEP team may request an IEP meeting to address this issue.
- G. When a previously identified ~~special-needs~~ student transfers from another school or district, a review of classroom assignment options, consistent with the IEP, shall be undertaken by appropriate building staff, including a classroom teacher. To the degree possible, members shall be notified prior to the placement of a student with disabilities and of the availability of the following information if not in violation of federal and/or state confidentiality rules with which the District is required to comply:
1. ~~Evaluation Summary and Eligibility Report (ESER);~~
  2. ~~Critical medical needs and conditions; medical service for a student with disabilities that must be provided by properly trained personnel, usually nurses. A school nurse shall not be held liable for actions of non-nursing personnel performing medical services for a student with disabilities;~~
  3. ~~Information from parents;~~
  4. ~~Student's initial and current IEPs;~~

TA'd  
  
AEA  
11-14-2018  
Date

TA'd  
  
ASD  
11-14-18  
Date

~~5. School Discipline Reports, Functional Behavior Assessments, and Behavior Intervention Plans if available.~~

~~6. Reports of violent behavior.~~

1. Current IEP

2. Functional Behavior Assessment (FBA)

3. Behavior Intervention Plan (BIP)

4. Student Summary Sheet

5. Identifications of violent behavior

H. Special needs equipment, materials and essential building modifications required for the implementation of IEPs shall be provided and completed consistent with Federal, State and Municipal guidelines.

1. The District recognizes the need for Special Education Departments and Related Services to have access to a printer in a location that will provide necessary privacy. The District will identify an area in each location and provide a printer for this purpose.

2. The District will attempt to make available a computer with appropriate software for use during IEP meetings.

3. Essential equipment as determined by the IEP will be provided.

4. Personal protective equipment (PPE) as required by OSHA will be provided to staff to support student needs.

I. Alternate Assessment

The District recognizes the impact of Alternate Assessment on Special Education members' work load. ~~Members should work with their Unit Administrator and the Special Education Department to address needs as they arise.~~ Members may receive release time to administer alternate assessment tests if there is an identified need as determined by Unit Administrator.

J. ~~Elementary Multiple Disciplinary Team (MDT)~~ Release Time

~~Based on student needs, MDT time~~ Two days per quarter will be provided to each Special Education member and Related Services personnel for the purpose of performing the varied tasks and responsibilities specific to delivery of services to students with disabilities,

TA'd

  
AEA  
Date 11-14-2018

TA'd

  
ASD  
Date 11-14-18



including but not limited to meetings, testing and evaluation, data collection, paperwork, collaboration, child find duties, and consultation. This time is separate and distinct from regular planning time, ~~and additional time should not exceed 2 hours per week on average.~~

**K. Special Education Standing Committee**

The District agrees to maintain a Special Education standing committee to address issues that arise in Special Education. The committee will be comprised of the ~~Assistant Superintendent of Instructional Support~~ **Chief Academic Officer** (or designee), ~~Executive~~ **Senior** Director of Special Education (or designee), principal(s), and AEA members who can represent Elementary Special Education, Secondary Special Education, and Related Services. The committee will identify issues, develop possible solutions and make recommendations to the Superintendent.

**L. Behavior and Discipline**

1. ASD will provide supports and training for special education and regular education classroom teachers with students who exhibit violent and disruptive behaviors.
2. Students who have been removed from the classroom for violent or severely disruptive behavior shall only be returned to the classroom after appropriate action has been taken. It is strongly encouraged that a meeting between the member, administrator, and parent occur prior to the student returning to the classroom.

TA'd

  
AEA Date 11-14-2018

TA'd

  
ASD Date 11-14-18

**ANCHORAGE SCHOOL DISTRICT  
ANCHORAGE EDUCATION ASSOCIATION**

**428 TIME AT DUTY STATION**

The District and the Association recognize and agree that the members' responsibility to the students, community, and profession generally entails the performance of duty and the expenditure of time and service beyond classroom duty hours.

- A. Members shall be on duty for a combined total of 60 minutes before and after the student day, exclusive of the duty-free lunch period unless specifically excused by the principal. A member's flexible schedule shall not interfere with regularly scheduled school related meetings or assigned duties but discretion in adjusting schedules following work-related evening commitments, consistent with safety and professional responsibility, is expected. Breakfast in the classroom shall not begin more than 10 minutes prior to the start of the student day. (e.g. Elementary 8:50am)

This provision allows members to best utilize their planning and conference times to meet the needs of the individual member and parents of the students served. Members shall notify parents each fall regarding available hours when conferences may be most easily scheduled. Other times may be arranged as necessary to assure parents opportunities for discussion with members regarding student performance. Time at duty station for double-shift or schools with shortened schedules shall be negotiated with the Association and implemented subject to approval of the plan by the Commissioner of Education.

- B. Members shall be provided a duty-free lunch period of at least 30 consecutive minutes as defined in AS 14.20.097 exclusive of up to a total of 10 minutes passing time, as determined by the principal. Members assigned to more than one building shall be provided schedules that include at least 30 consecutive minutes for duty free lunch, and sufficient time to travel between assignment locations. Whenever possible, the schedules for itinerant specialists will be structured to allow set-up and take-down time.
- C. A committee, including classroom teachers, specialists (e.g. art, music) and building principal, will be established in each elementary school to collaboratively create the elementary master schedule. Transition times will be considered with the development of the schedule. The principal has the ultimate responsibility for determining the elementary schedule.

TA'd  8-7-2018  
AEA Date

TA'd  8-7-2018  
ASD Date

- D. The 60 minutes beyond the student day shall be utilized in such a manner to maximize the efficient use of time for planning and conferences (i.e., 45/15 or 15/45). In no case shall the normal member workday begin or end less than 15 minutes before or after student day. This provision allows members to best utilize their planning and conference time to meet the needs of the individual member and parents of the students served. A member's flexible schedule (45/15 or 15/45) shall not interfere with regularly scheduled staff meetings or assigned duties. Upon request, members will provide unit administrators their planned flexible schedules.

Members may leave the building at any time during which they are not assigned duties, providing they sign out when they leave and sign in when they return.

- E. Consistent with Article 428 A., members are expected to give precedence to faculty meetings, curriculum development meetings, professional development or assigned school duties. A full faculty meeting or professional development will normally be scheduled no more often than twice per month and not exceed the student day by more than one and one-half (1 ½) hours. So long as their personal schedules allow, members are expected to give precedence to education-related District meetings.
- F. Members shall be expected to attend one open house per year unless the member has a legitimate reason to be excused.

TA'd

AEA

Date

8-7-2018

TA'd

ASD

Date

8-7-2018

ANCHORAGE SCHOOL DISTRICT  
ANCHORAGE EDUCATION ASSOCIATION

450 INSTRUCTIONAL PROGRAM INPUT PROCESS

1. The Association and District agree to collaborate on how to best meet student needs. If a change in practice, program, and/or services is to be considered, the following committee framework will include:
  - A. Description of how the proposed program helps meet the District's strategic goals
  - B. Program overview and student academic objectives
  - C. Implementation plan to include: training dates, program start dates, expected time utilization, dates for program evaluation / effectiveness, employee categories & list of employees who will be participating.
  - D. Plan for program evaluation
  - E. Association appointed member representatives.
2. The Committee shall be tasked with making program and curriculum recommendations to the Superintendent.

TA'd

 11-14-2018  
AEA Date

TA'd

 11-14-18  
ASD Date

**ANCHORAGE SCHOOL DISTRICT  
ANCHORAGE EDUCATION ASSOCIATION**

**615 DURATION**

- A. This Agreement and each of its provisions shall be binding and effective as of July 1, 201718 and shall continue in force and effect through June 30, 201821. Bargaining will proceed in accord with timelines and processes defined in Article 505.
- B. The Association agrees that during the life of this Agreement there will be no Association strike or job actions. The Association and its officials shall take such reasonable action as may be necessary to prevent and terminate any such activity.
- C. The District agrees that during the life of this Agreement there will be no lockout.
- ~~D. The parties agree to limit items open for bargaining to Articles 105, 110, 205, 210, 615 and up to two additional articles selected by each party (excluding the 300 series).~~

TA'd

 11-14-2018

AEA

Date

TA'd

 11-14-18

ASD

Date



**ANCHORAGE SCHOOL DISTRICT  
ANCHORAGE EDUCATION ASSOCIATION**

**~~719~~ AGENCY FEE**

- ~~A. It is recognized that the responsibility of the exclusive representation of members under this agreement entails expenses that appropriately are shared by all members who are beneficiaries of this agreement.~~
- ~~B. The District, as a condition of employment, agrees to deduct an annual fee equal to the unified teaching profession dues, fees and assessments, in equal installments corresponding with each paycheck, from the pay of any member who does not become a member of the Association. Following such authorized deductions, the District shall transmit these agency fees directly to the Association, along with the dues withheld by the District for members in good standing.~~
- ~~C. Consistent with AS 23.40.225, a member who objects to payment of an agency fee may apply for an exemption. Upon order by the State of Alaska Labor Relations Agency, the Association, after payroll deduction or receipt of the fee, will pay an amount equal to the representation fee to a charity or scholarship fund. The Association shall forward to the charity or scholarship of its choice the fees deducted by the District and shall provide proof of payment to the State Labor Relations Agency.~~
- ~~D. The Association agrees to indemnify and hold the Board harmless against any liability and pay all costs and attorney's fees that may arise by reason of any action taken by the Board in complying with the provisions of this article. This indemnification shall not apply to any claim, demand, suit or other form of liability that may arise as a result of any negligence or willful misconduct by the Board.~~
- ~~E. Within five workdays the District will notify the Association of all new members, and of those resigning or whose contracts are being terminated.~~

TA'd

  
AEA Date 11-14-2018

TA'd

  
ASD Date 11-14-18

**ANCHORAGE SCHOOL DISTRICT  
ANCHORAGE EDUCATION ASSOCIATION**

**720 DUES DEDUCTION**

- A. The District shall accept payroll deduction for Association dues or fees authorized by the employee, ~~on a form provided by the District. Authorization shall continue from year to year, unless the member terminates or notifies the Association of a change in membership status prior to August 31. Any requested cancellation of membership will be directed through the Association president. The Association shall notify the District in writing prior to August 31 of deletions of payroll deduction authorization.~~
- B. The District shall withhold a standard designated dues or fees amount on a continuing basis. The Association shall notify the District prior to the first day of each school year of the standard dues or fees for part-time and full-time employees. For purposes of determining dues/fees obligation, there are three categories of member: full time, part time, and quarter time. The District and Association shall prepare and jointly sign a Dues/Agency Fee Schedule.
- C. The District shall withhold dues or fees in equal payments on a monthly basis and transmit them to the Association beginning with the first pay voucher following receipt of the payroll deduction form. The payroll deduction form shall provide for language authorizing the Association to increase or decrease the member's annual amount of dues or fees.
1. A member who starts work after August 31 (the last day for accepting changes for the September payroll) shall provide payroll deduction authorization for dues/fees for whatever number of months remain in the school year, limited by the dates by which Payroll changes must be received, e.g. if the member start date is October 15 (five days after the last day to make payroll changes), the dues/fees deduction service would begin November 30. The District is not responsible for collection of arrearages and will only collect authorized deductions according to the standard schedule provided by the Association.
  2. The payroll deduction service offered to members by the District will be strictly limited to one of the three amounts per month shown on the Dues/Agency Fee Schedule referenced above. Newly hired members who elect dues deduction will pay the designated amount for whatever number of months remain in the school year.
  3. Should a member's full- or part-time status change during the year, either from less than full-time to full-time, or the reverse, a change in dues/fees obligation would begin on the first of the month following the change.
- D. Payroll deduction for membership dues or fees is the exclusive right of the Association and shall be the sole method available to members for payment of regular dues/fees but shall not be available for payment of arrearages.

TA'd

 11-14-2018

AEA

Date

TA'd

 11-14-18

ASD

Date

E. The Association agrees to indemnify and hold the District harmless against any liability that may arise as a result of Article 720.

**F. Bargaining Unit Member Information**

The District shall provide the following bargaining unit member information, in an electronic format compatible with Microsoft Excel, to the Association President no later than September 15 of each year and on a monthly basis thereafter with any additions and/or change in information:

Name

Home address

Phone numbers provided to the District

Work email address

Work location

Position

District seniority date

Union seniority date

Full time equivalent (FTE) status

List of unit members participating in payroll deduction of Association dues

**G. Onboarding**

The Association and the District will jointly prepare and present onboarding meetings with new hires prior to the start of school. These meetings will be limited to approximately 20 members each. New hires after the start of the school year will receive similar onboarding opportunities in either small groups or individually within 15 workdays.

**H. Orientation**

The District shall provide an annual new bargaining unit member orientation (orientation fair) for all newly hired bargaining unit members to take place within one week of the start of the school year. The Association and District will jointly plan and participate in the orientation event.

TA'd

 11-14-2018  
AEA Date

TA'd

 11-14-18  
ASD Date

**LETTER OF UNDERSTANDING**  
between the  
**Anchorage School District**  
and the  
**Anchorage Education Association**

**Elementary English Language Arts Program Review**

The District and Association are committed to work together in collaboration. The District will schedule a committee to review the Elementary English Language Arts curriculum and implementation following the committee process outlined in Article 450 of the ASD/AEA Collective Bargaining Agreement.

The committee will begin their review within 60 days of the adoption of the Collective Bargaining Agreement.

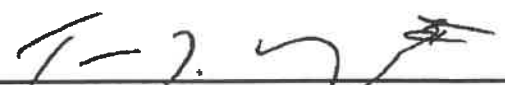
The District and the Association will request the Federal Mediation and Conciliation Service (FMCS) assist the committee by conducting training for committee members on consensus decision making and in facilitation of the committee work.

AGREED

  
\_\_\_\_\_  
Todd Hess, Chief Human Resources Officer  
Anchorage School District

11-14-18  
\_\_\_\_\_  
Date

AGREED:

  
\_\_\_\_\_  
Thomas Klaameyer  
President, Anchorage Education Assoc.

11-14-18  
\_\_\_\_\_  
Date

**LETTER OF UNDERSTANDING**  
**between the**  
**Anchorage School District**  
**and the**  
**Anchorage Education Association**

**Mid-Level Schedule Review**

**Purpose:** Both the District and Association are committed to resolving mid-level concerns regarding workload and student achievement. The District and Association will have a committee in place to begin before November 30th, 2018. Mid-level schedules will be implemented in the 19/20 academic year.

**Goal:**

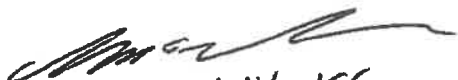
- Focusing on student needs, work to design a mid-level schedule utilizing five teaching periods.

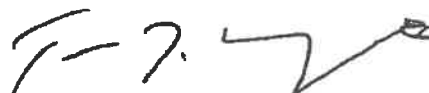
**Parameters:**

- MTSS intervention needs
- Elective Exploration
- Rotating course schedule
- Alaska Safe Children's and Lions Quest curricula
- Planning Time

**Objectives:**

1. Examine the following areas:
  - a. Student needs
  - b. Student academic course load
  - c. Teacher workload
  - d. Schedules and their impacts on academic outcomes
2. Utilize a variety of data and input sources. (ie: assessment data, teacher survey, schedule models, the effects on the entirety of our ASD community input, available FTE, etc.
3. Reports will be submitted to District and Association:
  - a. December 7th, 2018
  - b. December 21st, 2018
4. Final recommendations will be submitted to the Superintendent and School Board by January 15th, 2019.

  
11-14-18

  
11-14-18



**Sample Schedule Model**

Monday	Tuesday	Wednesday	Thursday	Friday
1	1	2	1	1
2	2	3	3	2
3	MTSS	MTSS	MTSS	3
4	4	5	4	4
5	MTSS	MTSS	MTSS	5
6	5	6	6	6

**Tasks:**

- Designate a committee chair, create a meeting schedule and committee ground rules. The committee should meet a minimum of once a week.
- Create a scoring matrix to evaluate different models.
- Choose data points to consider, construct surveys, and make timely requests for information.
- Review and analyze data and input.
- Construct a framework of recommended schedules with analysis summary: schedules, summary analysis, associated costs.

**Recommendations**

Recommendation summaries should be thoughtful and thorough. If more than one recommendation is being considered, the summary will reflect the number of committee members in favor. All recommendations developed by committee members will be presented to the Superintendent and School Board for implementation.

**Committee Members**


Deputy Superintendent, Chief Academic Officer, Senior Director of Secondary Education, High School Principal, two Middle School Principals, and one Elementary School Principal appointed by the Superintendent. A community member will be selected to the committee by mutual agreement and up to eight Anchorage Association Members shall be appointed by the AEA President.

AGREED

  
Todd Hess, Chief Human Resources Officer  
Anchorage School District

11-14-18  
Date

AGREED:

  
Thomas Klaameyer  
President, Anchorage Education Assoc.

11-14-18  
Date





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**Our Opinion**

11/30/2018

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**Obituaries****None today****Recent obituaries:****Frederick 'Fritz' Stephens Lacour**

Frederick "Fritz" Stephens Lacour, 55, died Feb. 14, 2019, in Thorne Bay. He was born March 11, 1963, in Portland, Oregon.

**Elwood H. Douglas**

Elwood H. Douglas, 65, died Feb. 5, 2019, at the Alaska Native Medical Center in Anchorage, with his brother and sister by his side.



## KEA-District agreement OK'd: Contract ratified by School Board

By ZACHARY HALASCHAK  
 Daily News Staff Writer

It's a done deal.

In a 6-0 vote, the Ketchikan School Board on Thursday ratified the tentative agreement between the district and Ketchikan Education Association after nearly two years of protracted negotiations.

KEA had previously ratified the contract agreement on Nov. 21, and after the School Board's vote, the agreement is now settled.

Dozens of KEA members filled the Assembly chambers for Thursday's special meeting. At the outset of the meeting during the public comment portion, KEA President Meredith Lundamo thanked all of the parties involved for getting to this point.

"While neither side gets exactly what they want in negotiations, the members of KEA voted to accept this TA because it represents a compromise of both parties," Lundamo said. "... I'm truly proud of this (School) Board, KEA and this community for their support and commitment to education in Ketchikan.

Lundamo also thanked School Board President Matt Eisenhower and Human Resources Director Rick Rafter — the two members of the district's negotiating team — for their efforts.

Following the public comment period, the School Board convened a closed-

door executive session to discuss the contract. Teachers and interested parties huddled in the hallway as they awaited the School Board to come back into open session.

After about 30 minutes the School Board reconvened.

School Board Member Bridget Mattson then made a motion to approve the tentative agreement. School Board Member Glen Thompson, though, asked for the School Board to postpone voting on the measure until the next meeting, noting that he wished the public had more time to review it.

He pointed out that a speaker during the public comment portion had said that he had not heard much of the details of the agreement.

"One of the speakers who came to the podium made a very cogent point that the public hasn't had the opportunity to review or weigh in on the contract. It just hit our website today," Thompson said. "... I think it would behoove us to get some public input on that and waiting a couple weeks won't make that much difference."

Assembly Member Diane Gubatayao commented on Thompson's proposed amendment to the motion and noted that because she has been out of town recently she consulted with Eisenhower and confirmed that details about the contract had been made public in the press.

"That kind of reassured me that the information was out there, not just on our website," Gubatayao said.

In terms of salary, the contract gives teachers a 2-percent salary increase each year they stay in the district through 2020. The plan also halves monthly insurance premiums for educators.

The monthly insurance premiums to be paid by the teachers per month under the old contract were capped at:

- Employee: \$235.
- Employee and spouse/employee and children: \$377.
- Family: \$589.

[Submit](#)



The monthly insurance premiums to be paid by the teachers per month under the new TA are capped at:

- Employee: \$110.
- Employee and spouse/employee and children: \$181.
- Family: \$287.

Deductibles remain the same under the new contract.

Thompson, whose motion failed 5-1, ultimately ended up voting for the contract, but took some time during Thursday's meeting to explain trepidations he had with the agreement.

Thompson said that in the short term the contract appears to be financially sustainable, but worried about the long-term costs. He said that, "it will depend on a significant increase in local funding for schools."

"If that funding increase is not materialized, ... the terms of this agreement will cause someone to lose their job," Thompson said.

"I will not oppose their effort, even though there are legitimate concerns whether the funds will be there to implement it," Thompson said. "It will be up to those who negotiated this contract to find the funding to implement it."

Ultimately, the motion to approve the contract passed 6-0, as former School Board Member Kim Hodne submitted his resignation on Wednesday.

Following the passage, the Daily News spoke with Eisenhower who said he was pleased that the contract is now official.

"I'm feeling relieved, and I still — like I've said all along — I think about the student, I think about the classroom, I think about the different children (in) different age groups, and what this means for them to have professional, competent, loving teachers in (those) classrooms; it's the recipe for success," Eisenhower said.

KEA Vice President Sarah Campbell also said she was happy about the outcome of Thursday's special meeting.

"Delighted. This is a fair contract, I think it does a lot to include education in Ketchikan," Campbell said. "... This is a win for the community of Ketchikan."

According to district data, for fiscal year 2019 the agreement will require an additional \$1,171,497 from the Borough Assembly, \$681,260 of which is for retrograde pay. The School Board will have to request those funds from the borough.

The school reserve fund currently has a balance of about \$4 million.

The next time the School Board is scheduled to meet is for another special meeting being convened on Dec. 4 to discuss the final report of the investigation into former teacher Douglas Edwards who was charged with six counts of sexual abuse of a minor back in June. Edwards has pleaded not guilty.

[Back to headlines](#)

***\*Tentative Agreement 12 November 2018\****

	<b>KGBSD ~Proposal</b>	<b>KEA ~ Certified Proposal</b>	<b>12 November 2018 Tentative Agreement Reached</b>
<b>Duration</b>	*3 years; July 1, 2017- June 30, 2020	*3 years; July 1 2017- June 30, 2020	3 years; July 1 2017- June 30, 2020
<b>Wages</b>	2017-18 \$400 for each cell 2018-19 \$400 for each cell 2019-20 \$400 for each cell	*All Teachers will receive annual Cost of Living Increase: 2017-2018: 2.8% increase to each cell 2018-2019: 2.8% increase to each cell 2019-2020: 2.8% increase to each cell  *Addition of Longevity Step 20 and retirement incentive step R20	<b>All Teachers will receive annual increases as follows:</b>  2017-18 2% to each cell 2018-19 2% to each cell 2019-20 2% to each cell  *addition of step 19  All teachers will receive steps and lanes as per MOA for 2017-18 and 2018-19.  Language freezing steps and lanes until a successor agreement has been reached has been removed!
<b>Incentives</b>	*School psychologists, speech pathologists, and physical therapists may be given credit for all work experience done in a school setting.	* National Board Certification Merit Pay \$2000/year. *Teachers will be given full credit on the salary scale for previous teaching experience in and outside the State of Alaska.  *School psychologists, speech pathologists, and physical therapists may be given credit for all work experience done in a school setting.  *Life insurance equal to two years' annual salary will be offered to each permanent full and part-time employee, the District will pay 100% of the premium. *Increase Instructional Material Funds stipend to \$500/year per teacher.	* Pay language to \$2000 bonus to certificated staff with Doctoral Degree or pay \$2000 bonus to certificated staff who are Nationally Board Certified.  *School psychologists, speech pathologists, and physical therapists may be given credit for all work experience.  *Increase Instructional Material Funds stipend to \$400/year per teacher.
	<b>KGBSD ~ Proposal</b>	<b>KEA ~ Certified Proposal</b>	<b>12 November 2018 Tentative Agreement Reached</b>
	*District will increase FTE	*The insurance reserve fund shall be controlled and maintained by the	Insurance Premiums will be capped at: Family -- \$287/month Employee/Spouse - \$181/month



**\* Tentative Agreement 12 November 2018\***

<b>Medical Insurance</b>	<p>contribute by \$100 in first year and \$0 in next two years of three year contract. FTE \$ as follows:</p> <p>2017-2018--\$14,067 2018-2019--\$14,067 2019-2020--\$14,067</p>	<p>Insurance Committee. The insurance reserve fund will be kept in the positive. The District shall contribute the funds needed to bring the insurance reserve fund back to a positive balance.</p> <p>*FTE contribution: 2017-2018 -\$19,740 2018-2019 -\$20,240 2019-2020 -\$20,740</p> <p>*Individuals who decline the district health insurance will be provided \$250 on a monthly basis.</p>	<p>Employee/Child - \$181/month Employee - \$110/month</p> <p>Out of Pocket costs and deductibles will not increase during the duration of the contract.</p> <p>FTE was eliminated and replaced with a 90:10 split. For the duration of this contract, participating employees will pay no more than 10% of total cost of health insurance or the capped amounts whichever is less.</p> <p>Members will receive a refund on difference in premium amounts over the past 18 months. Individual --\$ 2250 Employee/Spouse -\$3,528 Employee/Child -- \$3,528 Family -- \$5,436</p> <p>A MOA creates an insurance task force to investigate multiple plan options</p>	<p>12 November 2018 Tentative Agreement Reached</p>
<b>Work Year, Hours, and Duties</b>	<p>*Teachers will work an additional two, 1/2-hours per month. These two 1/2-hours on site will be considered part of the contract day.</p>	<p>*All elementary teachers shall receive a 45 minute planning period during the student day. *Increase elementary parent-teacher conference time to 3 days. 1 full day in the fall and 4 hours (to be held after regular school hours) and 1 full day in the spring and 4 hours (to be held after regular school hours). 1 full work day for elementary at the end of the year, all to fit within the 189.5 day work year.</p>	<p>All teachers will have two work days to be determined by the calendar committee.</p> <p>1.5 parent teacher conference days, with one full day in the fall and 4 hours in the spring.</p>	
	<b>KGBSD ~ Proposal</b>	<b>KEA ~ Certified Proposal</b>		
<b>School Safety andandalism</b>	<p>*No proposal made.</p>	<p>*District will provide staff with CPR/First Aid training annually. *District will provide preventative and incident training to all certified staff to ensure educators have the knowledge to recognize and address disruptive and threatening behavior safely and appropriately.</p>	<p>The district shall notify teachers of known building conditions which may pose a health hazard. Investigative reports of building conditions shall be provided to each school site and maintained in a central location.</p> <p>Each school site will have a safety committee which includes two (2) members appointed by KEA. The committee will recommend safety practices and procedures to the building principal.</p>	

***\*Tentative Agreement 12 November 2018\****

		<p>*Teachers shall be informed when being assigned a student(s) with a known medical problem or history of behaviors that could present a threat to the safety of students or staff. Teachers receiving confidential information shall maintain student privacy rights.</p> <p>*District shall reimburse certified employees for costs incurred when clothing or other personal items are stolen, damaged or destroyed when the employee is at school or while discharging official duties off the school site.</p>	<p>The district shall notify teachers of known threats to health or safety, including possible exposure to contagious disease. No teacher under any circumstance shall search for a bomb or other destructive device.</p> <p>*Teachers shall be informed when being assigned a student(s) with a known medical problem or history of behaviors that could present a threat to the safety of students or staff. Teachers receiving confidential information shall maintain student privacy rights.</p> <p>*verbally agreed that members would submit vandalism claims to district office</p>
<b>Method of Payment</b>	*12 monthly equal installments	No proposal made. Maintain status quo.	Maintain status quo.
	<b>KGBSD ~ Proposal</b>	<b>KEA ~ Certified Proposal</b>	<b>12 November 2018 Tentative Agreement Reached</b>
<b>Class Size &amp; Staffing</b>	*No proposal made.	<p>*No elementary class shall be allowed to exceed the goal class size range until the maximum goal class size range for the grade in question has been met at all other public elementary schools. Class Size Range is set at:</p> <p>Kindergarten: 17-20 students Grades 1 - 3: 19-22 students Grades 4 - 6: 22-26 students</p> <p>*Equitable P.E. and Music instruction across the district.</p> <p>*Addition of after-school paid Math Tutor at the Secondary level.</p>	<p>Board has promised they will address class size in board policy. The board President understands this is a problem that needs to be solved. If the board is unable to rectify class size issues--the board president recommended this be addressed in next round of contract negotiations.</p>
<b>Transfers</b>	*No proposal made	*Teachers currently employed with the District will be granted first consideration	Maintain status quo

**\*Tentative Agreement 12 November 2018\***

and Teaching Assignments		when filling vacant positions. If no internal candidate applies to fill a vacancy, the District will seek external candidates.	
<b>Extra Duty Pay</b>	*Add specific Language about how to apply for extra duty assignments, selection criteria, and deadlines for each.	*Add the following extra duty positions: Middle School Survival & Camping Trip Leaders, High School NHS advisor, after school Weight Room Monitor, Elementary Spelling Bee District Chair, and high school after school Math Tutor.	The following extra duty positions were added: *Math homework club at High School \$1600/semester *NHS advisor, \$361/year *SMS--homework club, \$750/semester *SMS--camping trip leaders, \$350/trip *Weight Room Monitor, \$700/semester *Spelling Bee District Chair, \$361/year
	<b>KGBSD ~ Proposal</b>	<b>KEA ~ Certified Proposal</b>	<b>12 November 2018 Tentative Agreement Reached</b>
<b>Professional Leave</b>	*Professional Leave Committee will operate with a bank of 75 days.	KEA does not support reducing the Professional Leave bank from 116 days to 75 days.	Maintain professional leave bank at 116 days.
<b>Sick Leave</b>	*No Proposal made	*A teacher, at his/her discretion, may donate sick leave days directly to another teacher who has exhausted his/her sick leave and is not otherwise eligible to draw from the sick leave bank. Exact contract language specifies criteria for donating sick leave to colleagues.	*A teacher, at his/her discretion, may donate three (3) sick leave days directly to another teacher who has exhausted his/her sick leave and is not otherwise eligible to draw from the sick leave bank. Exact contract language specifies criteria for donating sick leave to colleagues.
<b>Bereavement Leave</b>	*A miscarriage, with a doctor's verification, shall entitle the teacher up to seven (7) days bereavement leave, not deductible from sick leave	*KEA supports the adding miscarriage language under Bereavement Leave.	With doctor verification miscarriage language was added allowing members to take Bereavement Leave.
<b>Personal Leave</b>	*Eliminate a teacher's ability to purchase (2)	*After eight (8) years of service, a teacher will be granted one additional paid personal leave day. After twelve (12) years of service	*Every teachers will receive three (3) personal days a years. *Cannot accumulate more than seven days. Reimbursed \$250 for days in excess of seven.

***\*Tentative Agreement 12 November 2018\****

	personal days at the rate of a substitute.	a teacher will be granted <u>two</u> additional paid personal leave days. * All other Personal Leave language will remain in effect.	* After eight (8) years of service, a teacher will be granted <u>one</u> additional paid personal leave day. After twelve (12) years of service a teacher will be granted <u>two</u> additional paid personal leave days. *Members can buy two (2) additional days at \$250/year. * All other Personal Leave language will remain in effect.
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**Kenai Peninsula Borough School District - Collective Bargaining***Cost of KPESA and KPEA Proposals, October 8, 2018*

<b>KPESA Proposal to the District</b>	<b>Cost - Year 1 FY19</b>	<b>Cost - Year 2 FY20</b>	<b>Cost - Year 3 FY21</b>	<b>Total Cost</b>
Article 10 P. Pay Warrants	AK Statute Sec 39.35.160, 39.35.170 & 39.35.270			
* Article 12 D Resignation - 3/1/18 revised proposal to KPBSD	103,251			103,251
Article 16 Salary Schedule	112,578	340,587	824,513	1,277,678
Article 17 G. Longevity	138,898	182,615	205,368	526,881
Article 17 A. Shift Differential	30,692	30,692	30,692	92,076
Article 20 Personal Leave	35,839			35,839
<b>Total KPESA Cost less Health Care</b>	<b>421,258</b>	<b>553,894</b>	<b>1,060,573</b>	<b>2,035,725</b>
<b>KPEA Proposal to the District</b>				
Section 105 Teachers' Salary Schedule	247,903	759,560	1,815,345	2,822,808
Section 105 Longevity	53,338	66,559	72,779	192,676
Section 110 E Salary Conditions	84,000	84,000	84,000	252,000
Section 320 Personal Leave	248,926			248,926
Section 340 M. Sick Leave		4 AAC 15.40 (a) (5)		
**Section 475 Teacher Preparation Periods				0
<b>Total KPEA Cost less Health Care</b>	<b>634,167</b>	<b>910,119</b>	<b>1,972,124</b>	<b>3,516,410</b>
<b>Health Care Proposal to the District</b>				
<b>***KPESA Article 27 and KPEA Section 210</b>	<b>1,513,271</b>	<b>121,062</b>	<b>242,123</b>	<b>1,876,456</b>
<b>Total Cost Proposals KPESA, KPEA and Health Care</b>	<b>2,568,696</b>	<b>1,585,075</b>	<b>3,274,820</b>	<b>7,428,591</b>

\*Article 12 D Resignation - 3/1/18 revised proposal This proposal is booked as an expenditure and held in a liability account until used or paid to KPBSD

\*\*Section 475 Teacher Preparation Periods The cost of this proposal is currently being determined, as it will likely require additional staffing.

\*\*\*KPESA Article 27 and KPEA Section 210 This assumes a budget reduction was made to support this increased cost in year 1 and subsequent years at an 8% annual increase related to the \$1,513,271 increase. As an example, such a reduction could require the elimination of approximately 15 teaching positions.

To view Tentative Agreements (TA), proposals, and counterproposals, go to <http://bit.ly/CollectiveBargainingTA>

Kenai Peninsula Borough School District					
KPEA 320 Personal Leave and KPESA Proposal 4					
KPEA Additional Personal Leave Day Average Cash Out Value					
FTE	Average Salary	Average Daily Per Diem 189 Days	Per Diem * FTE	OASDI 7.65%	Total
611	71,528	378.46	231,236.02	17,689.56	248,925.58
KPEA Additional Personal Leave Day Average Substitute Costs					
FTE	Certificated Substitute Rate	Sub Rate * FTE	OASDI 7.65%	Total	
611	140	85,540.00	6,543.81	92,083.81	
KPESA Additional Personal Leave Day based on 7 hour day and 195 average days worked - Cash Out Value					
FTE	Average Hourly Rate	Average Days 195	OASDI 7.65%	Total	
458.09	24.39	33,292.35	2,546.86	35,839.21	
KPESA Additional Personal Leave Day Average Substitute Costs					
FTE	Average Substitute Rate	Sub Rate * 7hrs * FTE	OASDI 7.65%	Total	
458.09	11.00	35,272.93	2,698.38	37,971.31	

Kenai Peninsula Borough School District  
 KPESA Proposal 9 Shift Differential

FY19	Average		Average Days	Salaries	PERS 22.00%	OASDI 7.65%	Total Salaries/Benefits
	# FTE						
Swing Shift	0.25	40.75	195	15,892.50	3,496.35	1,215.78	20,604.63
Graveyard	0.35	14.25	195	7,780.50	1,711.71	595.21	10,087.42
Total							30,692.04

Kenai Peninsula Borough School District				
KPESA Proposal #2				
Calculation - FTE per Cell x 8 hours x hourly rate x 195 days.				
Wages - based on 195 day calendar (average of all Personnel Action Forms)				
Based on All Support Staff 458.09 FTE				
2018-2019 Salary Schedule 0.5%				
2019-2020 Salary Schedule 1.0%				
2020-2021 Salary Schedule 2.0%				
	FY18	FY19	FY20	FY21
	16,838,854			
Steps Only		17,343,005	17,669,676	17,972,932
With % Increase		17,429,837	17,932,373	18,608,885
Salary Cost of % Increase		86,832	175,865	373,256
Benefits:				
OASDI 6.20%		5,384	10,904	23,142
MEDICARE 1.45%		1,259	2,550	5,412
PERS 22.00%		19,103	38,690	82,116
Total Benefits		25,746	52,144	110,670
Total Salaries/Benefits		112,578	228,009	483,926

LOC	NAME	E #	ACCT # (3300)	START DATE	1/31/2018 Years of Service	Rate	SIL BAL	%	RATE	FY18 1/31/18	FICA	TOTAL	FY17 Booked Liability	DIFFERENCE	18 TO 17	ACCT LIABILITY	(+) Debit (-) Credit
75	ALDRIDGE, CINDY	1058	100-12-4100-0401-3300	08/22/88	29	.75	1,590.57	1,192.93	\$33.94	40,487.96	3,097.33	43,585.29	36,022.67	7,562.62	7,562.62	7,562.62	
47	BASARGIN, ALEXANDRA	766	100-47-4200-0925-3300	02/03/97	20	.67	364.88	257.87	\$25.96	6,894.29	512.11	7,206.41	6,596.99	609.42	609.42	609.42	
47	BASARGIN, ALEXANDRA	766	100-47-4200-0925-3300	02/03/97	20	.67	226.04	151.45	\$23.45	3,823.13	271.68	3,951.32	3,651.32	171.79	171.79	171.79	
17	BEST, CONNIE	1138	100-17-4200-0923-3300	01/06/92	26	.75	490.16	367.62	\$23.96	9,543.42	730.07	10,273.49	9,051.61	1,221.88	1,221.88	1,221.88	
12	BLACKLEY, DAVID	838	100-12-4600-0000-3300	03/23/99	18	.67	34.58	23.16	\$23.45	542.99	41.54	584.53	0.00	584.53	584.53	584.53	
09	BOHRNSEN, STEPHANIE	524	100-09-4450-0000-3300	08/12/99	18	.67	1,138.71	762.94	\$30.33	23,139.84	1,770.20	24,910.04	24,199.08	710.96	710.96	710.96	
33	BRADLEY, TAMARA	1580	100-33-4352-0000-3300	09/11/01	16	.67	463.74	310.71	\$23.45	7,286.05	557.38	7,843.43	7,203.69	639.74	639.74	639.74	
78	BURNETT, WILLIAM	1402	100-78-4100-0000-3300	03/01/01	16	.67	13.92	9.33	\$33.02	307.96	23.56	331.52	785.52	-454.00	-454.00	-454.00	
13	CARR, ACELA	1252	100-13-4600-0000-3300	11/29/88	29	.75	1,283.08	962.31	\$23.45	22,566.17	1,726.31	24,292.48	20,447.39	3,845.09	3,845.09	3,845.09	
47	CHENEY, LAURA	401	100-47-4450-0000-3300	08/14/97	20	.67	1,023.42	685.69	\$30.33	20,797.02	1,590.97	22,387.99	21,477.39	910.60	910.60	910.60	
90	CLANCY, TAMMARA	871	255-90-4790-0000-3300	08/25/98	19	.67	479.27	321.11	\$27.97	8,981.47	687.08	9,668.55	9,246.75	421.80	421.80	421.80	
07	CLUCAS, ROBERT	987	100-07-4600-0000-3300	09/18/95	22	.75	291.13	218.35	\$30.33	6,822.48	506.62	7,329.10	5,703.50	1,625.60	1,625.60	1,625.60	
48	CRANDALL, BERNICE	976	255-48-4790-0000-3300	09/20/93	24	.75	37.38	28.04	\$22.10	619.57	47.40	666.97	430.70	236.27	236.27	236.27	
42	DAVIS, KATHLEEN	975	100-42-4450-0000-3300	02/03/92	25	.75	1,980.11	1,492.58	\$30.33	45,270.03	3,463.16	48,733.18	41,858.05	6,875.13	6,875.13	6,875.13	
38	DOVALL, KARSON	898	100-38-4600-0000-3300	02/03/92	25	.75	89.41	67.06	\$25.08	1,681.80	128.66	1,810.46	1,061.67	748.79	748.79	748.79	
14	DOYLE, KATHY	1081	100-78-4552-1220-3300	08/19/98	19	.67	1,000.31	670.21	\$27.97	18,745.71	1,434.05	20,179.76	20,271.96	-92.20	-92.20	-92.20	
43	DUDLEY, TAMMY	1612	100-14-4600-0000-3300	08/06/01	16	.67	26.48	17.74	\$27.97	496.23	37.96	534.19	211.50	322.69	322.69	322.69	
07	ELDER, TIM	1265	100-43-4330-0000-3300	03/27/85	22	.75	788.34	591.26	\$41.90	24,773.58	1,895.18	26,668.76	11,189.14	15,479.62	15,479.62	15,479.62	
09	FANDEL, IRMGARD	667	255-08-4790-0000-3300	08/26/96	21	.75	918.76	689.07	\$36.73	25,309.54	1,936.18	27,245.72	22,833.56	4,412.16	4,412.16	4,412.16	
09	FOISTER, TRACY	1842	100-09-4790-0000-3300	12/15/87	30	.75	1,056.66	792.50	\$24.24	19,210.08	1,469.57	20,679.65	17,765.42	2,914.23	2,914.23	2,914.23	
17	FOWLER, BETH	1522	100-17-4320-0000-3300	12/19/01	16	.67	295.45	197.95	\$25.96	5,138.82	393.12	5,531.94	5,625.31	-93.37	-93.37	-93.37	
07	GABRIEL, LISA	1152	100-07-4450-0000-3300	08/26/94	23	.75	1,456.88	1,092.66	\$30.33	33,140.38	2,536.24	35,676.62	31,400.81	4,274.81	4,274.81	4,274.81	
43	GRILLEY, THRESEA	1600	255-43-4790-0000-3300	10/10/01	16	.67	796.19	533.45	\$22.10	11,789.19	901.87	12,691.06	11,969.27	721.79	721.79	721.79	
07	HANDSAKER, EDIE	549	100-07-4600-0000-3300	10/21/96	21	.75	26.56	19.92	\$23.45	467.12	35.73	502.86	223.24	279.62	279.62	279.62	
10	HINDMAN, ROMAYNE	1041	100-10-4450-0000-3300	09/16/92	25	.75	705.47	529.10	\$25.96	13,735.50	1,050.77	14,786.27	13,168.84	1,617.43	1,617.43	1,617.43	
07	HUBLER, WILLIAM	1215	100-07-4100-0401-3300	01/24/90	28	.75	1,208.36	904.77	\$25.96	23,487.83	1,796.82	25,284.65	21,768.44	3,516.21	3,516.21	3,516.21	
11	HULLEN, KARI	447	100-11-4200-0925-3300	09/23/91	24	.75	1,150.11	86.26	\$25.96	11,609.57	888.13	12,497.70	10,162.10	2,335.60	2,335.60	2,335.60	
08	INGRAM, SYLVIA	782	100-08-4100-0401-3300	09/07/83	26	.75	596.28	447.21	\$25.96	18,004.10	1,377.31	19,381.41	16,602.06	2,779.35	2,779.35	2,779.35	
10	JOHANSEN, MARILEE	1076	255-10-4790-0000-3300	01/06/89	29	.75	1,086.22	814.67	\$22.10	18,004.10	1,377.31	19,381.41	16,602.06	2,779.35	2,779.35	2,779.35	
02	JOHNSON VIRGINIA	1173	100-02-4100-0401-3300	09/13/89	18	.67	1,090.79	730.83	\$25.96	18,972.33	1,451.36	20,423.71	20,042.10	381.61	381.61	381.61	
46	JOLIFFE, JULIANI	1545	100-46-4200-0923-3300	08/27/01	16	.67	659.87	442.11	\$25.96	11,477.25	878.01	12,355.26	11,638.44	716.82	716.82	716.82	
16	JONES, MARGARET	811	100-16-4200-0926-3300	09/20/99	18	.67	1,337.1	89.59	\$25.96	2,325.64	177.91	2,503.56	6,589.50	-4,085.94	-4,085.94	-4,085.94	
12	KIRCHER, CYNTHIA	62	100-12-4450-0000-3300	08/13/98	19	.67	985.87	660.53	\$30.33	20,033.96	1,532.60	21,566.56	20,129.37	1,437.19	1,437.19	1,437.19	
06	KOPLIN, CINDY	1396	100-06-4450-0000-3300	08/13/90	17	.67	1,660.00	111.22	\$30.33	3,373.30	258.06	3,631.36	4,098.16	-466.80	-466.80	-466.80	
43	KRINER, MARTA	744	100-43-4200-0923-3300	08/29/90	27	.75	45.65	34.24	\$25.96	888.81	67.99	956.80	572.86	383.94	383.94	383.94	
53	KUZMIN, KSENIA	1429	100-53-4450-0000-3300	09/13/90	27	.67	245.68	164.61	\$25.96	4,273.16	326.90	4,600.06	4,233.84	366.22	366.22	366.22	
65	LEDoux, ANITA	1104	100-65-4450-0000-3300	09/19/97	20	.67	1,356.58	908.91	\$30.33	27,567.20	2,108.89	29,676.09	28,237.11	1,438.98	1,438.98	1,438.98	
52	MADDEN, VICTORIA	834	100-17-4450-0000-3300	11/17/93	24	.75	1,540.62	1,155.47	\$30.33	35,045.25	2,680.96	37,726.22	32,946.89	4,779.33	4,779.33	4,779.33	
53	MARCINKOWSKI, JULIE	1619	100-52-4200-0923-3300	10/18/01	16	.67	2.31	1.55	\$25.96	40.18	3.07	43.25	1,844.60	-1,801.35	-1,801.35	-1,801.35	
53	MARTUSHEV, MARIA	820	100-53-4120-0000-3300	09/16/96	21	.75	72.41	54.31	\$27.97	1,518.98	116.20	1,635.18	1,123.29	511.89	511.89	511.89	
48	MCDERMID, ELIZABETH	1587	100-48-4200-0925-3300	10/01/01	16	.67	784.38	525.53	\$25.96	13,642.88	1,043.68	14,686.56	13,741.89	944.67	944.67	944.67	
42	MCHONE, VALERIE	1353	100-42-4600-0000-3300	09/18/00	17	.67	146.16	97.93	\$27.97	2,739.02	209.54	2,948.56	1,815.24	1,133.32	1,133.32	1,133.32	
63	MERRILL, GORDON	1906	100-63-4600-0000-3300	10/29/01	16	.67	19.23	12.88	\$27.97	360.37	27.57	387.94	892.31	-504.37	-504.37	-504.37	
45	MILLS, PAULINE	1159	100-45-4450-0000-3300	09/07/84	33	.75	95.78	71.84	\$30.33	2,178.76	166.67	2,345.43	1,464.18	881.25	881.25	881.25	
84	NAGLE, CINDY	1471	100-84-4352-0000-3300	11/09/99	18	.67	413.38	276.96	\$25.96	7,190.00	550.04	7,740.04	8,776.15	-1,036.11	-1,036.11	-1,036.11	
80	NICHOLS, JULIE	1003	100-80-4140-0000-3300	08/16/00	17	.67	983.97	659.26	\$26.95	17,767.05	1,359.18	19,126.23	18,206.02	920.21	920.21	920.21	
80	NOLDEN, CAROLE	1192	100-80-4140-0000-3300	10/13/86	31	.75	605.24	453.93	\$25.96	11,784.02	901.48	12,685.50	11,679.40	1,006.10	1,006.10	1,006.10	
569	ORTIZ, KOREENA	569	100-43-4200-0923-3300	12/16/91	26	.75	11.93	8.95	\$25.96	232.28	17.77	250.05	42.62	207.43	207.43	207.43	
551	PAULSRUD, RICK	551	100-31-4600-0000-3300	08/01/97	20	.67	1,562.68	1,047.00	\$25.08	26,258.65	2,008.79	28,267.44	28,423.10	-156.14	-156.14	-156.14	
583	PETERS, VICKY	583	260-92-4100-2692-3300	09/22/92	25	.75	614.53	460.90	\$27.97	12,891.30	986.18	13,877.49	11,730.48	2,147.01	2,147.01	2,147.01	
1110	POINDESTER, DEBORAH	1110	100-31-4450-0000-3300	01/11/89	19	.67	631.46	423.08	\$30.33	12,831.96	981.65	13,813.61	13,687.53	126.08	126.08	126.08	
841	POLUSHKIN, EFROCIA	841	100-53-4200-0925-3300	09/14/89	28	.75	420.25	315.19	\$25.96	8,182.47	625.94	8,808.21	7,740.04	1,068.17	1,068.17	1,068.17	
230	RESER, GREGORY	230	100-17-4600-0000-3300	08/29/83	34	.75	362.42	271.82	\$23.45	6,374.06	487.62	6,861.68	5,907.65	954.03	954.03	954.03	
1147	ROBERTS, LANCE	1147	100-09-4600-0000-3300	04/05/94	23	.75	83.24	62.43	\$30.33	1,893.50	144.85	2,038.35	4,369.70	-2,331.35	-2,331.35	-2,331.35	
979	SACHECK, CAROL	979	100-80-4140-0000-3300	03/09/98	19	.67	710.04	475.73	\$25.96	12,349.87	944.76	13,294.63	12,709.89	584.74	584.74	584.74	
763	SCHILLING, MELANIE	763	100-37-4450-0000-3300	10/15/93	24	.75	575.18	431.39	\$25.96	11,198.75	856.70	12,055.46	9,572.35	2,483.11	2,483.11	2,483.11	
763	SCHILLING, MELANIE	763	255-37-4790-0000-3300	10/15/93	24	.75	143.80	107.85	\$22.10	2,383.49	182.34	2,565.82	2,715.53	-149.71	-149.71	-149.71	
1029	SELF, GINGER	1029	255-51-4790-0000-3300	10/15/90	27	.75	241.13	180.85	\$22.10	3,996.73	305.75	4,302.48	3,330.02	972.46	972.46	972.46	
1222	SEVILLE, KEVIN	1222	100-34-4200-0925-3300	08/23/99	18												



LOC	NAME	E #	ACCT # (3300)	START DATE	1/31/2018 Years of Service	Rate	SL BAL	%	RATE	FY18 1/31/18	FICA	TOTAL	FY17 Booked Liability	DIFFERENCE 18 TO 17	FY18 Estimate for Negotiations
46	STALEY, EDITH	1127	255-46-4790-0000-3300	09/22/87	20	.67	704.49	472.01	\$20.88	9,865.63	753.96	10,609.48	10,420.71	188.77	188.77
52	STEINER, KEISO, KELLIE	1460	100-52-4450-0000-3300	08/06/01	16	.67	1,013.74	679.21	\$30.33	20,600.31	1,575.92	22,176.24	21,376.54	799.70	799.70
02	STRANGE, SAMUEL	147	100-02-4330-0000-3300	09/06/84	23	.75	157.50	118.13	\$41.90	4,949.44	378.63	5,328.07	5,048.97	279.10	279.10
07	STRANGE, SAMUEL	147	100-07-4330-0000-3300	09/06/84	23	.75	157.50	118.13	\$41.90	4,949.44	378.63	5,328.07	5,048.97	279.10	279.10
52	STYNSBERG, LOIS	1088	100-52-4450-0000-3300	08/12/89	18	.67	1,023.02	685.42	\$24.24	16,814.66	1,271.02	17,885.68	17,139.52	746.16	746.16
50	TEMPLE, LYNN	292	100-50-4200-0923-3300	08/23/89	18	.67	441.27	285.65	\$26.96	7,675.10	587.14	8,262.24	7,577.66	684.58	684.58
02	TILBURY, PATRICIA	1198	100-02-4450-0000-3300	10/06/87	20	.67	1,557.48	1,043.51	\$30.33	31,649.71	2,421.20	34,070.91	32,361.99	1,708.92	1,708.92
07	TITUS, DAVID	1191	100-07-4600-0000-3300	09/26/84	23	.75	1,900.75	1,425.56	\$25.08	35,753.11	2,735.11	38,488.22	33,022.95	5,465.27	5,465.27
46	TODD, CONNIE	1153	100-46-4800-0000-3300	03/20/89	28	.75	646.28	484.71	\$27.97	13,557.34	1,037.14	14,594.48	12,114.32	2,480.16	2,480.16
09	TURNER, NELMA	742	100-09-4320-0000-3300	09/29/82	25	.75	1,091.60	818.70	\$26.96	21,253.45	1,625.89	22,879.34	19,481.04	3,398.30	3,398.30
37	TURNER, CELENE	1205	100-37-4600-0000-3300	11/29/89	28	.75	256.84	192.63	\$23.45	4,517.17	345.56	4,862.74	4,535.79	326.95	326.95
07	WALKER, JUDY	503	255-07-4790-0000-3300	09/27/83	24	.75	1,117.82	838.37	\$24.24	20,321.97	1,554.63	21,876.60	18,508.79	3,367.81	3,367.81
10	WALKER, JUDY	1124	100-10-4600-0000-3300	10/24/84	23	.75	1,042.20	78.15	\$23.45	1,832.62	140.20	1,972.81	2,521.81	-549.00	-549.00
66	WENTZ, LAUREN	404	100-66-4200-0925-3300	08/22/00	17	.67	595.78	399.17	\$25.96	10,362.52	792.73	11,155.25	10,820.38	334.87	334.87
53	WHITE, ANISIA	639	100-53-4120-0000-3300	09/08/89	18	.67	94.53	63.34	\$27.97	1,771.48	135.52	1,907.00	1,244.95	662.05	662.05
50	WILKINSON, KIEN	1459	100-50-4600-0000-3300	08/06/01	16	.67	317.78	212.91	\$27.97	5,955.17	455.57	6,410.74	5,832.94	577.80	577.80
76	WILLIAMS, KIRK	434	100-76-4552-1220-3300	11/03/97	20	.67	1,469.24	984.39	\$33.94	33,410.22	2,555.88	35,966.11	35,754.88	211.23	211.23
07	WILLIAMS, KRISTINA	68	100-97-4330-0000-3300	01/10/97	21	.75	691.96	518.97	\$25.96	13,472.46	1,030.64	14,503.10	13,219.40	1,283.70	1,283.70
08	WILLIAMS, TRACIE	889	255-08-4790-0000-3300	09/21/88	19	.67	24.82	16.63	\$24.24	403.10	30.84	433.93	923.53	-489.60	-489.60
11	WOLF, BRUCE	783	100-11-4600-0000-3300	04/30/80	27	.75	1,117.80	838.35	\$23.45	19,659.31	1,503.94	21,163.24	17,693.31	3,469.93	3,469.93
07	WRIGHT, PAUL	441	100-83-4100-0321-3300	08/03/89	18	.67	1,717.52	1,150.74	\$27.97	32,186.15	2,462.24	34,648.39	33,428.08	1,220.31	1,220.31
							51,966.27		\$2,284.96	1,020,044.25	78,033.38	1,098,077.64	994,826.30	103,251.34	103,251.34
									380-00-3000-0000-0040			(+) debit / (-) credit			
													-103,251.34		

Kenai Peninsula Borough School District				
KPEA Proposal 105 Salary Schedule				
2018-2019 Salary Schedule 0.5%				
2019-2020 Salary Schedule 1.0%				
2020-2021 Salary Schedule 2.0%				
	FY18	FY19	FY20	FY21
	42,651,392			
Steps		43,486,233	44,269,089	44,995,847
With % Increase		43,703,673	44,935,312	46,588,115
Cost of % Increase		217,440	448,783	926,045
Benefits:				
MEDICARE 1.45%		3,153	6,507	13,428
TRS 12.56%		27,310	56,367	116,311
Total Benefits		30,463	62,874	129,739
Total Salaries/Benefits		247,903	511,657	1,055,784



Kenal Peninsula Borough School District			
KPEA Proposal 105 Salary Schedule			
2018-2019 Salary Schedule 2.0%			
2019-2020 Salary Schedule 2.0%			
2020-2021 Salary Schedule 2.0%			
	FY18	FY19	FY20
	42,651,392		
Steps			
		43,486,233	45,367,362
With % Increase		44,477,806	46,401,829
			48,409,081
Cost of % Increase			
Benefits:		869,725	907,347
MEDICARE 1.45%			
		12,611	13,157
TRS 12.56%		109,237	113,963
Total Benefits		121,848	127,119
			132,618
Total Salaries/Benefits		991,573	1,034,467
			1,079,216
Total Three Years =	3,105,255		

Kenai Peninsula Borough School District				
KPEA Proposal 105 Salary Schedule				
2018-2019 Salary Schedule 0.5%				
2019-2020 Salary Schedule 1.0%				
2020-2021 Salary Schedule 2.0%				
	FY18	FY19	FY20	FY21
	42,651,392			
Steps				
		43,486,233	44,269,089	44,995,847
With % Increase		43,703,673	44,935,312	46,588,115
Cost of % Increase		217,440	448,783	926,045
Benefits:				
MEDICARE 1.45%		3,153	6,507	13,428
TRS 12.56%		27,310	56,367	116,311
Total Benefits		30,463	62,874	129,739
Total Salaries/Benefits		247,903	511,657	1,055,784
District's Projected PL Costs		248,926	248,926	248,926
Total Each Year		496,829	760,583	1,304,710
Total if all KPESA members cash out on PL:		2,562,123		
District's PL sub cost		92,084	92,084	92,084
Total Each Year		339,987	603,741	1,147,868
Total if all KPESA members request sub:		2,091,597		



Kenai Peninsula Borough School District				
KPESA Proposal #2				
Calculation - FTE per Cell x 8 hours x hourly rate x 195 days.				
Wages - based on 195 day calendar (average of all Personnel Action Forms)				
Based on All Support Staff 458.09 FTE				
2018-2019 Salary Schedule 0.5%				
2019-2020 Salary Schedule 1.0%				
2020-2021 Salary Schedule 2.0%				
	FY18	FY19	FY20	FY21
	16,838,854			
Steps Only		17,343,005	17,669,676	17,972,932
With % Increase		17,429,837	17,932,373	18,608,885
Salary Cost of % Increase		86,832	175,865	373,256
Benefits:				
OASDI 6.20%		5,384	10,904	23,142
MEDICARE 1.45%		1,259	2,550	5,412
PERS 22.00%		19,103	38,690	82,116
Total Benefits		25,746	52,144	110,670
Total Salaries/Benefits		112,578	228,009	483,926
District's Projected PL Costs		84193	84193	84193
Total Each Year		196,771	312,202	568,119
Total if all KPESA members cash out on PL:		1,077,092		
District's PL sub cost		37,971	37971	37971
Total Each Year		150,549	265,980	521,897
Total if all KPESA members request sub:		938,426		

Kenai Peninsula Borough School District				
KPESA Proposal #2				
Calculation - FTE per Cell x 8 hours x hourly rate x 195 days.				
Wages - based on 195 day calendar (average of all Personnel Action Forms)				
Based on All Support Staff 458.09 FTE				
2018-2019 Salary Schedule 2.0%				
2019-2020 Salary Schedule 2.0%				
2020-2021 Salary Schedule 2.0%				
	FY18	FY19	FY20	FY21
	16,838,854			
Steps Only		17,343,005	18,148,563	18,991,539
With % Increase		17,792,709	18,619,156	19,483,989
Salary Cost of % Increase		346,860	362,971	379,831
Benefits:				
OASDI 6.20%		21,505	22,504	23,550
MEDICARE 1.45%		5,029	5,263	5,508
PERS 22.00%		76,309	79,854	83,563
Total Benefits		102,844	107,621	112,620
Total Salaries/Benefits		449,704	470,592	492,451
Total Three Years =	1,412,747			

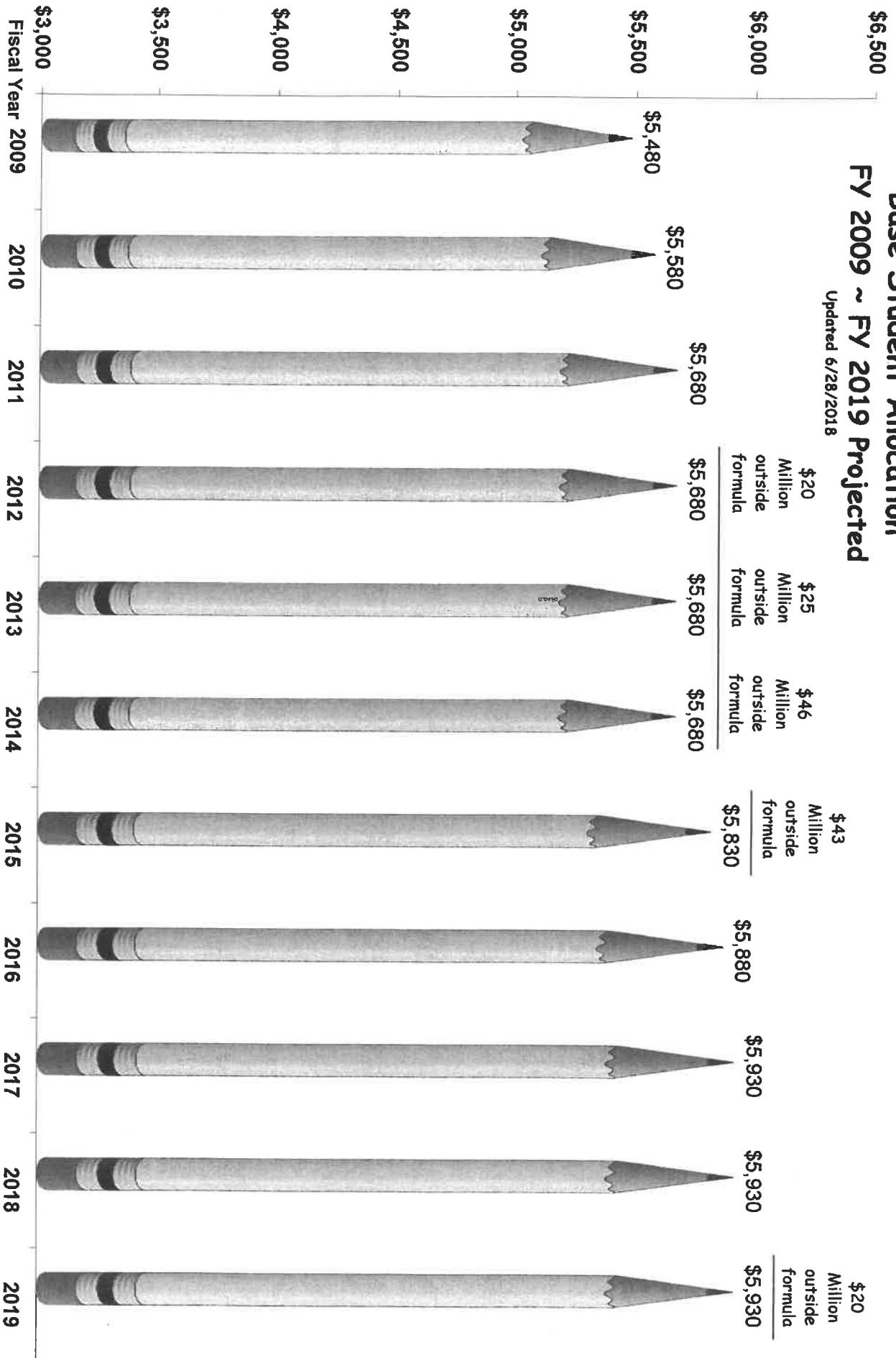


# Alaska K-12 Funding

## Base Student Allocation

FY 2009 ~ FY 2019 Projected

Updated 6/28/2018



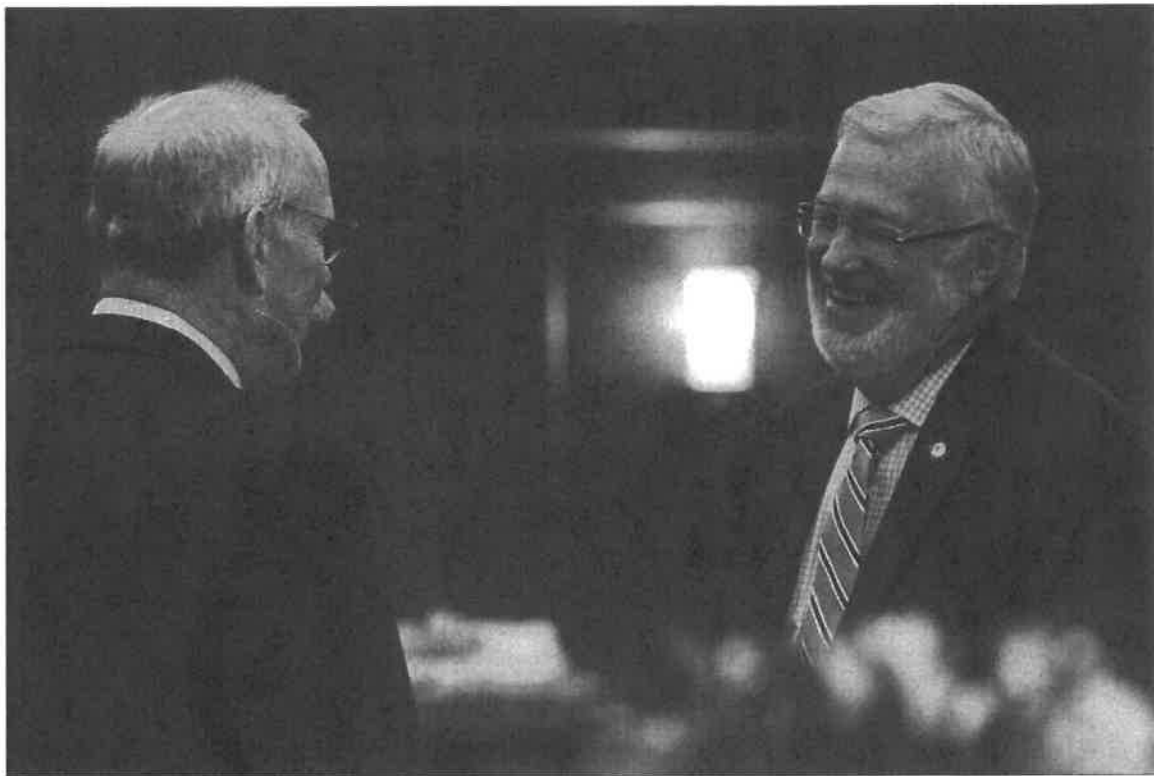
# ANCHORAGE DAILY NEWS

Alaska Legislature

## Governor's \$20 million Alaska education cut may be illegal, state senator says

✍ Author: James Brooks    ⌚ Updated: February 1    📅 Published January 31

JUNEAU — The chairman of the Alaska Senate's education committee, citing a 1987 Alaska Supreme Court decision, is saying Gov. Mike Dunleavy's proposed \$20 million education funding cut may be illegal.



*Sen. Gary Stevens, R-Kodiak, speaks with Sen. Bert Stedman, R-Sitka, on the floor Wednesday, Jan. 16, 2019 at the Alaska State Capitol. (Loren Holmes / ADN)*

[Buy This Photo](#)

"I think it's inappropriate to do it this way. This is the wrong way to go about it.," said Sen. Gary Stevens, R-Kodiak.

It might be inappropriate, but is it legal?

Exhibit: A - 13  
Page 2 of 4



"I don't believe it is," Stevens said.

Stevens sought a legal opinion from the legislature's legal department, but the resulting memo was not definitive, his staff said.

Under the Alaska Constitution, the Legislature has the power of the purse. The governor may veto spending items, but the Legislature has the opportunity to override that veto. After that process ends, so does the governor's ability to change spending amounts.

In August 1986, Gov. Bill Sheffield issued Administrative Order 90, which declared that amid the 1980s oil bust, he was directing state agencies to spend less than the Legislature had budgeted. (Gov. Steve Cowper issued a similar order soon after taking office in December 1986.)

While an Alaska governor can veto spending within a budget bill, the governors in this case had acted outside the veto process, using a section of the Executive Budget Act to justify the move.

The Fairbanks North Star Borough sued, saying the governors' orders were unconstitutional, and the Alaska Supreme Court agreed, declaring that the governor had to abide by the traditional budget process.

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Last year, legislators approved a capital construction and renovation budget that contained \$20 million in extra funding for school districts. The funding was scheduled to be distributed based on the average daily attendance at each of the state's school districts.

Donna Arduin, director of the state Office of Management and Budget, told the Senate Finance Committee on Monday that the funds were expected to go to school districts in late January or early February, after schools had counted their students for the year.

***[More coverage of the Alaska Legislature]***

While the governor has proposed revoking that funding, the Legislature has not approved the move. Meanwhile, the state is delaying payment. By withholding the funds, the Dunleavy administration is violating the Legislature's authority to appropriate money, Stevens argues.

"He's effectively vetoing funds by not spending them," Sen. Bill Wielechowski, D-Anchorage, said of the governor's move.

Wielechowski's comment came during a Thursday news conference, and he was asked about Stevens' belief afterward.

Exhibit: A - 13  
Page 3 of 4

"If the governor just chooses not to spend money that the Legislature has appropriated ... yeah, it'd clearly be beyond the constitution," Wielechowski said.

What isn't clear is whether the governor can temporarily choose to not spend money the Legislature has appropriated, Wielechowski said.

"I think there's a timeline on it, but I don't know how far," he said.

The dispute raised by Stevens and the concerns of other lawmakers amount to a movie trailer ahead of the main feature.

On Feb. 13, the governor is expected to introduce a revised budget that includes \$1.6 billion in budget cuts — an amount 80 times the size of the \$20 million education cut.

"I don't know if we're seeing a glimpse of what \$1.6 billion reductions might become," said Sen. Natasha von Imhof, R-Anchorage, speaking Monday about the governor's proposal.

#### About this Author

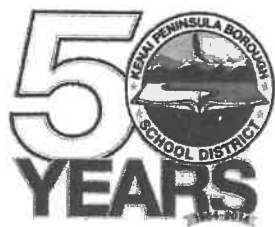
#### James Brooks

James Brooks covers state government, the Alaska Legislature and general assignments for the Daily News. He previously reported and edited for the Juneau Empire, Kodiak Daily Mirror and Fairbanks Daily News-Miner.

## Comments

Exhibit: A-13  
Page 4 of 4





PEGGE ERKENEFF  
Communications Specialist  
907.714.8888  
Fax 907.262.5857  
148 N. Binkley Street  
Soldotna, Alaska, 99669

e: [Pegge@KPBSD.org](mailto:Pegge@KPBSD.org)  
Facebook: [KPBSD](https://www.facebook.com/KPBSD)  
Twitter: [@KPBSD](https://twitter.com/KPBSD)  
[www.kpbsd.k12.ak.us](http://www.kpbsd.k12.ak.us)

**KENAI PENINSULA BOROUGH SCHOOL DISTRICT**

## NEWS RELEASE

### *Proposed reduction to education funding in Alaska*

**Soldotna, April 3, 2015**—The Senate Finance Committee has amended HB 72, proposing a 4.1 percent reduction to the *Foundation Formula* educational funding. The reduction to the state contribution also impacts the maximum allowable contribution the Kenai Peninsula Borough (KPB) can contribute to the school district. KPBSD is analyzing the potential impact of this additional reduction in revenue to our 2015-2016 budget, together with our commitment to provide stability for our students, staff, and community within the changing fiscal climate. The impact of the unanticipated HB 72 reductions to the KPBSD budget are:

Senate Finance Committee proposed education *Foundation Formula* reduction of 4.1 percent:

- Reduces state contribution to KPBSD: \$4,238,432
- Reduces local (borough) contribution to KPBSD: \$977,007

Governor Walker's proposed operating budget reduction of educational *One-Time Funding*:

- Reduces state contribution to KPBSD: \$2,262,989
- Reduces local (borough) contribution to KPBSD: \$520,487

**Potential FY16 revenue loss: \$7,998,915**

Total possible reduction in state funding to KPBSD: \$6,501,421

Total possible reduction in local (borough) funding to KPBSD: \$1,497,494

"I'm very concerned that the legislature is proposing these further reductions to education funding, particularly this late in our process of budgeting and staffing for next year," said Superintendent Sean Dusek. "KPBSD is committed to deliver a quality education to our students, and provide stability for our staff and communities. These reductions compromise our ability to prepare our students for their future. We will discuss the budget and potential ramifications with the school board during a previously scheduled worksession on Monday, April 6, 2015."

Over 80 percent of the 2015-2016 budget is related to staff (salary and benefits). An \$8 million reduction translates into the potential loss of up to 100 positions.

#### **KPBSD: ONE DISTRICT, FORTY-FOUR DIVERSE SCHOOLS**

The mission of the Kenai Peninsula Borough School District is to develop productive, responsible citizens who are prepared to be successful in a dynamic world.

ANCHOR POINT COOPER LANDING HOMER HOPE KACHEMAK SELO KENAI MOOSE PASS NANWALEK NIKISKI NIKOLAEVSK NINILCHIK PORT GRAHAM  
RAZDOLNA SELDOVIA SEWARD SOLDOTNA STERLING TUSTUMENA TYONEK VOZNESENKA

**FOR RELEASE APRIL 3, 2015**

**1 OF 2**

Exhibit: A-14

Page 1 of 2

**Links**

HB 72

KPBSD and the Legislature webpage

The Alaska State Legislature webpage

**###**

**KPBSD: ONE DISTRICT, FORTY-FOUR DIVERSE SCHOOLS**

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RAZDOLNA SELDOVIA SEWARD SOLDOTNA STERLING TUSTUMENA TYONEK VOZNESENKA

**FOR RELEASE APRIL 3, 2015**

**2 OF 2**

Exhibit: A-14  
Page 2 of 2





## 110 SALARY CONDITIONS

- A. All teaching positions shall be filled by certificated personnel.
- B. The effective length of the contract shall normally be a maximum of 188 teacher days never to include more than 180 student days in session and three (3) teacher workshop days. In the event that the calendar configuration necessitates the inclusion of both the Labor Day and Memorial Day Holidays, the teacher contract shall be 189 days to accommodate the additional holiday.
- C. For any school year, the salary placement indicated in the teacher's employment contract is binding and irrevocable on both the District and the individual teacher for that school year if no objection to the salary placement is raised in writing by either the District or the teacher on or before November 1 of the school year. If notification is received prior to November 1 and an adjustment to the salary placement is warranted, retro-active payment shall be made for the current year only.
- D. A teacher teaching part time for a full year will be credited with a year of service for advancement on the salary schedule for each year of service. Teachers who request less than full-time contracts and move to that status will receive proportionate credit.
  - 1. .50 - .74 will earn one (1) step every second year.
  - 2. .75+ will receive full credit.
- E. PhD's will receive \$4000 added to annual salary. National Board of Professional Teaching Standards Certification or Certificate of Clinical Competency from the American Speech, Language and Hearing Association or National Certification of School Psychologists (NCSP) from the National Association of School Psychologists, or National Board Certification from the National Board for Certification of Occupational Therapy, **National Board for Certified Counselors**, or physical therapists with national certification will receive ~~\$2000~~ **\$5000** added to annual salary. Only one PhD or one national certification will be recognized.
- F. All teachers not receiving a step increase in column C90/M shall be paid as part of their salary in the second and third year of the agreement a longevity payment of 1.5% of salary placement.
- G. Vertical movement (steps) on the salary schedule shall be limited in any year to one step. There is no limit to column movement except movement beyond "C+36 or M" will require a Master's degree. College/University credits must be accredited from one of the following six regional accreditations associations: The Middle States Association of Colleges and Schools; The New England Association of Schools & Colleges; The North Central Association of Colleges and Schools; The Northwest Association of Schools and Colleges; The Southern Association of Colleges and Schools; or, The Western Association of Schools and Colleges. Course approval may be requested prior to taking classes using the form at the following link.

<http://www.kpbsd.k12.ak.us/departments.aspx?id=4366>. Courses taken as part of a District internship will not be excluded for salary column advancement.

- ~~H. Teachers who have completed their work calendar for FY 16 shall receive an additional \$750 in FY 16 salary, no later than 30 calendar days after ratification. Such teachers who were at the "longevity" step for both FY 15 and FY 16 shall receive an additional \$250 added to their FY 16 salary, for a total of \$1,000. The additional salary is TRS eligible and based on a 1.0 FTE, and will be prorated for FTEs less than 1.0. The additional money shall not be applied to the FY 16 salary schedule.~~

# NATIONAL BOARD

for Professional  
Teaching Standards®

## Impact Brief

## The Proven Impact of Board-Certified Teachers on Student Achievement

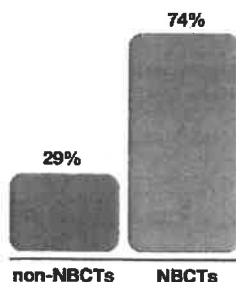
Through **National Board Certification**, teachers demonstrate that their teaching meets the profession's standards for accomplished practice through a rigorous, peer-reviewed and performance-based process, similar to professional certification in fields such as medicine. In achieving Board certification, teachers prove their ability to **advance student learning and achievement**.

More than a decade of research from across the country confirms:

***Students taught by Board-certified teachers learn more than students taught by other teachers.***

Estimates of the increase in learning are on the order of an **additional one to two months of instruction**. The positive impact of having a Board-certified teacher (NBCT) is even greater for minority and low-income students.<sup>1</sup> This improvement in student outcomes is mirrored by NBCTs achieving stronger results on leading measures of **teacher effectiveness**, including robust classroom observations and value-added scores. The compelling research on the effectiveness of Board-certified teachers is particularly noteworthy when compared to the lack of consistent research on the effectiveness of teachers with master's degrees.<sup>2</sup>

Students of NBCTs demonstrate evidence of deeper learning nearly three times more frequently than their peers



Students of NBCTs gain one to two months of additional learning compared to their peers in other classrooms



*Student work samples that reflect deeper learning, in the classrooms of NBCTs compared to the classrooms of non-NBCTs*

National Board Certification is a voluntary advanced professional certification for PreK-12 educators that identifies teaching expertise through a performance-based, peer-reviewed assessment.

81% of Americans across the political spectrum believe teachers should achieve Board certification, beyond licensure, as it is in other professions (2014 PDK/Gallup poll).<sup>3</sup>

Learn more at  
[nbpts.org/policy](http://nbpts.org/policy)

## Leading Research From States and Districts Across the Country

- **Washington State (2015):** "[Board-] certified teachers are more effective than non-certified teachers with similar experience." Their findings suggest NBCTs produce gains of up to "nearly 1.5 months of additional learning."<sup>4</sup>
- **Chicago, IL and Kentucky (2014):** "We found evidence that Board certification is an effective signal of teacher quality [based on student test scores]...across locales, test types, and subject areas."<sup>5</sup>
- **Los Angeles, CA (2012):** "National Board Certified teachers outperform other teachers with the same levels of experience by 0.07 and 0.03 standard deviations in elementary math and English/language arts (ELA) respectively...roughly equivalent to two months of additional math instruction and one month of additional ELA instruction."<sup>6</sup>
- **Gwinnett County, GA (2012):** "National Board Certified teachers outperform other teachers with the same levels of experience."<sup>7</sup>
- **Hillsborough County, FL (2012):** "The district found that NBCTs rank higher than non-NBCTs on written evaluations and value-added measures. Fifty-eight percent of NBCTs received the Merit Award Program (MAP) bonus, indicating they were among the top 25 percent of teachers in their subject area."<sup>8</sup>
- **Florida (2011):** "Certification by the National Board is correlated with achievement in math and reading in both elementary and middle school."<sup>9</sup>
- **Charlotte, NC (2010):** "We found that NBCTs were significantly more effective...than their non-NBCT counterparts in several EOC tested courses: Algebra II, Biology, Civics and Economics, Chemistry, and Geometry."<sup>10</sup>
- **Los Angeles, CA (2008):** "The difference in impacts [on student achievement] between [Board-certified teachers] and unsuccessful applicants was statistically significant."<sup>11</sup>
- **North Carolina, Ohio, and the Washington, D.C. area (2008):** "Seventy-four percent of student work samples in the classes of NBCTs were judged to reflect a level of deeper understanding... [compared] with 29% of the work samples of [students] of non-NBCTs."<sup>12</sup>
- **North Carolina (2007):** "We find consistent evidence that [Board certification] is identifying the more effective teacher applicants and that National Board Certified Teachers are generally more effective than teachers who never applied to the program."<sup>13</sup>
- **North Carolina (2007):** "The positive and statistically significant coefficients...indicate that the Board does indeed confer certification on the more effective teachers, as would be appropriate to the extent that the policy goal is to reward effective teachers."<sup>14</sup>
- **Arizona (2004):** "Effect size...informs us that the gains made by students of Board-certified teachers were over one month greater than the gains made by the students of non-Board certified peer teachers."<sup>15</sup>
- **Miami-Dade, FL (2004):** "We find robust evidence that [National Board Certification] is an effective indicator of teacher quality."<sup>16</sup>

<sup>1</sup> Goldhaber, D., & Anthony, E. (2007). Can teacher quality be effectively assessed? The Review of Economics and Statistics 89(1), 134-150; Cavalluzzo, L.C. (2004). Is National Board Certification an effective signal of teacher quality? The CNA Corporation.

<sup>2</sup> Clotfelter, C., Ladd, H., & Vigdor, J. (2007). How and why do teacher credentials matter for student achievement? (NBER Working Paper 12828). Cambridge, MA: National Bureau of Economic Research; Betts, J.R., Zau, A.C., & Rice, L.A. (2003). Determinants of Student Achievement: New evidence from San Diego. San Francisco: Public Policy Institute of California.

<sup>3</sup> 46th Annual PDK/Gallup Poll, October 2014, p. 50, [http://pdkintl.org/noindex/PDKGallupPoll\\_Oct2014.pdf](http://pdkintl.org/noindex/PDKGallupPoll_Oct2014.pdf).

<sup>4</sup> Cowan, J., & Goldhaber, D. (2015). National Board Certification and Teacher Effectiveness: Evidence from Washington. The Center for Data & Research, University of Washington Bothell.

<sup>5</sup> Cavalluzzo, L., Barrow, L., Henderson, S. et al. (2014). From Large Urban to Small Rural Schools: An Empirical Study of National Board Certification and Teaching Effectiveness. CNA Analysis and Solutions.

<sup>6</sup> Strategic Data Project (2012). SDP Human Capital Diagnostic: Los Angeles Unified School District. Center for Education Policy Research, Harvard University.

<sup>7</sup> Strategic Data Project (2012a). Learning about Teacher Effectiveness: SDP Human Capital Diagnostic: Gwinnett County Public Schools, Ga. Center for Education Policy Research, Harvard University.

<sup>8</sup> National Board for Professional Teaching Standards. (2012). Hillsborough County Public Schools: New data prove the value of National Board Certification. Retrieved from [http://www.nbpts.org/about\\_us/success\\_stories/hillsborough\\_success\\_sto](http://www.nbpts.org/about_us/success_stories/hillsborough_success_sto).

<sup>9</sup> Chingos, M. M., & Peterson, P. E. (2011). It's Easier to Pick a Good Teacher than to Train One: Familiar and New Results on the Correlates of Teacher Effectiveness. Economics Of Education Review, 30(3), 449-465.

<sup>10</sup> Salvador, Samantha K., & Baxter, Andy (2010). National Board Certification. Impact on Teacher Effectiveness. Charlotte-Mecklenburg Schools, Center for Research and Evaluation, Office of Accountability.

<sup>11</sup> Cantrell, S., Fullerton, J., Kane, T., & Staiger, D. (2008). National Board Certification and Teacher Effectiveness: Evidence From a Random Research Assignment Experiment. Working Paper 14608. National Bureau of Economic Research.

<sup>12</sup> Smith, T., Baker, W., Hattie, J., & Bond, L. (2008). "A Validity Study of the Certification System of the National Board for Professional Teaching Standards" in Assessing Teachers for Professional Certification: The First Decade of the National Board for Professional Teaching Standards. Advances in Program Evaluation, Volume 11, 345-378.

<sup>13</sup> Goldhaber, D., & Anthony, E. (2007). Can teacher quality be effectively assessed? The Review of Economics and Statistics 89(1), 134-150.

<sup>14</sup> Clotfelter, C., Ladd, H.F., & Vigdor, J.L. (2007). How and why do teacher credentials matter for student achievement? Working paper 2. National Center for Analysis of Longitudinal Data in Education Research.

<sup>15</sup> Vandervoort, L.G., Amrein-Beardsley, A., and Berliner, D.C. (2004). National Board Certified Teachers and their students' achievement. E Archives, 12 (46).

<sup>16</sup> Cavalluzzo, L.C. (2004). Is National Board Certification an effective signal of teacher quality? The CNA Corporation.





### 340 SICK LEAVE

The District shall credit, without limit, sick leave with pay to all teachers in a manner consistent with AS 14.14.107 as amended, Title 4 Alaska Administrative Code 4 AAC 15.040, and at a rate not less than one and one-third (1-1/3) days per month and consistent with the following provisions:

- A. All bargaining unit members shall be allowed to choose provisions of either the Alaska or Federal Family Medical Leave Acts, based on their eligibility for the FML.
- B. The Board shall furnish a written statement to employees at the end of each school year indicating accumulated sick leave.
- C. A teacher may use accrued sick leave for leave due to illness, accident, or medical, dental, or optical appointments.
- D. Certificated teachers will be eligible for sick leave due to personal disability caused or contributed to by pregnancy in the same manner as all other disabilities.
- E. A maximum of ten (10) days of sick leave per incident shall be granted to a teacher in the event of serious illness, accident, hospitalization or temporary confinement in his/her immediate family. Employees may be eligible to use additional leave under provision A of Section 340, and should contact Human Resources for more information. For leave of more than five (5) days, the District shall require a written statement from a licensed physician or practitioner.
- F. A maximum of three (3) days of sick leave may be used for parental purposes within the first week of the birth or adoption of a child. Employees may be eligible to use additional leave under provision A of Section 340, and should contact Human Resources for more information.
- G. All leaves contained in this section shall be subtracted from the teacher's sick leave allowance. A minimum of one hour will be used for each absence. Absences that exceed 1 hour will be recorded in 15 minute increments.
- H. For purposes of this section, members of the immediate family include husband, wife, father, mother, son, daughter, brother, sister, son-in-law, daughter-in-law, parent-in-law, grandparent, grandchild, guardian, and ward.
- I. Due to extenuating circumstances, exceptions to any of the provisions contained in this section may be granted at the discretion of the Superintendent.
- J. No past decisions regarding sick leave will be considered as precedent.
- K. Upon request by the District, the employee will submit proof that the leave was for approved purpose.

- L. Teachers with no accrued sick leave on their first contracted work day may run a negative sick leave balance up to six (6) days through December. Any remaining negative sick leave balance shall be adjusted as a loss of pay on the January pay check.
- M. Upon resignation after ten school years of service with the District or upon retirement from the District through TRS, an employee shall be paid eighty percent (80%) of the certificated sub rate per day for unused sick leave. Where the State allows credit for unused sick leave under TRS, the employee at her/his option shall be allowed to apply for retirement credit for all or a portion of accrued sick leave.



#### 475 TEACHER PREPARATION PERIODS

All full-time teachers at the junior high and senior high level will have five (5) unassigned preparation periods per week, or the equivalent of, after mutual agreement of the majority of staff and administration. ~~The District will consider elementary principal/staff proposals which incorporate prep periods equivalent in duration to those of junior and senior high school teachers.~~ All full-time elementary teachers and other teachers will be provided with at least one (1) uninterrupted forty-five (45) ~~thirty (30)~~ minute preparation period per day. Such teacher preparation periods shall not occur during the first thirty (30) or the last thirty (30) minutes of the teacher's duty day. Teachers not classified in the above groups shall be provided with the same relief and preparation time to the same extent as other teachers in the District. Elementary and secondary schools staffed with six (6) or fewer certificated teachers are exempt from the above standards if the certificated staff and the school administration agree on a different plan to accomplish planning time.

When a teacher agrees to use his/her prep time to cover another class or assignment, he/she will complete the Prep Time Pay Form to request compensation. Prep time coverage is to be strictly voluntary.

Teachers serving in more than one building shall be provided adequate travel time and a minimum of five (5) minutes additional time before student contact at their additional buildings. No teacher shall be required to give up his/her preparation time.





## **ARTICLE 10 WORK RULES**

### **A. Workday/Work Week**

The District shall determine the workweek and workday. Employees shall be notified in writing a minimum of five (5) days prior to changes in assignment, including number of hours, days and/or week.

### **B. Vacancies**

Prior to determining a vacancy, employees within a building who meet the qualifications and are currently in a position eligible for health benefits may be considered for placement in position within the same job classification. Within twelve (12) working days of determining that a vacancy has or will occur the District shall post the vacancy on the KPBSD web site. Vacancy announcements shall be posted for a minimum of five (5) full working days. The District shall email all vacancy announcements to the Association President or designee.

#### **1. Positions Within the Same Classification**

Prior to determining a vacancy, employees within a building who meet the qualifications and are currently in a position eligible for health benefits may be considered for placement in positions within the same job classification.

Employees currently working hours below the threshold for health care benefits must apply for a position that would result in health care benefits. A one-time opportunity to opt out of health care plan will be provided to these employees if the hours worked will be less than 30 hours per week.

#### **2. Interim Positions**

When an employee fills an interim position and it ends, that employee will be returned to the same or comparable position within the same geographic area. If position(s) have been eliminated, the RIF procedure will be used for reassignment. If the individual on leave does not return, those placed in interim positions shall be assigned to those positions. The time served in the interim assignment will count towards seniority and salary advancement.

### **C. Transfers**

#### **1. Voluntary**

- a. Employees who desire to apply for vacancies must submit a transfer request using the electronic application on the District website. <http://www.kpbsd.k12.ak.us/departments.aspx?id=194>
- b. Support employees who meet the minimum qualifications shall comprise at least sixty-six (66) percent of the number of applicants interviewed. If all

transferees are granted interviews, the sixty-six (66) percent rule does not apply. Employees shall not be allowed to transfer more than one time during a school year unless the new position is more than twenty (20) miles from the current assignment and/or the new position has benefits, which the current position does not have. Employees who are interviewed but not selected may request in writing reasons for not being selected. A written response will be provided.

- c. The most qualified applicant shall be selected to fill the position. All things being equal, preference will be given to District employees.
- d. Years of experience with the District, within the job classification, shall be considered as one of the qualifications.

2. **Involuntary**

- a. Should it be necessary to involuntarily transfer an employee in the midst of the begin/end dates of the Personnel Action form, the employee shall be given written reasons and granted an interview prior to the involuntary transfer. The employee shall receive five (5) days notice prior to the transfer. Should the employee desire, he/she may request a meeting with the Superintendent or his designee. The employee is entitled to Association representation at the meeting.
- b. An employee involuntarily transferred shall have a priority to return to her/his previous assignment for a period of eighteen (18) months following such involuntary transfer.

**D. Summer Employment**

Summer work positions will be filled by current employees, whenever possible. If summer work is an extension of the same job, the employee shall receive pay presently in force for her/his position.

**E. Shift Changes**

Employees shall be scheduled to work on regular shifts. Employees' work schedules shall not be changed without notice to the employee at least five (5) work shifts prior to the date the change is to be effective, unless the Superintendent, Association President and employee agree to other arrangements.

**F. Show-Up Time**

Employees reporting to work and not put to work shall receive two (2) hours pay at their appropriate rate, unless notified not to report at the end of their previous shift or two (2) hours prior to the start of their shift. Any permanent employee starting a shift or second half of the shift shall be guaranteed a minimum of one-half the number of hours in their normal work shift or second half of the shift.

**G. Leave During Emergency Closures**

In the event that it becomes necessary to close the worksite(s) because of inclement weather, volcanic disruption or other natural or manmade disasters, the district administration shall make every attempt to notify the appropriate media services.

No employee shall be required to remain at a worksite after the students have been dismissed and the building administrator has closed the worksite because of hazardous health and safety conditions. Employees may be assigned to another worksite.

Employees who are on approved leave on a day in which schools are closed shall not lose such approved leave.

When the District determines to make up school days missed, such scheduling of makeup days shall be accomplished with input from members of the bargaining unit in the affected buildings.

In case of extended closure these rules shall not apply (i.e., fire, earthquake, etc.).

**H. Stand by Time**

When employees are required to stand by because of temporary breakdown or shortage of materials, or for any other cause beyond their control, no time shall be deducted from this period and the finishing time or shift shall not be extended to make up the stand by time.

**I. Call Back**

An employee who is called back to work within four (4) hours after her/his regular shift is completed shall be paid for a minimum of four (4) hours. Overtime will be paid when applicable.

**J. Building Checks**

When an employee is required by the District to return to her/his building site outside of her/his regular workday, she/he shall be paid for a minimum of two (2) hours. Overtime will be paid when applicable.

**K. Job Orientation**

The District will provide job orientation to each new employee. The job orientation may include participating in job-alike opportunities; job-shadowing, working with department chairs or mentors, etc.

**L. Overtime Pay**

Any employee required to work more than eight (8) hours per day or forty (40) hours per week shall be paid at the rate of one and one-half (1 1/2) times their hourly rate for each overtime hour worked. In the case where more than one employee can perform the job, the District and/or supervisor, whenever possible will distribute overtime on an equitable basis.

Consistent with the request of an employee, the District may provide compensatory time off for the non-scheduled and/or overtime work to the extent that cash payment is not required by the federal Fair Labor Standards Act.

**M. District Meetings**

When employees are required by the District to attend meetings for the purpose of orientation or training outside of their scheduled work calendar, they shall be compensated at their rate of pay for actual hours in attendance.

When employees are required by the District to attend meetings, they shall be compensated for their time at their regular rate of pay, including overtime when applicable.

**N. Lunch Break**

An uninterrupted duty free lunch period of not less than thirty (30) minutes nor more than one (1) hour, shall be allowed approximately midway, but not to exceed five (5) hours of continuous work, of each shift. An additional lunch period of thirty (30) minutes shall be allowed when an employee works two (2) hours or more past her/his normal shift.

**In accordance with relevant labor law, by mutual agreement between an employee and his/her supervisor. An employee may elect to have their duty free lunch scheduled for the last thirty minutes of his/her regular work shift.**

**O. Relief Periods**

All employees shall be allowed one (1) fifteen (15) minute relief break within every four (4) hour segment of work performed.

**P. Pay Warrants**

**1. Pay Checks**

- a. ~~Monthly pay warrants will be issued on actual hours worked.~~ **Pay checks will be issued twice per month.**
- b. If a regular day for pay warrants falls on a holiday or bank holiday, then the last working day before such a holiday shall be considered the day for pay warrant.
- c. All new hires will have their paychecks automatically deposited in one or more financial institutions of their choosing.
- d. The District shall itemize all deductions, as space permits on the pay warrant so employees can clearly determine the purpose for amounts which have been withheld, and the pay warrant shall include the number of straight-line hours and dues/deductions.
- e. **There shall be a restructuring of payroll practices so that employees may elect for their pay to be annualized and paid twice per month totaling twenty-four (24) installments. The parties will be continuing their review of specific pay practices to effectuate this restructuring agreement.**



**2. Savings Account Option**

The District shall provide an automatic savings deduction through direct deposit. Completion of a savings direct deposit form is required to initiate this process. Click here for savings direct deposit form.

<http://www.kpbsd.k12.ak.us/privateAssets/0/16/22/518/540/556/51D941FE-B9BF-407B-A51A-88D2F7DE6B7D.xls>

Click here to access spreadsheet to assist in calculating monthly savings.  
<http://www.kpbsd.k12.ak.us/privateAssets/0/16/22/518/540/556/411f719d-2371-49fb-a369-e4bd1a038cbc.xls>

**Q. Pay Shortages**

Pay shortages shall be processed after receipt of the employee's proven complaint. Pay shortages shall be paid as soon as possible, but in no event later than the next pay period.

**R. Time Sheets**

Time sheets shall reflect actual hours worked. Employees can access their timesheet history on the Webpay employee portal.

**S. Termination Pay**

When an employee is terminated, her/his wages become due immediately and shall be paid within seventy-two (72) workday hours. Checks will be mailed return receipt; there will be no exceptions.

**T. Transportation of Students**

Educational Support employees shall not be required to transport students in their own vehicle unless warranted by medical emergency.

**U. Student Instruction/Supervision**

No educational support employee other than educational support Instructional staff shall be required to perform teaching duties, or to assume sole responsibility for student supervision duties.

**V. Substitutes**

Substitutes will be hired for all support employees unless the building administrator and the employee agree otherwise.

**W. Subcontracting**

The District recognizes that employees currently working for the District are valued and provide an integral component in the education family. Every effort will be made not to contract out work currently performed by bargaining unit members or that could be performed by bargaining unit members. The District will keep KPESA timely informed of matters relevant to it and its employees.

**X. Forced Absences**

If the building administrator, a licensed personal physician, and/or a physician selected by the District, requires an employee to leave the building because of a work-caused health hazard not normally present in the environment which causes a physical illness or complicates a physical health condition, the employee shall be provided with leave with full pay and suffer no loss in benefits (including, but not limited to sick leave) until such time as the unusual condition is eliminated.

**Y. Staffing Formulas**

If the District anticipates a change in the current staffing formulas for employees, the District shall meet with KPESA leadership to discuss options.



# KENAI PENINSULA BOROUGH SCHOOL DISTRICT

## Finance

Melody Douglas, Chief Financial Officer  
148 Binkley Street Soldotna, Alaska 99669-7553  
Phone (907) 262-5846 Fax (907) 262-9645

August 22, 2005

## MEMORANDUM

TO: Support staff not working 12 months

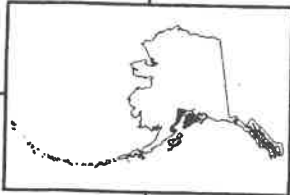
FROM: Melody Douglas, CFO 

SUBJECT: 12 month payment option update

As you may recall, the District was forced to eliminate the 12 month payment option for support staff working less than 12 months a couple of years ago. The District found that it was out of compliance with State Statutes (SS 39.35.160, SS 39.35.170 and SS 39.35.270) concerning the Public Employees Retirement System.

The District is in the initial process of transitioning to new business software; a Request For Proposal will be released to the marketplace this week. At this time, conversion of the payroll and human resource software is planned for January 2007. We hope to be able to offer a 12 month pay option for support staff employed less than 12 months with new software. That will depend, however, on the capabilities of software selected, which will be determined based on a variety of criteria. If this option is available, employees will be able to select a 12 month payment option beginning in July 2007.

You may want to consider setting up a savings plan through your bank or credit union at the beginning of this school year to address those times of the year when you will be off work; winter holidays, spring break and summer vacation. Financial institutions are able to accommodate an automatic deduction of whatever amount you determine, from your bank account, to be credited to another account, such as a savings account, to be used at a later time. Please contact your financial advisor if you have any questions concerning this process.



# KENAI PENINSULA BOROUGH SCHOOL DISTRICT

## Finance

Melody Douglas, Chief Financial Officer  
148 North Binkley Street Soldotna, Alaska 99669-7553  
Phone (907) 262-5846 Fax (907) 262-9645  
Email mdouglas@kpbsd.k12.ak.us

June 10, 2003

## MEMORANDUM

TO: Support Staff paid on a 12 month payment option not working 12 months  
FROM: Melody Douglas, Chief Financial Officer *mdouglas*  
SUBJECT: Return to actual hours payment option

In our efforts to comply with a recent change in reporting wages and hours for retirement credit to the Public Employees Retirement System, the district has learned that our 12 month payment option method for employees not working 12 months is not allowed.

**Alaska Statue Sec. 39.35.160. Amount of employee contributions.** "The contributions shall be deducted by the employer at the end of each payroll period". **Alaska Statue Sec. 39.35.170 Employment contributions mandatory.** "Payment of an employee's compensation, less payroll deductions, is full and complete discharge and satisfaction of all claims and demands by the employee relating to remuneration of services during the period covered by the payment....." **Alaska Statute Sec. 39.35.270 Amount of employer's contributions.** "The amount of each employer's contributions shall be determined by applying the employer's contribution rate to the total compensation paid to the active employees of the employer for each payroll period....."

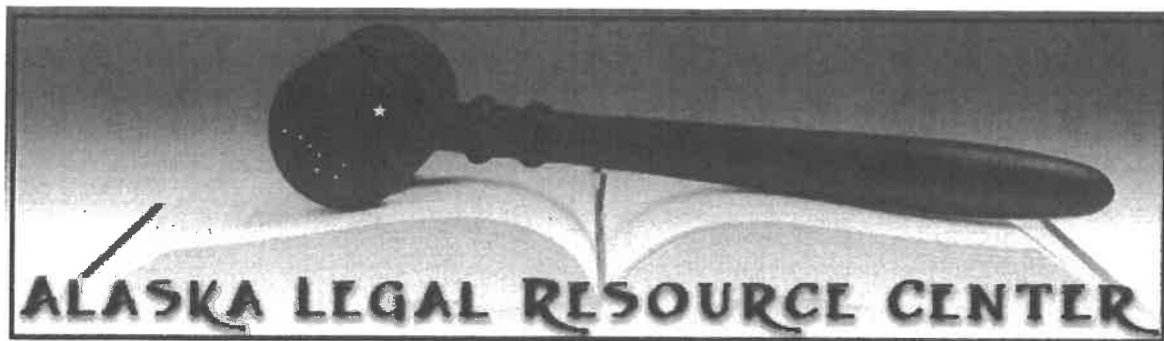
**Wages and retirement credit are required to be reported in the period worked.** When the 12 month payment option is selected, annual wages have been divided equally over 12 months. This method of pay does not reflect employees' earnings in the period in which the hours were worked.

**Effective July 1, 2003, wages for all support employees working less than 12 months will be paid on actual hours worked in each pay period.**

Employees currently paid under the 12 month option will still receive their checks this June, July and August. Employees who have received two checks in August (approximately ½ month pay in each check) will still receive two checks. One will be the final ½ month check from the 02-03 school year and the other will be a check for the actual hours worked from their 03-04 start date through the 15<sup>th</sup> of August. From that point onward, all checks will reflect pay for actual hours worked in each payroll period.

Employees who have received their final 02-03 school year payment in one check in August will receive that check. The September 30 paycheck will reflect hours worked from the 03-04 start date through September 15.

Please note that paychecks will no longer be equalized throughout the year; the reduction in hours worked during December and March due to school breaks will result in corresponding reductions in January and April paychecks. You may want to consider setting up a savings plan through your financial institution at the beginning of the school year to address these times and/or being off work during the summer months.



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Statutes, Rules &  
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Constitutions

Miscellaneous

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Alaska Statutes.Title 39. Public Officers and EmployeesChapter 35. Public Employees' Retirement System of Alaska

## Section 160. Amount of Employee Contributions.

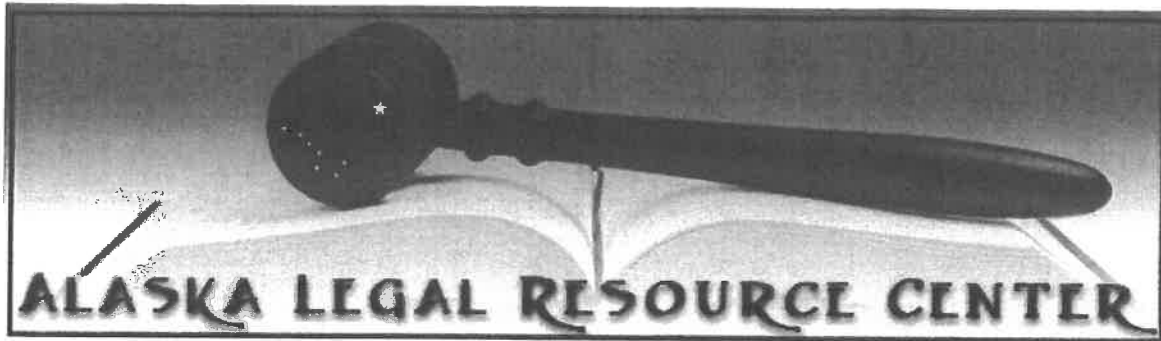
previous: Section 158. Administrative Director of Courts.next: Section 165. Purchase of Credited Service.**AS 39.35.160. Amount of Employee Contributions.**

(a) Beginning January 1, 1987, each peace officer or fire fighter shall contribute to the plan an amount equal to seven and one-half percent of the peace officer's or fire fighter's compensation. Except as provided in (d) of this section, beginning January 1, 1987, each other employee shall contribute to the plan an amount equal to six and three-quarters percent of the employee's compensation. The contributions shall be deducted by the employer at the end of each payroll period. The contributions shall be deducted from employee compensation before computation of applicable federal taxes, and the contributions shall be treated as employer contributions under 26 U.S.C. 414(h)(2). A member may not have the option of making the payroll deduction directly instead of having the contribution picked up by the employer.

(b) [Repealed, Sec. 6 ch 135 SLA 1980 and Sec. 39 ch 146 SLA 1980].

(c) An employee who has made an election under AS 39.35.300 (c) or 39.35.310(c) to have the employee's years of service as a noncertificated employee of a state boarding school, of a school district or regional educational attendance area, of the special education service agency, or of the Alaska Vocational Technical Center determined by reference to AS 14.25.220 shall pay a contribution surcharge for that service. The amount of the surcharge is the difference between the amount the employer would have had to contribute under AS 39.35.250 - 39.35.290 for the employee when treating the employee's credited service as service earned under AS 39.35.300 (c) or 39.35.310(c) less the amount the employer would have had to contribute under AS 39.35.250 - 39.35.290 without treating the employee's credited service as service earned under AS 39.35.300 (c) or 39.35.310(c).

(d) The employer of a member who is employed by a school district, a regional educational attendance area, or a state boarding school who is assaulted while on the job and who, as a result of a physical injury from the assault, is placed on unpaid leave of absence or is receiving benefits under AS 23.30, shall pay the member's contributions under this section while the member is, as a result of the on-the-job injury, on unpaid leave or receiving the benefits under AS 23.30.

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## Alaska Statutes.

### Title 39. Public Officers and Employees

#### Chapter 35. Public Employees' Retirement System of Alaska

#### Section 170. Employment Contributions Mandatory.

previous: Section 165. Purchase of Credited Service.

next: Section 180. Voluntary Contributions By Employee.

### **AS 39.35.170. Employment Contributions Mandatory.**

Contributions of employees shall be made by payroll deductions. Every included employee shall be considered to consent to payroll deductions. It is of no consequence that a payroll deduction may cause the compensation paid in cash to an employee to be reduced below the minimum required by law. Payment of an employee's compensation, less payroll deductions, is a full and complete discharge and satisfaction of all claims and demands by the employee relating to remuneration of services during the period covered by the payment, except with respect to the benefits provided under the plan.

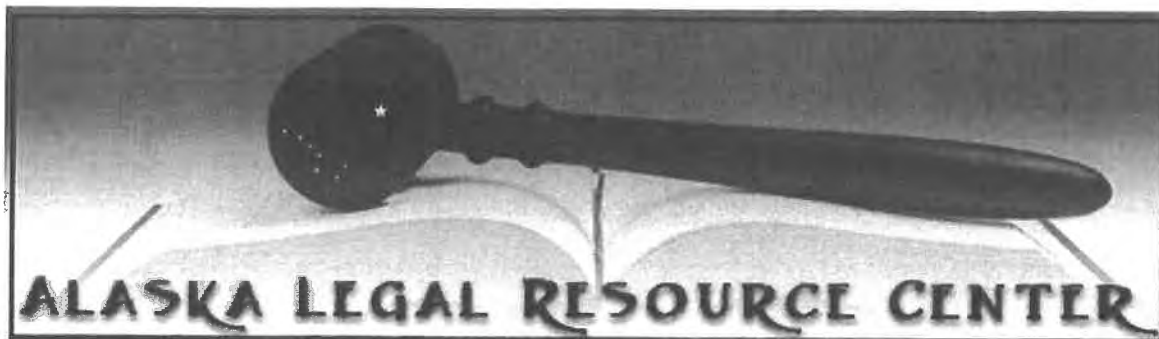
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#### **Note to HTML Version:**

This version of the Alaska Statutes is current through December, 2007. The Alaska Statutes were automatically converted to HTML from a plain text format. Every effort has been made to ensure their accuracy, but this can not be guaranteed. *If it is critical that the precise terms of the Alaska Statutes be known, it is recommended that more formal sources be consulted.* For statutes adopted after the effective date of these statutes, see, Alaska State Legislature If any errors are found, please e-mail Touch N' Go systems at E-mail. We hope you find this information useful.

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## Alaska Statutes.

### Title 39. Public Officers and Employees

#### Chapter 35. Public Employees' Retirement System of Alaska

#### Section 270. Amount of Employer's Contributions.

previous: [Section 260. Annual Calculation.](#)

next: [Section 280. Determination and Payment of State Contributions.](#)

### **AS 39.35.270. Amount of Employer's Contributions.**

(a) The amount of each employer's contributions shall be determined by applying the sum of the consolidated employer normal cost rate and the employer's past service rate to the total compensation paid to the employer's active employees in the system for each payroll period, including any adjustments to contributions required by AS [39.35.520\(a\)](#). This amount shall be remitted by the employer to the administrator in accordance with AS [39.35.610](#).

(b) The employer contribution rate may not be less than the rate required, after subtracting the member contribution rate, to fully fund the actuarially calculated benefits expected to be earned by active members during a fiscal year.

(c) Each employer of a retired member rehired under the authority of AS 39.35.150 (b) shall make contributions to the unfunded liability of the plan on behalf of that retired member at the rate that the employer is making contributions to the unfunded liability of the plan for that employer's other members.

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#### **Note to HTML Version:**

This version of the Alaska Statutes is current through December, 2007. The Alaska Statutes were automatically converted to HTML from a plain text format. Every effort has been made to ensure their accuracy, but this can not be guaranteed. *If it is critical that the precise terms of the Alaska Statutes be known, it is recommended that more formal sources be consulted.* For statutes adopted after the effective date of these statutes, see, [Alaska State Legislature](#) If any errors are found, please e-mail Touch N' Go systems at [E-mail](#). We hope you find this information useful.

**Kenai Peninsula Education  
Support Association  
P. O. Box 198  
Soldotna, Alaska 99669**

**KPESA agrees to withdraw Grievance 06-1 based on the following understanding with the District.**

**The District will pay support employees' wages earned between June 16<sup>th</sup> and July 15<sup>th</sup> in the July payroll.**

**The District will report service credit for qualifying extra work not included in the employees' Personal Action Form, to the PERS to reflect the actual days and actual number of hours worked each day.**

**The District agrees to correct the PERS service credit reported for June 2005 if it does not accurately reflect the actual days and actual number of hours worked each day. These corrections will be completed by November 1, 2005.**

**The District is in the process of replacing its payroll software. The District has assured KPESA that purchasing software which will allow the "12 month pay option" to resume is a high priority.**

  
**KPBSD**

15 Sept 05  
**Date**

  
**Terri Woodward  
President KPESA**

9-14-05  
**Date**



## ARTICLE 12 RESIGNATION

- A. A resignation is a voluntary statement in writing on the part of an employee that she/he desires to sever employment with the District.
- B. The employee shall give the District two (2) weeks notice before leaving her/his employment. Employees leaving without two (2) weeks notice may not be eligible for re- hire.
- C. This notice period may be shortened through mutual agreement beforehand between the District and the employee.
- D. Upon resignation after ~~fifteen~~ ~~twenty~~ school years of service with the District or upon retirement from the District through PERS, an educational support employee shall be paid sixty-seven percent (67%) of her/his normal hourly rate for unused sick leave. **After twenty school years of service with the District, upon resignation or retirement from the District through PERS, an educational support employee shall be paid seventy-five percent (75%) of her/his normal hourly rate for unused sick leave.**
- E. If the State grants credit for unused sick leave under PERS, the employee at her/his option shall be allowed to apply for retirement credit all or a portion of accrued sick leave.
- F. Upon resignation, employees with at least 15 years, but less than 20 years of service, may donate 25% of their accumulated, unused sick leave to the sick leave bank.



## ARTICLE 17 PAYMENT CONDITIONS

### A. **Shift Differential**

The District shall pay a shift differential of ~~twenty-five (25)~~ **fifty (50)** cents per hour to all employees assigned to work the swing shift, and ~~forty (40)~~ **seventy-five (75)** cents per hour to all employees assigned to work the graveyard shift.

### B. **Pay Step**

One work year with the District will qualify an employee for one step on the salary schedule. New employees hired prior to January 1 who complete their Personnel Action Form will qualify for one step on the salary schedule.

### C. **Rate of Holiday Compensation**

Holidays shall be paid for at a straight time rate if not worked. Employees required to work on any of the holidays named in Article 19 shall be paid two (2) times their basic rate of pay.

An employee on unpaid status either the work day before or after a holiday shall not receive holiday pay.

### D. **Initial Pay Schedule Placement**

The District reserves the right to start an employee at other than the Initial Step of the Pay Schedule.

### E. **Nurses**

All school nurses hired by the School District shall be a RN (Non-BSN or a RN-BSN).

### F. **KPESA members who completed their FY 16 work calendar shall receive an additional \$750 in FY 16 salary, no later than 30 days after ratification. The \$750 is PERS eligible, prorated per 1.0 FTE. The additional money shall not be applied to the FY 16 salary schedule.**

### G. **Longevity**

**All bargaining unit employees not receiving a step increase who are at the highest step of the salary schedule, shall receive a 1.5% increase to their salary.**



# **Health Care Increases with \$\$ Lost for no step**

<u>Personnel Action Form</u>	<u>% or \$\$ increase</u>	<u>Health Cost Employee Mo</u>	<u>Health Cost Employee Yr</u>	<u>Change in Take home Pay per month</u>
13-14 Last Step	2%	289.33	2603.97	
14-15 no step	2%	366.67	3300.03	
15-16 no step	\$750 off scale	366.67	3300.03	
16-17 no step	1.50%	430	3870	\$21/month
17-18 no step	1.50%	522.87	4705.83	\$30/month
18-19 no step	0	682.91	6146.19	\$160/month



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PMID: [22953171](https://pubmed.ncbi.nlm.nih.gov/22953171/)

## Shift Work and Health: Current Problems and Preventive Actions

Giovanni Costa<sup>✉</sup>

Department of Occupational Health, University of Milano, IRCCS "Ca'Granda - Ospedale Maggiore Policlinico" Foundation, Milan, Italy.

<sup>✉</sup>Corresponding author.

Correspondence to: Giovanni COSTA. Department of Occupational Health, University of Milan, IRCCS, "Ca'Granda - Ospedale Maggiore Policlinico" Foundation, Via San Barnaba 8, Milan 20122, Italy. Tel: +39-02-50320151, Fax: +39-02-50320150, [giovanni.costa@unimi.it](mailto:giovanni.costa@unimi.it)

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### Abstract

The paper gives an overview of the problems to be tackled nowadays by occupational health with regards to shift work as well as the main guidelines at organizational and medical levels on how to protect workers' health and well-being. Working time organization is becoming a key factor on account of new technologies, market globalization, economic competition, and extension of social services to general populations, all of which involve more and more people in continuous assistance and control of work processes over the 24 hours in a day. The large increase of epidemiological and clinical studies on this issue document the severity of this risk factor on human health and well being, at both social and psychophysical levels, starting from a disruption of biological circadian rhythms and sleep/wake cycle and ending in several psychosomatic troubles and disorders, likely also including cancer, and extending to impairment of performance efficiency as well as family and social life. Appropriate interventions on the organization of shift schedules according to ergonomic criteria and careful health surveillance and social support for shift workers are important preventive and corrective measures that allow people to keep working without significant health impairment.

**Keywords:** Shiftwork, Nightwork, Occupational health, Work organization, Stress

### Introduction

The working time arrangement is a key issue in work organization as it is the basic condition linking human capacities with production means.

This issue has acquired a growing importance in recent decades in relation to the development of new technologies and the extension of basic services to general populations, requiring continuous human assistance and control over the work processes during the 24 hour day. This issue is also associated

with the increasing economic competition among companies and countries, due to the progressive globalization of the labour market and productive strategies, which entail an increasingly intensive and extensive exploitation of productive systems.

The modern "24-hour Society" is the expression of this condition, where we are both consumers and producers at the same time, requiring, on the one hand, the availability of goods and services and, on the other hand, making consumption and production possible at any time of the day and the night [1].

The most recent statistics indicate that the majority of the working population is engaged in irregular or "non-standard" working hours, including shift and night work, week-end work, split shifts, on-call work, compressed weeks, telework, parttime work, variable/flexible working time, and prolonged duty periods (i.e. 12-h shifts); thus, the classical working day, 7-8 a.m. to 5-6 p.m., Monday to Friday, is nowadays a condition affecting a minority of workers, that is 27% of employed and 8% of self employed people according to the 3<sup>rd</sup> European survey on working conditions [2].

Such diversification of working time should contribute to the improvement of human life (more goods, services, employment, and higher salaries) provided that there are no negative interferences with workers' health and well-being.

This is not the case in many work situations, and the aim of this paper is to give an overview of the problems to be tackled nowadays by occupational health and some guidelines on how to protect workers' health and well-being.

## Circadian Rhythms and Sleep Problems

Shift work, particularly work including night shifts, is the most widely studied condition, as it may interfere at several levels with human homeostasis and well-being.

At the biological level, the perturbation and, sometimes, the inversion of the sleep/wake cycle, connected with the modified activity/rest pattern, is a significant stress for the endogenous regulation of the "circadian" (of about 24 hours) rhythms of biological functions, which are driven by the body clock located in the suprachiasmatic nuclei of the encephalon and synchronised by environmental cues (the light/dark cycle in particular) through non-vision-related photic stimuli from retinal ganglion cells with high sensitivity to light [3-5].

Staying awake at night and trying to sleep during the day is not a physiological condition for diurnal creatures such as humans, who are hence forced to adjust their psycho-physiological state by a phase shift of the daily fluctuation of biological functions, which are normally activated during the day and depressed during the night. This phase shift occurs at a speed of about one hour per day and can widely vary according to the duration and extension of night duties along the shift schedule.

Workers involved in rotating shift work (the large majority) are subjected to a continuous stress to adjust as quickly as possible to the variable duty periods, which is partially and invariably frustrated by the continuous changeovers, whereas permanent night workers may adjust almost completely provided that they continue to maintain their inverted sleep/wake cycle also on their days-off [6].

The misalignment of circadian rhythms of body functions is responsible of the so-called "jet lag" (or "shift-lag" in this case) syndrome, characterized by feelings of fatigue, sleepiness, insomnia, digestive troubles, irritability, poorer mental agility, and reduced performance efficiency; a person recovers in a few days depending on the length and duration of the phase shift imposed, personal characteristics (e.g. age), and coping strategies.

It is quite obvious that the perturbation of the sleep/wake cycle has its main effect on sleep, that suffers both in quantity and quality according to the timing of shifts and rest periods, the environmental conditions, and the worker's characteristics and behaviours.

After a night shift, workers usually go to bed as soon as they get home, that is one or two hours after the end of the shift, depending on the commuting time and family commitments (see later for women). This means that they have to sleep during the normal rising phase of biological rhythms, which sustains wakefulness; this makes it difficult to fall asleep and sleep longer. Also, because the environmental conditions are not the most appropriate, such as disturbing noises and lighting, sleep can be further disturbed and wakefulness further extended. Consequently, sleep is reduced by 2-4 h, more frequently or prematurely it is interrupted, and poorer stage 2 and REM (Rapid Eye Movement) sleep is more commonly achieved. The workers perceive this as a less restorative sleep. About one third of shift workers compensate for that by taking a nap in the afternoon, and they also may need to compensate because many workers voluntarily interrupt their sleep around noon to have lunch with other family members. This sleep deficit induces an increased sleepiness during the following night work period, particularly in the second part of it, which is in the early morning, resulting in a higher risk of errors and accidents at work and incidents while traveling home (for example, dozing off at the wheel) [7,8].

Also, in the morning shift, sleep can be notably reduced and disturbed (always with regard to stages 2 and REM affected) due to early awakening, which is not usually compensated by a corresponding advancing of bedtime the night before due to social habits and activities. This early rising time (at 4-5 a.m., when the shift starts at 6 a.m.) induces an increased sleepiness and fatigue during the duty period and for the rest of the day (12) that many shift workers try to compensate for with a nap after returning home. [9,10]. On the other hand, sleep length in the early morning shift increases by about half an hour per each 1-hour delay of the shift start time [11].

On the contrary, the afternoon shift disturbs sleep the least, unless it ends too late (11 or 12 p.m.) or there is a long commuting time that is long enough to significantly delay the retiring time.

However, it has to be taken into account that the type of shift rotation can significantly affect resting and rising times as well as sleep duration. For example, in the case of the classical semicontinuous shift system with a forward, weekly "5/2" rotation (5 Morning shifts, 2 Rest-days, 5 Afternoon shifts, 2 Rest-days, 5 Night shifts, 2 Rest-days), the interval between two night shifts is always 16 hours, and there are 48 or 56 hours between the last night shift and the following morning or afternoon shift period. On the other hand, in the case of a fast, backward-rotating shift system (1 A, 1 M, 1 N, 2 R), with the morning shift directly after the afternoon shift and the night shift in the same day ("quick return"), the rest intervals between the shifts last only 8 hours, and the night shift starts in the same day as the morning shift, thus combining the truncation of the sleep preceding the morning shift with its curtailment before the night shift.

On the other hand, in the case of continuous shift schedules, it was found that sleepiness decreases passing from a backward- to a forward-rotating shift system, as there are longer rest intervals between shifts [12].

Therefore, the combination of circadian disruption and sleep deficit can be responsible for high levels of sleepiness and fatigue during work periods, with consequently higher proneness to performance impairment, thus inducing or favoring errors and accidents.

During a normal day, alertness is high in the morning and early afternoon, being sustained by the circadian activation of biological rhythms and by the restoration given by a normal nocturnal sleep. It progressively decreases during the late afternoon and night hours, and, conversely, sleepiness increases due to the circadian drop of most psychophysical functions and to the prolonging of the time awake. Obviously, it further increases in conditions of repeated and cumulative sleep deprivation, like for several consecutive night shifts [13].

It is not yet clear whether persistent sleep disorders may establish/arise after many years of shift work. This is probably due to the difficulty of following up large groups of shift workers for several years and to the process of self-selection that occurs in the meantime; some retrospective studies (38) seem to suggest a cumulative effect, probably in more vulnerable and older workers.

In recent years, the International Classification of Sleep Disorders has officially defined the Shift Work Sleep Disorder (307.45-1) as one that "consists of symptoms of insomnia or excessive sleepiness that occur as transient phenomena in relation to work schedules" [14]. The disorder may be diagnosed by history and better qualified by polysomnography and by the Multiple Sleep Latency Test, which can also help in the differential diagnosis of other medical or mental sleep disorders, in particular, narcolepsy, sleep apnea syndrome, primitive circadian rhythm (delayed or advanced) sleep disorder, and drug and alcohol-dependency sleep disorders. It may be defined as "acute" (lasting 7 days or less), "subacute" (more than 7 days but less than 3 months), or "chronic" (3 months or longer) [15].

About 10% of night and rotating shift workers, aged between 18 and 65, have been estimated to have a diagnosable "shift-work sleep disorder" [16].

The key point of the clinical evaluation is the ability to differentiate "tolerable" troubles (compatible with transitory perturbation of the sleep/wake cycle) from more severe or pathological disorders that require asking for prompt interventions at work (transfer to day work) and personal levels (therapy, rehabilitation). For the latter, the occupational health physician needs the constant help and support from sleep experts for a careful diagnostic process, considering all possible intervening and confounding factors, the most appropriate therapy, and the forensic implications connected with the diagnosis of SWSD as a work-related disease.

### Performance Efficiency, Errors, and Accidents

Both homeostatic (time elapsed since prior sleep termination) and circadian (sleep/wake cycle) components interact in determining the extent of the reduction in alertness and psychophysical performance over the waking day, and even more so at night.

Sleepiness, sleep disturbances, chronic fatigue, and oscillatory fluctuations of alertness and vigilance are key factors in causing human errors, and consequent work accidents and injuries, by interacting with organisational factors, such as environmental conditions, job content, workload, and time pressure.

Although it is worth noting that working conditions and risks may change between day and night in relation to fluctuation of work pacing, number of workers on duty, type of tasks (e.g. maintenance works) and supervision, irregular and/or prolonged duty hours are well documented risk factors in many epidemiological studies, even after controlling for other potential confounders.

Some studies that estimated the relative risk of incidents in the morning, afternoon, and night shifts of 8-hour shift systems, in comparable working conditions, showed an increased risk of 18% in the afternoon shift, and of 30% in the night shift, as compared to morning shift. Moreover, other studies reported that the risk increases over successive shifts by about 6% in the second night, 17% in the third night, and 36% in the fourth night [17].

Also the length of hours on duty is a key factor for fatigue-related accidents, as reported by three studies which examined trends in national accident statistics. An aggregated analysis of several studies carried out in English industries [18] showed an almost exponential increase of accidents after the eighth hour of work; this has also been evidenced in Sweden [19], based on examination of the national database of work accidents, and in Germany through the insurance registries on industrial accidents [20]. According to these studies, it is possible to estimate double the risk of accident when working in

a 12-h shift as compared with an 8-h shift. Also, a recent survey of more than 75,000 US workers over a 4-year period [21] confirmed a higher risk of injury strictly related to a progressive increase of working hours and reduction of sleep duration.

However, it is clear that these factors need to be considered in combination with other organizational factors, in particular work load and rest pauses. For example, a 12-h shift, that includes frequent rest pauses and a well balanced work load, can be safer than an 8-hour shift with only one mid-shift break and a high physical and mental load.

Besides industry, the transport sector is particularly sensitive to such problems. Many studies carried out in the last decades have evidenced how drowsiness and fatigue are key risk factors in road and railway accidents of professional drivers [22,23].

Accidents caused by driver fatigue or lapses of attention due to sleep deprivation are often quite severe as the drowsy and/or fatigued driver may not take the appropriate actions to avoid an accident. It was also reported that sleepy drivers often do not perceive their risky condition and frequently drive with closed eyes for 5 to 50 second periods (microsleep) [24-26].

It was found that being sleepy while driving increases the risk of a serious injury crash by eight-fold [27]. Moreover, several studies showed that "single vehicle" accidents on roads have the greatest probability of occurring at night or in the early morning, even when traffic density has been controlled for [28-31]. Similar findings also come from studies on train drivers [32-34].

Härmä et al. [33] recorded severe sleepiness in 50% of the night shifts and in 15-20% of the morning shifts of Finnish train drivers and railway traffic controllers. The risk of severe sleepiness was 6-14 times higher in the night shift and about twice as high in the morning shift as compared with the day shift.

## Health Disorders

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An increasing amount of epidemiological studies carried out in the last decades show that shift and night work may cause severe long-term effects with regards to health, with a consequent high economic and social cost for both the individual and society.

### Psychological and mental health

Shift workers often complain about irritability, nervousness, and anxiety in relation to more stressful working conditions and higher difficulties in family and social life. Persistent disruption of circadian rhythms and sleep deficits may lead to chronic fatigue, mood disorders, neuroticism, as well as to chronic anxiety and/or depression, creating a situation where workers have higher absenteeism and often require the administration of psychotropic drugs (sedatives and hypnotics) [35-37].

### Gastrointestinal disorders

Meal times are important synchronizers of the human life, having both physiological and social aspects. Although shift workers do not significantly modify their total energy intake, they change the timing and frequency (i.e. nibbling) of eating and, sometimes, the content of meals (more fats and carbohydrates in many cases), often being taken cold and during short breaks (snacking).

After sleeping, digestive troubles are most frequently complained about by shift workers (20-75% vs. 10-25% of day workers), due to the troubles being connected with phase displacements between mealtimes and normal circadian phases of gastrointestinal functions (e.g. gastric, bile and pancreatic secretions, enzyme activity, intestinal motility, rate of absorption of nutrients, and hunger and satiety hormones) and to changes in food quality and composition (i.e. more pre-packed food and 'pep' and soft drinks) [38].



Many surveys document that gastrointestinal troubles and diseases are more common in shift workers than in day workers. They can vary from alterations in bowel habits (mainly constipation), difficulties in digestion, flatulence, and pyrosis, to more severe disorders such as gastroduodenitis, peptic ulcer, and irritable bowel syndrome. These disorders were mostly reported in the past by several epidemiological studies, most of which were cross-sectional, and not homogeneous with regards to the diagnostic methods used (i.e. questionnaires, clinical reports, insurance databases, x-ray examination, endoscopy) and controlling for confounders (i.e. smoking, age, socio-economic status) [36,39].

A recent Japanese study on peptic ulcers [40], covering about 12000 workers from several sectors, that combined X-ray and endoscopy showed a double in the relative risk of peptic ulcers in shift workers than in day workers (2.38% vs. 1.03% for gastric ulcer and 1.37% vs. 0.69% for duodenal ulcer).

Moreover, some studies found that the infection by *Helicobacter Pylori* is more prevalent in shift workers than in day workers, which probably is a sign that shift work hampers the natural gastric defence [41,42].

A very recent systematic review of twenty peer reviewed epidemiological studies, reporting an association between shift work and gastrointestinal diseases [43], pointed out that four out of six studies showed a statistically significant association with digestive symptoms, five out of six with peptic ulcers, and two out of three with functional GI disorders.

### Metabolic disorders

Metabolic syndromes (that is abdominal obesity, increased triglycerides, reduced HDL-cholesterol, high blood pressure, increased fasting glucose) are presently one of the most relevant public health risk factors, mainly for their association with type 2 diabetes and cardiovascular diseases [44].

Many studies have recently reported a higher prevalence of nutritional and metabolic disturbances in shift workers, such as overweight and obesity (both general and abdominal), as well as increased triglycerides and total cholesterol (with decreased HDL-cholesterol) blood levels in shift workers engaged in night work, emphasizing its role in the pathogenesis of coronary heart disease [45-51]. This could be due to several factors, in particular the mismatch of circadian rhythms, sleep, and digestive disturbances, changes in daily lifestyle (i.e. quality and timing of meals, nibbling, unbalanced diet), and disturbed socio-temporal patterns, such as work and non-work conflict and related higher stress levels. Also the direction of shift rotation may be relevant: the counter-clockwise shift rotation seems affect, to a greater extent, some metabolic parameters (triglycerides, glucose, and uric acid) than the clockwise rotation.

With regards to the risk of diabetes, some studies reported an impairment of glucose tolerance in shift workers, with increased insulin resistance at night [52,53] and a higher (almost double) prevalence of type 2 diabetes in relation to rotating shift work [54], which appears to increase with years spent doing shift work [55].

The circadian fluctuation of metabolic processes may also influence the efficiency of the detoxification mechanisms (i.e. in the liver) and elimination (i.e. kidney) of chemical substances to which shift workers may be exposed at different times of the day and night. So the risk of intoxication, or excessive retention of harmful substances, may significantly vary according to the different phases of metabolic processes at night, as has been evidenced by the Bhopal disaster (1984), where, surprisingly, thousands of nearby inhabitants died in their sleep, while phase adjusted night workers (and nocturnally active rats) were only marginally affected [56]. This makes clear the need to take into account such aspects also in terms of environmental and biological exposure limits (i.e. TLVs and BEIs) [57].

### Cardiovascular disorders

In 1999, Knutsson and Boggild [58] reviewed seventeen studies and concluded that there is evidence in favour of a strong association between shift work and CVD, with shift workers having on average 40% excess risk for ischemic heart disease as compared to day workers. It has been suggested that the relationship between shift work and CVD is partially due to the combination of the stress connected with an inverted sleep/wake cycle and related circadian disruption with disturbed cardiac autonomic control, sleep deprivation, work/family conflicts, and life style changes [59]. As reported in the previous chapter, several major cardiovascular risk factors, such as smoking, obesity, and dyslipidemia are, in many cases, more prevalent among shift workers than among day workers [60].

It has been seen that, among smokers, the number of cigarettes smoked per day increases more in shift workers than in day workers, or that it is much easier for a shift worker to start smoking. Thus smoking may become a mediating, not only a confounding, factor between shift work and CVD [61].

More recently, some studies have also pointed out the importance of elevated indices of inflammation (in the atherosclerotic process) or other independent risk factors (i.e. omocysteine, fibrinogen) in shift workers as well as changes in autonomic cardiac control, with higher heart rate variability and increased frequency of ventricular extrasystoles systoles [62,63].

However it is not always easy to establish a causal relation between shift work and CVD due to many selection biases, besides the well known confounders [64,65]. This is the case of ageing, for example, which is itself a risk factor for CVD but, when combined with shift work, can be underestimated in elderly shift workers due to the "sick shift worker effect", that is workers no longer working on shifts due to intervening health disorders that are more likely to occur with ageing. This was evidenced in a 13-year follow up study on Finnish workers, where the relative risk of ischemic heart disease was higher after 5 years than after 13 years (1.59 vs. 1.34) of shift work [66]. Also, the periodical health surveillance, to which shift workers may be subjected more frequently than day workers, could weaken such associations, as shown by Frost et al. [67] in their review of 16 studies concerning CHD and shift work.

With regards to hypertension, some studies addressed this issue in the last years with mixed and inconclusive results.

## Cancer

In 2007, the International Agency on Research on Cancer (IARC) classified "shift work that involves circadian disruption" as "probably carcinogenic to humans" (Group 2A) on the basis of "limited evidence in humans for the carcinogenicity of shift-work that involves night work", and "sufficient evidence in experimental animals for the carcinogenicity of light during the daily dark period (biological night)". This was referring breast cancer in women in particular, on which 9 studies have been published so far, 6 of which were positive, but there are some other sporadic indications for cancer of the endometrium (1 positive study), prostate (3 studies, 2 positive), colon-rectal (3 studies, 1 positive), and non-Hodgkin lymphoma (1 positive study) [68,69].

The mechanisms by which circadian disruption may favor the induction and/or promotion of malignant tumors are complex and multi-factorial. The multi-level endocrine changes caused by circadian disruption with melatonin suppression via light at night lead to the oncogenic targeting of endocrine responsive breasts in women and possibly the prostate in men. Repeated phase shifting with internal desynchronization may lead to defects in circadian cell cycle regulation, thus favoring uncontrolled growth. Sleep deprivation leads to the suppression of immune surveillance which may permit the establishment and/or growth of malignant clones.

However, the epidemiological studies published so far, although dealing with large cohorts and controlling for several personal confounders, have a rather rough definition of the exposure to shift/night work, which does not allow to properly assess the risk connected with circadian disruption. The information concerning exposure to shift and night work was mainly based either on sporadic self-reported assessment on working shifts, including night (mainly rotating), or on affiliation to a work sector in which shift work involved a somewhat high percentage of workers, according to nationwide databases and registries. Other quantitative and qualitative information on shift schedules (i.e. no. of night shifts per month or year, no. of consecutive night shifts, direction and speed of rotation, length of duty periods) and on possible confounding or mediating factors (concomitant work and personal risk factors) were lacking or quite dis-homogeneous [70].

However, despite these methodological weaknesses, we have to very carefully consider these outcomes as most studies deal with very large cohorts and controlled for several confounders. Taking into account the plausibility of physiopathological mechanisms and the interaction with many other concurrent non occupational risk factors, it is necessary to more precisely analyze the weight of the exposure to irregular working times [71], also with consideration of its social relevance for work and life organization.

### Women's reproductive function

The menstrual cycle is the most known monthly ("circatrigintan") hormonal rhythm in humans and it may be disrupted, in association with the circadian rhythms, in rotating shift workers.

A higher incidence of altered menstrual cycle, premenstrual syndrome, and menstrual pains has been reported in many groups of women shift workers, such as nurses, air crews, and blue collar workers in industry. Some studies also reported a higher incidence of miscarriage and impaired fetal development, including pre-term birth and low birth weight [72].

A large, recent Danish study based on national Registers has found a higher risk of post-term birth in those working on fixed night work as compared with day work (OR = 1.35), a higher risk of full-term low birth weight (OR = 1.80) for fixed evening work, and a slight excess of small babies for their gestational age (OR = 1.09) associated with shift work [73].

A meta-analysis based on 160,988 women in 29 studies designed to evaluate the association of physically demanding work, prolonged standing, long working hours, shift work, and cumulative work fatigue score with preterm birth, showed that, besides the physically demanding work, shift and night work (OR 1.24) were significantly associated with preterm birth [74].

According to some studies, rotating shift work, including night work, has a higher risk of miscarriage than other traditional physical factors (i.e. noise, hot/cold, vibrations, standing work), being second only to lifting heavy loads [75].

Some studies also pointed out that women shift workers have lower fertility and higher abortion rates than their day worker colleagues not only because of the interference on their hormonal rhythms, but also due to a personal choice of avoiding/limiting pregnancies or new babies due to the more complex and difficult organization of their life caused by the conflicts between irregular work schedules and home commitments.

For these reasons, it is worth avoiding night work for pregnant women; in addition, some national legislation states that women are exempt from night work from the beginning of pregnancy as well as the possibility for women to stay in day shifts during the first 2-3 years of age of their children.

Moreover, it may be advisable to transfer those young women who find it difficult to be pregnant to day work in order to give them the possibility to regulate their hormonal cycles.

## Social Problems

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Shift work also has a relevant interference on family and social life, which may result in psychological stress and psychosomatic disorders [76].

In fact, shift workers can face greater difficulties in combining working and social times as most family and social activities are arranged according to the day-oriented rhythms of the general population. Coordination with family timetables may become difficult in relation to the complexity of family (i.e. number and age of children, cohabiting persons), personal duties (i.e. school, housework), and availability of community services (i.e. shop hours and transports).

Time pressure and work/family conflicts are common problems, particularly for those who have high family burdens or complementary duties (i.e. women with small children), and this may also have a negative influence on marital relationships, parental roles and children's education in addition to the increasing sleep problems, chronic fatigue, and psychosomatic complaints [77-79].

## Inter-individual Differences in Tolerance

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There is a high inter-individual variability in tolerance to shift work, which can be due to the interaction among individual characteristics, social conditions, and working conditions [80].

Despite several epidemiological studies concerning health troubles and disorders associated with shift and night work, it is not possible to identify some individual characteristics that can be profitably used as predictors of good or scarce tolerance to shift work. Among these characteristics, some authors suggested looking at morningness/eveningness, neuroticism, rigidity/flexibility of sleeping habits, hardiness, and stability of circadian rhythms [81-83].

For example, it is quite well known that "evening" types tolerate better night work than "morning" types; this is connected with the delayed phase position of their circadian rhythms towards evening hours, which partially compensates the fall of biological functions at night. On the other hand, "morning" types cope quite well with early morning shifts (hated by the evening types), thanks to the earlier activation of their biological rhythms. Thus, this characteristic could usefully be taken into consideration to preferably allocate morning and evening types to morning and evening/night shifts, respectively, in the cases of fixed or slowly rotating shift systems, but in the cases of fast rotating shift schedules, which are now the most widely used, both types of workers have problems for opposite reasons.

Moreover, we have to consider that the distribution of these characteristics in the general population is not balanced; the morning type is far more frequent than the evening type, but most are "intermediate" types and thus have problems in any shift.

On the other hand, the characteristics of flexibility of sleeping habits and the ability to overcome drowsiness may help the worker's adaptation to shift work; however, the scarcity of follow-up studies does not allow one, at the moment, to consider it as a predictor of better health conditions in the long-term.

Also, high levels of neuroticisms may be considered as an unfavourable factor for tolerance, but it is not yet clear whether neuroticism is a predictor or an effect of shift work intolerance, due to most of the studies on this topic being cross-sectional.

Besides, good physical fitness increases tolerance by lessening fatigue and improving recovery mechanisms [84].

Certainly ageing may be a key factor of tolerance to shift and night work in relation to the associated physiological and physio-pathological changes occurring during the working life, particularly with regards to sleep length and quality, earlier phasing of circadian rhythms, and higher proneness to circadian desynchronization of biological rhythms [84-86].

With regards to gender, besides the above mentioned negative effects on fertility and pregnancy, a reduced tolerance has been observed in women facing higher work/family conflicts in relation to higher family burden and commitments (i.e. those with small children and/or larger families), which make it more difficult to recover from sleep deprivation and fatigue.

Moreover, less favourable living and social conditions, often reported by surveys in developing countries, and usually associated with poor working conditions and long working hours, may aggravate the impact of shift work on health [87-89].

All these factors may also influence the self-selection process ("healthy worker's effect") that often occurs among shift workers and may make it difficult to compare different groups, both among shift workers and between shift and day workers.

### Health Surveillance and Assessment of Fitness to Work

There are many pathological conditions, either directly associated with shift/night work, as seen above, or independent from it that may be a potential contraindication for shift and/or night work.

They must be carefully evaluated both in terms of severity and possibility of appropriate therapy in the process of assessment of fitness to work, with or without limitations and/or prescriptions, on a temporary or permanent basis [90,91].

This is the case, in particular, for persistent sleep disorders (i.e. chronic insomnia, obstructive sleep apnea syndrome, parasomnias), severe gastrointestinal disorders (i.e. peptic ulcer, chronic hepatitis or pancreatitis, Crohn's disease), cardiovascular diseases (i.e. IHD and severe hypertension), neuro-psychic syndromes (i.e. chronic anxiety and/or depression, seasonal affective disorders, epilepsy), metabolic (i.e. insulin dependent diabetes) and hormonal disorders (i.e. thyroid and suprarenal pathologies), chronic renal impairment, and cancer.

Assessment of fitness to shift work also has to take into account that: a) shift schedules may be quite different and their effects on health may considerably differ (i.e. continuous or dis-continuous shift systems, slow or fast rotation, clockwise or counter-clockwise rotation, rest days between shifts); b) the consequent effects on health and well-being may be strongly influenced by the coexistence of other occupational risk factors (i.e. work load, environmental conditions, type of task); c) many health disorders may develop in a light form, not able to significantly affect the worker's psycho-physical work ability; d) recent advances in pharmacology and rehabilitation allow one to recover or, at least, to significantly limit the severity and consequences of many health disorders (i.e. in the case of peptic ulcers, hypertension, or IHD); e) several psychosomatic troubles and diseases, ascribable or aggravated by shift work, have a multifactorial etiology, a chronic trend, and are very common in the general population.

Several etiological and/or concausal risk factors may include genetic inheritance, psychological characteristics, life-styles, socio-economic conditions, and other concurrent or preexisting health disorders. Consequently, intolerance to shift and night work is the result of the interaction among several risk factors dealing with different domains, which can have different weights and relevance among shift workers, both in terms of severity and timing of manifestation during the working life.

Hence, we believe that the above mentioned diseases may be considered from time to time as relative or absolute contraindications to shift and/or night work depending on the specific situation, the type and severity of the disorder, possible interactions with other pathologies and/or to other occupational and non-occupational risk factors, and, above all, with work organization (shift work in particular).

Obviously such disorders are more critical in the case of night work, whereas they may be more compatible with day shifts, except for interferences with sleep (such as in the case of early morning shifts), diet (in the case of metabolic and digestive disorders), and physical work load (in the case of CVD).

For assessment of fitness to work, the OHP has to also carefully consider other conditions able to negatively affect tolerance and health, such as ages over 50, chronic respiratory diseases (i.e. asthma), type 2 diabetes, female hormonal dysfunctions, and current pharmacological therapy (in terms of timing and therapeutic effectiveness, as well as interference of vigilance and sleep).

Medical health checks aimed at assessing the compatibility between health conditions and shift work should be set before starting shift work and at regular intervals afterwards (i.e. every 2-3 years) according to working conditions (type of shift schedules, environmental conditions, work loads) and worker's characteristics (i.e. age, gender, health, social), with the aim of detecting early signs of mal-adjustment or intolerance.

Health surveillance has to carefully address basic psychophysiological status (sleep, digestion, women hormonal pattern, body mass index), life styles (i.e. diet, smoking, alcohol and coffee intake, physical activity), previous and current health troubles and disorders (with particular reference to gastrointestinal, cardiovascular, endocrine, metabolic and neuro-psychic), current therapy, and absenteeism due to health impairment.

Clinical checks may be usefully complemented with laboratory and instrumental tests and specialized medical visits aimed at better defining the type and severity of the worker's health conditions, in particular: - polysomnography and/or other sleep and neuro-physiological tests in the case of primary or secondary sleep disorders; - ECG (standard or Holter) and a visit by a cardiologist in the case of IHD or hypertension, and re-admission to work after myocardial infarction; - blood glucose level and glycated hemoglobin to assess the adequate control of diabetes, also performed over a long temporal period; - blood lipids content to assess the proper balance between diet, mealtimes, and metabolic assets; - hormonal levels (i.e. cortisol, melatonin, tiroids), taking into account their circadian rhythms connected with the rest/activity periods because it is important to distinguish between a transitory "masking" effect due to the altered sleep/wake cycle from a more persistent effect due to pathological dysfunction.

Moreover, to better assess the circadian adjustment (or mal-adjustment) of workers complaining of significant health troubles, it may be useful to train them to record their daily sleep and meal times, work and leisure activities, as well as some simple physiological parameters, such as body temperature, heart rate, blood pressure, sleepiness, vigilance, and fatigue, along one or more shift cycles.

### Education and Counseling

Both managers and persons in charge with the working time organization, as well as involved workers, must be adequately informed on the possible negative effects of shift work.

The former have to understand which may be the negative consequences of shift work on worker's health and performance, and hence also on productivity, absenteeism, and company costs, in order to plan the best possible countermeasures in terms of work organization and workers management.



The latter have to understand which troubles and disorders are more related to shift and night work and what are the best coping strategies to prevent or limit them, in particular with reference to sleep habits, diet, physical fitness, and leisure times.

It has been evidenced that good social support from coworkers and supervisors at work, as well as from family members, is able to significantly improve adaptation and tolerance [36,92-94].

## Organization of Shift Schedules

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It is quite obvious that careful health surveillance has to proceed in parallel with corrective and preventive actions on working time organization, and in particular shift scheduling.

There are thousands of different shift schedules which may have a quite different impact on worker's health and safety, in particular with reference to the amount of night work, timing and duration of shifts, length of shift cycle, speed and rotation of shifts, and position and length of rest days.

Therefore, shift schedules should be designed according to some ergonomic criteria, recognized to be suitable to lessen stress and limit adverse effects on health and well-being by avoiding or minimizing circadian disruption and accumulation of sleep deficits and fatigue, such as: a) limit night work as much as possible; b) avoid a large number of consecutive night shifts; c) prefer quickly rotating (every 1-3 days) shift systems to slowly rotating (i.e. weekly or longer) ones and to permanent night work (also for social reasons); d) prefer clockwise rotation (morning/afternoon/night) to the counterclockwise (afternoon/morning/night) rotation; e) set the length of shifts according to psycho-physical demands; f) avoid morning shifts that start too early; g) set an adequate number of rest days between shifts, particularly after night shifts; h) keep the shift system as regular as possible; i) allow flexible working time arrangements according to worker's needs and preferences [95-98].

However, it should also be taken into account that no one has a priori the best solution, as the arrangement of the shift schedules should be tailored to the specific job demands, personal characteristics, socio-economic conditions, and cultural background of the involved workers. This also requires the workers' participation in the whole process of designing and implementing the shift schedules, not only because of their direct experience of the problems, but also to promote good motivation for adopting the most convenient coping strategies that are able to limit, as much as possible, significant perturbations of their health and social life.

Moreover, further useful countermeasures can be adopted concerning additional rest breaks for meals and naps, supplementary rest-days or holidays to improve recovery, better canteen facilities and social services (i.e. transport, school, and shop hours), training and rehabilitation courses for shift workers, periodical transfer to day work, and progressive decrease of night work with increasing age [99,100].

## Conclusions

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Shift and night work interferences on health and well being are complex and multifaceted in their origins and time manifestations, dealing with several aspects of personal characteristics, and working and living conditions.

Referring to the WHO's definition of "health", shift work is a risky condition at all the three reference levels, as it is not only a risk factor for many health disorders (e.g. gastrointestinal, psychoneurotic, cardiovascular, reproductive functions, and probably cancer), but it also perturbs psycho-physical homeostasis (e.g. sleep/wake cycle and circadian rhythms) and hampers family and social life.

Therefore, given that our goal is the preservation of shift workers' health as a whole, it is necessary to go beyond health protection to the view of health promotion. In the former case, our strategies must be oriented to defining the best diagnostic tools for health surveillance and assessing the "risk/benefit"

ratio for the worker, and if it is acceptable or not. For the latter, we have to adopt an epidemiological approach, aimed at assessing extension and severity of such a risk factor, and addressing the most appropriate preventive measures at the best "cost/effectiveness" ratio for the workers' groups and the communities in general.

Consequently, it is necessary to apply a systemic approach, dealing with the different domains which in turn can affect the outcomes and address the interventions at their best, involving physio-pathology, psychology, sociology, ergonomics, economics, politics, and ethics.

This implies the concurrent action of several actors beside the occupational health physicians, such as ergonomists, psychologists, sociologists, educators, legislators, as well as managers and workers.

This is the only way to avoid an acritical assessment of mal-adaptation and/or in-tolerance to shift and night work based on sectorial aspects (i.e. some individual characteristics or behaviours) not sufficiently supported by scientific data and longitudinal studies. This can also drive to a risky and even dangerous (i.e. for employment) attitude for selection of shift workers, without taking into consideration the whole context in terms of (shift) work organisation and social conditions, which in many cases are the major intervening factors and are more profitable interventions for subjects, companies, and the whole society

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Articles from Safety and Health at Work are provided here courtesy of **Occupational Safety and Health  
Research Institute**



## ARTICLE 21 ASSOCIATION LEAVE

The Board shall provide the Association sixty (60) days per year for Association Leave for Association business. All Association leave shall have prior approval of the KPESA president, building administrator, and Human Resources. Days beyond the sixty (60) if approved, shall be done so with the understanding that the Association will pay the substitute costs, if any. The unused leave will be allowed to accumulate from year to year to facilitate negotiation years.

A maximum of fourteen (14) days, to be used for official NEA State or National business, at District expense, shall be approved for employees elected to State or National NEA office.

Whenever any representative of the Association or any support employee is mutually scheduled by the School Board or the Administration and the Association to participate during the working hours for grievance proceedings, conferences or meetings, he/she shall suffer no loss in pay. Nor shall there be any leave charged to the employee or the Association.

The District agrees to grant a leave time request for the President of the Kenai Peninsula Education Support Association for each year of the current contract, if requested. The President's release time shall be granted by the District, provided that the following conditions are met: (a) the Association shall pay the salary and benefits equal to the amount of release time; (b) the President shall not be released until the District has found an acceptable substitute who can perform the President's professional duties and responsibilities; (c) the request must be made in writing prior to April 15 of each year for the following school year; (d) should the Association choose to have .50 or more release time for the President, the Association will bear 100% of the annual benefit package for the President (e) **the President shall be considered an employee of the District for the administration of benefits.** At the conclusion of President's release, the employee shall be returned to her/his building position held prior to the leave.

# Staff Finder (Employee Rolodex)

Name	Email	Position	School/Department
Rachel Sinclair	RSinclair@KPBSD.k12.ak.us	Contract Employee	99 - Districtwide

# Staff Finder (Employee Rolodex)

Name	Email	Position	School/Department
David Brighton	DBrighton@KPBSD.k12.ak.us	Contract Employee	99 - Districtwide



# Staff Finder (Employee Rolodex)

Name	Email	Position	School/Department
Tammy Bradley	TBradley@KPBSD.k12.ak.us	Contract Employee	33 - Paul Banks
David Brighton	DBrighton@KPBSD.k12.ak.us	Contract Employee	99 - Districtwide
Kelly Burch	KBurch@KPBSD.k12.ak.us	Contract Employee	48 - K-Beach 51 - Mountain View
Namutebi Busby	NBusby@KPBSD.k12.ak.us	Contract Employee	48 - K-Beach
Susan Byrne	SByrne@KPBSD.k12.ak.us	Contract Employee	67 - Kenai Alternative
Donald Combs	DCombs@KPBSD.k12.ak.us	Contract Employee	99 - Districtwide
Kenneth Daher	KDaher@KPBSD.k12.ak.us	Contract Employee	01 - Tebughna 02 - Ninilchik
Kendra Denney	KDenney@KPBSD.k12.ak.us	Contract Employee	77 - Human Resources
Lynn Dusek	LDusek@KPBSD.k12.ak.us	Contract Employee	92 - Grants/Instruction
Christopher Etzwiler	CEtwiler@KPBSD.k12.ak.us	Contract Employee	40 - Port Graham 49 - Razdolna
Debra Evensen	DEvensen@KPBSD.k12.ak.us	Contract Employee	99 - Districtwide
Krystal Evensen	KEvensen@KPBSD.k12.ak.us	Contract Employee	80 - Connections
Caleb Frederickson	CFrederickson@KPBSD.k12.ak.us	Contract Employee	78 - Data Processing
Jennifer Freeman	JFreeman3@KPBSD.k12.ak.us	Contract Employee	99 - Districtwide
Sarah Jones	SJones@KPBSD.k12.ak.us	Contract Employee	11 - Kenai Middle
Zachary Kudla	ZKudla@KPBSD.k12.ak.us	Contract Employee	13 - Homer Middle
Kimberly Kuklis	KKuklis@KPBSD.k12.ak.us	Contract Employee	33 - Paul Banks 87 - Nursing Services
Crescent Naderhoff	CNaderhoff@KPBSD.k12.ak.us	Contract Employee	34 - Nanwalek
Mellisa Nill	MNill@KPBSD.k12.ak.us	Contract Employee	09 - Soldotna High 85 - Secondary Ed - Student Activities
Jill Ramponi	JRamponi@KPBSD.k12.ak.us	Contract Employee	81 - Special Services
Ryan Scottt	RScottt@KPBSD.k12.ak.us	Contract Employee	34 - Nanwalek
Andrew Scrivo	AScrivo@KPBSD.k12.ak.us	Contract Employee	14 - Seward Middle
Danielle Self	DSelf@KPBSD.k12.ak.us	Contract Employee	02 - Ninilchik
Rachel Sinclair	RSinclair@KPBSD.k12.ak.us	Contract Employee	99 - Districtwide
Cheryl Verkuilen	CVerkuilen@KPBSD.k12.ak.us	Contract Employee	11 - Kenai Middle
Heather Vest	HVest@KPBSD.k12.ak.us	Contract Employee	11 - Kenai Middle
Karen Weston	KWeston@KPBSD.k12.ak.us	Contract Employee	02 - Ninilchik 38 - Nikolaevsk



### **ARTICLE 37 EXTRACURRICULAR PROGRAMS**

An extracurricular program is defined as a separate volunteer position outside of the employment relationship for an activity, club, or sport. Acceptance of an extracurricular contract is voluntary. Refusal to accept or willingness to perform an extracurricular contract shall have no bearing on continued building assignment or formal evaluation.

A. These nominal fees represent the amount to be paid by the School District when the activity has been approved by the Board and the employee has fulfilled the volunteer agreement.

B. No extracurricular salary will exceed or be less than the ranges specified except as provided under the terms of this agreement.

C. The following payment method shall be used for employees receiving an extracurricular volunteer agreement:

For administrative convenience, a lump sum payment will be made at the end of the activity with the regular paycheck specifying regular salary and extracurricular fee. Extracurricular fees shall not be paid early by separate check.

D. A written volunteer agreement for each extracurricular activity will be issued. Agreements will be issued prior to the beginning of the activity.

E. When dividing a single activity between two or more sponsors, the nominal fee shall be prorated between/among them.

F. In the event the Board adds a new activity or program to the extracurricular agreement, or significantly redefines an existing activity, the range for this new or redefined activity will be commensurate with equal or similar activities.

G. Providing the status of an extracurricular program is known, if a sponsor of an extracurricular activity is not to be rehired for the subsequent year, he/she will be notified in writing before the last day of the school term.

H. The schedule of activities and the corresponding ranges shall be published on the District's website as an Appendix at the same location as the Negotiated Agreement. Any change for the following school year that lowers a range assignment identified in the Appendix shall be made before the last school day of the current school year.

I. As positions become vacant, certificated teachers within their respective buildings who are qualified shall be given first opportunity to sponsor/coach extracurricular activities. If no certified teacher within the building is hired as a sponsor/coach, classified employees within their respective buildings who are qualified shall be given second opportunity to sponsor/coach extracurricular activities. If no certified teacher and no classified employee volunteers, the position will be advertised.

#### **NOMINAL FEE SCHEDULE**

Extracurricular fees employees shall be:

Range	Amount
1	\$375.14
2	\$467.86
3	\$749.22
4	\$936.79
5	\$1404.66
6	\$1873.59
7	\$2,341.45
8	\$2,810.38
9	\$3,278.25
10	\$3,747.18
11	\$4,215.04
12	\$4,682.91



FLSA2005-51

November 10, 2005

Dear Name\*:

This is in response to your letter of September 23, 2004 written on behalf of your client school district. You request guidance as to whether certain stipends the school district provides to non-teaching, nonexempt school employees who volunteer as coaches or advisors for the school's sports teams and clubs constitute "nominal fees" as described in 29 C.F.R. § 553.106(e) and (f).

You state that all such employees are nonexempt staff, such as secretaries or custodians. They volunteer for roles as coach, assistant coach, club advisor, or staff for athletic events. You further state that based on their specific duties as school district employees such employees' volunteer services are different from the services for which the school employs them.

Your letter mentions a specific example of a nonexempt school custodian who has coached the Varsity Track team for a number of years. The school provides the individual with a stipend of \$3,675 for a season of volunteer coaching. You indicate the custodian is not required to coach any team as a condition of employment, and that the stipend, which the school provides regardless of the performance of the team or number of hours the coach spends in team-related activities, is not intended or provided as a substitute for wages. Nor is the stipend based on the amount of time spent on coaching or the productivity of the team. For example, there is no extra payment for participation in play-offs, regional or state championships, or tournaments. In addition, the school does not base the stipend on the length of the season or the number of meets the team attends. You also state that the custodian spends his own money to provide certain extra benefits to the students, *e.g.*, hamburgers, pizza, ice cream, an end of season party, plaques or trophies, and commemorative booklets and that this practice is common among coaches. You state that the coaches provide these "extras" due to their love of coaching and because it enriches the experience for the students, and that the school does not separately reimburse the coaches for these expenses.

The Fair Labor Standards Act, 29 U.S.C. § 201 *et seq.*, recognizes the generosity and public benefits of volunteering, and does not seek to pose unnecessary obstacles to *bona fide* volunteer efforts for charitable and public purposes. The Department of Labor is committed to ensuring that citizens are able to freely volunteer their services for charitable and public purposes within the legal constraints established by Congress.

As you may be aware, in enacting the 1985 FLSA Amendments, Congress sought to ensure that true volunteer activities were neither impeded nor discouraged. Congress was explicit in its 1985 Amendments that a "volunteer" may receive "no compensation," but may be paid "expenses, reasonable benefits, or a nominal fee." 29 U.S.C. § 203(e)(4)(A);



see also 29 C.F.R. § 553.106(a) (“Volunteers may be paid expenses, reasonable benefits, a nominal fee, or any combination thereof, for their service without losing their status as volunteers.”); 29 C.F.R. § 553.106(e) (“Individuals do not lose their volunteer status if they receive a nominal fee from a public agency.”). Neither the FLSA nor the Senate Committee Report to the 1985 Amendments further defines the term “nominal fee.” Rather, the Committee Report directed the Department to issue regulations providing guidance in this area. Employees of a public agency are permitted to provide volunteer services in certain circumstances, and the FLSA regulations governing this issue are found at 29 C.F.R. §§ 553.100-.106 (copy enclosed).

Under the Department’s regulations, the term “employee” does not include individuals who volunteer for a public agency if the volunteer:

1. Performs hours of service for a public agency for civic, charitable or humanitarian reasons, without promise, expectation or receipt of compensation for services rendered. Although a volunteer can receive no compensation, a volunteer can be paid expenses, reasonable benefits or a nominal fee to perform such services;
2. Offers services freely and without pressure or coercion, direct or implied, from an employer; and
3. Is not otherwise employed by the same public agency to perform the same type of services as those for which the individual proposes to volunteer.

See 29 C.F.R. §§ 553.101, 553.106. Your inquiry assumes a full-time, nonexempt school employee who agrees to volunteer, without pressure or coercion from the school, as a sports coach for a season and that there is a humanitarian nature to the volunteer service. The specific question you ask is whether this type of arrangement constitutes a permissible “nominal fee.”

There are regulations that address the nominal fee issue which are relevant in the high school coaching context. Specifically, “[a] nominal fee is not a substitute for compensation and must not be tied to productivity.” 29 C.F.R. § 553.106(e). In determining whether a fee constitutes “a substitute for compensation” or whether it is “tied to productivity,” the Department looks at the “economic realities of the particular situation.” 29 C.F.R. § 553.106(f). A key factor in the context of school coaching or advising a club is whether the amount of the fee *varies* as the particular individual spends more or less time engaged in the volunteer activities, or *varies* depending upon the success or failure of a particular team or school activity. For example, if the fee does not vary based upon the win-loss record of a team, or the degree of student involvement in a particular club, or other similar factors relevant to the quality or quantity of the team, club, or activity, the Department generally would not find that the fee was a “substitute for compensation” or “tied to productivity.” See 29 C.F.R. § 553.106(e).



The regulations also list several factors the Department will examine in determining whether a given amount is nominal. Specifically, the Department looks at “the distance traveled and the time and effort expended by the volunteer; whether the volunteer has agreed to be available around-the-clock or only during certain specified time periods; and whether the volunteer provides services as needed or throughout the year.” *Id.* With respect to the factors listed in 29 C.F.R. § 553.106(e), your letter states your view that such factors are more relevant to a volunteer firefighter situation than a school coach’s situation. The Department agrees that, historically, the factors enumerated in § 553.106(e) were intended to provide guidance in the context of whether firefighters were paid a nominal fee and qualify as *bona fide* volunteers. However, in the context of school coaching or club sponsorship, the “substitute for compensation” and “tied to productivity” standards are still generally relevant. As the attached opinion letter states, “These factors focus upon whether the fee is actually analogous to a payment for services or recompense for something performed and, hence, is not nominal.” See July 14, 2004 Opinion Letter.

In evaluating the nominal fee issue in the case of the school coach, we recognize that a coach might travel significant distances for away games, which may occur at the volunteer’s expense. Any such unreimbursed expenses will increase the amount of the stipend that may qualify as nominal. In addition, a coach’s expected time commitment often will depend on the sport he or she coaches, as the length of the season can vary greatly depending upon the sport. The time commitment also can vary depending upon other factors, such as whether the sport is varsity or junior varsity. The stipends established for different sports may vary based upon such broad variations in the coaches’ time commitments and still qualify as nominal. However, the length of the season also could vary significantly depending on whether the team makes the play-offs and how far the team advances in the play-offs. If a school paid a coach more because his team made the play-offs, the Department would likely view such a payment as a “substitute for compensation” or a payment “tied to productivity.” As indicated in the July 14, 2004 Opinion Letter, the regulations are focused on preventing payment for performance, which is inconsistent with the spirit of volunteerism contemplated by the FLSA.

The FLSA permits volunteers to be paid a nominal fee, which we believe is the same as an incidental or insubstantial fee. Since the FLSA does not define “nominal fee,” the Department believes the definition of “incidental” in 29 U.S.C. § 213(c)(6)(G) of the FLSA to be informative here. In that provision, Congress set out a 20-percent test to determine whether something is insubstantial. That provision, which lays out the terms under which a 17-year old employee may drive an automobile or truck on public roadways, states that “occasional and incidental” activities are those that are no more than 20 percent of an employee’s worktime in a workweek.

In determining whether the \$3,675 stipend at issue here is a permissible “nominal fee,” the Department looks to the “economic realities” of the situation and must compare the volunteer stipend to what it would otherwise cost to compensate someone to perform





those services. If the stipend is no more than 20 percent of what the district would otherwise pay to hire a coach or advisor for the same services, it would appear to be a permissible "nominal fee." Such a threshold assumes that the coaches are freely volunteering their services and the school district simply provides a lump-sum payment or series of payments without regard to wins or losses or hours worked as discussed above.<sup>1</sup> Moreover, a willingness to volunteer for an activity for 20 percent of the prevailing wage for the job is a likely indicium of the spirit of volunteerism contemplated by the 1985 amendments to the FLSA. *See* 29 U.S.C. § 203(e)(4)(A). Therefore, when a public agency employee volunteers as a coach or extracurricular advisor, the Department will presume the fee paid is nominal as long as the fee does not exceed 20 percent of what the public agency would otherwise pay to hire a full-time coach or extracurricular advisor for the same services.

With regard to your specific school district, the Department is unable to answer whether the fee of \$3,675 is nominal due to the limited information provided concerning what the school district would otherwise pay to hire a full-time coach or advisor for the same services. However, the market information necessary to complete this good faith determination is generally within your client school district's knowledge and control. Thus, any coaches the school district has on its payroll would be a good benchmark for this calculation. Absent such information, your client may look to information from neighboring jurisdictions, the state, or ultimately, the nation including data from the Department of Labor, Bureau of Labor Statistics. So long as your calculations are based on an approximation of the prevailing wages of a coach and the fee amount does not exceed 20 percent of that coach's wages for the same services, the Department would find that such a fee would be nominal within the meaning of 29 C.F.R. § 553.106.<sup>2</sup>

This opinion is based exclusively on the facts and circumstances described in your request and is given based on your representation, express or implied, that you have provided a full and fair description of all the facts and circumstances that would be pertinent to our consideration of the question presented. Existence of any other factual or historical background not contained in your letter might require a conclusion different from the one expressed herein. You have represented that this opinion is not sought by a party to pending private litigation concerning the issue addressed herein. You have also represented that this opinion is not sought in connection with an investigation or litigation

<sup>1</sup> In the case of public school employees, a 20 percent level also appears reasonable given that various states have endorsed significant lump sum amounts of compensation as "nominal" for state public agency volunteers; and we believe current coaching stipends of 20 percent would likely not reach such amounts. *See* Ind. Code § 36-8-12-2 (2005) ("Nominal compensation" means annual compensation of not more than twenty thousand dollars (\$20,000)."); *see also* Minn. Stat. § 144E.001, Subd. 15 (2005) (nominal fee for volunteer ambulance attendant may be up to \$6,000 annually).

<sup>2</sup> We are withdrawing the opinion letter dated July 11, 1995 as it relates to "nominal fee." The Department does not believe this letter fully took into account the "economic realities" of the particular situation of coaches and extracurricular sponsors as discussed in this letter including the humanitarian nature of the volunteer effort, the lack of pay for performance, and the fact that school districts often do not track or control their coaches' hours. The Department is also withdrawing opinion letters dated July 15, 1988, April 2, 1992, and September 17, 1999 to the extent they are inconsistent with the interpretation of nominal fee in this opinion.



between a client or firm and the Wage and Hour Division or the Department of Labor. This opinion is issued as an official ruling of the Wage and Hour Division for purposes of the Portal-to-Portal Act, 29 U.S.C. § 259. *See* 29 C.F.R. §§ 790.17(d), 790.19; *Hultgren v. County of Lancaster*, 913 F.2d 498, 507 (8th Cir. 1990).

We trust you will find the above discussion and analysis responsive to your request.

Sincerely,

Alfred B. Robinson, Jr.  
Deputy Administrator

**Note: \* The actual name(s) was removed to preserve privacy in accordance with 5 U.S.C 552(b)(7).**



Step	Staff	C	Staff	C+18	Staff	C+36 or M	Staff	C+54/M	Staff	C+72/M	Staff	C+90/M
1	9.75	48,045	0.00	49,466	3.00	51,851	0.00	53,549	0.00	55,247	0.00	56,950
2	7.75	49,466	1.00	51,852	4.00	53,549	2.00	55,247	0.00	56,950	0.00	58,650
3	9.00	51,851	1.75	53,550	7.00	55,247	3.00	56,950	1.00	58,650	1.00	60,351
4	16.00	53,549	0.00	55,248	15.00	56,950	0.00	58,650	2.00	60,351	1.00	62,053
5	11.30	55,247	3.00	56,950	9.00	58,650	2.00	60,351	3.00	62,053	0.00	63,752
6	17.40	56,950	2.00	58,650	8.00	60,351	4.00	62,053	1.00	63,752	2.00	65,450
7	20.00	58,648	3.00	60,375	21.00	62,053	8.00	63,752	2.00	65,450	3.00	67,147
8	6.50	61,148	1.00	62,053	10.00	63,752	4.00	65,450	4.00	67,147	4.00	68,852
9	4.50	62,814	5.00	63,752	21.00	65,450	9.00	67,147	5.00	68,852	5.00	70,549
10	5.50	64,445	6.00	66,247	18.00	67,147	3.00	68,852	4.00	70,549	3.00	72,250
11	6.00	66,048	3.00	67,913	15.00	68,852	1.00	70,549	5.00	72,250	3.00	73,947
12	9.00	67,616	2.00	69,547	10.00	71,347	1.00	72,250	3.00	73,947	3.00	75,648
13	0.00		4.00	71,146	11.00	72,678	9.00	73,947	1.00	75,648	5.00	77,348
14	0.00		22.00	72,716	7.00	74,343	5.20	75,648	6.00	77,348	1.00	79,052
15	0.00		0.00		7.00	75,977	2.00	78,146	2.00	79,848	8.00	81,552
16	0.00		0.00		9.00	77,577	4.00	79,810	1.00	81,514	8.00	83,083
17	0.00		0.00		39.75	79,146	6.00	81,444	0.00	83,147	3.00	84,748
18	0.00		0.00		0.00		2.00	83,043	1.00	84,747	7.00	86,382
19	0.00		0.00		0.00		21.00	84,614	15.80	86,316	3.00	87,981
20	0.00		0.00		0.00		0.00		0.00		9.60	89,551
21	0.00		0.00		0.00		0.00		0.00		34.00	91,274

Experience
12.75
14.75
22.75
34.00
28.30
34.40
57.00
29.50
49.50
39.50
33.00
28.00
30.00
41.20
19.00
22.00
48.75
10.00
39.80
9.60
34.00

Staff	C	Staff	C+18	Staff	C+36 or M	Staff	C+54/M	Staff	C+72/M	Staff	C+90/M
122.70	7,002,829	53.75	3,620,304	214.75	14,587,310	86.20	6,341,821	56.80	4,267,784	103.60	8,617,172

Total Staff 637,800  
Total Base Salary 44,437,218  
Base Average 69,673

Checksums  
637,800  
44,340,564

Total Average 69,521  
Total Salary 44,340,564

Error
0.218%

Step	Staff	C	Staff	C+18	Staff	C+36 or M	Staff	C+54/M	Staff	C+72/M	Staff	C+90/M
1	16.00	48,045	0.00	49,466	6.00	51,851	1.00	53,549	1.00	55,247	0.00	56,950
2	8.00	49,466	0.00	51,852	5.00	53,549	0.00	55,247	0.00	56,950	0.00	58,650
3	12.75	51,851	0.00	53,550	6.00	55,247	1.00	56,950	1.00	58,650	0.00	60,351
4	9.00	53,549	1.75	55,248	7.05	56,950	4.00	58,650	0.00	60,351	0.00	62,053
5	14.00	55,247	0.50	56,950	14.00	58,650	0.25	60,351	2.00	62,053	2.00	63,752
6	10.70	56,950	3.00	58,650	9.00	60,351	3.00	62,053	5.00	63,752	0.00	65,450
7	20.50	58,646	4.00	60,375	16.00	62,053	7.00	63,752	3.00	65,450	5.00	67,147
8	15.00	61,148	3.00	62,053	15.00	63,752	5.00	65,450	2.00	67,147	3.00	68,852
9	5.50	62,814	1.00	63,752	8.00	65,450	5.00	67,147	3.00	68,852	3.00	70,549
10	3.75	64,445	5.00	66,247	15.50	67,147	7.00	68,852	8.00	70,549	5.00	72,250
11	4.50	66,048	4.00	67,913	16.00	68,852	3.00	70,549	4.00	72,250	3.00	73,947
12	14.00	67,616	3.00	69,547	15.00	71,347	1.00	72,250	4.00	73,947	3.00	75,648
13	0.00		1.00	71,146	10.00	72,678	2.00	73,947	2.00	75,648	3.00	77,348
14	0.00		21.00	72,716	14.00	74,343	7.00	75,648	3.00	77,348	5.00	79,052
15	0.00		0.00		8.00	75,977	4.20	78,146	5.00	79,848	2.00	81,552
16	0.00		0.00		6.00	77,577	2.00	79,810	2.00	81,514	7.00	83,083
17	0.00		0.00		39.81	79,146	4.00	81,444	1.00	83,147	8.00	84,748
18	0.00		0.00		0.00		8.00	83,043	1.00	84,747	3.00	86,382
19	0.00		0.00		0.00		13.00	84,614	18.80	86,316	8.00	87,981
20	0.00		0.00		0.00		0.00		0.00		7.00	89,551
21	0.00		0.00		0.00		0.00		0.00		38.00	91,274

Experience
24.00
13.00
20.75
21.80
32.75
30.70
55.50
43.00
25.50
44.25
34.50
40.00
18.00
50.00
19.20
17.00
52.81
12.00
39.80
7.00
38.00

Staff	C	Staff	C+18	Staff	C+36 or M	Staff	C+54/M	Staff	C+72/M	Staff	C+90/M
133.70	7,640,802	47.25	3,202,230	210.36	14,353,095	77.45	5,676,821	65.80	4,979,386	105.00	8,799,713

Total Staff 639,560  
 Total Base Salary 44,652,047  
 Base Average 69,817  
 Total Average 69,788  
 Total Salary 44,633,413

Checksums  
 639,560  
 44,633,413

Error
0.042%

RANGE	Staff	Initial	Staff	A	Staff	B	Staff	C	Staff	D	Staff	E	Staff	F	Staff	G	Staff	H
1	6.00	\$14.39	0.91	\$16.00	2.13	\$16.59	1.56	\$17.18	0.47	\$17.97	1.59	\$18.58	0.87	\$19.32	0.94	\$20.08	3.66	\$20.88
2	1.53	\$15.16	1.00	\$16.84	0.00	\$17.48	1.00	\$18.16	0.00	\$18.98	2.19	\$19.66	0.25	\$20.42	2.19	\$21.23	7.05	\$22.10
3	0.00	\$15.48	0.00	\$17.19	0.00	\$17.87	0.00	\$18.53	0.00	\$19.39	0.00	\$20.08	0.00	\$20.84	0.00	\$21.69	0.00	\$22.55
4	14.12	\$16.05	7.72	\$17.83	6.84	\$18.51	9.34	\$19.27	5.87	\$20.15	7.04	\$20.86	1.44	\$21.67	2.50	\$22.53	24.12	\$23.45
5	2.00	\$16.56	0.00	\$18.41	1.00	\$19.14	0.00	\$19.89	1.81	\$20.83	0.00	\$21.58	0.00	\$22.40	0.00	\$23.30	3.63	\$24.24
6	1.00	\$17.11	0.00	\$19.01	0.00	\$19.76	0.00	\$20.57	0.00	\$21.53	0.00	\$22.31	1.00	\$23.17	4.00	\$24.10	5.00	\$25.08
7	28.13	\$17.68	24.75	\$19.65	16.63	\$20.46	13.38	\$21.29	16.00	\$22.29	15.50	\$23.09	12.63	\$23.98	27.13	\$24.96	65.31	\$25.96
8	0.50	\$18.32	1.00	\$20.34	0.00	\$21.19	1.00	\$22.09	1.00	\$23.15	1.00	\$23.98	1.00	\$24.90	1.00	\$25.91	6.25	\$26.95
9	2.51	\$18.99	1.87	\$21.10	2.00	\$22.00	2.44	\$22.92	2.00	\$24.01	1.00	\$24.88	2.50	\$25.85	4.94	\$26.89	18.00	\$27.97
10	0.00	\$19.72	0.00	\$21.91	0.00	\$22.84	0.00	\$23.86	0.00	\$24.99	0.00	\$25.91	0.00	\$26.91	0.00	\$28.00	0.00	\$29.11
11	1.00	\$21.01	0.00	\$22.79	1.00	\$23.77	0.00	\$24.84	0.00	\$26.00	0.00	\$26.96	0.00	\$28.01	1.88	\$29.14	22.00	\$30.33
12	0.00	\$21.34	0.00	\$23.73	0.00	\$24.75	0.00	\$25.86	0.00	\$27.12	0.00	\$28.13	0.00	\$29.23	0.00	\$30.40	0.00	\$31.63
13	0.00	\$22.22	0.00	\$24.69	0.65	\$25.83	0.00	\$26.98	1.88	\$28.30	0.00	\$29.36	0.44	\$30.50	0.00	\$31.73	4.63	\$33.02
14	0.00	\$23.22	0.00	\$25.80	0.00	\$26.97	0.00	\$28.23	0.00	\$29.61	0.00	\$30.72	0.00	\$31.92	0.00	\$33.20	0.00	\$34.54
15	0.00	\$24.27	0.00	\$26.96	0.00	\$28.21	0.00	\$29.53	0.00	\$30.97	0.00	\$32.13	0.00	\$33.38	0.00	\$34.73	0.00	\$36.13
16	1.23	\$23.22	0.25	\$25.80	0.00	\$26.97	0.00	\$28.23	0.00	\$29.50	0.00	\$30.51	1.40	\$31.69	0.88	\$32.98	0.00	\$34.31
17	0.00	\$24.32	0.00	\$27.01	0.00	\$28.28	0.00	\$29.54	0.00	\$30.84	1.00	\$31.89	1.00	\$33.12	0.00	\$34.46	1.00	\$35.84
18	0.00	\$25.66	0.00	\$28.25	0.00	\$29.58	0.00	\$30.96	0.00	\$32.84	0.00	\$34.44	0.00	\$35.77	0.00	\$37.21	0.00	\$38.71
19	0.88	\$28.27	0.88	\$31.76	0.75	\$33.14	0.00	\$34.61	0.08	\$36.23	1.75	\$37.50	0.00	\$38.89	4.61	\$40.35	7.66	\$41.90

Staff	Initial	Staff	A	Staff	B	Staff	C	Staff	D	Staff	E	Staff	F	Staff	G	Staff	H
58.89	1,014.77	38.37	749.40	30.99	630.63	28.71	587.64	29.11	648.13	31.07	723.65	22.52	559.39	50.05	1,323.29	168.30	4,555.39

Total Staff 458.02  
 Total Salary 10,792.30  
 Total Average 23.56 (hourly wages)

Range	Staff
18.12	3.66
15.21	7.05
0.00	0.00
78.99	24.12
8.44	3.63
11.00	5.00
219.44	65.31
12.75	6.25
37.26	18.00
0.00	0.00
25.88	0.00
0.00	0.00
7.59	4.63
0.00	0.00
0.00	0.00
3.75	0.00
3.00	1.00
0.00	0.00
16.60	7.66





P.O. Box 2006  
Homer, Alaska 99603

February 22, 2019

To Whom It May Concern:

I am returning my contract unsigned. I would like to let the district know that this is my last year with the Kenai Peninsula Borough School District. My resignation will be effective at the end of the 2018-19 school year. I have enjoyed my 9 years here serving our community.

The major contributing factors to my resignation are as follows:

- The health insurance premiums have been unaffordable for most of my years here as a single-parent household; I had to switch to the high deductible plan last fall, and literally cannot afford to go to the doctor now.
- Our teaching contracts have never been settled in a reasonable time frame for each of the 3 negotiations spanning my KPBSD career.
- Because of the school start changes last year in the southern peninsula schools, I had to start paying for after-school care for my daughter, which again, has caused financial strain in my single-parent household.

Thank you for the opportunity to work with the students here; they are great kids.

Sincerely,



Darcy S. Mueller



# **KENAI PENINSULA BOROUGH SCHOOL DISTRICT** **CERTIFICATED EMPLOYEE'S CONTRACT**

It is agreed between the Kenai Peninsula Borough School District, hereinafter referred to as THE DISTRICT, and the undersigned employee, as follows:

10660	DARCY MUELLER	2019-20
Employee Number	Name	School Year

HOMER MIDDLE SCHOOL	C+72/M-M*		1.00	188
School Name	Salary Step	Ph.D. or Nat'l Cert.	FTE	Number of Days

\$402.38	\$75,648.00	8/13/2019	5/21/2020	100-13-4100-0000-3150
Per Diem	Annual Salary	Begin Date	End Date	Account Number

Account Number	Account Number	Account Number

## **\* NEGOTIATIONS IN PROGRESS**

THIS CONTRACT MUST BE SIGNED & RETURNED TO THE DISTRICT WITHIN 30 DAYS FROM RECEIPT OF CONTRACT

1. The teacher will perform the duties of Teacher as prescribed by the District during the period, and at the rate of pay, set forth above, such pay not to exceed the pay rate for the Teacher's assigned position, with his/her experience and education, as set forth on the pertinent District salary schedule.
2. All benefits under this contract accrue from the reporting date.
3. By signing this contract, the Teacher subscribes to the following oath of affirmation: "I do solemnly swear (or affirm) that I will support the Constitution of the United States and the Constitution of the State of Alaska, and that I will faithfully discharge my duties as Teacher to the best of my ability."
4. The Teacher authorizes deductions for Teachers Retirement System or FICA if applicable.
5. The Teacher will abide and be bound by the laws of the State of Alaska and the policies, rules and regulations of the Department of Education, and the District, as well as the Professional Teaching Standards and Code of Ethics adopted by the Professional Teaching Practices Commission.
6. The Teacher will have on file with the District a current medical certificate in a form prescribed by the Alaska Department of Education before entering and during the contract period.
7. The Teacher shall have an appropriate Alaska Teaching Certificate at the time of entrance on duty. It is the responsibility of the Teacher to obtain and retain a current certificate at all times. This contract may be terminated by the District without liability or further obligation to the Teacher if the Teacher fails to obtain or renew an appropriate Alaska Teaching Certificate as required by State Law.
8. Duties, position, reporting date, and/or location assigned the Teacher pursuant to this contract may be changed by the District as the needs of the District require.
9. This contract may be terminated and the Teacher dismissed at any time as set forth in A.S. 14.20.170, and the District shall comply with A.S. 14.20.180.
10. This contract may be terminated without liability to the District should it become necessary to eliminate the position because of decreased enrollment, or reduction in funds for school purposes, provided that at least thirty (30) calendar days prior written notice is given.
11. This contract may be terminated by mutual consent of both parties upon (30) calendar days written notice by either party and the written consent of the other party.
12. If this contract is unilaterally terminated by the Teacher without written notice to/and approval by the District, the Teacher shall forfeit as liquidated damages, one twenty-fourth (1/24) of the annual salary listed above.
13. This contract creates no obligation on the District to offer continuing employment to employees except as provided by statute.
14. The violation or breach by the Teacher of any term, condition, or requirement of this contract shall be grounds for the District's recommending revocation of his/her certificate by the Commissioner of Education.
15. This contract is not binding on either the Teacher or the District until it has been approved by the School Board of the District and delivered to the Teacher in person, or been deposited in the United States mail, postage prepaid, addressed to the Teacher or electronically delivered.
16. The sections of the Alaska Statutes mentioned in this contract, as such statutes may be amended from time to time hereafter, are made a part of this contract by references as though set forth in full herein.
17. The term "teacher" is defined by State Law.
18. I have read the current Kenai Peninsula Borough School District Internet Use Agreement as found on the Kenai Peninsula Borough School District web site and agree to abide by all terms and conditions found therein.

I hereby accept this contract and the conditions contained herein:

EMPLOYEE: \_\_\_\_\_ DATE: \_\_\_\_\_

This contract is approved & accepted on behalf of the District

SUPERINTENDENT....

BOARD PRESIDENT....

BOARD TREASURER....



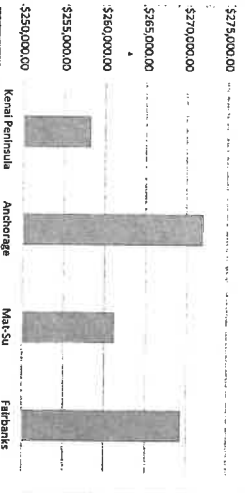
# Certificated Employee Salary and Benefit Comparison

District	Salary 5 Years	District	Salary 10 years
Kenai Peninsula	\$258,167.00	Kenai Peninsula	\$569,965.00
Anchorage	\$271,951.00	Anchorage	\$584,056.00
Mat-Su	\$261,174.00	Mat-Su	\$582,502.00
Fairbanks	\$269,246.21	Fairbanks	\$593,288.09
District	Salary 15 years	District	Salary 20 years
Kenai Peninsula	\$921,264.00	Kenai Peninsula	\$1,339,195.00
Anchorage	\$957,254.00	Anchorage	\$1,399,764.00
Mat-Su	\$988,853.00	Mat-Su	\$1,422,163.00
Fairbanks	\$993,128.48	Fairbanks	\$1,461,460.42

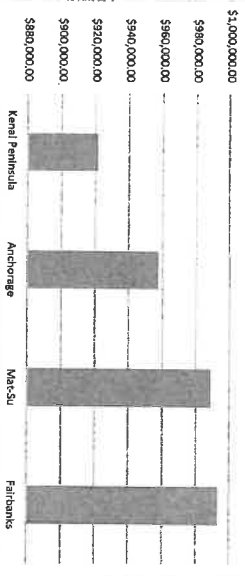
Coaching	Personal Days	Health Insurance
4/88	4/88	KPSD
5/810	5/810	Anchorage
4/88	4/88	Mat-Su
5/811	5/811	Fairbanks
		E + Spouse
		E + Kids
		E + Fam

Traditional Plan Health Insurance Premium Cost Per Employee Per Year for FY19	High Deductible Plan Premium Cost Per Employee Per Year for FY19
\$6,146.28	\$3,815.00
\$4,256.40	\$2,180.40
\$3,367.00	\$2,024.60
\$4,365.02	\$0.00
\$3,273.77	
\$4,365.02	
\$4,365.02	
\$5,456.25	

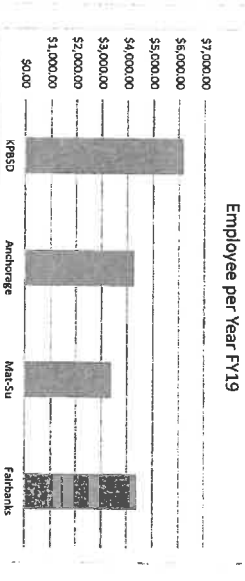
Total Salary for 5 Years w/ BA



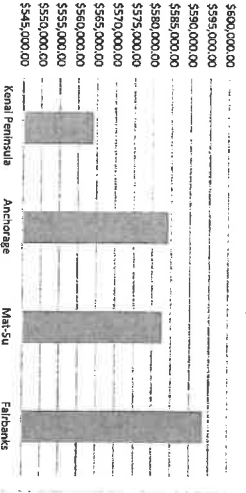
Total Salary Comparison for 15 years



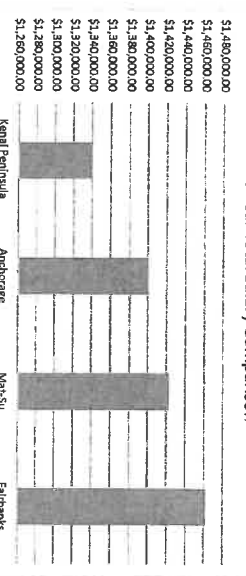
Traditional Plan Health Insurance Premium Paid by Employee per Year FY19



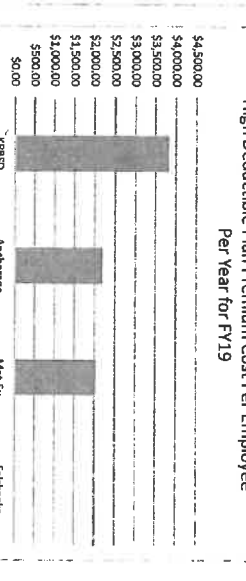
10 Year Total Salary Comparison



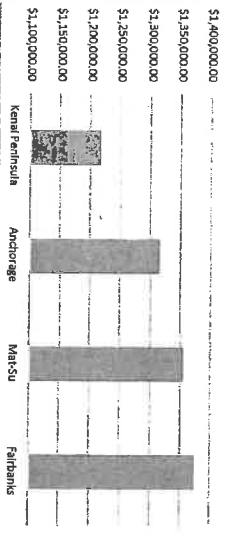
20 Year Total Salary Comparison



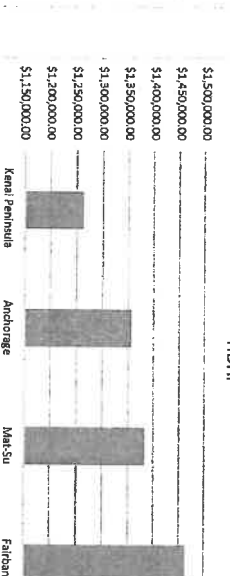
High Deductible Plan Premium Cost Per Employee Per Year for FY19



20 Years Total Salary Less Health Insurance Premiums Traditional Plan



20 Years Total Salary Less Health Insurance Premiums HDHP



## Support Staff Salaries and Shift Differential Comparisons

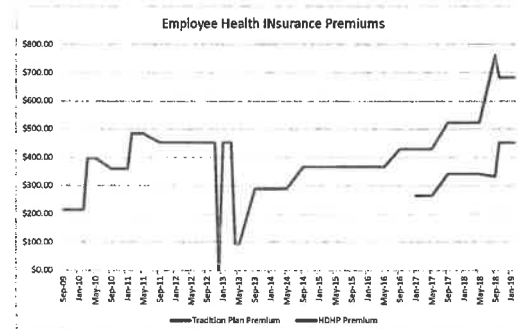
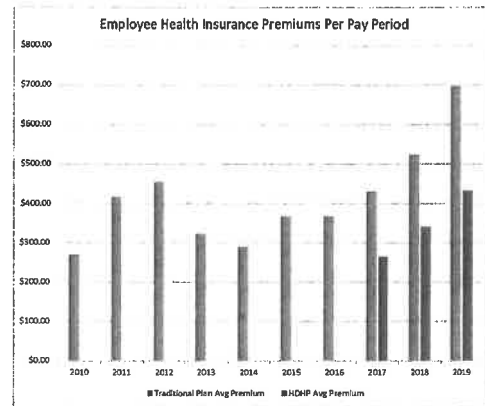
	Anchorage FY19	Matanuska-Susitna FY17	Fairbanks FY19	Kenai proposed FY19	Kenai Current
Tutors	14.87 low	16.63 low	18.63 low	19.08 low	18.99 low
	22.49 high	27.99 high	29.35 high	28.11 high	27.97high
Custodian Elem & HS	12.30 low	12.70 low	17.37 low	16.13 low	16.05 low
	18.13 high	21.36 high	27.32 high	23.57 high	23.45 high
Sped Aide	14.87 low	16.63 low	18.63 low	17.77 low	17.68 low
	22.49 high	27.99 high	29.35 high	26.09 high	25.96 high
	+\$2/hr pay differential				
Kitchen Aide	Not available	12.70 low	14.15 low	14.46 low	14.39 low
	Not available	21.36 high	22.09 high	20.98 high	20.88 high
Kitchen Mng'r I	Not available		16.56 low	15.24 low	15.16 low
	Not available		26.02 high	22.21high	22.10 high
School Secretary	14.87 low	15.64 low	17.37 low	17.77 low	17.68 low
	22.49 high	26.33 high	27.32 high	26.09 high	25.96 high
Head Secretary	15.26 low	17.60 low	21.43 low	21.12 low	21.01 low
	22.51 high	29.64 high	31.63 high	30.48 high	30.33 high
Shift Differential	\$0.40 swing	\$0.75/hr "mid" shift	\$0.60 after 1 pm	\$0.50 swing	\$0.25 swing
	\$0.50 night			\$0.70 night	\$0.40 night
Number of Steps	16	10	21	8	8





# KPBSD Employee Health Insurance Premium Across Time

Traditional Plan Premium		HDHP Premium	
Sep-09	\$213.89		
Oct-09	\$213.89		
Nov-09	\$213.89		
Dec-09	\$213.89		
Jan-10	\$213.89		
Feb-10	\$213.89		
Mar-10	\$397.22		
Apr-10	\$397.22		
May-10	\$397.22		
Sep-10	\$360.00		
Oct-10	\$360.00		
Nov-10	\$360.00		
Dec-10	\$360.00		
Jan-11	\$360.00		
Feb-11	\$485.01		
Mar-11	\$485.01		
Apr-11	\$485.01		
May-11	\$485.01		
Sep-11	\$453.33		
Oct-11	\$453.33		
Nov-11	\$453.33		
Dec-11	\$453.33		
Jan-12	\$453.33		
Feb-12	\$453.33		
Mar-12	\$453.33		
Apr-12	\$453.33		
May-12	\$453.33		
Sep-12	\$453.33		
Oct-12	\$453.33		
Nov-12	\$453.33		
Dec-12	\$0.00		
Jan-13	\$453.33		
Feb-13	\$453.33		
Mar-13	\$453.33		
Apr-13	\$93.35		
May-13	\$93.35		
Sep-13	\$289.33		
Oct-13	\$289.33		
Nov-13	\$289.33		
Dec-13	\$289.33		
Jan-14	\$289.33		
Feb-14	\$289.33		
Mar-14	\$289.33		
Apr-14	\$289.33		
May-14	\$289.33		
Sep-14	\$366.57		
Oct-14	\$366.57		
Nov-14	\$366.57		
Dec-14	\$366.57		
Jan-15	\$366.57		
Feb-15	\$366.57		
Mar-15	\$366.57		
Apr-15	\$366.57		
May-15	\$366.57		
Sep-15	\$366.67		
Oct-15	\$366.67		
Nov-15	\$366.67		
Dec-15	\$366.67		
Jan-16	\$366.67		
Feb-16	\$366.67		
Mar-16	\$366.67		
Apr-16	\$366.67		
May-16	\$366.67		
Sep-16	\$430.00		
Oct-16	\$430.00		
Nov-16	\$430.00		
Dec-16	\$430.00		
Jan-17	\$430.00	\$264.40	
Feb-17	\$430.00	\$264.40	
Mar-17	\$430.00	\$264.40	
Apr-17	\$430.00	\$264.40	
May-17	\$430.00	\$264.40	
Sep-17	\$522.87	\$340.95	
Oct-17	\$522.87	\$340.95	
Nov-17	\$522.87	\$340.95	
Dec-17	\$522.87	\$340.95	
Jan-18	\$522.87	\$340.95	
Feb-18	\$522.87	\$340.95	
Mar-18	\$522.87	\$340.95	
Apr-18	\$522.87	\$340.95	
May-18	\$522.87	\$340.95	
Sep-18	\$761.12	\$331.60	
Oct-18	\$682.91	\$451.60	
Nov-18	\$682.91	\$451.60	
Dec-18	\$682.91	\$451.60	
Jan-19	\$682.91	\$451.60	
Feb-19	\$682.91	\$451.60	





### **650 Duration**

The Agreement will remain in full force and effect retroactive to July 1, ~~2015~~ **2018**, unless a later effective date is set forth in this Agreement, until June 30, ~~2018~~ **2021**.

No later than January 15<sup>th</sup> of the year in which this agreement terminates, either party may give notice of its desire to open negotiations with respect to a successor agreement by delivering a written request to the other party. The notification shall indicate the initial items of negotiations in which the serving party is interested and a brief description of the nature of the changes.

The parties will meet to negotiate on such termination, modification, or amendments no later than February 15<sup>th</sup> of the year in which this agreement terminates. Those items contained in the opening notifications and any additional items brought to the first bargaining session shall be the only items discussed during the negotiations sessions, unless mutually agreed.

Nothing herein will preclude the termination, modification, or amendment of this Agreement at any time by written mutual consent of the parties.

### **ARTICLE 36 CONTRACT CONDITIONS TERM AND SAVINGS CLAUSE**

The Agreement will remain in full force and effect retroactive from July 1, ~~2015~~ **2018**, unless a later effective date is set forth in this Agreement, until June 30, ~~2018~~ **2021**.

No later than January 15<sup>th</sup> of the year in which this agreement terminates, either party may give notice of its desire to open negotiations with respect to a successor agreement by delivering a written request to the other party. The notification shall indicate the initial items of negotiations in which the serving party is interested and a brief description of the nature of the changes.

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Nothing herein will preclude the termination, modification, or amendment of this Agreement at any time by written mutual consent of the parties.





LOCATION	NBP & NSLP FFVP	In/Out Time	Brk/Lunch TIME	F/S POSITION	EMPLOYEE NAME	Home #	Cell #	KITCHEN #
<b>SMALL SCHOOLS</b>								
Revised 02/11/2019								
TEBUGHNA	4	8:00-9:00	8:20-8:50	Manager I-P				
		10:00-1:00	11:45-12:00					
JOSE PASS	2	11:00-1:00	12:00-12:30	Manager I-S				
NANWALEK	6	8:00-2:00	8:45-9:00	Manager I-P				
			11:55-12:50					
NIKOLAEVSK	5	1	6:45-8:30	7:30-8:00	Brkfst Manager			
			10:30-1:45	12:00-12:30				
NINILCHIK	6	1	7:45-2:45	8:40-9:00	Manager I-P			
				11:45-1:00				
PT GRAHAM	5		8:00-1:00	8:00-8:30	Manager I-P			
				11:45-12:30				
S.B. ENGLISH	3	1	9:00-1:00	12:00-12:30	Manager I-P			
<b>HOMER AREA SCHOOLS</b>								
CHAPMAN EL	5	1	6:30-1:00	7:30-8:00	Manager I-S			337-501-3916
				11:15-12:05				
HOMER HIGH	8		6:30-3:00	8:30-9:00	Manager II			
HOMER HIGH	8		6:30-3:00	10:15-10:25	Cashier/Assit			
HOMER HIGH	5		8:15-1:15	11:10-12:40	Driver			
HOMER HIGH	6			B M&F 11:00-11:10	Itinerant Sub			
HOMER HIGH	4			L M&F 12:05-1:35	Itinerant Sub			
P. BANKS EL	6.25	1	6:30-1:00	7:30-8:00	Manager I-S			
P. BANKS EL	3		10:00-1:00	11:00-11:50	Cashier/Assit			
McNEIL	4.25		7:30-8:30	8:00-8:20	Mgr. I-S/Cashier			
			9:30-12:45	11:45-12:20				
WEST HOMER	5.5	1.5	6:45 - 8:30	7:30-7:55	Manager I-S			
			9:15-1:30					
WEST HOMER	3		10:30 - 1:30	11:20-12:10	Cashier/Assit			
HOMER JR	5		8:00-2:00	8:30-9:00	Manager I-S			
				12:18-12:40				
<b>SEWARD SCHOOLS</b>								
SEWARD HI	8		6:30-2:30	7:30-9:25	Manager II			
SEWARD HI	4		9:30-1:30	12:20-12:50	Cashier/ Assit			
				12:20-12:50 Fri-11:30-12:10				
SEWARD MDL	5.75		7:00-9:00	7:25-7:50	Manager I-S			
			10:00-1:45	11:15-11:45				
SEWARD EL	5.5		7:00-8:30	7:45-9:00	Manager I-S			
			10:00-2:00					
	3.5		10:30-2:00	11:30-12:15	Cashier/Assit			
C/O (260 days)	8		8:00-5:00		Supervisor			
C/O (211 days)	8		8:00-4:30		SNS Specialist			
C/O (211 days)	8		7:00-3:30		F/R Admin Sec			
C/O (260 days)	8		7:00-3:30		SNS Buyer			
C/W (190 days)	8		6:00-2:30		Storekeeper			
C/W (190 days)	8		6:00-2:30		Driver/Soldotna			
C/W (177 days)	8		6:00-2:30		Driver/Soldotna			

LOCATION	NBP & NSLP FFVP	In/Out Time	Brk/Lunch TIME	F/S POSITION	EMPLOYEE NAME	Home #	Cell #	KITCHEN #
<b>CENTRAL PENINSULA AREA SCHOOLS</b>								
KCHS	8	4:20-12:50	7:15-7:34	Manager I-S				
KCHS	8	4:20-12:50	11:43-12:13	Cashier/Assit				
KCHS	5	5:30-10:30		Salad Prep				
KCHS	3.5	9:15-12:45		Cashier/Assit				
KCHS	5.5	5.5		Itinerant Sub				
KCHS	4	4		Itinerant Sub				
KALEIDOSCOPE	4	10:15-2:15	12:20-1:20	Manager I-S				
KALEIDOSCOPE	2	11:45-1:45		Cashier/Assit				
K-BEACH	3.75	9:00-12:45	11:00-12:30	Manager I-S				
K-BEACH	3.5	10:15-1:45		Cashier/Assit				
K-BEACH	3.5	10:15-1:45		Cashier/Assit				
KENAI ALT.	1	11:00-12:00	11:00-12:00	Manager I-S				
KENAI MIDDLE	6	6:30-1:00	7:15-7:45	Manager I-S				
KENAI MIDDLE	3.75	9:45-1:30	11:15-12:45	Cashier/Assit				
Mt. VIEW EL	6.5	7:00-2:00	8:20-8:55	Manager I-S				
MT VIEW EL	3.75	10:00-1:45	11:40-1:00	Cashier/Assit				
Mt. VIEW EL	3.5	2	10:30-2:00	Cashier/Assit				
NIKISKI Jr/Sr	6.4	6:00-12:50	7:15-7:40	Manager I-S				776-9480
NIKISKI Jr/Sr	3.75	9:30-1:15	9:22-10:27	Cashier/Assit				
NIKISKI Jr/Sr	3.75	8:45-12:30	11:11-1:00	Cash/Kit Assist				
Tues-Thur 11:45 - 12:30 Karla (10:00 - 1:45) M & F 9:30-1:15								
NORTH STAR	7	7:00-2:30	8:30-8:50	Manager I-S				776-2633
NORTH STAR	3.75	10:15-2:00	12:00-1:30	Cashier/Assit				
NORTH STAR	2.25	2	11:30-1:45	Cashier/Assit				
REDOUBT	7	6:30-2:00	8:15-8:45	Manager I-S				260-
REDOUBT	3.5	2	8:00-1:30	11:35-12:30	Cashier/Assit			
SKYVIEW MD	7	6:45-2:15	7:15-7:50	Manager I-S				260-2549
SKYVIEW MD	3.5	10:00-1:30	11:38-12:22	Cashier/Assit				
SKYVIEW MD	3.5	10:00-1:30		Cashier/Assit				
SOHI	7	6:30-2:00	7:15-7:40	F/S Manager I-S				260-7049
SOHI	3.5	10:00-1:30	10:35-10:45	Cashier/Assit				
SOHI	4	9:30-1:30	12:15-12:45	Cashier/Assit				
SOHI	6	7:00-1:30		Itinerant Sub				
Break M-Th 10:35-10:45 Friday 9:55-10:05								
SOLDOTNA PR	7.5	6:00-2:00	7:00-7:40	Manager I-S				260-2380
SOLDOTNA PR	5	8:00-1:00	11:00-12:20	Cashier/Assit				
SOLDOTNA EL	6	7:50-2:20	8:20-8:45	Manager I-S				260-5143
SOLDOTNA EL	4	9:30-1:30	12:00-1:10	Cashier/Assit				
SOLDOTNA EL	4	2	10:00-2:00	Cashier/Assit				
STERLING	6	7:30-2:00	8:30-8:50	Manager I-S				262-4245
			11:45-12:50					
TUSTUMENA	4.5	1	8:9/10:1:30	8:40-9:00	Manager I-S			260-1389
			7:30-1:30 w/FFVP					
TUSTUMENA	3.5		10:00-1:30	11:45-12:50	Cashier/Assit			





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## Legislature's Expert Wonders if Dunleavy Budget Designed to "Create Chaos"

By **Craig Tuten** - February 26, 2019

Legislative Finance Director David Teal speculated Tuesday, February 26, whether Gov. Mike Dunleavy's budget is so lacking in justification because it is designed to "create chaos."

Dunleavy's FY 2020 budget would reduce unrestricted general fund (UGF) spending by \$1 billion.

However, in more than a week of questioning Office of Management and Budget (OMB) Director Donna Arduin and other OMB officials, Senate Finance has heard few reasons for deep cuts to education, Medicaid, and the University of Alaska (UA), or for closure of the Alaska Marine Highway System (AMHS).

"It seems apparent that many of you share my disappointment in the lack of evaluation and analysis to support the governor's proposals," Teal told Senate Finance members during a hearing Tuesday. "I think budgets shouldn't simply be a math problem, that budgeting and policy are inseparable, and that you cannot make good policy decisions or good budget decisions without full information. All cuts are not equal, yet the common answers to your questions about, 'Why are you cutting this particular item?' have been, 'We have a deficit' or 'It's just a proposal.'"

"When I saw the budget, I immediately wondered, 'These are some major changes in policy. Where are the supporting documents?' Looking at the lack of justification, I began to wonder whether the budget was designed in some way to create chaos," he continued.

Teal, whose low-decibel, fact-heavy testimony has gained him a cult following among budget wonks, came as close as he ever has to a public rebuke, repeatedly referring to Arduin by name.

"This is the most unrealistic budget we've ever seen come down the pike," Sen. Donny Olson (D-Golovin) said. "A lot of it is dependent upon proposed legislation that may or may not get through and probably won't go through."

Many of the proposed changes would fall in the Department of Health & Social Services (DHSS), which is set for a \$337 million UGF cut. Medicaid would be cut by \$710 million, including federal funding.

"We don't have that analysis done on which bills affect budgets by how much because we haven't even seen the bills yet," Teal said.

In addition to the closure of AMHS, Olson listed off a number of budgetary impacts, such as reduced vaccinations tied to cuts to public health nursing.

"How crippling is it to the state of Alaska?" Olson asked of the budget. "How crippling is this, and how unrealistic is this? Have you ever seen anything like it in your 20 or 30 years of being with the State?"

"I've never seen anything like this," Teal replied.

But, Teal added,

*These cuts can be made. The revenue measures can be adopted. The unrealistic part of the budget, to me, is any expectation that you have enough time to really consider these, especially given the fact that the information's not available to you now. I look at this as a case of biting off way more than you can chew, not just on the governor's part. There are a lot of proposals, but those proposals aren't really vetted. You can't be presented with position papers with justification at this time. What that does is throw an unrealistic workload on the legislature, because you would have a difficult time even if all this analysis that you need to make decisions was available right now. The fact that OMB has implied that that's not their job to provide the backup, the information that you need- "It's your job to vet these proposals." I find that completely unrealistic, that in a regular session, which we're now approaching halfway, that you would be able to get this analysis done, interpret it, and make decisions.*

Maybe Dunleavy hopes that by leaving legislators with insufficient time to evaluate the budget, they will simply adopt it, Teal speculated.

"I would say that we still have a fairly weak understanding of where the budget intends to take the State and whether the budget proposals will stand up to scrutiny once we do have time to begin the analysis," he said.

## Despite Core-Based Budgeting, Cuts Hit Education, Health Care, Transportation

Teal referenced a Dunleavy press release titled, "An Honest Budget: Sustainable, Predictable, Affordable," that preceded release of the budget. According to that press release, the first principle upon which the budget was built is that "expenditures cannot exceed existing revenue."

"In recent years, expenditures have exceeded revenue," Teal acknowledged.

However, his presentation shows that Dunleavy's budget would be the smallest in 43 years, adjusted for population and inflation.

"The question isn't, do expenditures exceed revenue; it's, do expenditures exceed revenue because expenditures are too high or because revenue is too low, historically low?" Teal asked. "The OMB director said that the answer is obvious, that expenditures must be too high because they exceed revenue."

Teal noted the answer could just as easily be that revenues are too low, while oil prices are unpredictable.

"If expenditures equal revenues and you're going to set that as a guiding principle, and revenue is volatile, as we know it is, how will the budget be any more predictable than oil prices themselves? Are we going to cut expenditures every time revenue falls? Are we going to increase the budget every time revenue goes up?" Teal asked. "I don't see how simply setting expenditures equal to revenue makes things more predictable."

Arduin's approach to budgeting has often been confused with zero-based budgeting, Teal said.

"It is not zero-based budgeting. If it were zero-based budgeting, your questions about the analysis of fiscal impact would be answered," he told committee members.

Instead, Arduin described her approach as core-based budgeting, prioritizing programs that are core services.



Yet the budget cuts \$300 million from K-12 public education and \$134 million from UA, in addition to the cuts to DHSS and the ferry system.

"The cuts hit the big money programs pretty much as we anticipated," Teal said. "Where the money is is what many people would classify as core services. As Senator [Lisa] Murkowski [R-Alaska] said, the core services are education, health care, access to transportation. And this budget hits those core services hard."

According to a document provided to the Department of Education & Early Development (DEED) budget subcommittee, the \$300 million cut would cost the Anchorage School District \$86 million, the Mat-Su Borough School District \$40 million, the Fairbanks North Star Borough School District \$29 million, and the Kenai Peninsula Borough School District \$21 million.

The education funding formula limits how much local governments can voluntarily contribute to their school districts based on State spending.

Therefore, Arduin's suggestion that local governments can make up the difference is inaccurate, Teal said. Communities, like Anchorage, that contribute to the cap would be unable to adjust.

"In addition to losing State funds, you're also losing local funds," he explained. "With this level of cut, I would say it's highly likely that you would get a lawsuit regarding the adequacy of education funding if the governor's budget were to go through."

Yet Teal noted that HB 287, which the legislature passed last year as part of a budget compromise, forward funds K-12 education in FY 2020, so the \$300 million is only jeopardized if the legislature adopts a different number for education funding this year.

"You don't need to make an appropriation for K-12 this year at all. It's forward-funded," he told committee members. "Because it was funded last year, if you simply reject that repeal and reject the replacement of new money, the money that was appropriated last year remains in the FY '20 budget."

HB 287 also included \$20 million for one-time FY 2019 education funding that the Dunleavy administration has not dispersed.

"What's the latest date that those funds have to be dispersed to those school districts after it's been appropriated, passed by the legislature, signed by the governor?" Senate Finance Co-chair Bert Stedman (R-Sitka) asked.

As he told House members prior to organization, Teal said Dunleavy can hold the \$20 million until the last day of the fiscal year, June 30.

Alaska Supreme Court ruled in *State v Fairbanks North Star Borough* that a governor cannot indefinitely withhold funds that have already been appropriated, even if, as in that case, oil prices suddenly drop.

"If the money can be spent, the governor can't unilaterally hold that money," Teal said. "It must be spent as the legislature appropriated it."

However, he clarified, "There is no trigger for" release of the money prior to June 30.

Sen. Bill Wielechowski (D-Anchorage) pointed out that because of the cuts to AMHS, the ferry system is not taking reservations beyond the end of September.

"Can the governor just do that on his own?" Wielechowski asked. "Can the governor just go ahead and unilaterally stop the ferry system from taking reservations after September 30?"

"He did. I don't know what to tell you on that one," Teal responded.

Teal went on to say the legislature may appropriate more, but Dunleavy's argument at this stage is that it shouldn't.

"He could also veto it. I think that's highly likely," said Sen. Lyman Hoffman (D-Bethel).

While Dunleavy's budget might allow profitable ferry routes, like the summer run between Bellingham and Juneau, Teal said it doesn't seem to allow for the subsidized routes after September.

"I don't know how that allows any other options besides shut down because, under the budget, there's simply no money to run the coastal runs," he said.

## Teal Asks, If Dunleavy Has Broken Some Principles, Is He Flexible on PFD?

"Despite campaign statements that \$200 million or more could be cut with no impact on services because agencies had funded but unfilled positions, we could achieve efficiencies, and several other savings that he hoped to accomplish, I believed that cutting \$200 million from agency operations would be a big stretch. The governor exceeded my expectations," Teal told Senate Finance.

Dunleavy cut \$260 million from agency operations, discounting K-12 and Medicaid formula funding.

Some of those cuts won't hold up, Teal said.

The plan for the Department of Corrections to send at least 500 inmates Outside is an example. Teal wondered about the transportation costs to the State, where the inmates will be located, and what costs the State will incur moving prisoners within Alaska so facilities can be closed, none of which OMB has answered.

"We don't have good numbers on this," Teal said. "I wouldn't be surprised to see a supplemental request of \$7 million or more for the Department of Corrections, assuming things go as the governor proposes."

OMB has proposed to offset cuts to the University with increased designated general funds (DGF), presumably tuition, but Teal pointed out the University is unlikely to actually bring in \$134 million in additional tuition.

"DGF turns into money if you can collect it," he explained. "That cut of UGF is real money to them, while the ability to offset those cuts by increasing tuition is fantasy money."

Even if K-12 and Medicaid are included, Dunleavy's budget only cuts agency operations by \$650 million to fill a deficit of over \$1 billion.

"Agency budgets were not good hunting ground for finding \$1.6 billion in cuts," Teal said. "If agency operating budgets weren't the means of balancing the budget, what was?"

Despite one of the budget principles being "maintaining and protecting our reserves," the budget pulls \$170 million from Alaska Industrial and Economic Development Authority (AIDEA) funds to pay FY 2020 oil and gas tax credits. An additional \$84 million is paid for FY 2019.

Further, the DHSS budget has backstop language that if the federal government doesn't approve a variety of waivers, the costs of the programs will be partially paid with \$172 million from the Statutory Budget Reserve (SBR) savings account.

"It's, in our opinion, highly unlikely that these approvals would come during the fiscal year, certainly not by July 1," Teal said of the waivers. "We see the \$172 million in reserve use as being near certain."

Teal expects an additional \$70 million DHSS supplemental beyond the \$172 million.

"The governor suggested that he didn't want to use reserves, yet the bill pulls \$172 million from the Statutory Budget account and it pulls \$264 million from reserves held by State corporations," Teal noted.

The money from the SBR would be applied to FY 2019 so it does not appear to increase FY 2020 DHSS spending.

"The governor cuts \$249 million from Medicaid, but then he restores much of the money in a way that's less than transparent," Teal explained.

"How much would be left in the SBR?" Hoffman asked.

"Zero," Teal told him.

"It's intended to be used as a shock absorber," Teal said of the SBR. "Our recommendation is that you do not use the budget reserves."

Teal said that AIDEA will also not be able to pay tax credits after this year, making that line item an unsustainable, one-time move.

"The numbers work, but they only work for one year," Hoffman said.

Teal said that using AIDEA money for tax credits would make that capital unavailable for supporting private development. He added that use of AIDEA funds, which are typically returned to the general fund after a return on investment, makes the budget less transparent.

"As the budget is laid out now, AIDEA funding doesn't appear as revenue. It doesn't appear as UGF spending. It's simply invisible money," Teal said.

"Despite saying that the governor wanted to preserve and maintain our reserves, he is, in fact, using them," Teal concluded.

He also noted that Dunleavy's budget includes \$420 million from a repeal of petroleum property taxes, though that does not qualify as "existing revenue." It would cost the North Slope Borough about \$400 million.

"You may ask whether the remainder of the budget proposal is consistent with the governor's principles," said Teal.

Teal seemed to suggest that Dunleavy, who has championed a full Permanent Fund dividend (PFD) and has submitted bills to pay the balance of the PFD from the last three years, is engaging in a Machiavellian maneuver to get people to beg for PFD cuts to avoid cuts to services. Dunleavy has already proved flexible on taxes and use of reserves.

"Maybe creating chaos is just a clever way to force a conversation that he believes needs to happen in order to move forward," Teal speculated.

## Teal: "You're Looking at Significant Job Loss."

Perhaps the most striking numbers from the Legislative Finance documents are the comparisons between FY 2019 UGF spending and Dunleavy's proposed FY 2020 budget.

Dunleavy's operating budget is only \$33 million smaller, less than one percent.

The difference is the PFD, which would cost \$1.9 billion under Dunleavy's plan. That's about \$1 billion more than Dunleavy proposes to spend on K-12 education, the next largest item.

"The dividend consumes 37 percent of our revenue. That's, to me, an astonishing number; that we could spend over a third of all the money that's available to us is handed out as dividends," Teal said Tuesday.

Teal noted that as a result of proposed cuts, there will not be 350 jobs lost, as Arduin has suggested.

"We're really looking at 5,000 jobs," he said, adding expected losses to AMHS, the University, and teachers at the district level. "You're looking at significant job loss."

"We don't know if the UA system or the school districts will actually cut those 4,300 jobs; we just know that's the amount of the proposed cuts," Sen. David Wilson (R-Wasilla) protested to Stedman. "We can frame this conversation in many ways, Mr. Chair. I just think that sometimes we frame it in the most drastic and nuclear option there is for shock and appeal."

Wilson may be the first person to accuse Teal of being "drastic and nuclear."

Teal accepted Wilson's criticism, saying he was extrapolating based on one job lost per \$100,000 in cuts.

In seeking to avoid a vote that would require three-fourths approval of each chamber, Dunleavy has not included language that would tap the Constitutional Budget Reserve (CBR) in the event of a

sudden drop in oil prices. Such a vote would give bargaining power to a minority caucus, but Teal warned avoiding it could end up causing a special legislative session to make up the difference.

drop of only 50 cents below the \$64 forecast oil price would result in a deficit, Teal said.

"The CBR has no access. The SBR is gone," he said, presuming the DHSS backstop remains in. "You have no automatic way to fill the deficit, which brings you back in special session, apparently, in order to address a shortfall in revenue."

Failing to address the CBR also could result in a "nightmare" accounting scenario because it doesn't include a reverse sweep.

At the end of the year, money that sits unspent in various State funds has to be swept into the CBR, a requirement of the constitution. The reverse sweep restores that money to its sources, something Teal says has historically been an uncontroversial accounting decision.

Legislators can add that to the list of things they may want to address in the budget.

With the conclusion of Teal's presentation, attention turns to budget subcommittees. They will analyze information provided by OMB and the departments, then make a funding recommendation to the full Finance Committee.

*This article brought to you by Rush's "The Anarchist"*



**Craig Tuten**

<http://akledger.com>

Craig Tuten served as a staff writer for Alaska Commons, covering the Alaska Legislature for three years. After a brief stint working as a legislative aide to former Rep. Les Gara (D-Anchorage), Craig returned to Alaska Commons as co-host of its podcast. He has lived in Alaska since 2006.

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# EXHIBIT 30

In the Matter of the Arbitration

between

KENAI EDUCATION ASSOCIATION  
KENAI EDUCATION SUPPORT  
ASSOCIATION  
(Associations)

and

KENAI PENINSULA BOROUGH  
SCHOOL DISTRICT  
(District)

AAA Case No. 75 390 00156 12  
TAFL

ADVISORY INTEREST  
ARBITRATION

BEFORE:

Kathryn T. Whalen, Arbitrator

APPEARANCES:

For the Associations:

Keri Clark  
NEA-Alaska UniServ Director  
4100 Spenard Road  
Anchorage, AK 99517

For the District:

Saul R. Friedman  
Jermain Dunnagan & Owens  
3000 A Street, Suite 300  
Anchorage, AK 99503

PLACE OF HEARING:

Kenai, AK

DATE OF HEARING:

October 1 and 2, 2012

HEARING CLOSED:

November 6, 2012

AWARD ISSUED:

December 21, 2012

## **I. INTRODUCTION**

This is an advisory interest arbitration proceeding pursuant to AS 23.40.200(g). Kenai Peninsula Education Association (KPEA) and Kenai Peninsula Educational Support Association (KPESA) and Kenai Peninsula Borough School District (KPBSD or District) were unable to reach an agreement on certain terms for Collective Bargaining Agreements for the period from July, 1, 2012 through June 30, 2015.

After reaching an impasse in negotiations, the parties' remaining issues are: Salary/Wages; Health Care; Salary Conditions, Extracurricular Salary Schedule; Physical Exam Reimbursement; Automated Substitute System; Donation of Sick Leave; Duty Free Lunch; and Workday. There are additional issues for KPESA concerning Definitions and Work Rules.

This case is administered by the American Arbitration Association. Tammie R. Flynn is the Case Manager. The Arbitrator was selected pursuant to AAA procedures and applicable state law.

A hearing was held on October 1 and 2, 2012 in Kenai, Alaska. The parties had a full opportunity to present evidence and argument in support of their respective positions. The parties elected to file post-hearing briefs. The Arbitrator closed the record upon receipt of those briefs on November 6, 2012. The parties agreed the Arbitrator could submit her recommendations and award electronically on December 21, 2012.

## **II. APPLICABLE STATUTORY PROVISIONS**

AS 23.40.200 (g) provides:

Under the provisions of (d) of this section, if an impasse or deadlock is reached in collective bargaining negotiations between a municipal school district, a regional educational attendance area, or a state board school and its employees,

(1) the parties shall submit to advisory arbitration before the employees may vote to engage in a strike; the arbitrator shall

(A) be a member of the American Arbitration Association, Panel of Arbitrators, or the Federal Mediation and Conciliation Service;

(B) have knowledge of and recent experience in the local conditions of the school district, regional educational attendance area, or state boarding school, and

(C) be determined from a list containing at least five nominees who meet the qualifications of this subsection; this list shall be considered a complete list for the purpose of striking names and selecting an arbitrator; \* \* \*

### **III. SALARY/WAGES**

#### **A. Background**

The State of Alaska's educational funding formula is based upon a school district's student count, referred to as average daily membership (ADM). ADM is adjusted by a number of factors, including: school size, district cost factor, special needs factor, intensive services count and correspondence student counts. A final adjusted ADM is multiplied by a Base Student Allocation (BSA).

In 2007-2008, House Bill (HB) 273 was passed by the state legislature and approved by the Governor. It contained a multi-year funding formula for school districts that provided predictability to school districts through Fiscal Year (FY) 2011. Increases to formula factors, however, were not established for FY 12 or FY 13.

## **B. Parties' Proposals**

### **1. Associations**

For each of the 3 years of the Agreements, KPEA and KPESA propose increases equal to the previous year Consumer Price Index-U. This CPI is the one annually issued in July by the Alaska Department of Labor for the Anchorage area. For FY 13, the annual CPI-U published in July 2011 was 2.8%; for FY 14, that percentage was 2.5%. The percentage for FY 15 is unknown, but will come out in June of 2013. For costing purposes for this arbitration, the Associations used 2% for that year.

### **2. District**

The District proposes a one percent (1%) salary schedule increase for each year of the Agreements. Additionally, for KPEA teachers, the District proposes a one-time payment of \$600 for each year of the Agreement outside the salary schedule. For KPESA members, the District proposes a one-time payment of \$300 to each employee for each year of the Agreement outside the salary schedule.

The District's proposal further provided that had a CBA been ratified by the end of FY 12 there would have been a one-time inflationary payment for teachers of \$800 in FY 12; plus, those at the bottom of certain columns (C+54/M, C+72/M, and C+90/M) and not receiving a step increase in any year, would have received a \$400 payment. For KPESA, the District proposed that had the CBA been ratified by the end of FY 12, employees would have received a one-time

inflationary payment in FY 12 of \$300 with a \$400 payment to all employees at the end of a row, if the employee did not receive a step increase.

**C. Parties' Arguments**

**1. Associations**

1. The universally-used standards for advisory arbitration of cost of living, comparability, ability to pay and ability to attract and retain personnel should be used in this proceeding and support the Associations' proposal.
2. Cost of Living (CPI): From 1977 through 1992 cost of living for salary increase was the standard relied upon by the Association and the District. It is in line with a 1996 arbitration decision from Arbitrator William Dorsey. Agreeing to a CPI increase is not novel in the current political and financial climate—the District's Superintendent did it as did Kenai Borough employees (CPI plus 1%). Fairbanks Borough employees recently negotiated a COLA based on the CPI.
3. Budgeting for a CPI increase is no different than budgeting for a percentage increase; the District has operated for years creating budgets on information on hand in November though the state legislature does not pass its budget until April. District concerns over state funding are baseless; and at any rate have been remedied by the Associations' proposals that use the mid-year CPI one and one-half years prior to the actual salary increase.
4. Kenai teachers have steadily lost ground over the past years when comparing salary schedule increases with the CPI. The District's proposal of 1% each of three years does not make a dent in teachers' historical loss of buying power nor does it match inflationary impacts.
5. Comparability: Teacher salaries also should be equivalent with those teachers in comparable school districts. Teacher salaries and benefits may be compared with other large school districts in Alaska—Mat-Su, Anchorage, Juneau and Fairbanks. According to the Association of Alaska School Boards (AASB) 2011-12 Salary and Benefit Report, KPBSD ranks last among the five comparable districts in salaries and benefits. The District's proposal does not correct this discrepancy. The District's staffing formula (pupil/teacher ratio) is not so superior to comparable jurisdictions to knock out other comparability considerations. Besides, Kenai is on par with other comparable districts on that ratio.



6. At the bargaining table the District gave a couple of reasons for its unwillingness to settle. First, that it could not create a budget based on the CPI. To remedy that, the Associations proposed using a CPI number far in advance of the budgeting process. Further, this District excuse is belied by a substantial number of years that the District did budget for a CPI increase. Another reason the District gave at the table for unwillingness to go beyond 1% was that it had other uses for the money.
7. Ability to Pay: The District stated it did not have the ability to pay for the first time at arbitration. The District's eleventh hour claim of inability to pay is unsupported by the evidence. Comparing cost of the parties' proposals for the first year for salary and health care, the Associations cost less than the District's by \$903,128 (teachers) and \$689,607 (support). These calculations include money in the District's proposal that expired on June 30, 2012. Even with those monies removed, the Associations' proposals would be less in the first year for salary and health care.
8. Further, the District's undesignated fund continues to be replenished and to grow. For FY 12 it is up to \$6,808,518—an 18% increase over the prior year.
9. The District's concern with the state education funding mechanism is not warranted. In the State's history, it has only forward funded for the one 3-year period. Other than that, school districts have budgeted for years with the current mechanism and at no time did the State fail to put money into education. (Testimony of John Alcantra).
10. In addition, when the District sent its budget to the State Commissioner for Education it anticipated only a 1% increase; although evidence does not show that the State House Finance Committee advised the District of such a cap to employee salary increases.
11. The District has money: It had to return monies to the Borough two years ago because it had too much in reserves (more than 10%). This year the Borough reduced money to the District by \$1 million because the District was receiving more than anticipated from the State. A review of District history of revenues shows increased revenue is predictable despite decreasing enrollment and allegedly what is happening to budgets in other school districts.
12. The District should not be allowed to continue to grow fund accounts at the same time its employees need to work more than one job just to pay for fuel or buy food. (Testimony of Matt Fischer; Terri Tidwell).

13. Ability to Attract and Retain Personnel: The evidence shows that except for 2009, the District has budgeted less for teacher salaries while FTE has increased. This is not consistent with District claims of a world class district and some of the highest student test scores; it is clear its employees are not high on the District's priority list. It is increasingly difficult to fill support positions and retain support employees, especially because of the cost of health insurance. (Testimony of Terri Tidwell).

## **2. District**

1. At the time HB 273 passed, the parties had a CBA for FY 07-FY 09. The salary schedule increased 2.5% in FY 08 over the FY 07 schedule; FY 09 provided another 2%. Despite an ongoing enrollment decrease, the District was able to end FY 09 with a 10% unreserved general fund balance. The next CBA for FY 10-FY 12 contained the following increases: FY 10 each cell of the salary schedule \$3,000 along with automatic step increases; FY 11 and FY 12 another 2% along with automatic step increases for those eligible. The District's response to HB 273 and in agreeing to the FY 10-FY 12 Agreements was reasonable and protective of its primary educational mission. A mission that emphasizes small class size and resulting benefits to student achievement, not just pupil/teacher ratio (PTR).
2. In this context, contrary to current claims by the Associations that top level administration is untrustworthy and unfair, the District has a Superintendent that is politically savvy, read the landscape and decided not to battle with the Borough over funding.
3. The District's proposal for FY 13 constitutes average increases for both KPEA and KPESA members that far exceed the 2.8% CPI-U increase. In fact for FY 08-12 and over the years, District salary schedules have exceeded the rate of inflation. (Testimony of Assistant Superintendent Dave Jones).
4. Cost of District's proposal: The BSA has not increased since FY 11; and the Legislature only appropriated one-time earmarked funds for FY 12 and FY 13. The District's proposal over 3 fiscal years needs to be understood in the context of that stagnant BSA. Plus, there is a cumulative and compounding impact of multiyear percentage increases on the salary schedule. The three-year cost of the District's KPEA proposal is \$4.3 million over the FY 12 schedule; the District's KPESA proposal is approximately \$1.7 million—for a total of about \$ 6 million for both Associations.

5. The District's FY 13 Budget: Jones' assessment to the School Board included the increased costs described above and anticipated changes to previous revenue and expenditure projections—the net result reflects a shortfall in revenues over expenditures in FY 13 of \$2,762,120—to be appropriated from the non exempt, unreserved general fund balance. The District used almost \$3 million of that fund in FY 12 so the additional projected use in FY 13 shows a disturbing and unsettling trend. Without additional state funding the combined cost of health care and salary proposals will decimate that fund the District has so painstakingly preserved. (Testimony of Dave Jones).
6. Still, the District went beyond its comfort level in attempting to reach a compromise with the Associations. The bottom line is that the District's health care and salary proposals are substantial, fair and reasonable. Without the use of the unreserved general fund balance and exempt general fund self-insurance health care reserve (not Committee reserve) the District would be in the same dire situation as those school districts the Associations view as comparable—massive cuts to programs and staff as well as increased class sizes.
7. The KPEA's FY 13 proposal would cost an additional \$1.35 million; KPESA's proposal an additional \$551,520. And, for example in FY 14—taking into account the compounding effect—KPEA's proposal is \$1.26 million more than the cost of the District's FY 14 proposal.
8. The Associations are asking the Arbitrator not just to consider the CPI-U; but to recommend that the CPI-U as the sole and determinative measure of salary/wage increases for FY 13-FY 15. Such an approach is not supported by arbitral authority. The CPI-U has some relevance but is recognized as imprecise—as factors such as housing costs and medical costs demonstrate. Housing costs are lower in Kenai compared to Anchorage, Juneau, Fairbanks, Kodiak, Mat-Su, and the rest of Alaska. And, the District's medical proposal reduces the employees' basic contribution rate from \$340 to \$270---a 20% decrease.
9. KPEA also has proposed changes to Article 470 Workday that would compensate members for additional work—the value of one day per diem for each of the four quarters of the school year. Combined with the KPEA's salary proposal, it adds on cost that would increase the shortfall of revenues over expenditures.
10. Comparability/Ability to Pay/Interest and Welfare of the Public: KPEA's comparability argument does not address the meaning of that term in the context of Alaska's school districts.

A school district, through improvident bargaining, can seriously erode its ability to deliver a quality educational program; it cannot mitigate consequences as private companies. Its services are mandated by law; it cannot close shop and move to another location with lower labor and utility costs.

11. KPEA's comparability fails to take into account all factors that are needed to measure comparability. The District could pay Fairbanks' salaries and reduce employee health contributions but with the larger cost to the detriment of the education program and shortchanging students—less positions, less instructional support, larger class sizes, less SPED services, less equipment and supplies, and the list goes on. FY 11 class sizes: Mat-Su 22.4 (elementary), 26.5 (middle), and 28.1 (high school); Anchorage 27 (grades 4-6), 26.25-27.91 (grades 7-12); Kenai: 20.6 (high school), 19.8 (middle school), 19.8 (elementary), and 10 (small schools).
12. For FY 13, Fairbanks North Star Borough School District required major reductions in positions (support and teachers), services, supplies and equipment.
13. Summary: Associations advocate for their members; the District for a broader constituency. Associations' proposals are asking the Arbitrator to accept and recommend expenditures of funds not within available revenues and to make comparisons to school districts in crisis. Kenai is not in such a mode. With well thought out and factually supported proposals the District hopes to avoid the plight of the Associations' "comparable" districts. The District's proposals are, ultimately, most beneficial to employees, to its students and to the educational community as a whole.

#### **IV. ARBITRATOR'S RECOMMENDATION: SALARY SCHEDULE**

##### **A. Recommendation**

For FY 13, FY 14 and FY 15, the pay scales in each year of these Agreements shall be increased by two percent (2%).

##### **B. Explanation**

In arriving at my recommendation on the salary schedule I have considered all of the usual interest arbitration standards, particularly those argued by the parties: interest and welfare of the public, comparability, cost of

living, ability to pay and ability to attract and retain personnel. I have applied those standards to the record in this case.

I have taken into account in my recommendation the District's concerns that the BSA has not increased since FY 11, the uncertainty of state funding, differences in other jurisdictions identified as comparable by the Associations, the compounding effect of salary base increases and District responsibility to employees, students and the educational community.

I have recommended a 2% increase in each year because I am convinced by the evidence that members of the Associations deserve a base percentage increase to the salary schedule that is more than the District's proposal of 1% in each year. Yet, with the issue of health care also an important financial issue, the Associations' combined economic proposals are too much.

## **V. HEALTH CARE**

### **A. Overview**

Health Care provisions are contained in Article 210 (KPEA) and Article 27 (KPESA) of the parties' 2009-2012 Collective Bargaining Agreements.

The District health care program is self-funded. A health care cost committee determines and controls the health care program. That program includes but is not limited to: setting the amount of employee monthly contributions and dependent coverage costs, benefits and coverage provided, cost containment measures, evaluating and deciding the outcome of appeals, regulating the use of the health care cost reserve account, and implementing any

wellness measures it deems beneficial to employees and the health care program.

The Committee is composed of nine members and KPEA and KPESA are entitled to at least three members each. The plan administrator is the Director of Human Resources.

Permanent and permanent part-time employees who currently work 4 or more hours per day are eligible for year-round health care benefits. Effective for FY 11 and FY 12, all permanent and permanent part-time employees who work 6 hours or more per day were required to participate in the KPBSD health plan. Employees first hired on or after July 1, 2010, for at least 4 hours per day (.50 FTE) but less than 6 hours per day, could opt out of health care coverage altogether. Effective FY 12, the District provided health benefits to employees only; family members could be added for an additional fee.

The parties' 2009-2012 Agreements required the District to pay minimum monthly contributions for each participant in the following amounts for FY 10, 11 and 12: \$950, \$975 and \$975, respectively. Employee participants were required to pay monthly, at a minimum, respectively: \$175; \$200 and \$200. Expenditures in excess of available health care cost account reserves were to be borne equally between the District and all eligible employees (50/50 split).

Correspondingly, if expenditures were below the negotiated cap, savings were to be applied to a health care cost reserve account. Funds deposited into this account were to be used only to offset future health care cost increases and/or provide additional benefits.



Actual employer and employee contributions were in excess of the minimum amounts for all three contract years. For July 1, 2011-June 30, 2012, the total cost per month was \$1455 for each participating employee. The District paid \$1115 per month; each employee paid \$340 per month (over 12 months; \$453 per month for a 9-month employee). Percentage-wise, these 2012 contributions are a 77%/23% split between the Employer and employee.<sup>1</sup>

**B. Parties' Proposals**

**1. Associations' Proposals**

The KPEA and KPESA seek to eliminate the 50/50 split. The Associations propose that the District make contributions on a 12-month basis equal to 85% of the cost and employees make contributions equal to 15% cost of the health care program. The Associations also seek to eliminate any separate contributions for family members and propose that benefits be afforded to the employee, spouse and all eligible dependents.<sup>2</sup>

**2. District's Proposals**

The District proposes the following minimum monthly contributions for FY 13, FY 14 and FY 15, respectively: Employer--\$1330; \$1350; and \$1380; Employee--\$ 270; \$270 and \$270. The District further proposes that for FY 13, excess expenditures be borne at a rate of 60/40 (rather than the current 50/50 split).

The District proposes to develop and support a Health Care Task Force that will look at all aspects of the KPBSD health plan and other avenues to

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<sup>1</sup> The District calculates the percentage ratio as 76%/24%.

<sup>2</sup> The Associations' proposal also broadens the opt-out provision. This proposal was not addressed by the parties in their briefs and is not a primary issue.

contain health care costs. The task force will be made up of employees, administration and health care experts. The recommendation from this group is to be presented to the Health Care Committee during the FY 14 school year.

For FY 14 and FY 15, the rate for excess expenditures would change if the employee is a participant in KPBSD Wellness program: FY 14—65/35; FY 15—70/30.

The District proposes that .75 FTE permanent and part-time employees be eligible for year-round health care benefits rather than the current four (4) or more hours per day requirement for said employees. The District also proposes a 30-day probationary period before health care benefits are provided.

The District further proposes that the task of evaluating and deciding appeals be removed from the Committee's purview.

**C. Arguments**

**1. Associations**

1. In 2009 negotiations, the employees made a substantial concession by agreeing to employee-only coverage with an additional fee for family members. At the same time, the District held on to the 50/50 split which has had a devastating financial impact on employees. Increases to employees have ranged from 28% to 70%.
2. District projected health care cost increases have changed over the course of bargaining from 10%, to 8%, to 12% and most recently to 15.69%. Regardless, the result is a further and dramatic increase in cost to employees, even with the District reduction proposed with a wellness plan. Any sort of split in addition to a substantial base amount is unsustainable for employees.
3. Comparable districts (Anchorage, Mat-Su, Fairbanks and Juneau) have no such 50/50 split and Kenai has the highest monthly contribution rate. The proposed 85%/15% split is in line with what employees in other districts pay.

4. The Associations' proposal for full family coverage returns health care to what it was prior to FY 12 and is the standard in comparable districts except for Fairbanks. In fact, the majority of districts across Alaska offer coverage for families. In contrast, the District's proposal for a 30-day waiting period for insurance coverage is not supported by evidence: either an industry standard; or actual health care costs for employees who quit within 30 days.
5. The District can afford the Associations' proposal. After the FY 11 audit, Committee health care reserves totaled over \$2.9 million; the District recently added to the reserve so that the total health care reserve is \$3.6 million.
6. These reserve amounts demonstrate, according to Health Care Committee member Matt Fischer, that the current \$1455 being collected is sufficient to cover health care costs.
7. In 2007, the District created another fund called the self-insurance health care fund which started with \$2.2 million and increased each year so that in FY 11 the total was \$6.8 million. This fund is regulated by the District with approval from the school board; not the Committee.
8. There are sufficient funds to pay for the Associations' 85%/15% proposal either if current District contributions remain sufficient or if District predictions on health care costs occur.
9. The District is experiencing difficulty in attracting and retaining its employees with the high cost to employees for their health care contribution. For example, support employees must decide each payday what they can afford: rent, food or gas. Many have more than one job. Some cannot go to the doctor because they cannot afford the deductible (Testimony of Terry Tidwell; Patty Sirois).

## 2. District

1. There are three baseline factors that are important to analysis of the District's proposal. First, The Health Care Committee continued the FY 12 monthly contribution rates of \$1115 for the District and \$340 for the employees thereby continuing the contribution percentage ratio (76%/24%);
2. Second, the Committee chose not to reduce monthly contributions of the District and employees in FY 12 despite \$2,921,298 in the health care cost reserve account (over which it has complete control).
3. Third, from FY 08 to FY 12, total health care costs increased from \$13,053,373 to \$21,247,476 for an average annual increase of approximately 15%. Yet, because of total

employer and employee contributions the reserve account at the end of FY 12 (start of FY 13) increased by \$681,895 bringing the reserve to \$3,603,193.

4. The District's proposal for FY 13 sets minimum monthly contributions of \$1330 for the District and \$270 for the employee—a \$215 increase for the Employer and \$70 decrease for employees (from FY 12). These contributions are estimated to generate an amount that would exceed the FY 12 health care costs by 11.5%. The District's proposal returns the District/Employee percentage rate to the FY 08 level of 83%/17% and maintains it at that level unless 50/50 cost-sharing is required; and now the Committee has over \$3.6 million in its reserve account to use an offset if it so chooses.
5. Despite state and federal funding changes, District administrative leadership acted with wisdom and foresight to manage the funding stream. The District maintained an unreserved, nonexempt general fund balance through FY 11 of 9.78% and at the same time maintained a separate self-insurance reserve in its general fund of almost \$6 million. The District's proposal reflects a determination to use its own reserves and not rely on the Committee's reserves to subsidize the cost of the health care plan—with the hope that ever escalating health care costs will be resolved ultimately at the state or federal level. The entirety of the District's 3-year proposal is extremely protective of its employees. (Testimony of Dave Jones).
6. The FY 12 contract language provided for the 50/50 split if health care costs exceed the established minimums in the event the Committee does not utilize its reserves to eliminate or reduce additional required monthly contributions. The District proposes an additional incentive and reduction in the 50/50 percentage rate. That is, for FY 13 a 60%/40% rate; and FY 14 and FY 15 further reductions to 65%/35% and 70%/30%, respectively, with employee participation in a wellness program. The District also proposes developing and supporting a health care task force to review the health care plan and present recommendations to the Committee in FY 14 in another effort to reduce overall costs and, correspondingly, employee contributions.
7. Focusing primarily on KPESA, the District proposes completion of 30-day probationary period and benefits only for employees working 6 or more hours per day. This proposal is consistent with other urban school districts; reflects the economic reality of the District's costs for providing health care coverage; and provides a measure of protection against

an employee who is terminated within 30 days who is able to incur significant health care costs.

8. The District proposes that the Committee no longer have the authority for “evaluating and deciding the outcome of appeals.” This change already has been implemented by a 2011 amendment to the Plan requiring that an Independent Review Organization (IRO) be the final and binding administrative decision-maker for health claim disputes.
9. The Associations’ proposal to cap an employee’s contribution rate at 15% while still giving the Committee total responsibility to determine benefits and coverage is a patently unfair approach to real life health care cost problems. No prudent school district with a self-funded health care plan could agree to pay a fixed 85% of its plan’s costs, and then delegate to a Committee comprised of a super majority of bargaining unit appointees the sole power and responsibility to establish benefit and coverage levels.

## **VI. ARBITRATOR’S RECOMMENDATION: HEALTH CARE**

### **A. Recommendation**

For FY 13 the District will make contributions on a 12 month basis equal to 80% of the cost of the health care program and employees will make contributions on a 12-month basis equal to 20% of the cost of the health care program.

For FY 14 the District will make contributions on a 12 month basis equal to 83% of the cost of the health care program and employees will make contributions on a 12-month basis equal to 17% of the cost of health care program.

For FY 15 the District will make contributions on 12-month basis equal to 85% of the cost of the health care program and employees will make contributions on a 12-month basis equal to 15% of the cost of the health care program.

The paragraph that provides for the 50/50 split between the District and employees for health care costs shall be eliminated. Additional amounts for dependent, spouse and family coverage shall be eliminated. That is, no additional fees for family coverage.

The District's proposed language for a Health Care Task Force shall be added. That is:

The District will develop and support a Health Care Task Force that will look at all aspects of the KPBSD health plan and all other avenues to contain health care costs. This task force will be made up of employees, administration and health care experts. The recommendation from this group will be presented to the Health Care Committee during the FY 14 school year.

The Committee's authority for "evaluating and deciding the outcome of appeals" shall be eliminated for the reasons proposed by the District. This change already has been implemented by a 2011 amendment to the Plan requiring an Independent Review Organization (IRO) be the final and binding administrative decision-maker for health claim disputes.

No other proposed changes by the parties to the health care articles are recommended. Status quo, or 2009-2012 language, shall be retained for the term of these successor Agreements.

**B. Explanation**

Once again, I have applied the common standards of interest and welfare of the public, comparability, cost of living, ability to pay and ability to attract and retain personnel to the record in order to arrive at my recommendations on health care.



It is undisputed that there have been significant increases in health care costs. The record also established significant adverse impacts on members of the Associations' bargaining units. Both parties' proposals recognize the need to reduce the current amount paid by employees. The parties just have different approaches for achieving a more reasonable sharing of such costs for the term of the next Agreements.

I have carefully reviewed all of the evidence regarding health care costs and insurance, including all of the available information from other Alaska school districts. Fischer testified that no other comparable school district had a 50/50 split such as this District. His testimony was undisputed and other evidence supports his testimony. (Association Ex. 11 [Health Care]).

The bottom line is: the Associations made a compelling case for the elimination of the 50/50 percentage split. And, I agree that straightforward percentage splits are more predictable and easily administered.

As said above, I have fashioned my recommendations considering both changes to the salary schedule and health care. I find a graduated approach to reaching a percentage split of 85%/15% is financially affordable and takes into account District concerns of sufficient funding and maintaining adequate reserves.

I have considered and understand the District's concern that the Committee, controlled by members of the Associations, has not acted recently to reduce monthly contributions.

KEPA and the District recommend changes to **Article 110-Salary Conditions**. Their dispute concerns continuing education credits (CEUs) for column advancement on the salary schedule. **I will not award either proposal and recommend the status quo.**

Employees have long received monetary reimbursement to partially cover the costs of a **physical exam (Section 130; Article 26)**. Since federal health care reform, the cost of a physical is covered by the plan at no cost to the employee. The Associations propose to contribute the negotiated dollar value for a third of the employees each year to the health care reserve fund as a way of maintaining the monetary benefit. The District proposes reimbursing an employee not covered by the health plan; but otherwise eliminating it. **I recommend the District's proposal.**

KEPA proposes that **Article 339 Automated Substitute System** be modified to include the requirement that the District maintain a "functioning" automated substitute system for certified employees. The District proposes the exclusion of the word "functioning" (as unnecessary) and also proposes that certain communities be excluded from the above automated substitute system because it is unnecessary at such sites. **I recommend the District's proposal.**

**Article 343** of the KEPA/District Agreement concerns **Donations of Sick Leave**. It was added to the Agreement in 2009. Over 2200 hours have been donated by over 130 employees. The current language has a sunset provision at the end of the Agreement with the qualifier that the provision will be subject to review for future agreements.

The Association proposes the deletion of the sunset provision and the continuation of the program. The District proposes continuing the program with a teacher maintaining a 320 hour sick leave balance before being allowed to donate sick leave to another teacher.

**I recommend the Association's proposal.** This program has been extremely successful and I am not convinced that the cap proposed by the District is necessary or justified.

By state law, teachers the District must provide teachers with a 30 minute **duty free lunch period**. This subject is addressed in **Article 420** of the KPEA/District Agreement. The Association proposes to add a 10-minute passing time; the District proposes a 5-minute passing time. The Association states that 5 minutes is not enough because students currently have those five minutes once the bell rings. The District responds that 5 minutes is a reasonable compromise between the needs of some teachers and the District's need for finite student instructional time to be preserved.

**I recommend the District's proposal.** The parties can revisit this subject (if necessary) once the parties have had experience with a 5-minute passing time.

KPESA and the District have remaining issues unique to their Agreement. KPESA proposes a change to **Definitions (Article 2)** that would create one category of employees instead of having grant-funded employees segregated from permanent employees. Grant-funded employees do not have rights similar to permanent employees; for example, they are not guaranteed rehire rights and

do not have reduction-in-force rights which affect other things such as health insurance coverage, sick and personal leave.

KPESA also proposes changes to a number of **Work Rules (Article 10)**: Paragraph E – Shift Changes; Paragraph G – Leave During Emergency Closures; Paragraph I – Call Back; Paragraph M – District Meetings; Paragraph U – Student Instruction/Supervision.

Head Custodian and KPESA President Terri Tidwell testified in support of most of these proposed changes. Tidwell was a genuine and credible spokesperson for her members. Still, as explained below, I do not recommend any of the above proposed changes. **I recommend the status quo.**

**B. Explanation**

Besides the two primary issues of salary schedule/wages and health care, I have recommended few changes. I have done so because I believe a narrow focus and less ambitious approach better serves the parties in reaching an Agreement. Also, in some instances, proposed changes were not supported sufficiently for me to recommend a change in contract language.

**VIII. CONCLUSION**

In arriving at my recommendations, even if not specifically mentioned, I have reviewed and considered all of the evidence, authorities and arguments submitted by the parties. I will issue an advisory award consistent with my above recommendations and explanations.

In the Matter of the Arbitration	)	
	)	
between	)	
	)	
KENAI EDUCATION ASSOCIATION	)	
KENAI EDUCATION SUPPORT	)	
ASSOCIATION	)	AAA Case No.75 390 00156 12
	)	TAFL
(Associations)	)	ADVISORY AWARD
	)	INTEREST ARBITRATION
and	)	
	)	
KENAI PENINSULA BOROUGH	)	
SCHOOL DISTRICT	)	
(District)	)	

Having carefully considered all evidence, authority, and argument submitted by the parties concerning this matter, pursuant to AS 23. 40. 200(g) the Arbitrator issues the following advisory recommendations and award:

1. Salary Schedule: For FY 13, FY 14 and FY 15, the pay scales in each year of these Agreements shall be increased by two percent (2%).
2. Health Insurance:

For FY 13 the District will make contributions on a 12-month basis equal to 80% of the cost of the health care program and employees will make contributions on a 12-month basis equal to 20% of the cost of the health care program.

For FY 14 the District will make contributions on a 12-month basis equal to 83% of the cost of the health care program and employees will make contributions on a 12-month basis equal to 17% of the cost of health care program.

For FY 15 the District will make contributions on 12 month basis equal to 85% of the cost of the health care program and employees will make contributions on a 12-month basis equal to 15% of the cost of the health care program.

The paragraph that provides for the 50/50 percentage split between the District and employees for health care costs shall be eliminated. Additional amounts for dependent, spouse and family coverage shall be eliminated.

The District's proposed language for a Health Care Task Force shall be added. Specifically:

The District will develop and support a Health Care Task Force that will look at all aspects of the KPBSD health plan and all other avenues to contain health care costs. This task force will be made up of employees, administration and health care experts. The recommendation from this group will be presented to the Health Care Committee during the FY 14 school year.

The Committee's authority for "evaluating and deciding the outcome of appeals" shall be eliminated for the reasons proposed by the District. That is, this change already has been implemented by a 2011 amendment to the Plan requiring an Independent Review Organization (IRO) be the final and binding administrative decision-maker for health claim disputes.

No other proposed changes by the parties to the health care articles are recommended. Status quo, or 2009-2012 language, shall be retained.

3. Section 130 and Article 26 – Reimbursement for Physical Exam: The District's proposal is recommended.

4. Article 339 – Automated Substitute System: The District's proposal is recommended.

5. Section 343 – Donation of Sick Leave: The Association's proposal is recommended.

6. Article 420 – Duty Free Lunch: The District's proposal is recommended.

7. All other proposed changes: I recommend the status quo (2009-2012 contract language).

8. My fees and costs will be borne equally by the parties.

Respectfully submitted,



Kathryn T. Whalen  
Arbitrator

Date: December 21, 2012