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WISCONSIN EMPLOYMENT
RELATIONS COMMISSION

ARBITRATION OPINION AND AWARD

In the Matter of Arbitration)

Between)

CLINTON COMMUNITY SCHOOL)
DISTRICT)

And)

ROCK VALLEY UNITED)
TEACHERS)

CASE XII
NO. 31580
MED/ARB-2258
Decision No. 20946-A

Impartial Arbitrator

William W. Petrie
1214 Kirkwood Drive
Waterford, WI 53185

Hearing Held

November 2, 1983
Clinton, Wisconsin

Appearances

For the District

Kenneth Cole
Assistant Executive Director
WISCONSIN ASSOCIATION OF
SCHOOL BOARDS, INC.
122 W. Washington Avenue
Madison, WI 53703

For the Association

Lysabeth N. Wilson
UniServ Director
ROCK VALLEY UNITED TEACHERS
Route 7
Janesville, WI 53545

BACKGROUND OF THE CASE

This is a statutory interest arbitration proceeding between the Clinton Community School District and the Clinton Teachers' Association, with the sole issue consisting of the appropriate salary schedule to be applicable for the 1983-1984 school year.

Preliminary negotiations between the parties pursuant to a salary reopener, failed to result in a voluntary settlement, after which the Association filed a petition with the Commission on May 12, 1983, requesting statutory mediation-arbitration of the dispute. The matter was preliminarily investigated by the Commission, after which it issued the appropriate findings of fact, conclusions of law, certification of the results of investigation, and an order requiring mediation/arbitration. On September 20, 1983, the Commission issued an order appointing the undersigned to act as mediator-arbitrator, in accordance with the provisions of the Municipal Employment Relations Act.

Mediation between the parties and the Mediator-Arbitrator took place on November 2, 1983, at which time the parties were unable to resolve the dispute. The undersigned determined that a reasonable period of mediation had taken place and that it was appropriate to move to final and binding arbitration at 5:25 PM on November 2, 1983, after which the parties proceeded directly to the arbitration hearing on the matter. Both parties received a full opportunity at the hearing to present evidence and argument in support of their respective positions, and both closed with the submission of post-hearing briefs, after which the hearing was closed by the Arbitrator on December 10, 1983.

THE FINAL OFFERS OF THE PARTIES

The sole dispute before the Arbitrator in this matter relates to the parties' salary structure. The parties preliminarily agreed to the addition of one new lane in the schedule, but they disagreed as to the appropriate differential for certain steps in the 1983-1984 salary structure.

The final offers of the parties, which are hereby incorporated by reference into this decision and award, may be summarized as follows:

- (1) The Association is proposing \$275.00 steps between the training lanes in the new salary structure.
- (2) The Board is proposing \$215.00 steps between the BA and the BA +24 lanes, \$315.00 steps between the BA +24 and the MA lanes, and \$215.00 steps between the MA and the MA +30 lanes.

THE STATUTORY CRITERIA

The merits of the dispute are governed by the Wisconsin Statutes, which in Section 111.70(4) (cm) (7) direct the Mediator-Arbitrator to give weight to the following factors:

- "a) The lawful authority of the municipal employer.
- b) The 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) Comparisons of wages, hours and conditions of employment of the municipal employees involved in the arbitration proceedings with the wages, hours and conditions of employment of other employees performing similar services and with other employees generally in public employment in the same community and in comparable communities and in private employment in the same community and in comparable communities.

- e) The average consumer prices of goods and services, commonly known as the cost-of-living.
- f) The overall compensation presently received by the municipal employees, including direct wage compensation, vacation, holiday and excused time, insurance and pensions, medical and hospitalization benefits, and continuity and stability of employment, and all other benefits received.
- g) Changes in any of the foregoing circumstances during the pendency of the arbitration proceedings.
- h) 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, or arbitration or otherwise between the parties in the public service or in private employment."

POSITION OF THE DISTRICT

In support of its contention that the final offer of the District is the more appropriate of the two final offers before the Arbitrator, the Employer emphasized the following principal arguments:

- (1) Preliminarily, it submitted that the Employer's final offer on the lane differentials in the salary schedule were favored by the pattern of settlement among comparable school districts, by cost-of-living considerations, by consideration of the existing level of salaries and benefits versus comparable school districts, due to the fact that the Clinton School District alone makes credit reimbursement payments to eligible teachers.
- (2) In connection with the selection of districts to use for comparison purposes, the Employer submitted as follows:
 - (a) That certain districts ranging from five to ten times the size of the Clinton District should be excluded from comparison, and that districts that are only one-half or less the size of Clinton, should be similarly excluded.
 - (b) That in these proceedings, the most appropriate comparisons are between the respective final offers of the parties, and the Delavan, Parkview, Brodhead and Milton School Districts.
- (2) That the above comparisons support the adoption of the District's final offer; conversely, that the Association's final offer is well in excess of the pattern of comparable settlements, and would be at least one percent in excess of the highest comparable settlement.
- (3) That consideration of the District's offer to reimburse teachers at \$80.00 per credit, adequately compensates appropriate teachers in lieu of larger lane differentials.
 - (a) While arguments could be advanced that the current reimbursement practice could or should be eliminated in favor of larger lane differentials, that this alternative is not before the Arbitrator.
 - (b) That the absence of credit reimbursement in other districts does not mean that the practice is either bad or ill-conceived; rather, that it merely indicates that the parties have arrived at a different method of compensating teachers for credits earned by them.

- (c) That it would be unreasonable to consider the equity or magnitude of the lane differentials, without also considering the existence of the credit reimbursement practice. That the District has spent approximately \$6,000 per year in such credit reimbursement, and that when this practice is considered in combination with the Board's final offer, adoption of the Board's offer by the Arbitrator is clearly indicated.
- (4) That the Board's offer is more reasonable in light of the presently existing levels of salaries and benefits for those in the bargaining unit.
 - (a) That the Board's final offer is indicated by a consideration of the relative salary rankings at the BA Bases, the BA Maximums, the MA Bases, the MA Maximums, and the Schedule Maximums within the Rock Valley Conference, which also includes the Brodhead, Edgerton, Evansville, Jefferson, Milton, Parkview and Turner Districts.
 - (b) That adoption of the Association's final offer would change the rankings significantly at various points in the schedule, and would also result in dollar increases significantly above the comparables.
 - (i) At the MA Base, that increases in the Conference ranged from \$555.00 to \$713.00, with three of the districts offering increases of approximately \$650.00. That the Board offer of a \$650.00 increase is justified by the comparisons, while the Association's demand for an \$854.00 increase is not so justified.
 - (ii) At the MA Maximum, that comparable settlements reflect increases of \$1000 or less, while the Association is seeking an increase of \$1,332.00.
 - (iii) At the Schedule Maximum, that the Board is offering an increase of \$1,449.00 while the Association is seeking \$2,042.00; that the latter figure is almost double the level of voluntary settlements in the Conference.
 - (c) That certain of the Association's exhibits also support the adoption of the final offer of the District in this proceeding.
 - (i) That AX 10a-14e indicate the greater reasonableness of the District final offer at the MA Maximum, the MA +10 and the Schedule Maximum.
 - (ii) That when AX 14a-14e are consistently used and

- (1) That none of the statutory criteria were agreed by the parties to be inapplicable in this proceeding; that no inability to pay arguments were advanced by either party, however, and that the comparison criterion and the overall compensation criterion should be assigned primary importance.
- (2) In the consideration of the comparison criterion, that the comparables should consist of those districts included in the Rock Valley Athletic Conference, plus the following additional CESA 17 Schools: Albany, Beloit, Fort Atkinson, Janesville, Jefferson, Johnson Creek, Lake Mills, and Milton.
- (3) That the Association's statistics regarding comparable settlements are more current, more reliable, and more usable than those submitted by the District.
 - (a) That the District's data relating to comparison of settlements based upon percentages, are not persuasive due to the fact that only three settlement report forms are included in the record, and because the three forms have not been completed in a consistent manner.
 - (b) For the above reasons, that EX 44-46 must be regarded as incomplete, inconsistent and inconclusive.
- (4) That the Association's final salary offer is fair, equitable, and realistic in light of the comparison criterion and with attention to total compensation considerations.
 - (a) That the Association's offer would allow the Clinton Teachers to slightly narrow the gap which currently exists when comparing training lane differentials with comparable and competitive districts.
 - (b) That adoption of the Association's offer would allow Clinton to overtake one other district, and to come out of the "cellar" in its relative ranking.
 - (c) That the Association offer would still place the District far from a leadership position in training lane differentials.
 - (d) That the one time reimbursement to teachers of \$80.00 per credit, does not fully compensate them for the cost of education, and does not operate as an effective educational motivator.
- (5) That in looking to specific benchmark comparisons, the Association's final offer is favored.
 - (a) That with the exception of the BA Base and the BA +7 benchmarks, the Clinton teachers have consistently been at or below the average teacher salaries; that they also suffered a significant drop for the 1982-1983 school year.
 - (b) That adoption of the Board's final offer will result in no appreciable gains in rank in some cases, and in a continued drop in rank in others.
 - (c) That adoption of the Association's final offer will bring the covered teachers to a better competitive status, and will allow them to recoup their severe losses of the previous year.

- (d) That certain of the Board comparisons offered in EX 42, should be considered in light of the fact that the groups listed on the exhibit are not represented by a bargaining agent; that those employers listed on this exhibit should not be considered in this arbitration.
- (6) Contrary to the position advanced by the District, that Clinton Teachers are not favored by consideration of the overall compensation criterion.
 - (a) That only Clinton and Jefferson teachers, for example, do not receive 100% District paid insurance.
 - (b) That only newly educated, inexperienced teachers in Clinton fare well in comparison with other teachers in the Athletic Conference; that a Clinton teacher at the mid-point of the salary schedule and beyond, is not treated in an equitable and comparable manner.
 - (c) That only adoption of the Association's final offer would allow even a trivial amount for catch-up, and would avoid losing further ground to comparable districts.

In summary and conclusion, that the Association's final offer is justified by equitable considerations. That improvements are needed in connection with compensation to the teacher who improves him/herself through additional education, and that adoption of the District's final offer would perpetuate low salaries for educated career teachers in the Clinton District.

FINDINGS AND CONCLUSIONS

Preliminarily, the Arbitrator will reflect upon the fact that the parties are at impasse upon only one item, the size of the training lane differentials in the salary structure for the 1983-1984 academic year. In addressing their respective positions, the parties particularly emphasized various of the statutory criteria.

- (1) Both parties extensively addressed the comparison criterion.
- (2) While cost-of-living considerations have played a great role in many recent interest proceedings, they were not particularly emphasized in the matter at hand. Rather, the Employer merely cited and relied upon 1983-1984 BLS data.
- (3) The overall level of compensation criterion was positively argued by the Employer, which submitted that credit payment practices of the District should be considered as offsetting the gradual slope of the wage structure. The criterion was negatively argued by the Association, which submitted that the Employer was not competitive on an overall basis in certain insurance premium payment practices.
- (4) Each of the parties introduced and argued the significance of past salary relationships, versus certain other school districts.
- (5) Neither of the parties introduced significant evidence or arguments relating to the interests and welfare of the public, ability to pay considerations, changes in circumstances during the pendency of the proceedings, or any other general criteria.

For the purpose of clarity, the Arbitrator will separately address the arguments of the parties on the various criteria.

The Salary Comparison and Negotiations History Considerations

Although it is not always possible to do so, the role of an interest arbitrator should be to act as an extension of the negotiations process, and to attempt to put the parties into the same position that they would have reached in negotiations, had they been able to reach a voluntary settlement. When school districts are engaged in negotiations across the bargaining table, they normally find the settlements within comparable school districts to be the most persuasive criterion in their negotiations; for this reason, appropriate comparison data is generally the most persuasive of the criteria in the interest arbitration process. Although the negotiations history considerations are not specifically referenced in the Wisconsin Statutes, they fall well within the general coverage of Section 111.70(4)(cm)(7)(h), and are particularly persuasive when considered in combination with recent comparison data.

During the course of the hearing and in their respective briefs, each of the parties submitted and emphasized those comparisons and those benchmarks which they felt were the most favorable to their respective positions. Additionally, however, there was some dispute as to which salary data for certain schools would be applicable, and each of the parties cited some inconsistent figures in their exhibits containing the comparison data.

In first addressing the athletic conference data, it seems appropriate to limit the comparisons to current conference membership, and since both parties excluded Walworth-Big Foot from their conference comparisons, the Arbitrator will also do so. Since the essence of the parties' dispute relates to how steep the salary progression will be in the structure, it is apparent that the selection of benchmarks is an important consideration; use of benchmarks relatively low in the structure would favor the position of the District, while use of those higher in the structure would favor the position of the Association.

With the above factors in mind, the Arbitrator will utilize the athletic conference comparisons involving the Brodhead, Clinton, Edgerton, Evansville, Parkview and Turner Districts, and will also utilize all of the benchmarks suggested by the parties. In light of the fact that the Edgerton Teachers are actually receiving an additional 3% added to each cell in their salary structure, it is proper to utilize these actual earnings in arriving at the comparison figures. An examination of the annual average salaries paid within the Rock Valley Athletic Conference at the various benchmarks, versus those paid within the Clinton District since 1980, shows the following differences; the plus figures indicate where the averages in the Clinton District are higher, with the minus figures showing the reverse. The far right hand column indicates the average variances for the various benchmarks, while the net change figures indicate the net changes at the various benchmarks over the time frame shown.

	BA Base	BA +17	BA Max	MA Base	MA +10	MA Max	Sch Max	Avgs
1980-81	+29	+249	+665	-83	+95	-155	-401	+57
1981-82	+67	+417	+984	-138	-126	-250	-799	+22
1982-83	+333	+202	+707	+115	-139	-434	-993	-30
1983-84	+323	+135	+752	+136 (B) +336 (A)	-184 (B) +90 (A)	-437 (B) +30 (A)	-853 (B) -260 (A)	-18 (B) +178 (A)
<u>Net Chgs</u>								
'80-'84	+294	-114	+87	+219 (B) +419 (A)	-279 (B) -5 (A)	-283 (B) +30 (A)	-452 (B) +135 (A)	-75 (B) +121 (A)

In addressing attention to the above conference comparisons, it should be noted that the parties have negotiated past salaries in such a manner as to place those in the bargaining unit somewhat above the conference averages at the BA Base, the BA +17, and the BA Maximum; while they have fluctuated above and below the averages paid at the MA Base and the MA +10 levels, they have been consistently below the averages paid in the conference at the MA Maximum and the Schedule Maximum.

An examination of the figures shows that those at the various benchmarks have suffered net losses versus the conference averages between the 1980-1981 and the 1982-1983 academic years, and that these net losses were largely attributable to the gradual slope in the salary structure and the resulting losses at the high end of the structure. Adoption of the Employer's final offer would reduce the salary losses of the two previous years, and would somewhat increase the slope of the salary structure by increasing the dollar value of the step increases in the structure. Adoption of the Association's final offer would go significantly further than restoring the eroded earnings of the past several years, and would increase the slope of the salary structure by more significantly increasing the dollar value of the step increases.

While the above data would indicate strong equities in a return to at least the same position versus conference averages which existed during the 1980-1981 school year, it must be emphasized that the primary focus of the Arbitrator is upon those considerations dating from the last time that the parties went to the bargaining table; in this respect, it is, of course, inappropriate to re-consider the propriety of various prior negotiated settlements. On this basis, the Arbitrator has preliminarily concluded that the negotiations history criteria and the athletic conference comparisons somewhat favor the adoption of the final offer of the District, for the following principal reasons.

- (1) Adoption of the Employer's final offer would restore some of the earnings eroded during recent years, would put those in the bargaining unit relatively closer to the athletic conference average at the various benchmarks, and would somewhat increase the slope of the salary structure.
- (2) Adoption of the Association's final offer would place those in the bargaining unit significantly above their athletic conference counterparts' averages at the various benchmarks, and the earnings differential would be significantly above the levels which have resulted from the parties' negotiated settlements in the past.
- (3) While a case could persuasively be made for a final settlement at a point between the final offers of the parties, this option is not before the Arbitrator.

What then of the other schools urged for comparison purposes by the Employer? In this connection, it argued for the exclusion of certain large schools and certain small schools from those urged for comparison purposes by the Association. An examination of these Employer suggested comparables indicates as follows:

	<u>BA Base</u>	<u>BA Max</u>	<u>MA Base</u>	<u>MA Max</u>	<u>Sch Max</u>	<u>Avg</u> s
'80-'81	-30	+1690	-354	+403	-544	+233
'81-'82	+28	+2124	-404	+120	-1054	+163
'82-'83	+239	+1763	-243	-73	-1324	+72
'83-'84	-32	+1559	-325 (B)	-114 (B)	-710 (B)	+76
			-125 (A)	+198 (A)	-117 (A)	+297
<u>Net Changes</u>						
'80-'84	-2	-131	+29 (B)	-517 (B)	-166 (B)	-157
			+229 (A)	-205 (A)	+427 (A)	+64

Even when the above data is examined only from the standpoint of the benchmarks suggested by the Employer, it is clear that they do not particularly support the adoption of the final offer of the District, and when the negotiations history considerations are factored into the considerations, the final offer of the Association is favored. Despite the modest net improvement offered by the Employer's offer in 1983-1984, the adoption of this offer by the Arbitrator would fall far short of any realistic projection of where the parties themselves would have settled for 1983-1984, had they been able to do so.

The schools included in CESA 17 have significant variations in size, but they are located reasonably close to the Clinton District, and this group also includes five of six conference schools already addressed above. When this group is examined on the same basis used above, using the benchmarks and the data contained in Association exhibits, the following comparisons are apparent.

CESA #17 Schools

	<u>BA Min</u>	<u>BA +7</u>	<u>MA +10</u>	<u>MA Max</u>	<u>Sch Max</u>	<u>Avg</u>
'80-'81	+28	+238	+215	+300	-520	-34
'81-'82	+115	+440	-168	-239	-976	-166
'82-'83	+382	+120	-294	-246	-1259	-210
'83-'84	+145	-357	-712 (A)	-366 (A)	-549 (A)	-368 (A)
			-986 (B)	-679 (B)	-1143 (B)	-609 (B)
<u>Net Chgs</u>	<u>+117</u>	<u>-595</u>	<u>-497 (A)</u>	<u>-666 (A)</u>	<u>-29 (A)</u>	<u>-334 (A)</u>
<u>'80-'84</u>			<u>-771 (B)</u>	<u>-979 (B)</u>	<u>-623 (B)</u>	<u>-575 (B)</u>

Despite the fact that the benchmarks were obviously selected in a manner to particularly favor the adoption of the final offer of the Association, it is quite clear that the data does not favor the adoption of the final offer of the Employer. Not only would there be a significant decline in average earnings for those in the bargaining unit versus their CESA #17 counterparts at four of the five benchmarks, but the size of the relative decline in average earnings is a significant one. While the adoption of the final offer of either of the parties would leave the Clinton District teachers behind the CESA #17 averages at four of the five benchmarks, the Association's offer is quite clearly the more appropriate of the two on the basis of these comparisons.

On the basis of the above data, the Impartial Arbitrator has preliminarily concluded that the consideration of the CESA #17 comparisons urged by the Association rather clearly favors the adoption of its final offer, rather than that of the Employer.

As is apparent from the above, and due to the nature of the dispute, the Arbitrator will merely add at this point that he has found the average earnings comparisons at the various benchmarks to be of greater significance than any simple rankings of districts at the various comparison points.

The Salary Structure Comparisons

As is referenced above, the wage structure in the District has a more gradual slope at the various training lane steps, than those in comparable school districts. The comparative 1983-1984 structural differences within the Rock Valley Conference and within CESA #17 Districts are addressed in Association Exhibits #12 and #13. An examination of these data clearly indicates that the Employer has not been competitive in the dollar size of the steps in the training lanes either within the athletic conference, or in comparison with other CESA #17 districts. Without undue elaboration, it is clear that 1983-1984 salary structure comparisons favor the adoption of the final offer of the Association.

The Overall Compensation Criterion

During the course of these proceedings, each of the parties addressed the overall compensation criterion in support of their respective positions.

- (1) The Employer argued that the District's excellent credit reimbursement policy, which pays \$80.00 per credit, was a significant advantage to those in the higher training lanes, and that it compensated those teachers for the fact that other districts had larger training lane differentials. In this connection, it argued that the parties have merely negotiated a different method of compensating teachers for credits earned by them.
- (2) The Association took issue with the Employer's arguments, and urged that the Arbitrator should consider the fact that those in the bargaining unit are required to make certain insurance contributions, which practice is not the pattern elsewhere.

The overall compensation criterion is normally used to allow arbitrators to avoid focusing upon isolated or singular comparisons, in favor of the alternative of looking to overall compensation considerations. Each of the parties focused upon other isolated compensation factors, rather than looking to overall considerations and, accordingly, the Arbitrator cannot assign major significance to overall compensation criterion. The District's arguments relative to the credit reimbursement policy for those higher in the wage structure would be more persuasive if there was some indication in the record that the parties had regarded the credit reimbursement policy as an offset to higher training lane differentials; in the absence of such evidence, the argument simply cannot be assigned definitive weight. Similarly, isolated insurance considerations cannot be assigned definitive weight.

Cost-of-Living Considerations

One of the specific statutory criterion is changes in cost-of-living. The Employer argued that the lower of the two salary offers should prevail, by virtue of the fact that increases in cost-of-living during the course of the past year have been lower than the percentage increases reflected in the final offers of either of the parties; it submits that the cost-of-living criterion supports the selection of the lower of the two offers before the Arbitrator.

While specifically focusing upon the 1983-1984 offers and the increases in cost-of-living during the past year would tend to support the final offer of the Employer, despite the recent importance of cost-of-living considerations, this criterion cannot be assigned determinative weight in these proceedings. Certainly, short term cost-of-living considerations cannot overshadow the relative significance of the comparison criterion addressed above.

Summary of Preliminary Conclusions

As addressed in greater detail above, the Impartial Arbitrator has reached the following summarized preliminary conclusions:

- (1) Salary comparisons and negotiations history considerations within the Rock Valley Athletic Conference somewhat favor the selection of the final offer of the District.
- (2) Salary comparisons and negotiations history considerations among certain other schools urged for comparison by the District somewhat favor the selection of the final offer of the Association.

- (3) Salary comparisons and negotiations history considerations among CESA #17 schools quite clearly favor the selection of the final offer of the Association.
- (4) Salary structure comparisons showing the training lane differentials within the Rock Valley Athletic Conference and/or within the CESA #17 districts clearly favor the adoption of the final offer of the Association.
- (5) On the basis of evidence in the record, consideration of the overall compensation criterion does not significantly favor the selection of the final offer of either party.
- (6) Cost-of-living considerations cannot be assigned determinative weight in these proceedings.
- (7) While the arbitrator has carefully considered all of the remaining statutory criteria, none of them significantly support the selection of the final offer of either of the parties to these proceedings.


Selection of the Final Offer

Based upon a careful consideration of all the statutory criteria and the entire record before me, including the preliminary conclusions referenced immediately above, it is apparent to the Impartial Arbitrator that the final offer of the Association is more appropriate. While a good case could be made for a settlement at an intermediate point between the final offers of the parties, the Impartial Arbitrator is limited to the selection of the final offer of one of the parties in its entirety. The salary comparisons indicating an increasing recent erosion in relative salaries at the higher training lanes in the salary structure, particularly favor the selection of the Association's offer.

AWARD

Based upon a careful consideration of all of the evidence and argument, and all of the various arbitral criteria provided in Section 111.70(4)(cm)(7) of the Wisconsin Statutes, it is the decision of the Impartial Arbitrator that:

- (1) The final offer of the Clinton Teachers' Association is the more appropriate of the two final offers before the Impartial Arbitrator.
- (2) Accordingly, the Association's final offer, herein incorporated by reference into this award, is ordered implemented by the parties.


WILLIAM W. PETRIE
Impartial Arbitrator

February 13, 1983