

PUBLIC EMPLOYMENT RELATIONS COMMISSION

PAUL D. JACKSON

FACT-FINDER

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PUBLIC EMPLOYMENT
RELATIONS COMMISSION

In The Matter Of,

Tahoma Education Association

and

REPORT AND RECOMMENDATIONS

OF FACT-FINDER

Tahoma School District, No. 409

Appearances:

FOR THE DISTRICT:

- Randy Bohannon, Negotiator, Tahoma School District
- W.J. Tobin, Superintendent, Tahoma School District
- Jackson B. Frost, Administrative Assistant, Tahoma School District

FOR THE ASSOCIATION:

- John W. Gullion, Puget Sound Uniserv Council
- Jerry Gates, Tahoma Education Association, Chief Negotiator
- Michael Maujanski, Tahoma Education Association

DATE OF HEARING: December 13, 1976
 PLACE: Auburn, Washington
 DATE OF REPORT: December 24, 1976

BACKGROUND

The Tahoma School District is located in King County, Washington, east of the cities of Seattle, Renton, Kent, and Auburn, and south of the city of Issaquah. It is, essentially, a semi-rural, suburban area with little industry, a limited farming and lumbering economy, with most of its inhabitants dependent upon the nearby cities for their livelihood. It has a comparatively low per pupil valuation, but rising property values are common in the area because of the population pressures from the west.

The parties to this fact-finding, who will hereafter be referred to as the "District" and the "Association", have had collective bargaining agreements for a number of years and are sophisticated and knowledgeable in the techniques of collective bargaining. Since April of 1976 they have been in the process of negotiating an entirely new agreement for the academic year 1976-1977. Most of the numerous provisions of the new agreement were agreed to in a number of negotiating sessions, but the parties have "hung up" on the eight issues which are the concern of the fact-finder, and the 1976-1977 contract is still unresolved because of the impasse reached on these issues.

In recent weeks the matters with which we are concerned have been the subjects of intensive negotiations. A lack of progress resulted in a resort to federal mediation. When that failed, pursuant to Washington law, the selection of a fact-finder followed. The undersigned was selected by both parties to be the neutral

fact-finder.

Following a preliminary meeting with spokesmen for the principals, at which time the ground rules for the fact-finding hearing were defined, on December 13, 1976 the fact-finding hearing was held at the City Hall in Auburn at which the parties presented voluminous, detailed economic and statistical studies, wage and other comparative data covering most of the school districts in western Washington, and particularly those in King County. At the hearing, opportunity was given for a complete recapitulation of the respective positions and arguments of both parties. Following oral presentation, both parties submitted post-hearing written summations, additional statistical data and argument.

The unresolved issues which were presented to the fact-finder were:

Salary Schedule Revision

Salary Increases

Medical and Dental Insurance Improvement

Increase in Extra-curricular Pay

Staff Development (mandatory college credit accumulation)

Agency Shop

Retroactivity

STATUS OF ISSUES AT HEARING

1. Salary Schedules and Salary Increases.

The parties have used the same salary schedule for eight years. A revision of this schedule, because of alleged inequities and imbalances, as compared with other schedules

used by school districts throughout western Washington, was a primary objective of the District during the contract negotiations of the preceding year. As a consideration leading to settlement of that agreement, the Association promised to study possible revision of the salary schedule during the ensuing scholastic year and to give consideration to the District's insistence upon basic revisions.

Among the reasons for the District's desire to change the schedule are that (a) its base pay was considerably below average compared with other school districts, but its top or maximum pay was above average, as was much of the remainder of the schedule. Because of the structure of the schedule, it was impossible to bring up base pay to average and to lower salaries elsewhere to average without making fundamental changes in the schedule; (b) most other school districts go to a B.A. plus 135 quarter-hour college credits, compared to the Tahoma Schedule, which uses a B.A. plus 90 in its last column; (c) moreover, the District used educational increments of 9-12 quarter-hours as compared to the usual 15-45 quarter-hour requirements of most other districts; (d) the average number of longevity steps in other districts is thirteen for 10-column schedules such as Tahoma's whereas Tahoma has sixteen of these steps. There are other aspects of the Tahoma Salary Schedule, which, according to the District, made its schedule unbalanced as compared to that of other school districts.

The response of the Association to the District's

insistence upon schedule revision was to appoint a committee to study possible changes during the year 1975-76. This committee of teachers ultimately made two pertinent recommendations: (1) that the current salary schedule be retained with its existing educational steps and hours between steps and factors; (2) that the base pay be increased.

These recommendations were not acceptable to the District which noted that merely increasing base pay without revising the schedule would throw its salary levels at all points even more out of line with comparable school districts than they were at the time. Thus the recent negotiations for a totally new collective bargaining agreement and the fact-finding hearing concentrated on this most important part of the contract negotiations, which included the subject of salary increases.

At the time of the fact-finding hearing, as a result of past collective bargaining sessions and mediation, the parties were at the following positions on these issues:

(1) The District offered base pay increase from \$8,300 to \$9,000.

(2) The 10-column configuration of the schedule was to remain unchanged, but the educational increments were to be changed to 15 quarter-hours per column, according to the District.

(3) The 14th-year increment was to be removed from columns 5 and 6 and the 16th-year increment from columns 9 and 10, thus removing the top factor index of 2.05

back to 2.00.

(4) Two annual increments to be added to the fourth column.

The Association, for its part, proposed, just prior to fact-finding, that:

(1) Base salaries be increased to \$9,300.

(2) Maximum salaries at sixteen years and 102 quarter-hours education credits be increased from \$17,015 to \$19,065.

(3) The maximum index points be reduced from 2.05 to 2.00 times base.

At the hearing, it developed in the course of argument and discussion that the Association was willing to accept certain of the schedule changes proposed by the District; particularly the change to 15 quarter-hours per column up to a maximum of 135 hours, provided "grandfathering" was allowed, -- an explanation of which will be developed hereinafter. As it turned out, "grandfathering" became the keystone block to possible agreement during the fact-finding, as it was during negotiations.

2. Medical and Dental Insurance Improvements.

The District offered to increase medical benefit payments from \$20.00 to \$30.00 per month on the condition that the salary schedule be revised so as to provide no more than seven columns and education credits up to B.A. plus 135.

The Association's demands on increases of medical benefits insurance became \$40.00 per month plus a change in the dental plan to provide increased individual and family benefits.

3. Extra-curricular Pay.

The District proposed an increase of \$54.00 per factor point which, it states, is equivalent to a cost-of-living increase in this fringe benefit.

The Association, in turn, demanded that the rate of pay be computed at .0062 of base salary for each factor point, as in the present contract, and that the same salary schedule be maintained.

4. Staff Development (a District demand).

The District proposed that each teacher be obligated to earn a minimum of five semester hours of college credit for each five years service.

The Association rejected the District's proposal.

5. Agency Shop

The District strongly rejected the demand of the Association for this provision which required all employees to make dues payments to the Association, whether or not they became members.

6. Retroactivity

The Association demanded retroactivity of all changes and improvements in the new collective bargaining agreement back to the commencement date of the contract.

The District took the position that retroactivity

as to any aspect of the new contract when entered into must depend upon the terms of the final settlement reached.

REPORT AND RECOMMENDATIONS OF FACT-FINDER

1. Salary Schedule Revision and Salary Increases

These two matters are inextricably related and must be discussed together. The proposal for revision of the salary schedule, as stated above, comes from the District. The Association is willing to revise the schedule, but, as it turns out, only subject to its own conditions being included therein, including "grandfathering", a condition which is totally unacceptable to the District.

A schedule revision of any kind drastically affects salary increments and employee progression of all present and future personnel. Until the schedule issue is resolved, it is impossible to know what the effects of a base salary change will be upon the salaries of other employees no longer occupying a base position. Using the existing present schedule the Association proposed a \$1,000 increase to the base salary of \$8,300. This constitutes an increase in this grade only of 12%. Applying the 2.05 factor points which are used for calculating top salary, this would be increased from \$17,015 to \$19,065, for a B.A. plus 102 credits.

The District proposed an increase in base salary from \$8,300 to \$9,000, a .0843 increase.

An analysis of western Washington school district salaries shows that the average base salary for 1976-77 is \$9,456, and this is approximately 6% higher than the base salaries in these districts for the academic year 1975-76. The average top salary for the same districts, with a B.A. plus 135 credits is approximately \$18,070, and this top is achieved on average, within fourteen years by longevity increases.

It will be noted that the top salary of the average is approximately 90-95% of base, or in index points, 1.91 (as compared to a present Tahoma School District top index points of 2.05 achieved in sixteen years).

In making its offer on base salaries, the District at the same time proposed a revision of the salary schedule as outlined above, insisting that in placing present employees within the new schedule, each employee be properly placed according to his years of experience and education credits, but that no teacher receive less than \$700 per annum increase. Thus, if the same number of columns were used, but the education credits extended to 15 quarter-hour per column minimum, up to a maximum of 135, the effect of the change plus the use of the same indices would cause employees who had not achieved additional education credits in increments of fifteen quarter-hours per column, in some cases to fall back as much as two columns because of the use of fewer education credits in the existing salary schedule, and in some cases, the teacher's correct

position on the schedule (if precise education and experience criteria were applied) would result in an increase this year of less than \$700, except for the fact that the District guaranteed a minimum increase in that amount for all present employees, regardless of the effect of the new salary schedule on them.

In presenting its proposal, the District reiterated that the inequities of the old schedule prevented it from offering fair beginning salaries. Therefore the District desired to raise its base salary to 95% of the average at least, or \$9,000, according to its calculations, in order to improve its recruiting potential for new teachers, and this without raising its top pay far above the average for comparable school districts (noting that its present top pay for B.A. plus 90 hours credit was higher than the average of eighteen districts requiring a B.A. plus 135 hours by some \$500-\$600 per annum, notwithstanding the fact that Tahoma's base salary admittedly was \$500-\$600 below average).

The imbalance of the present schedule was further emphasized by the District by showing that the average pay actually received by all teachers in the District is \$13,303 (1975-76), which is higher than 14 of the 25 western Washington districts with which Tahoma was compared, notwithstanding an unduly low base salary. The District further remarked that notwithstanding its low base, out of 25 districts, it ranked 15th in total salary received after

fifteen years of service. Moreover, according to the District, out of 54 districts studied, Tahoma ranked next to the bottom in base pay, required the fewest number of credit hours for incremental (column) movement and raises, and its indices for standard certificate (B.A. plus 45) and for maximum pay were the highest of the districts studied.

The revised schedule proposed by the District is said to correct the purported inequities in its present status by increasing all credit-hours to 15 quarter hours and by lowering the index points at certain key places in the schedule. According to the District, nearly all of the index points in the schedule were above average of the 25 districts in western Washington with which Tahoma was compared.

The Association, for its part, indicated a willingness at the fact-finding hearing, to accept the schedule as proposed by the District, with perhaps minor modifications that the District could agree to, but continued to insist upon the two fundamental changes, to wit, increase in the base salary to \$9,300, and "grandfathering". According to the District, the demand of the Association would result in the District's salaries for the new year far exceeding the average salaries for comparable school districts.

By way of explanation, by "grandfathering" the Association intends that present employees not be positioned in the new salary schedule retrogressively in terms of columnar location because of failure to have a sufficient number of the new educational increments, but that they be kept in the

same columnar and vertical rank they would be in had there not been any change in the schedule. The monetary effect of this would be to give to some teachers unusually large salary increases and placement in the new schedule without regard to their actual education credits. Some teachers could be shy as much as 31 credits for the position in which they would be placed if "grandfathering" were adopted and they would receive, fortuitously, the increases resulting from the revisions of the schedule by maintaining the same index points they had under the old schedule.

Many other comparisons and statistical studies and analyses were presented by both sides at the fact-finding hearing pertaining particularly to the salary schedule and salary issues. The Association urged that its acceptance of the principal of schedule revision, after eight years of satisfactory use, which included a change to 15 education credits as increment, and a reduction of the maximum index points from 2.05 to 2.00 times base salary, and acceptance of \$9,300 base salary which was still under average for base salaries, plus acceptance of a new top standard of B.A. plus 135 credits, all showed a willingness to compromise and to concede, and in turn it asked of the District to concede on the "grandfathering" issue. This it insisted on because it could not accept a "regressive adjustment" for any of its members. The employed teachers entered upon their employment with a promise of advancement in accordance with a particular salary schedule, applicable throughout the years

to their retirement. It would be unjust, according to the Association, to make them step back only to fit a revised schedule, notwithstanding the fact that they were promised a minimum salary increase for the year of at least \$700 if they happened to fall within a position on the new schedule calling for a lesser increase due to a change in the index points. Finally the Association stated it would never have acceded to a consideration of schedule adjustment and change indicated by it except on the basis of "grandfathering" and if this could not be agreed to the old schedule should be retained and a straight base salary increase agreed upon from which all other salaries would be calculated.

COMMENTS AND RECOMMENDATION

The parties have taken irreconcilable positions on what basically is one narrow issue, after arriving at agreement on a great many other issues encompassing an entirely new collective bargaining agreement; and that one issue is "grandfathering". It is clear that the institution of "grandfathering" will provide some lucky employees occupying the right spaces in the new schedule with unexpected and unusually high salary increases for the new contract year. It is also clear, at least to this observer, that the objective of the District in submitting a revised schedule in order to get on an even keel with other comparable school districts, to bring its

base salaries up to average and to lower its top and middle salaries and index points to the same effect, will be totally lost and its efforts made fruitless, if "grandfathering" is adopted; at least, with respect to its present employees.

Yet, there is no doubt that the salary schedule needs revision. The Association comes close to admitting this; and the revisions proposed by the District were not more than mildly resisted by the Association during the hearing. Indeed, the Association seems to agree that some teachers will obtain a windfall with "grandfathering".

The District's opposition to "grandfathering" is understandable. It imposes a heavier-than-reasonably-justifiable financial burden on the District.

Without the index point system, there would be no argument for the "grandfathering". The argument for "grandfathering" is not so much a matter of the fairness of the increases for those teachers benefitting thereby, as it is the inability of the Association and these teachers to accept the concept of retrograde positioning required by the adoption of a totally new salary schedule. An arbitrator of course can break a deadlock by simply adopting the position of one or the other party; but it is the task of the fact-finder to help avoid arbitration by recommending solutions which may be accepted voluntarily by both sides as fair and reasonable compromises. This is the most that can be expected from collective bargaining, of which fact-finding is just one facet.

It is helpful, we believe, for the fact-finder to be

innovative and to offer solutions which may not have occurred to the parties in the heat of bargaining and this we propose to do. In doing so, it is with this comment: the index system is not sacrosanct, in our opinion. It has its faults and one of them is inflexibility to major changes forced by changing conditions and events. This is the situation in which the parties find themselves. Inasmuch as the Association appears to be forced, by principle, to insist upon "grandfathering" and the District will not accept "grandfathering" for pragmatic reasons, in an effort to withdraw the issue of "grandfathering" entirely as a source of contention, we make the following recommendations:

- (1) A new pay scale system shall be established which will depart from the present schedule and index system except for the purpose of calculating extracurricular pay.
- (2) A base salary of \$9,000 shall be established.
- (3) For each quarter-hour of education credit earned by a teacher, he shall be paid \$26.00 per annum up to a maximum of 135 credits, or \$3,510. Educational increments shall be added to salary twice a year after being earned by the teacher, and the dates thereof shall be determined by the parties.
- (4) There shall be 15 annual increments for experience or longevity, applicable to all teachers, and calculated at the rate of 4% of the base salary for each increment. This will provide a top salary of \$17,910.

Alternatively, it is recommended that the parties adopt

the Enumclaw schedule, this being a district close to the Tahoma District, which is of similar size and financial resources and consisting of essentially the same kind of citizenry.

(5) Medical and Dental Insurance Improvement.

Recommendations: An increase to \$40.00 in District payments, to be distributed between medical and dental insurance and/or prepayment, as agreed to by the Association.

(6) Increase in Extra-curricular Pay.

Recommendations: Pay for athletic coaches and non-athletic activities instructors for 1976-77 shall be determined on the basis of the 1975-76 salary schedule index points, with a pay rate of \$54.00 per factor point, which, it is understood, is in general accord with the increase in the cost of living.

(7) Staff Development

Recommendation: Teachers shall be required to earn a minimum of five semester hours of college credit each five years.

(8) Agency Shop

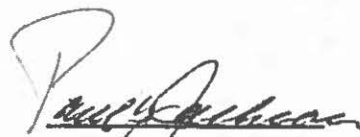
Recommendation: An agency shop is not recommended. Experience proves that the Association has been successful in gaining the membership and loyalty of almost 100% of the teachers of Tahoma. The small gain which might accrue to the Association through compulsory dues or other payments, cannot be commensurate with the loss of freedom of choice to present or future teachers.

(9) Retroactivity

Recommendations: All improvements and increases in the new collective bargaining agreement shall be made effective retroactively to the first day of the 1976-77 agreement.

DATE:

December 24, 1976



PAUL D. JACKSON

Fact-Finder