

**IN THE MATTER OF THE INTEREST ARBITRATION**  
**PROCEEDINGS BETWEEN**

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NORTHCENTRAL TECHNICAL  
COLLEGE EDUCATIONAL SUPPORT  
PERSONNEL ASSOCIATION,

Association,

and

ARBITRATOR'S AWARD  
Dec. No. 30765-A

NORTHCENTRAL TECHNICAL  
COLLEGE DISTRICT BOARD OF  
TRUSTEES,

Case 69  
No. 62091  
INT/ARB-9886

Employer.

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Arbitrator: Jay E. Grenig

Appearances:

For the Employer: Dean R. Dietrich, Esq.  
Ruder, Ware & Michler, L.L.S.C.

For the Association: Jina L. Jonen, Esq.  
UniServ Director  
CWUC Service Region #5

**I. BACKGROUND**

This is a matter of final and binding interest arbitration for the purpose of resolving a bargaining impasse between the Northcentral Technical College Educational Support Personnel Association (“Association” or “Association”) and the Northcentral Technical College District Board of Trustees (“Board” or “Employer”). The Board is a municipal employer.

The Association is the exclusive collective bargaining representative for all full-time and part-time support personnel employed by the Board, including but not limited to, administrative assistants and clerical/secretarial employees, but excluding field house attendants, supervisor, managerial, professional (nonfaculty), custodial/maintenance, paraprofessional/technical, confidential, faculty, and casual employees.

In 2002 the parties exchanged initial contract proposals for items to be included in their 2002-2004 collective bargaining agreement. The parties were able to reach agreement on all but two items to be included in the agreement. On January 6, 2003, the Association filed a petition to initiate interest arbitration with the Wisconsin Employment Relations Commission. Following an informal investigation, the WERC found the parties were at impasse. Final offers were submitted for certification by the Association and Board. On January 12, 2004, the WERC issued an Order Requiring Arbitration.

The parties selected the undersigned as the arbitrator. A hearing was conducted on April 20, 2004. Upon receipt of the parties' reply briefs, the hearing was declared closed on July 3, 2004.

There are only two issues before the arbitrator. They can be summarized as follows:

#### *Health Insurance*

The current health insurance plan has a \$100 deductible for a single plan, a \$300 deductible for a family plan, a \$50 deductible for prescription drugs, and a \$750 wellness benefit. The Board proposes moving this bargaining unit to a new health insurance plan with higher deductibles and an increased wellness benefit. The proposed new plan has a \$200 deductible for a single plan, a \$600 deductible for a family plan, a \$100 deductible for prescription drugs, and a \$900 wellness benefit. The change would take effect as soon as practicable after the arbitration award is issued. The Association's final offer does not include any proposals regarding health insurance and would maintain the status quo with respect to this issue.

#### *Wages*

The Association proposes a 3.1% wage increase in 2002-2003 and a 2.95% wage increase in 2003-2004. The Board proposes a 2.0% wage increase in 2002-2003 and a 2.0% wage increase in 2003-2004.

## **II. FINAL OFFERS**

### **A. ASSOCIATION**

The Association proposes the current Collective Bargaining Agreement as modified by the following:

1. Revise Article 37 – Salary Schedule as follows:  
  
3.1% increase to wage rates for 2002-03 and 2.95% increase to wage rates for 2003-04.
2. Add new Appendix E - Opt Out Plan

**Philosophy**

NTC will share the savings on the basis of 80/20% for eligible employees who elect to not participate in the health insurance plan and elect coverage through a spouse's employer. It is not an option for employees to have no health insurance coverage to qualify for payment.

**Policy**

Effective July 1, 2003, NESPA members will be eligible to participate in the College Opt Out Plan. Under this plan, eligible employees may elect health insurance coverage under their spouse's employer and receive a portion of the normal premium that would be paid by the College for health insurance benefits as additional salary.

If an eligible employee elects to participate, the following conditions must apply:

1. The employee must be able to prove the existence and applicability of the other coverage.

Employees will receive 20% of the savings realized by the District. Reimbursement is based upon the employee's dependent eligibility.

**Single Payment Calculation**

Current total monthly premium = \$446.00  
Employee Cost = \$44.60  
District Cost = \$401.40  
Annual single payment will be \$963.36 ( $\$401.40 \times 20\% \times 12$  months)

**Family Payment Calculation**

Current total monthly premium = \$1,208.00  
Employee Cost = \$120.80  
District Cost = \$1,087.20

Annual family payment will be \$2,609.28 (\$1,087.20 x 20% x 12 months)

**Procedures**

Open Enrollment:

In May of each year employees will be given the opportunity to make changes to their current health insurance coverage without the requirement of medical underwriting. Employees who elect to participate in the Opt Out Plan, effective July 1, 2003, will receive the following compensation:

1. Family coverage to No coverage payment = \$2,609.28 annually
2. Single coverage to No coverage payment = \$963.36 annually

(Payment is based upon full-time status; part-time employees will receive a pro-rated amount based upon hours worked per week.)

Status Change:

If an employee experiences a change in family status (i.e., marriage, divorce, employment), the employee is eligible to make changes to their election to the Opt Out Plan.

If both spouses work for the College: Spouses who work for NTC need to be treated as any other employee who does not have a spouse that works for the College.

Payment:

Opt Out payments will be made monthly to eligible employees. Employees will receive payment based upon their Opt Out status on the first of the month in which payment is made. Eligible dependents are defined by the definition in NTC's health insurance plan.

3. Revise Article 40 — Duration of Agreement, Paragraph A to read as follows: This Agreement shall be in full force and effect from July 1, 2002 through June 30, 2004.
4. Delete Appendix D and Appendix E.

**B. EMPLOYER**

1. Incorporate all provisions of the 2001-2002 Master Contract into the successor 2002-2004 Master Contract between the parties unless changed by this Final Offer.
2. Revise Article 23—Insurance, Paragraph A—Health, Dental, and Optical Insurance to read as follows:

The College agrees to pay 90% of the family health plan insurance premium, 85% of the family dental and optical plan insurance premiums and 100% of the single health, dental, and optical plan insurance premiums for all full-time and school year employees.

Self-funded health insurance coverage will occur as of January 1, 1998, with an increase in the maximum coverage to \$2,000,000. The current deductible for health benefits and prescription drug benefits will extend until June 30, 2003. Effective as soon as practical after receipt of an arbitration award, the deductible for health benefits will be increased to \$200/\$600 and the deductible for prescription drug coverage will increase to \$100 per fiscal year (to be prorated in first year). The wellness benefit under the health plan will be increased to \$900 per person effective July 1, 2003. The Section 125 Flex Plan Benefit will be adjusted to convert to a fiscal year basis as of July 1, 2003. The Board will provide the same protective language that was accepted by the NTC Faculty Association.

The District may from time to time change the insurance carrier, so long as benefits equivalent to those currently in effect are maintained.

No employee shall make any claim against the District for additional compensation in lieu of or in addition to his/her cost of coverage because he/she does not qualify for the family plan.

3. Revise Article 35—Pay Periods and Payroll Deductions by eliminating Paragraph C - Credit Association regarding Community Credit Association.
4. Revise Article 37 - Salary Schedule to provide for a 2% increase to the wage rates for 2002-2003 and a 2% increase to the wage rates for 2003-2004 in accordance with attached schedule.
5. Revise Article 40 – Duration of Agreement, Paragraph A to read as follows:

This Agreement shall be in full force and effect from July 1, 2002 through June 30, 2004.

6. Add Appendix - Opt Out Plan to the Agreement.
7. Delete Appendix D and Appendix E.

### **III. STATUTORY CRITERIA**

#### **111.70(4)(cm)7**

. . .

7. 'Factor given greatest weight.' In making any decision under the arbitration procedures authorized by this paragraph, the arbitrator or arbitration panel shall consider and shall give the greatest weight to any state law or directive lawfully issued by a state legislative or administrative officer, body or agency which places limitations on expenditures that may be made or revenues that may be collected by a municipal employer. The arbitrator or arbitration panel shall give an accounting of the consideration of this factor in the arbitrator's or panel's decision.

7g. 'Factor given greater weight.' In making any decision under the arbitration procedures authorized by this paragraph, the arbitrator or arbitration panel shall consider and shall give greater weight to economic conditions in the jurisdiction of the municipal employer than to any of the factors specified in subd. 7r.

7r. 'Other factors considered.' In making any decision under the arbitration procedures authorized by this paragraph, the arbitrator or arbitration panel shall also give weight to the following factors:

- a. The lawful authority of the municipal employer.
- b. Stipulations of the parties.
- c. The interests and welfare of the public and the financial ability of the unit of government to meet the costs of any proposed settlement.
- d. Comparison of wages, hours and conditions of employment of the municipal employes involved in the arbitration proceedings with the wages, hours and conditions of employment of other employes performing similar services.

e. Comparison of the wages, hours and conditions of employment of the municipal employes involved in the arbitration proceedings with the wages, hours and conditions of employment of other employes generally in public employment in the same community and in comparable communities.

f. Comparison of the wages, hours and conditions of employment of the municipal employes involved in the arbitration proceedings with the wages, hours and conditions of employment of other employes in private employment in the same community and in comparable communities.

g. The average consumer prices for goods and services, commonly known as the cost of living.

h. The overall compensation presently received by the municipal employes, including direct wage compensation, vacation, holidays and excused time, insurance and pensions, medical and hospitalization benefits, the continuity and stability of employment, and all other benefits received.

i. Changes in any of the foregoing circumstances during the pendency of the arbitration proceedings.

j. Such other factors, not confined to the foregoing, which are normally or traditionally taken into consideration in the determination of wages, hours and conditions of employment through voluntary collective bargaining, mediation, fact-finding, arbitration or otherwise between the parties, in the public service or in private employment.

#### **IV. POSITIONS OF THE PARTIES**

##### **A. THE ASSOCIATION**

The Association argues that the economic conditions of the Board and Marathon County clearly establish that the Board has the ability to meet the costs of the Association's offer. The Association notes that the local economy is in excellent financial health and can afford to absorb the Association's offer.

With respect to comparables, the Association contends that the appropriate ones are those proposed by it. According to the Association, technical college support staff units should be compared to other technical college support staff units.

Acknowledging that technical colleges are facing levy limits and limited state aid, the Association argues that the Employer is in solid financial health. The Association points out that the Employer's operational mil rate has been below the 1.5 levy limit for at least the last seven years. The Association also notes that the Employer's total amount

of governmental revenue has continued to increase since 1994 and enrollment has also been steadily increasing since the 1998-99 academic year.

It is the Association's position that its proposed wage increases are more reasonable than the Employer's. The Association claims that its proposed wage increases are more in line with wage increases at other technical colleges. The Association points out that four of the seven comparable technical colleges have settled for wage increases higher than the Association's two-year offer.

The Association stresses that at Mid-State Technical College, the parties negotiated a voluntary agreement whereby the wage increases would be tied to health insurance costs. The Association asserts that it has not agreed to total package costing. With respect to Western Technical College, the Association says that the parties voluntarily agreed to no wage increase because of the financial state of affairs at the college. Western was at the 1.5 mil rate limit for 2003-2004.

The Association asserts that Association members are not paid well when compared to support staff employees at other technical colleges. It says that Association members are paid below their colleagues at the other technical colleges and the Board's offer would put them further behind. The Association argues that its offer will not even give its members the boost they need to improve their wages, but it will at least allow Association members to maintain the difference between their wages and the average of the comparables.

The Association says that its proposed wage increases are more reasonable given the wage rate increases received by other represented groups of employees employed by the Board. The Association asserts that the Employer's proposed wage increases would result in wage increases less than that received by other represented bargaining units. The Association urges that any comparison to non-represented groups should not be considered. The Association stresses that 72 percent of its members are no longer moving through the salary schedule, so a comparison of step increases between the represented groups is irrelevant.

As to private sector comparisons, the Association says that any comparison to private sector, nonrepresented groups should not be considered.

According to the Association, its proposal to maintain the status quo on the deductibles for health insurance and prescription drugs is more reasonable than the Board's offer to double the deductibles. The Association notes that the Board has not offered it any quid pro quo for changing health insurance deductibles in comparison to the internal comparables. The Association says that the Board is offering its members a lower wage increase than it offered members of the other bargaining units. In addition, custodians received a fifth week of vacation after a specified number of years of service, and an increase in shift differential pay. The paraprofessional unit also received an increase in the



amount of money they received for each approved educational credit and an increase in the number of reimbursable credits.

It is the Association's position that the Board's private sector comparisons of non-represented groups should not be considered. First, the Association says that it is well-accepted that represented employees should not be compared to nonrepresented employees. Second, the Association says the data are not reliable because the Board does not use data of comparable employers. It notes that the survey conducted by the Wausau/Marathon County Chamber of Commerce involved employers with less than 50 employees. The Board, on the other hand, has 345 represented employees and 423 employees in total. Third, the Association says the Board's exhibits rely on employers who voluntarily submitted their information and there is no means to verify the reliability or accuracy of the data.

The Association argues that the Board chose to self-fund its health insurance plans, chose to underfund the health insurance plan, and chose to unilaterally implement co-pays. The Association contends that it should not be forced to pay double its current deductibles as a result of the Board's choices. The Association also asserts that its members are already contributing more to manage health insurance costs than employees in the comparables.

## **B. THE EMPLOYER**

The Employer urges that the external comparables used in the previous interest arbitration be used in this proceeding. These include the seven technical colleges used by the Association and Antigo, D.C. Everest, Medford, Mosinee, Phillips, Spencer, Wausau, and Wittenberg-Birnamwood school districts.

Asserting that there is no pattern to the wage settlements of the technical colleges—half have higher settlements and half have lower settlements, the Board says the Arbitrator must look to the K-12 school districts for help in analyzing the final offers. The Board asserts that its offer is supported by the K-12 school districts.

According to the Board, its final offer regarding insurance is reasonable and supported by the comparables. The Board says that the proposed new level of health benefits is a logical response to the health insurance crisis faced by the nation. The Board claims that the internal comparables support the switch to the new health insurance plan. It points out that the new level of health benefits was implemented for two of the four bargaining units on July 1, 2003. It also noted that the non-represented employees received the new benefits on July 1, 2003. The Board says that this unit and the faculty unit are the only two groups that have not agreed to the new level of health benefits. The Board disagrees with the Association's contention that employees received a quid pro quo for agreeing to the change in the health plan. It says that there was no connection between other changes in compensation and the agreement with respect to the health

plan. The Board contends that its health insurance proposal is supported by the external comparables.

It is the Board's position that its wage increase proposal is reasonable and in line with the comparables. The Board also asserts that the internal comparable support the Board's wage proposal.

The Board argues that the total package settlements of the comparables support its final offer. While other comparables may have received larger wage increases, the Board asserts that the total package increases of its final offers shows that employees represented by the Association are right in line with the comparables. Noting that the new level of health benefits would not be implemented until the 2004-2005 school year, the Board says that the total package increase under its final offer is 5.24% for 2002-2003 and 10.48% in 2003-2004. The total package increase for the unit represented by the Teamsters was 6.2% in 2002-2003 and 6.2% in 2003-2004. The total package increase for the paraprofessional/technical unit was 6.57% in 2002-2003 and 6.05% in 2003-2004.

The Employer contends that private sector comparisons show that its final offer is reasonable. It says that the deductibles proposed in its final offer are very reasonable in comparison to what other employees in the Wausau area are required to pay. It points out that employees in the Employer's bargaining units are not required to have additional co-insurance or co-pays for office visits or emergency room visits.

According to the Board, the interests and welfare of the public would not be served by choosing the Association's final offer. Noting the levy limit imposed by Wis.Stat. § 38.16 and the decrease in state aid, the Board claims that its financial situation dictates selection of its final offer. The Board also asserts that future voluntary settlements will be hampered if the Association's final offer is chosen.

## **V. FINDINGS OF FACT**

### **A. Factor given greatest weight**

In making any decision under the interest arbitration procedures, the arbitrator or arbitration panel must consider and give the greatest weight to any state law or directive lawfully issued by a state legislative or administrative officer, body or agency that places limitations on expenditures that may be made or revenues that may be collected by a municipal employer. The arbitrator must give an accounting of the consideration of this factor in the arbitrator's or panel's decision.

The Board has not demonstrated that adoption of the Association's offer will result in actual hardship in order to prevail on this criterion. *See Shiocton School Dist.*, Dec. No. 27635-A (Petrie 1993). The differences in costs between the two offers is approximately \$80,000 or .23% of the Board's operating budget. There is no showing that either offer would exceed any state law or directly limiting expenditures that may be made or revenues that may be collected by a municipal employer.

**B. Factor Given Greater Weight**

In making any decision, the arbitrator must consider and give greater weight to economic conditions in the jurisdiction of the municipal employer than to any of the factors specified in subd. 7r. The record shows that, at the time of the hearing, the economy in Marathon County was in very good shape. It has a growing tax base and property values have increased annually since 1993. The per capita income of Marathon County places it in the top 80 percent of Wisconsin counties. The local economy will be able to absorb the cost of either offer.

**C. The Lawful Authority of the Employer**

There is no contention that the Board lacks the lawful authority to implement either offer.

**D. Stipulations of the Parties**

While the parties were in agreement on many of the facts, there were no stipulations with respect to the issues in dispute.

**E. The Interests and Welfare of the Public and the Financial Ability of the Unit of Government to Meet these Costs**

This criterion requires an arbitrator to consider both the employer's ability to pay either of the offers and the interests and welfare of the public. The interests and welfare of the public include both the financial burden on the taxpayers and the provision of appropriate municipal services. There is no contention that the County lacks the financial ability to pay either offer.

The public has an interest in keeping the Employer in a competitive position to recruit new employees, to attract competent experienced employees, and to retain valuable employees now serving the Employer. Presumably the public is interested in having employees who by objective standards and by their own evaluation are treated fairly. What constitutes fair treatment is reflected in the other statutory criteria.

**F. Comparison of Wages, Hours and Conditions of Employment**

***1. Introduction***

The purpose in comparing wages, hours, and other conditions of employment in comparable employers is to obtain guidance in determining the pattern of settlements among the comparables as well as the wage rates paid by these comparable employers for similar work by persons with similar education and experience.

## **2. External Comparables**

### **a. Introduction**

In the previous interest arbitration proceeding between the parties, the arbitrator used the six contiguous VTAE districts and the Western Wisconsin District. In addition, he found the following K-12 school districts to be secondary comparables: Wittenberg-Birnamwood, Antigo, D.C. Everest, Wausau, Medford, Spencer, and Phillips.

### **b. Analysis**

An analysis of the external comparables shows that the average wage increase in the seven technical college comparables was 2.6% in 2002-2003 and 2.45% in 2003-2004. In 2002-2003, the increases ranged from nothing to 3.75%. The median increase in 2002-2003 was 3.25%. In 2003-2004, the increases ranged from nothing to 4.25%. The median increase in 2003-2004 was 3.0%. For the period 2002-2004, the increases ranged from 1.29% to 7.75%. The median increase in 2002-2004 was 6.5%.

The Board's proposal of a 2.0% increase in 2002-2003 and a 2.0% increase in 2003-2004 provides increases considerably below both the average and the median in each year and below the median for the two years. The Association's proposal of 3.1% is below the 2002-2003 median and considerably closer to the median than the Board's proposal. The Association's proposal of a 2.95% wage increase in 2003-2004 is below the 2003-2004 median and considerably closer to the median of 4.25% than the Board's proposal. The Board's proposal would result in a two-year increase of 4.0% for 2002-2004, considerably below the median increase of 6.5%. The Association's proposal would result in a two-year increase of 6.05% that is also below the median but is considerably closer to the median than the Board's proposal.

A comparison of health care coverage among the comparables is more difficult. However, the record shows that the deductibles for the seven technical college comparables range from none to \$250 for single coverage and from none to \$500 for family coverage. None had deductibles as high as those proposed by the Board.

It is unnecessary to examine the secondary comparables. There are sufficient primary comparables with settlements for 2002-2003 and 2003-2004 to permit an analysis.

## **3. Internal Comparables**

### **a. Introduction**

Historically, internal comparables have been given great weight with respect to basic fringe benefits. *Winnebago County*, Dec. No. 26494-A (Vernon 1991). Significant equity considerations arise when one unit seeks to be treated more favorably than others. Ordinarily, employers try to have uniformity of fringe benefits for all their bargaining units because it avoids attempts by bargaining units to whipsaw their employers into pro-

viding benefits that were given to other bargaining units for a very special reason. *See Rio School Dist.*, Dec. No. 30092-A (Torosian 2001); *Village of Grafton*, Dec. No. 51947 (Rice 1995).

Arbitrators generally exclude costs of step increases when comparing wage levels and wage increases. *Waunakee Comm. School Dist.*, Dec. No. 30305-A (Stern 2002); *Rhineland School Dist.*, Dec. No. 25732-A (Oestricher 1993). It is assumed that the cost of step increases, like the cost of any other benefit, is calculated at the time such steps are agreed upon. The cost of movement from step-to-step is not considered a new cost.

#### **b. Analysis**

The Board has settled with two of its represented bargaining units—custodians and other paraprofessionals—for 2.75% and 2.5% wage rate increases. It has offered the faculty 3.0% and 2.5% wage increases for each of the contract years. The salary increases agreed to in these bargaining units are greater than the increases the Board has offered the Association here. Although the Board’s offer to the faculty is less than the Association’s offer, it is greater than the Board’s offer to the Association.

The internal comparables disclose that the Association’s wage offer is more reasonable than the Board’s. The Board’s health insurance offer is consistent with the settlement in two of the four bargaining units.

### **4. Private Comparables**

#### **a. Introduction**

The statute requires a comparison of the wages, hours and conditions of employment of the members of the bargaining unit represented by the Association and the wages, hours, and conditions of employment in the same community and in comparable communities.

#### **b. Analysis**

The data involving private sector employees in Marathon County is not persuasive. Arbitrators have held that nonrepresented groups should not be considered in interest arbitrations involving represented employees. *See, e.g., Webster School District*, Dec. No. 2333-A (Kessler 1986). The evidence regarding private sector comparables is unreliable in that there is no explanation of how the particular private sector employers were selected and there is no evidence regarding comparability of jobs. *See Genoa City School Dist.*, Dec. No. 27066-A (Petrie 1992).

### **G. Changes in the Cost of Living**

The CPI for all Urban Wage Earners was 1.4% in March 2004. The Association's total final offer exceeds the CPI by a larger margin than the Board's. However, including health costs in comparisons with the CPI has been questioned because employees cannot use fringe benefits to purchase groceries or pay their bills. See, e.g., *Manitowoc Schools (Custodians)*, Dec. No. 30473-A (Eich 2003).

### **H. Overall Compensation Presently Received by the Employees**

In addition to their salaries, employees represented by the Association receive a number of other benefits. While there are some differences in benefits received by employees in comparable municipalities, it appears that persons employed by the Board generally receive benefits equivalent to those received by employees in the comparable municipalities.

### **I. Changes During the Pendency of the Arbitration Proceedings**

No material changes during the pendency of the arbitration proceedings have been brought to the attention of the Arbitrator.

### **J. Other Factors**

This criterion recognizes that collective bargaining is not isolated from those factors which comprise the economic environment in which bargaining takes place. See, e.g., *Madison Schools*, Dec. No. 19133 (Fleischli 1982). There is no evidence that the Board has had to or will have to reduce or eliminate any services, that it will have to engage in long term borrowing, or that it will have to raise taxes if either offer is accepted.

Good economic conditions mean that the financial situation is such that a more costly offer may be accepted and that it will not be automatically excluded because the economy cannot afford it. *Northcentral Technical College (Clerical Support Staff)*, Dec. NO. 29303-B (Engmann 1998). See also *Iowa County (Courthouse and Social Services)*, Dec. No. 29393-A (Torosian 1999) (conclusion that employer's economic condition is strong does not automatically mean that higher of two offers must be selected or, conversely, a weak economy automatically dictates a selection of the lower final offer).

## **VI. ANALYSIS**

### **A. Introduction**

While it is frequently stated that interest arbitration attempts to determine what the parties would have settled on had they reached a voluntary settlement (See, e.g., *D.C. Everest Area School Dist. (Paraprofessionals)*, Dec. No. 21941-B (Grenig 1985) and cases cited therein), it is manifest that the parties' are at an impasse because neither party found the other's final offer acceptable. The arbitrator must determine which of the par-

ties' final offers is more reasonable, regardless of whether the parties would have agreed on that offer, by applying the statutory criteria. In this case, there is no question regarding the ability of the Employer to pay either offer. The most significant criterion here is a comparison of wages, hours and conditions of employment.

## **B. Conclusion**

An examination of the range, average, and median settlements in the primary comparables shows that the Association's wage proposal is closer to the settlements in the primary comparables than the Board's. Because the average of settlements is more susceptible to distortion than the median, the median is a more reliable statistical measuring point than averages. In this case, both proposals were below the median settlements and the Association's was closer to the median settlements than the Board's. In addition, the Association's wage proposal is closer to the average than the Board's. The Association's health benefits proposal provides results closer to the health benefits of the comparable technical colleges than does the Board's.

Internal comparables are of considerable significance, particularly where fringe benefits are concerned. Although the Board's health benefits proposal is identical to the settlements in the two bargaining units that have settled, the Board's settlement with those bargaining units included wage increases considerably higher than the wage increases the Board proposes here.

Accordingly, taking into account the settlements in the comparable technical colleges and the wage settlements in the internal comparables, the Association's final offers are more reasonable than the Board's.

## **VII. AWARD**

Having considered all the relevant evidence and the arguments of the parties, it is concluded that the Association's final offers are the more reasonable than the Association's final offers. The parties are directed to incorporate into their collective bargaining agreements the Association's final offers.

Executed this seventh day of September, 2004.

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Jay E. Grenig