

Act 93

Administrative Agreements

Section 11-1164 of the School Code

A Guide to Meet and Discuss

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Definition of “School Administrator”

Section 11-1164 ... “any employe of the school entity below the rank of District Superintendent, Executive Director, Director of Vocational Technical School, Assistant District Superintendent, or Assistant Executive Director, but including the rank of first level supervisor, who by virtue of assigned duties is not in a bargaining unit of public employes...”

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Act 93 Requirements

School employers covered by Act 93:

- **All School Districts**
- **All Intermediate Units**
- **All Vocational-Technical Schools**

Non-Act 93 Administrators

- Superintendents
- Assistant Superintendents
- IU Executive Directors
- IU Assistant Executive Directors
- Business Managers
- Human Resource Directors

What is in an Act 93 Plan?

- Must be in effect for at least one school year
- Needs to be a written document
- Listing of fringe benefits
- Salary amounts or salary schedule; description as to how administrative salaries are determined
- Must have School Board approval

Act 93, Negotiated?

Act 93 Plans are not negotiated.

The Board has an obligation to “meet and discuss in good faith” over terms of the Plan.

Parties do not have to reach “an agreement”.
... the administrators do not have to leave “happy”.

Act 93, Multiple Plans?

Yes, Districts can have separate plans for their Act 93 administrators.

Many Districts have one plan for Principals, and a separate plan for Department Directors or Supervisors.

Act 93, Exempt from Overtime?

No... Covering an employee under an Act 93 Compensation Plan does not make them automatically exempt under Fair Labor Standards Act (FLSA).

A functional duty analysis needs to be conducted in order to determine if the work is indeed exempt from overtime requirements.

Act 93, Tax Issues?

Yes, recommend review by a tax attorney.

- 403(b), non-elective contribution?
- Employees choose how severance monies paid?
- Employees receive opt-out waiver for healthcare?
- Do Act 93 Administrators receive special benefits?
(may not survive discrimination rules)

Recommend a Solicitor review as well Tax Attorney!