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Neil A. Barrick, Board Member

The Public Employment Relations Board (PERB) is one of the smallest agencies in state government. Yet, over 1,175 separate bargaining units covering approximately 95,000 state, county, city, school, and Board of Regents employees are under our jurisdiction.

Presently, there are eleven employees in the agency including three administrative staff, five administrative law judges (ALJs) and three board members. The agency also utilizes the services of approximately 45 ad hoc mediators to assist in providing mediation services during collective bargaining. Without their assistance and the help provided by Federal Mediation and Conciliation Service mediators, it would be impossible to provide the statutorily required assistance to our constituent groups year after year.

Our newest ALJ is Diana Richeson. Diana joined the staff in October, 2007, bringing with her a wealth of experience and knowledge of the Public Employment Relations Act acquired while working for the State Police Officers Council (SPOC) and, most recently, the Des Moines Education Association.

PERB's current budget is approximately \$1,246 million and approximately 92% of this budget is allocated to personnel costs of the agency which includes salaries, insurance, IPERS, payroll taxes, etc. Another 2.5% of the budget is allocated for outside services such as ad hoc mediators and court reporters. The balance of the budget goes towards office expenses such as supplies, service agreements with the State (rent, utilities, IT, etc.) equipment, maintenance, and so on.

We were pleased to receive sufficient appropriations for the current fiscal year to allow us to add a fifth ALJ, and to put the agency's case decisions and collective bargaining agreements on our website. We are still one ALJ below previous staffing levels of six, but we are satisfied to be able to make the addition of Diana as previously noted.

If you have any questions for PERB, visit our website <http://iowaperb.iowa.gov> or call us at 515/281-4414.

Health Care Data Collection Project Update

PERB's Health Care Data Collection Project was initiated in May, 2007, with the intent to provide public sector unions and employers, regardless of size, with access on PERB's website to health care coverages, costs, and creative solutions to health care issues. Since May, 2007, an 80-member State-Wide Labor Management Committee (LMC) has developed and is now completing a survey instrument which, hopefully, will be expanded to the approximately 1175 bargaining relationships in the Iowa public sector. The past year emphasized obtaining commitments from labor and management representatives to be part of the State-Wide Labor Management Committee and to develop a survey instrument. This year will emphasize recruiting more participants to the State-Wide LMC. This recruitment process will be accomplished through letters, e-mail, and telephone calls from PERB. In addition to the health care data collected from the survey, the State-Wide LMC will provide an opportunity for labor and management representatives to discuss an important issue which affects collective bargaining.

The January, 2008, PERB Newsletter contains a more detailed description of the Project, as well as identifying the State-Wide LMC members who are labor and management representatives from the state, cities, counties, school districts, and Board of Regents. The January, 2008, Newsletter may be accessed on PERB's (Home Page) website <http://iowaperb.iowa.gov>.

<http://iowaperb.iowa.gov/>

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Guest Perspective: Negotiating A Multi-Year Contract In Schools

By Jim Crotty and Ron Peeler

In this newsletter, the PERB has shared information about the length of negotiated contracts. This information shows that over the past few years, both the quantity and the length of multiyear agreements are generally on the rise in public sector bargaining. In some labor sectors, the majority of agreements are three years in length. For teacher groups, however, the average length of a bargained agreement has remained relatively steady and relatively short, with the majority of the agreements for one year only.

This distinction may be a result of many factors unique to teacher employment, including such factors as the economic impact of a district's increasing or decreasing enrollment, the expectation of legislative initiatives for increased teacher pay, and the fear that economic pressure will cause a reduction in school funding. Whether the uncertainty is about perceived "good" or "bad" things to come, it appears that uncertainty in these areas has played a major role in the decision to stay with a one year contract. Some employers and teacher groups, however, have found ways around this uncertainty by reviewing negotiation trends, and in doing so have achieved a measure of "certainty" in a multiyear agreement on salary.

Local salary settlements can be affected by whether a school's enrollment is increasing (more students = more money available but also a need for more staff) or decreasing (which means less money available). Often, schools who have little or no growth in their budgets still settle for something below but close to the state average increase, while schools who have good budget growth settle at or above the average. By looking for trends specific to the bargaining history for the school and for comparable schools (size, geography, athletic conference, new money, etc.), both employers and employee organizations may find that they can reach agreement on a formula to determine the salary for a second and/or third year of a bargained agreement. An example of how this can occur comes from the Indianola Community School District.

The bargaining relationship between the District and the Education Association ("IEA") was both serious on the issues, but respectful and harmonious in the process. In fact, over the years, two chief negotiators for

the IEA have moved to the other side of the table and represented the District as HR Directors. Although the parties have never gone to arbitration, they have taken full advantage of mediation and would sometimes ask for two mediation dates up front. But the parties were always looking for an agreement and to avoid arbitration.

The headcount in September of 2005 generated a Regular Program Increase ("RPI" or new money) of 6.00% for the 2006-07 school year, the highest for the District in ten years. The IEA had high expectations going into bargaining and was looking for a settlement much better than trend, while the District was concerned with the added expense that comes with more students. After five bargaining sessions, the parties declared impasse and Jim McClimon was appointed as mediator. McClimon had served as mediator in Indianola for quite a few years, and he kept the parties at the table discussing the issues and answering his questions. While this did not produce a voluntary settlement, it did bring the parties to positions about \$69,000 apart – the District at 5.0%, and the IEA at 5.7%. As the parties moved toward arbitration, McClimon suggested that the parties "split the difference and a two-year agreement."

The IEA was reluctant to reach a two-year agreement because continued student growth could mean another high RPI, and therefore could justify a higher salary settlement. The IEA suggested some type of formula to determine what the second year settlement percentage would be. McClimon spoke to the District about a compromise on the first year settlement, with a formula to determine the second year percentage. This inquiry sparked discussion between the District and IEA bargaining representatives, and after some discussions and number-crunching on past settlements and trends, an agreement on a formula was reached. The parties agreed to a 5.4% increase for the 2006-07 year, with the following formula for 2007-08:

| RPI | Settlement |
|------------|---------------------|
| < 5% | 5.00% Total Package |
| 5.00-5.99% | 5.50% Total Package |
| 6.00-6.99% | 5.75% Total Package |
| > 7% | 6.00% Total Package |

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Guest Perspective: Negotiating A Multi-Year Contract In Schools

The Fall 2006 headcount produced a RPI of 6.21% for 2007-08, which produced a 5.75% Total Package based on the formula. Both parties were pleased with how the formula worked. The teachers could see that they were getting a good package increase, and the District knew immediately what the teacher settlement would cost. The parties only had to wait for the insurance increase to determine the new base salary, and the District was able begin its other financial planning much earlier in the year. The process worked so well that the District approached the IEA during the summer of 2007 about extending the formula for the 2008-09 school year. After brief discussion, the parties agreed to extend the formula with one change – if the RPI for 2008-09 was over 7%, the total package settlement would be 6.25% instead of 6.00%. The Fall 2007 headcount produced a 2.50% RPI for 2008-09, and a 5.00% Total Package for the upcoming year.

Reaching a multiyear salary agreement on a formula basis may not work for every school district. But if the parties examine the trends, both within their own bargaining history and within comparable settlement groups, they may find ways to create a formula that help lessen the “uncertainty” that has prevented teachers and districts from reaching multiyear salary agreements. If they do, they may find that they like the certainty of the multiyear agreement (and the year off from bargaining).

Jim Crotty is a UniServ Director with the Iowa State Education Association and he has been involved in collective bargaining since 1981. He has represented Indianola since 1992.

Ron Peeler is an attorney with the Ahlers & Cooney law firm in Des Moines, Iowa, and he has represented school districts in labor negotiations for over 20 years. He has represented the Indianola District in negotiations for many of those years.

Reminder To Certified Employee Organizations

Section 25 of the Public Employment Relations Act requires that certified employee organizations must file an annual report and audit, and PERB rule 8.2 requires that an annual report and audit must be filed with PERB within 90 days following the end of the certified employee organization’s fiscal year. Annual report forms are available from PERB or on PERB’s website at <http://iowaperb.iowa.gov>. In addition to PERB’s form, the report must have a Financial Statement with the beginning balance, itemized receipts and expenditures, and the ending balance. The third part of the report is the Audit Statement with original signatures. The signature(s) must be from an auditing committee or a person or persons who hold no other office in the employee organization and who did not prepare the financial report.

PERB Caselaw Update

The Iowa Supreme Court issued an opinion on February 8, 2008, in *State of Iowa v. PERB and AFSCME Iowa Council 61*, holding that PERB does not have authority to remedy a nonwillful violation of chapter 20 which would be a prohibited practice if it were committed willfully.

The Iowa Supreme Court also issued an opinion on October 19, 2007, in *Waterloo Education Association v. PERB and Waterloo Community School District*, clarifying the analysis which should be applied in deciding negotiability disputes.

Links to the full texts of these opinions are found on the PERB (Home Page) website at:

<http://iowaperb.iowa.gov>

PERB Conducts Multi-Year Contract Surveys

PERB's multi-year contract surveys begin with fiscal year 2000-2001 which is the first year that PERB collected contract duration beginning and ending dates. Below are surveys for the fiscal years 2001-02, 2004-05 and 2007-08

| Length of Contracts Reported in Fiscal Year 2000-2001 | # of contr's | 1 yr | 2 yr | 3 yr | 4 yr | 5 yr | 6 yr | 7 yr | 8 yr | 9 yr | 10 yr | Average length of contr's |
|--|---------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------|----------------------------------|
| AEA | | | | | | | | | | | | |
| teachers | 12 | 4 | 4 | 4 | | | | | | | | 2 * |
| support/mixed | 8 | 2 | 4 | 2 | | | | | | | | 2 |
| Community College | | | | | | | | | | | | |
| teachers | 10 | 5 | 3 | 2 | | | | | | | | 1.7 |
| blue collar, mixed, support | 4 | 2 | 1 | 1 | | | | | | | | 1.8 |
| City | 235 | 31 | 77 | 105 | 17 | 4 | 1 | | | | | 2.5 |
| County | 157 | 17 | 63 | 71 | 4 | 2 | | | | | | 2.4 |
| K/12 | | | | | | | | | | | | |
| teachers | 321 | 210 | 96 | 12 | 3 | | | | | | | 1.4 |
| support | 146 | 47 | 49 | 39 | 9 | 2 | | | | | | 2.1 |
| State & Bd of Regents | 9 | | 9 | | | | | | | | | 2 |
| Total | 902 | 318 | 306 | 236 | 33 | 8 | 1 | | | | | 2.0 |
| Total excluding teachers (AEA, K12, CC) | 559 | 99 | 203 | 218 | 30 | 8 | 1 | | | | | 2.4 |

* Weighted Average: $(4 \times 1) + (4 \times 2) + (4 \times 3) = 24$ $24/12 = 2$

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Fiscal Years 2004-05 and 2007-08 are continued on page 5.

PERB Conducts Multi-Year Contract Surveys

| Length of Contracts Reported in Fiscal Year 2004-2005 | # of contr's | 1 yr | 2 yr | 3 yr | 4 yr | 5 yr | 6 yr | 7 yr | 8 yr | 9 yr | 10 yr | Average length of contr's |
|---|--------------|------------|------------|------------|-----------|-----------|----------|------|------|------|-------|---------------------------|
| AEA | | | | | | | | | | | | |
| teachers | 13 | 4 | 6 | 2 | | 1 | | | | | | 2.1 * |
| support/mixed | 8 | 5 | 1 | 1 | | 1 | | | | | | 1.9 |
| Community College | | | | | | | | | | | | |
| teachers | 13 | 3 | 6 | 4 | | | | | | | | 2.1 |
| blue collar, mixed, support | 7 | 2 | 3 | 2 | | | | | | | | 2.0 |
| City | 300 | 48 | 69 | 143 | 31 | 7 | 2 | | | | | 2.6 |
| County | 222 | 60 | 71 | 75 | 6 | 8 | 2 | | | | | 2.3 |
| K/12 | | | | | | | | | | | | |
| teachers | 350 | 260 | 67 | 17 | 5 | 1 | | | | | | 1.3 |
| support | 164 | 78 | 37 | 35 | 12 | 2 | | | | | | 1.9 |
| State & Bd of Regents | 9 | | 9 | | | | | | | | | 2 |
| Total | 1086 | 460 | 269 | 279 | 54 | 20 | 4 | | | | | 2.0 |
| Total excluding teachers (AEA, K12, CC) | 710 | 193 | 190 | 256 | 49 | 18 | 4 | | | | | 2.3 |

* Weighted Average: $(4 \times 1) + (6 \times 2) + (2 \times 3) + (1 \times 5) = 27$ $27/13 = 2.1$

11/30/2007

| Length of Contracts Reported in Fiscal Year 2007-2008 | # of contr's | 1 yr | 2 yr | 3 yr | 4 yr | 5 yr | 6 yr | 7 yr | 8 yr | 9 yr | 10 yr | Average length of contr's |
|---|--------------|------------|------------|------------|-----------|-----------|----------|----------|----------|----------|----------|---------------------------|
| AEA | | | | | | | | | | | | |
| teachers | 10 | 5 | 4 | 1 | | | | | | | | 1.6 * |
| support/mixed | 9 | 4 | 3 | 2 | | | | | | | | 1.8 |
| Community College | | | | | | | | | | | | |
| teachers | 13 | 8 | 2 | 3 | | | | | | | | 1.6 |
| blue collar, mixed, support | 8 | 3 | | 4 | 1 | | | | | | | 2.4 |
| City | 314 | 22 | 65 | 199 | 19 | 7 | 1 | 1 | | | | 2.7 |
| County | 259 | 30 | 74 | 130 | 13 | 10 | 2 | | | | | 2.6 |
| K/12 | | | | | | | | | | | | |
| teachers | 349 | 244 | 83 | 19 | | 2 | | | | | 1 | 1.4 |
| support | 173 | 55 | 60 | 45 | 11 | 1 | | | | 1 | | 2.3 |
| State & Bd of Regents | 9 | | 9 | | | | | | | | | 2 |
| Total | 1144 | 371 | 300 | 403 | 44 | 20 | 3 | 1 | 0 | 1 | 1 | 2.2 |
| Total excluding teachers (AEA, K12, CC) | 772 | 114 | 211 | 380 | 44 | 18 | 3 | 1 | 0 | 1 | 0 | 2.6 |

* Weighted Average: $(5 \times 1) + (4 \times 2) + (1 \times 3) = 16$ $16/10 = 1.6$

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