

INTEREST ARBITRATION
OPINION AND AWARD

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WISCONSIN EMPLOYMENT
RELATIONS COMMISSION

In the Mediation-Arbitration

between

SALEM CONSOLIDATED GRADE SCHOOL
(JOINT 2)

and

SALEM CONSOLIDATED EDUCATION
ASSOCIATION

CASE 7 NO. 36002
MED/ARB - 3642
Decision No. 23479-A

Meetings Held

August 5, 1986
September 9, 1986
Salem Grade School
Salem, WI

Appearances

For the Board:

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30 W. Mifflin St., Room 802
Madison, WI 53703

Mediator/Arbitrator

Steven Briggs
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For the Association:

Mary Horton
Executive Director
Southern Lakes United Educators
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BACKGROUND

The undersigned was notified by an April 28, 1986, letter from the Wisconsin Employment Relations Commission of his selection as Mediator/Arbitrator in an interest dispute between the Salem Consolidated Grade School (Board) and the Salem Education Association (Association). The dispute concerns the salary schedule and teacher placement upon that schedule for the parties' collective bargaining agreement covering teachers for the 1985-1986 and 1986-1987 school years.

Pursuant to statutory responsibilities, mediation was conducted on August 5, 1986. A settlement did not result. Arbitration was conducted on September 9, 1986, during which time both parties had full opportunity to present evidence and argument in support of their respective final offers. Both parties filed timely Posthearing Briefs and Reply Briefs, and the record was declared closed on November 20, 1986. Based upon a detailed consideration of the record, and relying upon the criteria set forth in Section 111.70 (4)(cm), Wisconsin Statutes, the Arbitrator has formulated this Award.

DISCUSSION

Comparable School Districts

Board Position. The Board argues for the adoption of both a primary and a secondary group of comparable school districts. The primary group is listed on the following page:

Brighton No. 1 (K-8)
Bristol No. 1 (K-8)
Paris Jt. 1 (K-8)
Salem Central H.S. of Westosha (9-12)
Wheatland Jt. 1 (K-8)

As secondary comparables, the Board proposes the following Districts:

Randall Jt. 1 (K-8)
Salem No. 7 (K-8; a.k.a. Trevor)
Salem Jt. 9 (K-8; a.k.a. Wilmot Elementary)
Silver Lake (K-8; a.k.a. Riverview)
Twin Lakes No. 4 (K-8; a.k.a. Lakewood)
Wilmot Union High School (9-12)

The Board notes that all of the above schools are similar in size (pupil count and teacher F.T.E.) to Salem Joint 2, and that they are geographically proximate as well. Moreover, the Board feels that both of the high schools should be included because Salem Jt. 2 "feeds" them with its graduating students.

Association Position. The Association advances the former CESA 18 schools, Kenosha County schools, and Salem Central High School and its feeder schools as the appropriate comparability group. It notes that all of the CESA 18 districts have settled for 1985-1986, and among Salem Central High School and its feeder schools, only Salem Consolidated remains unsettled for 1985-1986. With regard to 1986-1987, however, there are limited settlements among the CESA 18 group. The Association therefore includes settlement data from Southeastern Wisconsin and other portions of the State. In selecting the foregoing districts, the Association relied upon geographic proximity to Salem Jt. 2 and similarity in the nature of the work performed.

Analysis. There is insufficient data in the record to support the adoption of many of the Association's proposed comparables. For example, while it has provided data with regard to school size (Assn. Exhibit 11), it has provided inadequate information about equalized valuation and other commonly accepted measures of district financial condition. Likewise, the Board's comparables list is not strongly supported by the record. For example, the school size data it provided in support of its proposed comparables indicates that Salem Jt. 2 is at least twice as large as all of the elementary schools on the Board's list. It therefore does not appear that the size dimension was critical in generating that list.

On balance, the undersigned is not enchanted by the comparables proposed by either party. All of the Board's eleven suggested comparables are included in the Association's list, however. That group of eleven includes two high schools fed by Salem Jt. 2, eight K-8 elementary schools, and one K-6 elementary. Moreover, all of the elementary schools are located within the Westosha Athletic Conference. And since both parties agree that these schools are comparable to Salem Jt. 2, the undersigned has selected the following as the appropriate group of comparables:

Brighton Elementary
Bristol Elementary
Paris Jt. 1
Randall Elementary
Salem Union High School
Silver Lake
Trevor (Salem Jt. 7)
Twin Lakes Elementary
Wheatland Center
Wilmot Elementary
Wilmot Union High School

The remaining schools on the Association's list are relatively close to Salem Jt. 2, and are as comparable on the size dimension as are the Board's proposed districts. Those remaining schools may thus be useful as a secondary comparables group.

Salary

Association Position. The Association's final offer retains the existing salary schedule, including the same number of steps and lanes and the same index. It notes that the parties negotiated it on a voluntarily basis for 1984-1985. For that year, the parties agreed on a reduced number of steps, with Step 0 being a hiring step. The Association's final offer includes an increase of \$555 at the BA Base for 1985-1986 and an increase of \$675 at the BA Base for 1986-1987. Salaries at other cells on the schedule would be raised proportionately, so as not to change the index. The overall salary increase proposed by the Association amounts to 8.68% (\$1953/teacher) for the first year of the contract and 9.32% (\$2280/teacher) for the second year.

Board Offer. The Board maintains that its salary offer represents an increase of 6.56% for the first year and 6.92% for the second year. It wishes to raise the BA starting salary without causing salary maximums to increase at the same rate. To do so, the Board departs from the existing salary schedule providing salary increments 5% above the previous step and column differentials 2.8% of the previous column. Its new salary structure determines step increments by multiplying 5.5% times the BA Step Zero and column differentials by multiplying 5% times the BA Step Zero. Moreover, the Board feels its proposed salary structure provides more motivation for teachers to move across the schedule (i.e., earn additional college credits) than does the current salary structure.

The Board feels that its large proposed increase in the BA Base and the change in structure requires stabilizing teacher placement on the salary schedule in order to avoid unrealistic raises. Thus, under its final offer, teachers would remain in the same step placement on the salary schedule for 1985-1986 as they were in 1984-1985. Movement across the lanes would continue, however. For 1986-1987, teachers would advance one step as usual.

Analysis. There are several ways to evaluate the parties' respective offers. One of the simplest methods is to compare the overall percentage and dollar increases. Table 1 on the following page has been constructed for that purpose.

TABLE 1
PERCENTAGE AND DOLLAR/TEACHER INCREASES

District/School	1985-1986		1986-1987	
	(\$/Tchr)	(%)	(\$/Tchr)	(%)
Brighton Elem.	1880	9.0	1849	8.0
Briston Elem.	1800	8.3*	n/s	
Paris Jt. 1	1782	7.9	n/s	
Randall Elem.	1839	8.5	1922	8.4
Salem Union H.S.	2001	8.9	n/s	
Silver Lake Elem.	1625	n/a	n/s	
Trevor Elem.	1613	7.8	1411	6.3
Twin Lakes Elem.	1851	7.6	n/s	
Wheatland Elem.	1675	8.3	n/s	
Wilmot Elem.	1700	8.5	n/s	
Wilmot Union H.S.	2001	9.0	n/s	
Average	1797	8.4	1727	7.6
Salem Assn.**	1953	8.8	2280	9.8
Salem Board**	1439	7.2	1655	7.6

* = placement frozen; majority at top of schedule.

** = taken from Assn. Exhibit 21.

When juxtaposed against the comparables on the average dollar and percentage increase measures, the Association's final offer for 1985-1986 seems to be the more acceptable. It is much closer to those averages than is the Board's final offer. The Board argues that Salem teachers should not receive the average increase, since Salem has been the salary leader for some time, and the other districts are playing "catch-up" for 1985-1986. The Association feels that Salem teachers should retain their leadership position among the comparables. There is some merit to both of those arguments.

The undersigned also notes that the Board's offer would make structural changes to the salary schedule, which was negotiated by the parties themselves. Interest arbitrators are very reluctant to adopt changes in the status quo, especially when the status quo was constructed by the parties themselves in voluntary collective bargaining. In the instant case, the Arbitrator is not convinced by the Board's arguments that there is compelling need to deviate from the salary schedule previously crafted by the parties. The Board claims it needs to increase salaries significantly at both the BA Min and MA Min levels in order to compete with other Districts for entry level teachers. However, given Salem Jt. 2's traditional salary leadership position among the comparables and the absence of data in the record to the effect that it has had a difficult time recruiting teachers, it is unlikely that the District will encounter recruiting problems under the Association's offer.

Another argument raised by the Board in support of its schedule change concerns what it characterizes as a norm between the parties of changing the salary schedule. Essentially, the Board asserts that change is the status quo. Still, change induced by a third party is far less preferable than change agreed upon by the parties themselves. And the Arbitrator is not convinced from the record that in the absence of interest arbitration the parties themselves would have amended their salary schedule. Thus, the Board's argument that its offer approximates the outcome of free collective bargaining is not persuasive.

The Board also argues that its large proposed raise to the base rates and change in salary schedule require the stabilization of teacher placement on the salary schedule. In other words, the rationale behind the placement freeze from 1984-1985 to 1985-1986 is based exclusively on the structure of its own offer. The Board did not argue that a placement freeze is appropriate even if the salary structure status quo were not disturbed. It provided no reason, other than the impact of its own newly-fashioned salary schedule, for the 85-86 stabilization.

Moreover, the Board holds that Salem teachers work less time per day and get paid more than do teachers in comparable districts, so they should not receive increases as high as those teachers. The Arbitrator disagrees. Salem Jt. 2 has been a salary leader for several years, and the record does not demonstrate that the respective work day across the comparables has changed for 1985-1986. In essence, the Board looks to the undersigned to "right a historical wrong" when it argues that now is the time to readjust the pay for time worked formula. On balance, the historical salary/workday pattern across the comparables is more persuasive than is the Board's position that a pay/productivity adjustment is appropriate now.

Both parties presented benchmark salary data. The Board questioned the validity of benchmark analysis in this case, largely because of its stabilization of teacher placement for 1985-1986. And benchmark analysis does not reflect differences in schedule structures, nor does it mirror the intent behind boosting salaries in certain cells based upon the unique needs of a particular district. Benchmark analysis is further complicated here because the schedule at Salem Jt. 2 provides for half step increments. Many of the comparable districts do not include half-steps in their schedules, so comparison of benchmark salaries ignores even more than usual the dollars received by teachers just prior to reaching any particular benchmark.

The cost of living is also a factor to be considered under the Statute. Clearly, the final offers of both parties here include salary increases greater than the increase in the cost of living (as measured by the Consumer Price Index) for the relevant period. But in this case the undersigned attaches greater weight to the comparability factor than to the cost of living, particularly when there is no evidence that the economic climate differs among comparable districts.

Overall, the undersigned has concluded from the record that the Association's final offer for 1985-1986 is the more reasonable. It retains the status quo, does not freeze teacher placement on the salary schedule, and is more in line with settlements across the comparables than is the Board's final offer.

For 1986-1987, the decision task is more difficult. There are only three settlements among the primary comparables, as reflected in Table 1. The Board's offer is closer to the three-district average than is the Association's, in both percentage and dollar terms. Even considering the secondary comparables, the Association's final offer for 1986-1987 is high. In terms of increase per returning teacher, the Board's offer is clearly preferable. However, the Board's proposed changes in the salary schedule and its placement freeze for 1985-1986 reduce the overall attractiveness of its offer.

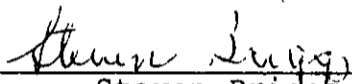
In summary, the undersigned favors adoption of the Association's final offer. It is clearly preferable for 1985-1986, a year for which there are adequate comparison data. For 1986-1987 the Board's offer is the slight favorite, but there is a paucity of comparison data for that school year.

In final offer arbitration the third-party decision-maker almost always must adopt an offer containing what he perceives as a flaw -- either major or minor. In the instant case the undersigned sees no justification for the Association's proposed 1986-1987 increase. However, the data for 1985-1986 and the Board's proposed change in a salary schedule resulting from free collective bargaining outweigh the merit of the Board's position for 1986-1987.

AWARD

After detailed study of the evidence and argument presented by both parties, and in consideration of relevant statutory criteria, the Arbitrator has decided that the Association's final offer shall be incorporated into the parties 1985-1987 collective bargaining agreement, along with all of the provisions of the previous agreement which remain unchanged and along with the stipulated changes agreed to by the parties.

Signed by me at Milwaukee, Wisconsin, this 29th day of January, 1987.



Steven Briggs