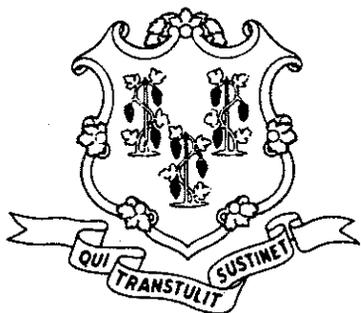


**BINDING ARBITRATION
FOR
TEACHERS**

**Connecticut
General Assembly**



LEGISLATIVE
PROGRAM REVIEW
AND
INVESTIGATIONS
COMMITTEE

JANUARY 1990

CONNECTICUT GENERAL ASSEMBLY

LEGISLATIVE PROGRAM REVIEW AND INVESTIGATIONS COMMITTEE

The Legislative Program Review and Investigations Committee is a joint, bipartisan, statutory committee of the Connecticut General Assembly. It was established in 1972 to evaluate the efficiency, effectiveness, and statutory compliance of selected state agencies and programs, recommending remedies where needed. In 1975, the General Assembly expanded the committee's function to include investigations, and during the 1977 session added responsibility for "sunset" performance reviews. The committee was given authority to raise and report bills in 1985.

The program review committee is composed of 12 members. The president pro tempore of the senate, the senate minority leader, the speaker of the house, and the house minority leader each appoint three of those members.

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SUMMARY

BINDING ARBITRATION FOR TEACHERS

The Legislative Program Review and Investigations Committee in February 1989 authorized a study of compulsory binding arbitration between teachers and local boards of education. The purpose of the review was to determine: 1) how the process of binding arbitration was working; and 2) focusing on salary outcomes, what fiscal impact arbitration decisions regarding teacher contracts have had on municipalities. In conducting the review, it became clear that many of the issues raised about teachers' binding arbitration involve matters beyond traditional labor and management interests.

Quality of education, a factor taken into account during individual negotiations, must also be considered in studying the overall bargaining process. The current compulsory binding arbitration system was adopted in response to the disruptive and negative effect of teacher strikes, actual or potential, on the educational process.

Local fiscal control over education expenditures becomes a consideration in studying binding arbitration, since in Connecticut, unlike many other states, school boards are not fiscally independent. Town fiscal authorities are obligated to meet salary and other economic provisions of settled educator contracts, but are not parties to negotiations with teachers. In the case of an arbitrated teacher contract, an independent third party--the neutral arbitrator--often is deciding on the amount that a substantial and relatively fixed category (educator salaries and benefits) of a town's budget will increase.

Finally, the state's school finance policy must be considered. Improvement in teacher compensation occurred with implementation of the state-financed Education Enhancement Act, as well as through collective bargaining. Despite growth in the state's share of the costs of education, however, the burden of salary increases averaging more than 9 percent on enhanced salary levels continues to be greater for poorer school districts than wealthier ones. Many localities, regardless of their financial status, are experiencing taxpayer resistance to annual increases in education costs and total municipal budgets that significantly outpace the cost of living.

As a process for resolving impasses in bargaining without strikes and for producing timely negotiations, the program review committee found the teacher binding arbitration process to be working as intended. However, the committee believes trends in salary settlements, particularly in terms of fiscal impact on municipalities,

warrant monitoring. In addition, the committee found that revisions are needed to address perceptions of bias and to increase general understanding of the process.

The program review committee adopted several recommendations intended to address concerns over salary trends and impact by increasing the amounts and types of contract settlement information gathered and reported. Other recommendations resulting from the committee study formalize procedures regarding neutral arbitrator selection; improve the reporting of arbitration results; and allow for greater local fiscal authority participation in the arbitration process. A complete listing of the committee recommendations on binding arbitration for teachers follows.

Recommendations

1. The program review committee recommends that the state department of education as part of its statutory comprehensive planning process monitor teacher salary settlements and include findings regarding settlement patterns in its periodic progress reports to the legislature.

2. It is recommended that the state department of education prepare and issue by December 1 of each year, a report summarizing the results of all contract negotiations occurring under the Teacher Negotiation Act during the preceeding negotiating period. At a minimum, the department's annual report shall include:
 - o a listing of all contracts settled, indicating for each, the settlement status and settlement date; and
 - o the names of mediators and arbitrators involved, when applicable.

The committee additionally recommends that for all awarded contracts, the department's annual Teacher Negotiation Act report include a synopsis of the decision on each issue, noting the nature of the issue and which last best offer was selected. To the extent possible, information contained in the written award decisions on the cost of all economic issues should also be summarized.

3. The program review and investigations committee recommends that the state education department monitor and report on the impact of the major economic provisions

of collective bargaining agreements, including but not limited to, settlements regarding salaries of certified staff, on local education expenditures and programs. The department's monitoring efforts shall focus on identifying trends in the portion of local education budgets spent on certified staff salaries and the relationship between salary costs and educational quality indicators such as staffing levels, student-teacher ratios, and class size.

4. It is further recommended that the state education department's annual Teacher Negotiation Act report as well as a report summarizing the department's findings on teacher salary settlement patterns and the impact of the major economic provisions of teacher collective bargaining agreements be provided to the Legislative Program Review and Investigations Committee and the committee of the General Assembly with cognizance of all matters relating to education by December 15 each year beginning in 1990.

5. It is recommended that the state department of education by November 1, 1990, adopt in accordance with C.G.S. Chapter 54, regulations concerning the process for selecting nominees for neutral members of the arbitration panel established under the Teacher Negotiation Act. At a minimum, the regulations shall address:
 - o applicant requirements and application procedures;
 - o the composition of bodies responsible for screening applicants; and
 - o the selection criteria and process.

6. The program review committee recommends that the selection process discussed above include an evaluation of level of arbitration experience and that definitions of experience levels be adopted in the regulations concerning selection criteria. Applicants deemed inexperienced but otherwise qualified would be notified of the opportunity to participate in a training program, overseen by the state education department, in which they would serve an internship with experienced neutral members of the Teacher Negotiation Act arbitration panel. The criteria for this training program and the requirements for successful completion shall be outlined in the selection process regulations.

7. It is recommended that the state department of education establish by November 1, 1990, a process for annually reviewing the performance of all members of the Teacher Negotiation Act arbitration panel. The annual assessment of each neutral arbitrator shall include an evaluation of compliance with statutory requirements for written arbitration decisions. In addition, the department shall encourage the parties involved in arbitrations to submit written evaluations of awards. The parties' award evaluations shall be retained by the department for use by selection committees when considering applicants for reappointment as well as for annual performance reviews.
8. The program review committee recommends that the C.G.S. Section 10-153f(c)(4) be amended to require that the arbitrator:
 - o state with particularity the basis for each decision as to each disputed issue, and the manner in which the statutory criteria were considered in arriving at such decision, including, where applicable, the specific comparability evidence relied upon, and the reasons for the reliance; and
 - o include in the award an explanation of how the total cost of all offers selected was considered.
9. The program review committee recommends that neutral arbitrator nominee selection process set out in its earlier recommendation provide for participation by local legislative and fiscal authorities as well as representatives of the parties.
10. The program review committee recommends that during the arbitration hearings, a representative of the local fiscal body shall present testimony regarding the municipality's ability to pay, unless such appearance is waived by the local fiscal body. Non-appearance shall be considered a waiver unless there is a showing that proper notice was not given to the local fiscal authority.

INTRODUCTION

The Legislative Program Review and Investigations Committee voted to undertake a review of the state's binding arbitration system for teacher contracts in February 1989. The purpose of the study was to determine: 1) how the process of binding arbitration was working; and 2) focusing on salary outcomes, what fiscal impact arbitration decisions regarding teacher contracts have had on municipalities.

In conducting the review, a variety of sources and research methods were used. Connecticut statutes and court decisions pertinent to binding arbitration were reviewed, as well as comparable laws in other states. Quantitative data related to outcomes of the teacher collective bargaining process in Connecticut over several years, with an emphasis on binding arbitration results, were collected and analyzed. Also, information regarding current and historical teacher salary levels both in Connecticut and surrounding states was gathered, as well as, to the extent accessible, compensation level and increase data for other occupations.

In addition to a staff survey of the arbitrators, the committee held a workshop with the arbitrators and mediators. Staff also reviewed arbitration awards from the 1988-89 negotiating season. All key participants in the contract negotiations process were interviewed including local officials in selected towns regarding the impact of teacher contracts on their municipal budgets. Finally, the committee held five public hearings around the state, in Hartford, New London, New Milford, Vernon, and Westport.

The committee's final report contains four chapters. Chapter I provides background information including: a description of collective bargaining and impasse resolution processes in general; the history behind the Connecticut binding arbitration law; elements of the current law; a brief discussion of the Education Enhancement Act of 1986; and a description of two other public employee bargaining laws in Connecticut. Chapter II contains a description of the Teacher Negotiation Act (TNA) process and the parties involved. Chapter III presents an analysis of the outcomes of this process. The committee's findings and recommendations are contained in Chapter IV.

The report also contains several appendices. Appendix A contains information about other states' teacher collective bargaining systems. Appendices B, C, and E provide detailed contract settlement data by school district while Appendix D is a copy of the survey sent to arbitrators.

The final appendix (Appendix F) contains a response to the committee report from the State Department of Education. It is the policy of the committee to provide audited agencies with an opportunity to review and comment on committee recommendations prior to the publication of the final report. Although in the binding arbitration study, the operations of the State Department of Education were not the focus of the review, many of the committee recommendations affect the department. Therefore, the department was invited to comment on these proposals.

CHAPTER I

BACKGROUND, HISTORY AND CURRENT CONNECTICUT LAW

Since 1935, private sector workers have had the right to organize and collectively bargain over "wages, hours and other terms and conditions of employment" under the federal National Labor Relations Act (NLRA). Private sector employees have the right to strike, when an impasse is reached in bargaining and the current contract has expired.

Recognition of the rights of public sector employees to organize and collectively bargain is relatively more recent. Typically, public employees are prohibited from striking on the theory that public safety and health would be jeopardized. There is general recognition, however, that with the right to strike removed from employees with collective bargaining rights, there must be some alternative method of impasse resolution. Mediation, factfinding, and interest arbitration are the main tools used to resolve impasses in public sector contract bargaining.

Mediation is a means of settling labor disputes where the parties in conflict use a third person, a mediator, to facilitate agreement. In factfinding, one or more impartial factfinders identifies factual differences between the parties and recommends to the parties nonbinding resolutions of issues.

Arbitration is a process in which a neutral third party, acting under authority from both parties or some other source (e.g., statute) hears both sides of a controversy and issues an award. Interest arbitration is to be distinguished from grievance arbitration. Interest arbitration is a process in which the terms and conditions of an employment contract are established by a final and binding decision of an arbitration panel. Grievance arbitration refers to the resolution of individual disputes related to the interpretation of contract terms. Grievance arbitration occurs in both the private and public sector; interest arbitration is used only in the public sector.

There are different types of interest arbitration. There is "conventional" arbitration, where the arbitrators can arrive at awards independent of the positions taken by either of the parties. There is last best offer, or final offer, arbitration where the arbitrator must select the final offer of either one party or the other. In some cases, the arbitrators must choose the final "package" offered by either side, or the arbitrators can choose between issue-by-issue

offers. The theory behind last best offer binding arbitration is that it forces the parties to make reasonable offers, because of the risk that the arbitrator will not select an unreasonable offer.

History of Teacher Binding Arbitration In Connecticut

Last best offer binding arbitration for teacher contracts in Connecticut is an impasse resolution tool established by the Connecticut General Assembly in 1979 as an amendment to the collective bargaining law regarding teachers and their employers, Connecticut school boards. The amendment was made in apparent response to protracted contract negotiations and a number of teacher strikes in preceding years, culminating in 1978 with a two week strike in Bridgeport where over 250 teachers were jailed.

The right of teachers to organize and bargain over pay and working conditions, but not to strike, was recognized first by the Connecticut Supreme Court in 1951. A general statutory right "to organize for professional and economic development" was established in 1961. The first comprehensive teacher collective bargaining law was enacted in 1965, which provided for mediation and advisory arbitration if mediation failed.

In 1969, the statute was revised to provide local legislative bodies the opportunity to reject negotiated contracts, and established a arbitration panel from which advisory arbitrators were selected. A statutory timetable for negotiations was established in 1976. A year earlier, in a related development, a law including compulsory binding arbitration for other municipal workers in Connecticut was established.

In 1979, under Public Act 79-405, the Teacher Negotiation Act, last best offer binding arbitration was added as a final step to the process and timetable established three years earlier. Also, a fifteen-member arbitration panel was established from which gubernatorially appointed arbitrators were to be selected by the parties. Nominations for neutral arbitrators were made by the State Board of Education; nominations for the interest arbitrators were made by party representatives.

Over the next several years, the majority of amendments to the law involved the size of the arbitration panel and the manner of arbitrator appointment and selection. In 1983, the panel was expanded from 15 to 21 members, with 7 representing each group. Two years later, in 1985, the panel was expanded to 23, adding the extra 2 to the neutral arbitrator group.

In 1986, the panel again was increased to 29, adding 6 neutral arbitrators to the panel for a total of 15. Another

change required: neutral arbitrators to be residents of the state, experienced in public sector collective bargaining interest impasse resolution, and appointed from a panel of labor arbitrators submitted to the governor by the American Arbitration Association. Selection of neutral arbitrators, up until this time mutually done by the parties, was changed to be done randomly at all times by the commissioner. The commissioner would randomly select three neutral names, and each party could then strike one name a piece.

The very next year, the law related to the arbitration panel was amended again. The number of neutrals changed from 15 to not less than 10 or more than 15, and the role of submitting lists of names of neutral arbitrators for nomination was restored to the state board of education. Finally, the selection of the third arbitrator was restored to the mutual selection of the parties, unless they could not agree.

Current Law

In Connecticut, the Teacher Negotiation Act, the current teacher collective bargaining statute, sets out basic rights and obligations of both the school board employer and employee, and, as noted above, provides a statutory timetable for the bargaining process that insures a completed contract by a town's budget submission date. Connecticut is the only state that mandates compulsory binding arbitration for teachers. Major elements of teacher collective bargaining laws in other states are highlighted in Appendix A.

The timetable, by establishing negotiation, mediation and arbitration stages, in effect defines when an impasse has been reached between two parties, and imposes last best offer arbitration as a final impasse tool. The negotiations timetable, which comprises much of the collective bargaining law, is discussed in more detail in Chapter II.

In terms of basic rights and obligations, both school boards and organizations representing teachers have the duty to negotiate with respect to salaries, hours and other conditions of employment about which either party wishes to negotiate. Failure of either party to negotiate in good faith is a prohibited practice. Teachers are not allowed to strike, a provision enforceable in superior court by injunction.

The parties are only required to bargain on mandatory issues. There are generally three categories of subjects for negotiation:

- o **Mandatory:** Issues that make up salaries, hours, and other conditions of employment. Failure to negotiate mandatory issues is failure to negotiate in good faith.
- o **Permissive:** Issues about which the parties may bargain. It is not in bad faith to fail to bargain about permissive issues.
- o **Illegal:** Issues that the parties may not bargain about, and are void and unenforceable.

The Connecticut State Labor Relations Board decides prohibited practice issues under the teacher collective bargaining law. As such, it determines what is and what is not a mandatory subject for negotiation.

Covered employees. The statute essentially covers all certified employees of a local or regional board of education. School superintendents, as well as certain certified professionals with management responsibilities, and all employees of the board of education not requiring certification are specifically excluded from the law. The law establishes different bargaining units for two types of certified personnel: administrators and teachers.

Administrators for purposes of bargaining unit identification are persons in positions requiring an intermediate administrator or supervisor certificate, and whose administrative or supervisory duties equal at least 50 percent of his/her time. Teachers' units contain those persons employed by school districts in positions requiring teaching certificates.

Local fiscal/legislative body participation. The first step in the negotiations timetable requires the school board to meet and confer with the local fiscal body, within 30 days of the start of negotiations. A member of that fiscal body is permitted to be present during negotiations and is to provide any fiscal information requested by the board of education.

If a settlement is reached through negotiations, the board of education files a signed copy of the contract with the town clerk, who gives public notice of the filing. The terms of the contract are binding on the legislative body of the local or regional school district, unless the body rejects the contract at a regular or special meeting called for that purpose within thirty days of the filing of the contract.

If the legislative body rejects the contract, the parties begin the arbitration process. Written notice of the

arbitration hearings is sent to the fiscal authority having budgetary responsibility, and a fiscal representative may be heard at the hearing as part of the board of education's case.

The final decision of the arbitrators is not subject to rejection by the legislative body of the local school district or by referendum. The decision is appealable to the superior court by a party to the arbitration.

Arbitration panel. As indicated previously, the size of and selection method for the arbitration panel has changed back and forth since 1979. Currently, the arbitration panel from which the arbitrators are selected is within the department of education, and consists of not less than 24 nor more than 29 people, appointed by the governor, with the advice and consent of the general assembly.

Seven panel members represent the interests of local and regional school boards of education and are selected from names submitted by the boards. Seven others represent the interests of the exclusive bargaining representatives of teachers and administrators and are selected from names submitted by the bargaining representatives.

At least 10 but no more than 15 members are impartial representatives of the interests of the public in general and are required to be Connecticut residents and experienced in public sector collective bargaining interest impasse resolution. The state board of education submits names of potential neutral arbitrators to the governor. All members' terms are concurrent with the governor; they serve without compensation, but receive a per diem fee for each day (paid for by the parties), and may be removed for good cause.

During arbitrations, the parties may elect to use either a single arbitrator or a three member panel. If a three member panel is chosen, the law provides that the party arbitrators selected by the parties in turn select the third neutral arbitrator. If the party arbitrators fail to select or cannot agree on the third neutral within a certain timeframe, the commissioner of education will randomly select a neutral arbitrator from the panel.

Hearing process. The panel chairperson sets up the hearing dates for the arbitration. The only reference to any procedural or documentary requirements of the arbitration is the provision stating that "at the hearing each party shall have full opportunity to submit all relevant evidence, to introduce relevant documents and written material, and to argue on behalf of its positions." Also, the "parties shall submit to the arbitrators their respective positions on each individual issue in the form of a last best offer."

Statutory criteria for awards. The arbitrators are to consider the following factors in arriving at a decision:

- o the negotiations between the parties prior to arbitration;
- o the public interest and the financial capability of the school district;
- o the interests and welfare of the employee group;
- o changes in the cost of living;
- o the existing conditions of employment of the employee group and those of similar groups; and
- o the salaries, fringe benefits, and other conditions of employment prevailing in the state labor market.

The statute does not require the arbitrators to give any particular criterion more weight than another.

Criteria for court appeal. The decision of the arbitrators is subject to judicial review upon the filing by a party to the arbitration, within thirty days following receipt of a final decision, of a motion to vacate or modify such decision in superior court. The court, after a hearing, may vacate or modify such decision if the substantial rights of a party have been prejudiced because such decision is:

- o a violation of constitutional or statutory provisions;
- o in excess of the statutory authority of the panel;
- o made upon unlawful procedure;
- o affected by other error of law;
- o clearly erroneous in view of the reliable, probative and substantial evidence on the record; and
- o arbitrary and capricious or characterized by abuse of discretion or clearly unwarranted exercise of discretion.

Education Enhancement Act of 1986

The advent of binding arbitration was a significant event with respect to teacher contract negotiations. Another significant development distinct from binding arbitration, but impacting teacher salaries and municipal costs, was the Education Enhancement Act of 1986. The overlap of the committee study and the conclusion of the act's implementation complicated the committee's ability to evaluate the fiscal impact of binding arbitration as discussed later in the report. General background information about the enhancement act is provided here.

In the fall of 1984, the Governor's Commission on Equity and Excellence in Education was formed to "encourage the competency of teachers by examining the state's system of accountability, recognition and reward." In June 1985, the commission issued its findings and recommendations in the areas of teacher finance and compensation, teacher education and certification, and personnel policies. Among the findings on teacher finance and compensation were the following:

- o Current teacher starting salaries are too low to be competitive with comparable starting salaries in other fields. Many potentially good teachers will be lost to other careers unless starting salaries are improved.
- o The attractiveness of teaching as a profession depends on many factors including financial rewards over the whole career; therefore, it is not sufficient to only increase beginning salaries. The entire salary structure needs to be leveraged upwards.
- o Starting salaries in some high-paying Connecticut districts are \$7,000 to \$9,000 higher than starting salaries in some of the low-paying districts, causing disparities in the ability of districts to attract good teachers; the state must become involved to help all districts become equally able to attract the best people.
- o Teachers should be offered higher starting salaries to compensate them for meeting stricter standards and higher expectations as set out in commission recommendations.

With respect to teacher finance and compensation, the commission recommended that the state should mandate and fund a minimum teacher's salary beginning in 1986-87. It was

further recommended that the state fund a teacher salary enhancement program to help school districts increase teacher salaries. The enhancement program proposed by the commission was to be implemented on a wealth-equalized basis, and based on a "target salary account", determined by a state model salary schedule and staff ratios, and a district's current staff.

In a 1986 special session of the General Assembly, the Education Enhancement Act was passed in response to the commission's report and established a three-year program for distributing over \$300 million to school districts. Enhancement funding went into effect in July 1986, and its three-year cycle concluded July 1, 1989.

Other Connecticut Public Employee Law

In addition to the Teacher Negotiation Act, Connecticut has two other collective bargaining laws related to state and municipal employees, both of which provide for last best offer binding arbitration in certain circumstances. Although the committee did not review the actual operations of either the state or municipal employee laws, the statutory requirements were reviewed for comparison with the teacher collective bargaining law, emphasizing the impasse resolution procedures. Major differences and similarities are discussed below.

In terms of a negotiations timeframe, both state and municipal employee laws set commencement dates based on contract expiration dates. However, neither has a timetable that requires a contract to be in place at a specified time. Both laws allow negotiations after the final dates for setting the employer's budget, unlike the teacher law.

For both state and municipal employee contracts, as with teacher contracts, there is a method for legislative body approval of negotiated settlements. Generally, for both, a negotiated agreement with a request for funds to fully implement the agreement is submitted to the legislative body within a certain time after the agreement is made. The body may approve or reject the request by a majority vote; if rejected, the parties must continue to negotiate.

Impasse procedures. Mediation is available for state employee contract resolution if the parties mutually request it. For municipal employees, if within a specified time after negotiations begin, and an agreement has not been approved or neither party has requested mediation, a mediator will be appointed.

Under the municipal act, factfinding is provided, if within a specified time after negotiations begin, a collective bargaining agreement has not been approved, or

neither party has requested the appointment of a factfinder, factfinding is initiated. The parties may jointly waive the factfinding requirement. The state employee act has no provision for factfinding.

Both the state and municipal employee laws provide for binding arbitration under certain circumstances. Arbitration is not compulsory under the state employee law; at least one party must request the process. Under the municipal law, there are three avenues by which municipal employee contracts may go to arbitration. One is compulsory; according to statute, if the parties have not reached agreement within 90 days after the expiration of a contract, they automatically enter into arbitration. The other two methods require action by the parties.

State employee arbitration. If a party to a state employee contract requests arbitration, the parties jointly select one arbitrator. If the parties cannot agree on an arbitrator within a certain time period, the selection is made using procedures under the Voluntary Labor Arbitration Rules of the American Arbitration Association.

The arbitrator is required to have substantial current experience as an impartial arbitrator of labor-management disputes. The statute prohibits selection of anyone who advocates or consults for labor or management on partisan issues in labor-management relations or who is associated with a firm performing such advocate or consultant work.

There are statutory time limits for arbitration hearings; however, the time may be extended by the joint request of the parties or by the arbitrator. Also, the parties may, at any time during the proceeding, jointly request the arbitrator to attempt to mediate the dispute.

In state employee arbitration awards, the arbitrator is to state "with particularity" the basis for decisions as to each disputed issue and the manner in which the statutory factors were considered in arriving at awards. The statutory factors are:

- o the history of negotiations between the parties including those leading to the proceeding;
- o the existing conditions of employment of similar groups of employees;
- o the wages, fringe benefits, and working conditions prevailing in the labor market;

- o the overall compensation paid to the employees involved in the arbitration proceedings, including direct wages compensation, overtime and premium pay, vacations, holidays and other leave, insurance, pensions, medical and hospitalization benefits, food and apparel furnished, and other benefits received by such employees;
- o the ability of the employer to pay;
- o changes in the cost of living; and
- o the interests and welfare of the employees.

The award of the arbitrator is final and binding upon the employer and the employee organization unless rejected by the general assembly. Neither the municipal nor teacher binding arbitration laws have an award rejection provision.

When submitted to the general assembly, the award is accompanied by a statement of the amount of funds needed to implement the award. The legislature may return the matter to the parties for further bargaining if it determines by a two-thirds vote, within 30 days of submission of the arbitration award, that there are insufficient funds for full implementation of the award. Failure of the general assembly to act within the 30 day period makes the award binding on all parties. A motion to vacate or modify may be made to the courts and awarded on certain grounds.

Municipal employee arbitration. As mentioned, there are different ways under the municipal law to enter arbitration. Once there, a three-member arbitration panel is used. Each party selects one member of the arbitration panel, and within 10 days of those appointments, the two arbitrators select a third member, who chairs the panel. If the parties do not select their respective members, or those two do not select the third, the State Board of Mediation and Arbitration appoints members as needed.

The municipal statute requires a specific set of documentary requirements including proposed agreements from the parties, party replies to those proposals, an arbitration statement from the panel summarizing all resolved and unresolved issues, party briefs on unresolved issues, reply briefs, and finally, last best offers on unresolved issues. Twenty days after the last best offers are filed, the panel is to issue its award on majority vote.

As part of the decision, each member is to state the specific reasons and standards used in making his choice on each unresolved issue. The factors to be considered by the panel include:

- o the negotiations between the parties prior to arbitration;
- o the public interest and the financial capability of the municipal employer;
- o the interests and welfare of the employee group;
- o changes in the cost of living;
- o the existing conditions of employment of the employee group and those of similar groups; and
- o the wages, salaries, fringe benefits, and other conditions of employment prevailing in the labor market.

Under the municipal employee law, the decision of the panel is final and binding upon the municipal employer and employee group, but is appealable to superior court.

CHAPTER II

CONTRACT SETTLEMENT PROCESS AND INVOLVED PARTIES

As discussed in the previous chapter, the steps in the the process for negotiating teacher and administrator contracts along with the timeframes for completing them, are established in statute. By law, contract negotiation between boards of education and their employees is at most a six-month process, although parties may begin talks prior to the statutory deadline of 180 days before the education budget submission date. Figure II-1 outlines this process.

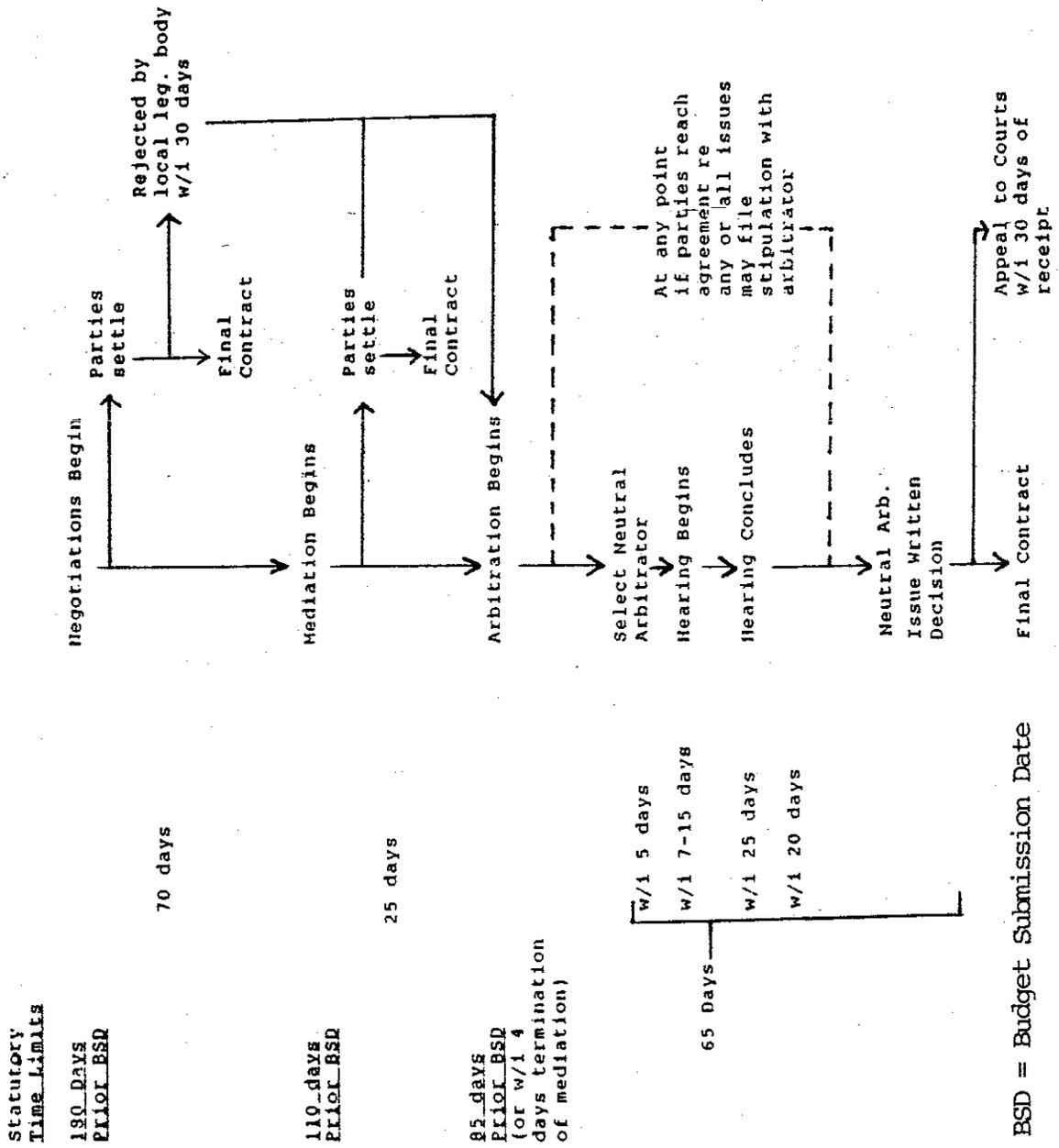
Negotiation and mediation. As Figure II-1 indicates, parties have up to 70 days to negotiate a settlement on their own. Initial negotiations meetings between the negotiating teams for each party are held to set ground rules and identify bargaining issues, while later sessions focus on resolving differences between each side's proposed contract provisions. If agreement is not reached by the end of the negotiations period, parties are permitted another 25 days to achieve settlement with the assistance of mutually agreed upon mediator.

Arbitration. If issues remain in dispute at the end of the mediation phase, or if a negotiated contract settlement is subsequently rejected by the district's local legislative body, the parties must enter into arbitration. During the 1988-89 negotiating year, nine teacher and administrator contracts went to arbitration because of local rejection. Parties in mediation may also decide to enter arbitration earlier than their deadline if they believe an impasse has been reached.

The arbitration phase of the process lasts a maximum of 65 days, which includes up to 5 days to select a neutral arbitrator and up to 25 days for conducting hearings. Although parties can choose to have either a single, neutral arbitrator (versus a panel of three arbitrators), this rarely occurs. Occasionally, it has been necessary for the education commissioner, as provided in statute, to select at random neutral arbitrators. During the 1988-89 negotiating period, the neutral arbitrator was assigned by the commissioner in 25 of 90 cases while the neutral arbitrator was selected at random for 3 of 30 cases during the 1987-88 period.

During the hearing phase of arbitration, parties initially meet with the arbitrators to arrange hearing times and identify the issues that have been resolved through negotiation and/or mediation, and those that will be subject to arbitration. At later sessions, the parties present evidence, which may be written or oral, and may bring witnesses in support of their offers on unresolved issues.

Figure II-1. Contract Settlement Process Under the Teacher Negotiation Act.



Rules for the conduct of the hearings are set by the neutral arbitrator, acting as either chairman of the panel or single arbitrator. Within statutory time constraints, the neutral arbitrator also decides at what point the hearing will close and final last best offers on each unresolved issue will be required from the parties.

Once the hearing is closed, the single arbitrator or the arbitration panel, through meetings held in executive session, has up to 20 days to decide the disposition of each issue in dispute by selecting the last best offer of one of the parties. The written decision outlining and explaining the awards, which is prepared by the neutral arbitrator, must also be issued within this time period.

At any point in the arbitration phase before the arbitrators' final decision is issued, the parties may agree to withdraw issues from consideration or may reach agreement on their own concerning disputed issues. Issues that are voluntarily settled by the parties are incorporated into the written arbitration decision as stipulations. Not infrequently, parties reach agreement on all issues submitted to arbitration. The resulting contracts are still considered to be arbitrated but are generally referred to as stipulated versus awarded arbitrations.

Timing of the process. Most towns in Connecticut have the same fiscal year; education budget submission dates and deadlines for many school district contract negotiations, therefore, are similar. While for the last completed negotiation year, the negotiating "season" ran from June 1988 (when the first town was to begin negotiations) through August 1989 (the latest deadline for contract settlement under arbitration), negotiations concerning about 40 percent of the contracts scheduled for settlement were required to begin in the month of September. Over 90 percent were scheduled to officially begin negotiations between August and November 1988. Accordingly, most arbitrations occurred during a similar three-to-four-month period later in the season.

Roughly one-third of the school districts in the state enter into negotiations each year since the typical contract duration is three years. However, salary "reopener" provisions have become more common. Some contract negotiations, therefore, may focus on a single or limited number of issues rather than full contract provisions. It should also be noted that some towns negotiate both teacher and administrator contracts in the same year, thus, the number of contracts negotiated in a year may exceed the total number of school districts in the state.

Involved Parties

A variety of groups as well as state and local governmental entities play a role in contract negotiations for public school educational staff. The major parties and organizations involved in the contract settlement process are described below.

School districts. At present, there are 166 local and regional public school districts, 3 incorporated academies and several regional education service centers that employ the professional school staff covered by the Teacher Negotiations Act. Of the 166 districts, 17 are regional, with 8 serving both elementary and secondary grades, 8 only high school grades and 1 only elementary grades. The remaining 149 districts cover single towns.

Twenty towns operate no grades, participating instead in regional districts that serve grades pre-kindergarten or kindergarten through 12. Another 46 towns operate elementary schools but belong to regions for secondary grades or send students to the incorporated academies or to high schools in neighboring towns on a tuition basis.

Local boards of education, as the employers of school personnel, have primary responsibility for negotiating contracts with teachers, professional support staff, and administrators. As noted earlier in the description of the teacher negotiation statutes, representatives of local fiscal authorities such as board of finance members, may participate in the process but are not parties to the negotiations.

In general, school boards retain attorneys to represent them at some point during contract negotiations. In some districts, negotiating teams comprised of board members and school administrators will handle initial contract talks and even the mediation phase of negotiations and only have attorneys take over if arbitration becomes necessary. Increasingly, however, boards are using law firms that specialize in labor law to conduct negotiations, and involving these professionals at earlier stages of the negotiations process.

Nearly all local school boards are members of the Connecticut Association of Boards of Education (CABE). The association, which serves as an advocate for local boards, collects and maintains information about teacher and administrator contracts and provides negotiations assistance as well as other general research, legislative, and legal services to member boards.

Teachers and administrators. Professional certified staff in Connecticut public schools include teachers and support staff like counsellors, social workers, psychologists, and reading consultants, as well as school administrators. Certified administrative professionals include superintendents, principals, assistant superintendents and principals, subject supervisors, general supervisors, pupil personnel directors, school budget officers. As discussed previously, a few exempted administrator categories, such as superintendents, are exempted from the collective bargaining provisions of the Teacher Negotiation Act.

The number of full-time certified professional staff in the state's 166 local and regional school districts totalled 37,833 in September 1987, the most recent statistics available from the State Department of Education during the period of this study. Of this total, 6 percent (2,395) were administrators (including superintendents and others exempted from collective bargaining), 7 percent (2,681) were support staff, and the majority, 87 percent (32,757) were teachers. Another 654 certified professional staff were employed by the regional education centers and the three incorporated academies.

Information presented in the Table II-1 profiles the teachers and administrators employed by the 166 districts in 1987. The category "teacher" includes support staff as both groups are paid according to the same salary schedule and are represented by the same collective bargaining units. The "administrator" category includes the small number of school administrative personnel not covered by the teacher collective bargaining law.

Table II-1. Selected Characteristics of Connecticut Teachers and Administrators: September 1987.

	<u>Average Age</u>	<u>Average Years (CT) Experience</u>	<u>Percent First Year</u>	<u>Percent with Advanced Degree</u>
Teacher	42.9	13.8	4.0	75.3
Admin.	48.4	20.8	n/a	98.1

Source of Data: State Dept. of Education School Staff Report, Sept. 1988.

As the table indicates, Connecticut teachers and support staff have, on average, nearly 14 years of experience and three-quarters hold advanced degrees. Similarly, administrators average about 21 years of experience and nearly all have advanced degrees. Professional staff characteristics do vary by district. For example, within school districts in 1987, the range in age, experience, and education for teachers and support staff, was as follows:

	<u>District Low</u>	<u>District High</u>
Average Age:	29.7	49.9
Average Years Experience:	3.7	18.6
Percent First Year:	0.0	42.9
Percent Advanced Degree:	0.0	94.1

As of August 1989, teachers and support staff were organized into 174 units for collective bargaining purposes. Each of these units is affiliated with one of the two teacher unions in Connecticut, either the Connecticut Education Association (CEA) or the Connecticut State Federation of Teachers (CSFT). At present, all but 17 teachers units are CEA affiliates.

Unlike teachers, not all administrators covered by the Teacher Negotiation Act belong to collective bargaining units. At present, there are 138 administrator units, 42 of which are affiliated with the Connecticut Federation of School Administrators. In addition, there are six school districts with combined units representing administrators and teachers.

Professional negotiators, usually field representatives from the union central office, work with local teacher unit negotiating teams throughout contract talks with boards. In general, administrator units also use professional negotiators, usually attorneys, to represent them during negotiations, particularly if the process reaches the mediation or arbitration phase.

State Department of Education. The primary role of the State Department of Education in the process established under the Teacher Negotiation Act is to facilitate contract settlement and monitor compliance with the statutory timeframe for negotiations. In addition, the State Board of Education plays a role in establishing the mediation and arbitration panels, which are described below. The board is responsible for selecting the mediation panel and for

submitting names of recommended neutral arbitrators to the governor, who appoints members to that panel.

The commissioner of education is authorized to order parties into mediation and/or arbitration, if necessary, and to designate mediators and arbitrators for contract talks under certain circumstances. In addition, the commissioner may recommend settlement provisions to negotiating parties although such recommendations are not binding.

The department's duties in overseeing negotiations between the unionized professionals and the local boards of education are carried out by one staff person within the Office of Legal Affairs, who has other responsibilities as well. Among the functions performed by the department staff are the following: annually survey districts to determine their contract status and budget submission dates; compile and publish the statutory negotiations timelines for each district; notify districts in writing regarding the commencement of their mediation and arbitration deadlines; receive notice of all contract settlements; and receive and retain copies of all arbitration awards and settled contracts.

Arbitrators and mediators. The Teacher Negotiation Act provides for establishment of both a mediation panel within the state education department and an arbitration panel appointed by the governor. While parties are required to select their arbitrators from the arbitration panel, use of members of the mediation panel is optional.

The mediation panel was comprised of 31 members as of July 1988. Four of the current neutral arbitrators also serve on the mediation panel. During the 1988-89 negotiation season, the mediator per diem rates ranged from \$350 to \$600.

During 1988-89, the governor's arbitration panel consisted of 24 members, 10 of whom were neutrals while 7 each were representatives of the interests of local school boards and the interests of certified employees (teachers or administrators), respectively. Five of the members including four neutrals were appointed in 1988 while seven of the current members have served since the inception of the panel.

A list of the 1988-89 panel members is presented in Figure II-2. The figure also provides information on the per diem portion of arbitrator fees, which are set by the individual arbitrators and paid by the parties involved. The per diem rates for each arbitrator ranged from \$350 to \$650 during the past negotiations season.

Figure II-2. Members of the 1988-89 Arbitration Panel.

<u>Name</u>	<u>Type</u>	<u>Per Diem (6 Hours)</u>
Basine, Robert	Neutral	\$400
Blum, Peter	Neutral	\$500
Christianson, Bernard	Neutral	\$475
Halperin, Susan	Neutral	\$450
Lieberman, Irwin	Neutral	\$650
Logue, Frank	Neutral	\$500
Murphy, Albert	Neutral	\$450
Orlando, Rocco	Neutral	\$400
Post, William	Neutral	\$500
Whitman, Robert	Neutral	\$400
Gelfman, Mary	Board	\$400
Murphy, Frank	Board	\$475
Muschell, Victor	Board	\$500
O'Connor, Richard	Board	\$500
Pingpank, Jeffrey	Board	\$480
Rovins, Leonard	Board	\$500
Sullivan, Thomas	Board	\$450
Braffman, Gerald	Employees	\$475
Deneen, Donald	Employees	\$500
Doyle, James	Employees	\$350
Flynn, Charles	Employees	\$600
Gesmonde, John	Employees	\$500
Malsbenden, John	Employees	\$450
McGrail, Albert	Employees	\$450

Sources of Data: State Dept. of Education, Office of Legal Affairs; Connecticut Association of Boards of Education.

Most of the arbitrators listed are attorneys and many are members of the American Arbitration Association. In addition to teacher contract arbitrations, a number of the members arbitrate other types of contract disputes and some also handle grievance as well as interest arbitrations.

Although the statutes only require that neutral arbitrators be Connecticut residents and experienced in public sector interest impasse resolution, the state education department has established criteria and a formal process for recruiting and screening nominees for impartial members of the arbitration panel. The criteria used include: 1) knowledge of the various aspects of the Connecticut teacher negotiation law and pertinent judicial and labor board decisions; 2) knowledge of arbitration and how to conduct the process as an impartial arbitrator; and, 3) evidence of a commitment to neutrality as well as availability for performing arbitrations, particularly during November through February.

When vacancies occur, notices that the State Board of Education is accepting resumes for impartial arbitrators are placed in legal and arbitration publications and distributed through the State Board of Labor Relations. Resumes received are evaluated by an ad hoc group comprised of representatives of the parties (e.g., teacher unions, the boards of education association, board legal representatives) that develops a list of applicants to be interviewed.

A second ad hoc panel of similar composition conducts the interviews and determines which candidates will be recommended to the state board for consideration. The second panel's recommendations are presented to the state board for formal approval in the form of a memorandum which outlines the screening process and includes the individual candidates' resumes. The list approved by the state board is submitted to the governor, who is required by law to select neutral arbitrators from the state board's list.

Neutral arbitrators, in their capacity as single arbitrators or chairs of three-member arbitration panels, have primary responsibility for all phases of the arbitration process. Among their duties are making all arrangements for arbitration hearings, including recordkeeping of the proceedings, conducting hearings, receiving and maintaining evidence that is presented, and writing up final decisions.

CHAPTER III

ANALYSIS OF PROCESS OUTCOMES

At the end of the 1988-89 negotiating season, just over 1,500 teacher and administrator contracts had been settled through the collective bargaining process established under the Teacher Negotiation Act. Virtually all of these contracts were resolved in accordance with the act's statutory timeframe. Information on the number of and type of contracts resolved each year since the act went into effect is summarized in Table III-1.

Overall, about two-thirds of the contracts concerned teachers while one-third covered administrator units. The number of administrator contracts has increased over the earliest years shown in the table reflecting annual growth in the number of administrator units organized for collective bargaining purposes.

Table III-1. Contracts Settled Under the Teacher Negotiation Act: 1979-80 to 1988-89.

<u>Year</u>	<u>All Contracts</u>	<u>Teacher</u>		<u>Administrator</u>	
		<u>Number</u>	<u>% Total</u>	<u>Number</u>	<u>% Total</u>
88-89	220	146	66%	74	34%
87-88	106	44	41%	62	58%
86-87	183	112	61%	71	39%
85-86	150	91	61%	59	39%
84-85	164	100	61%	64	39%
83-84	164	106	65%	58	35%
82-83	153	98	64%	55	36%
81-82	141	93	66%	48	34%
80-81	108	86	80%	22	20%
79-80	112	84	75%	28	25%
TOTAL	1,501	960	64%	541	36%

Source of Data: State Department of Education, Office of Legal Affairs

The impact of the Education Enhancement Act can be seen in the large number of teacher contracts negotiated during 1988-89. The heavy negotiations schedule experienced that year reflects the fact that many parties scheduled full negotiations or salary reopeners in anticipation of the end of enhancement act grants and the uncertainty over what type and level of state funding would replace them.

A number of districts also opted to reopen contract talks in 1986-87 in order to qualify for the initial teacher salary and other enhancement grants from the state. State education department data for the 1986-87 negotiating season, however, is incomplete regarding enhancement-related reopeners. Thus, Table III-1 does not include all contract negotiations that occurred that year.

Settlement status. Under Connecticut's binding arbitration system, most teacher and administrator contracts have been settled at the table or through mediation. Table III-2 shows that over the ten years the Teacher Negotiation Act has been in effect, about 70 percent of all contracts have been settled without going to arbitration.

Some differences in contract resolution can be noted between the two types of bargaining units. While about the same proportion of teacher and administrator contracts were resolved at the arbitration phase (32 versus 27 percent), nearly half of all the administrator contracts (48 percent) were settled through negotiation. In contrast, only about one-quarter of all teacher contracts were resolved prior to mediation.

As Figure III-1 indicates, the portion of teacher and administrator contracts settled by an arbitrator or arbitration panel is even smaller when stipulated contracts are isolated from awarded contracts. Although stipulations occur during the arbitration phase, they can be considered voluntary settlements since the parties involved reached agreement on all disputed issues without an arbitrator's decision. Since the teacher negotiation law was enacted in 1979, 24 percent of teacher contracts and 20 percent of administrator contracts for the state's 169 local and regional school districts and academies have been decided by an arbitrator or arbitration panel.

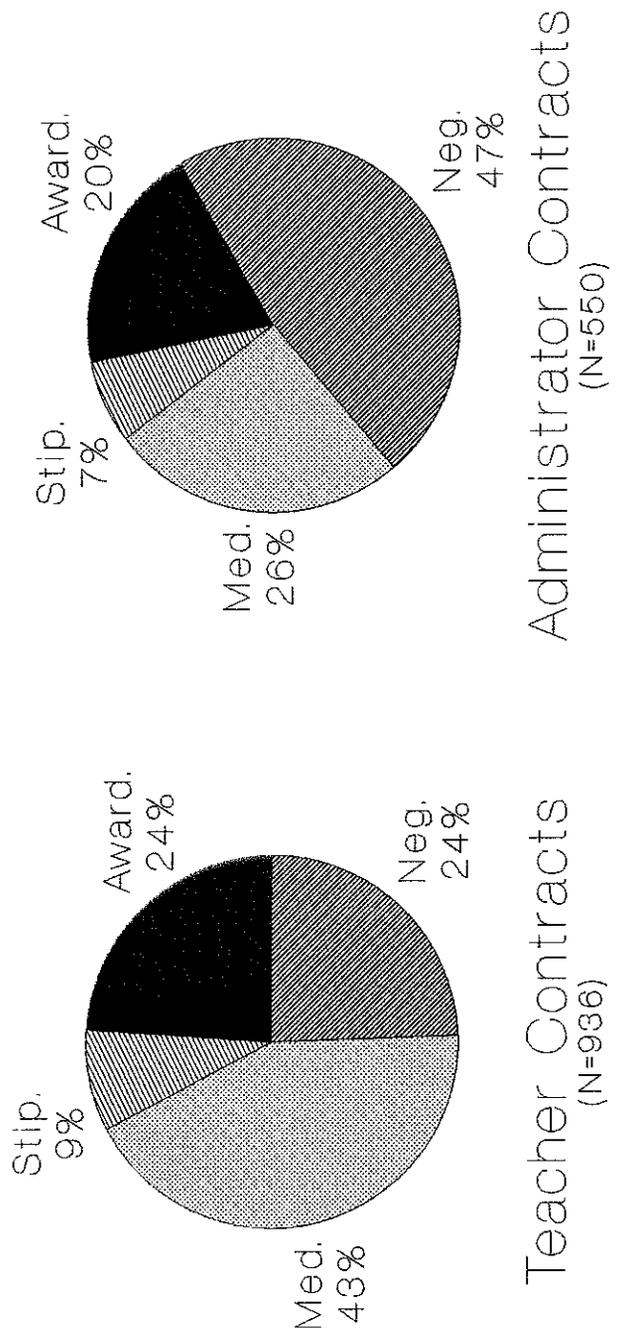
About one-quarter (43) of the 169 school districts have never gone to arbitration regarding a teacher contract and 38 have always settled both their teacher and administrator contracts without arbitration. In contrast, 11 districts have always arbitrated their teacher contracts and 3 have resolved all contracts at the arbitration phase. A summary of each district's bargaining history under the Teacher Negotiation Act is provided in Appendix B.

Table III-2. Teacher and Administrator Contracts by Settlement Status: 1979-80 to 1988-89.

Year	Negotiated			Mediated			Arbitrated		
	All No. %	Teach. No. %	Admin. No. %	All No. %	Teach. No. %	Admin. No. %	All No. %	Teach. No. %	Admin. No. %
88-89	28 13%	7 5%	21 28%	102 46%	78 53%	24 32%	90 41%	61 42%	29 39%
87-88	35 33%	10 23%	25 40%	41 39%	26 59%	15 24%	30 28%	8 18%	22 35%
86-87	55 30%	23 21%	32 45%	70 38%	52 46%	18 25%	58 32%	37 33%	21 30%
85-86	68 45%	31 43%	37 63%	53 35%	40 44%	13 22%	29 19%	20 22%	9 15%
84-85	57 35%	23 23%	43 53%	65 40%	49 49%	16 25%	42 26%	28 28%	14 22%
83-84	65 40%	32 30%	33 57%	63 38%	49 46%	14 24%	36 22%	25 24%	11 19%
82-83	44 29%	19 20%	25 43%	57 37%	41 43%	16 28%	52 34%	38 40%	14 24%
81-82	59 42%	31 33%	28 58%	39 28%	31 33%	8 17%	43 30%	31 33%	12 25%
80-81	38 35%	29 34%	9 41%	38 35%	33 38%	5 23%	32 30%	24 28%	8 36%
79-80	38 34%	25 30%	13 46%	31 28%	20 24%	11 39%	43 38%	39 46%	4 14%
10 YR.									
TOTAL:	487	230	257	559	419	140	455	311	144
(%)	(32%)	(24%)	(48%)	(37%)	(44%)	(26%)	(30%)	(32%)	(27%)

Source of Data: State Department of Education, Office of Legal Affairs.

Figure III-1. Teacher and Administrator Contracts by Type Resolution 1979-80 to 1988-89



Source of Data: State Dept. of Education

Appeals. Few arbitration decisions have been appealed. The best available information shows that there were 13 appeals of arbitration awards under the Teacher Negotiation Act between 1980 and 1984; there have been no appeals since 1984.

Awards were vacated in 3 of the 13 appeals. In these cases, the following reasons for overturning arbitrator decisions were cited: 1) the arbitrators exceeded authority or were in error about the arbitrability of an issue; 2) the award was subject to interpretation and so was not definitive; and 3) the award interfered with one party's contractual rights. Issues were raised about how the arbitrators applied the statutory criteria but no court found either error or arbitrariness and capriciousness in that regard.

Arbitrated Contract Issues

To better understand the arbitration process, data concerning 246 teacher and administrator contracts settled through arbitration over the past five years were analyzed. Three additional contracts arbitrated during this time could not be included in the analysis because of missing data. About 40 percent of the contracts analyzed covered administrator units; the remainder were teacher contracts. In the cases of 82 contracts, all unresolved issues were stipulated to by the parties while 164 contracts involved one or more issues awarded by an arbitrator.

Awarded issues. Analysis of the issues involved in 163 contracts awarded by arbitrators (issue data were missing for one of the awarded contract) revealed that between 1984-85 and 1988-89 a total of 1,061 issues were resolved through the selection of a last best offer. The number of issues per contract subject to arbitrator award averaged 6.5 and ranged from 1 to 36. In 28 percent of these contracts, only one issue was submitted for arbitration. The relatively low number of contract provisions reaching the award phase of arbitration seems to indicate that in many cases, most issues, like most contracts, are resolved voluntarily by the parties involved.

Information on the numbers of issues involved in awarded contracts over the past five years is summarized in Table III-3. No clear trends in the numbers of issues settled by arbitrators are apparent from the information summarized in the table. However, it can be noted that, on average, the awarded teacher contracts involve more issues than the awarded administrator contracts.

Table III-3. Arbitrated Teacher and Administrator Contracts 1984-85 to 1988-89: Awarded Issues

	<u>Total Number Contracts</u>	<u>Total Number Issues</u>	<u>Av.No. Issues Per Contract</u>	<u>Tot.No. Issues Award. Board</u>	<u>Tot.No. Issues Award. Union</u>	<u>Av.No. Issues Award. Board</u>	<u>Av.No. Issues Award. Union</u>
<u>88-89</u>							
Admin.	18	99	5.5	48*	51*	2.7*	2.8*
Teach.	41	352	8.5	181	168	4.5	4.2
<u>87-88</u>							
Admin.	18	53	2.9	21	35	1.2	1.9
Teach.	6	27	4.5	13	14	2.2	2.3
<u>86-87</u>							
Admin.	14	92	6.5	49	43	3.5	3.1
Teach.	26	126	4.8	74	52	2.8	2.0
<u>85-86</u>							
Admin.	5	39	7.8	22	17	4.4	3.4
Teach.	10	106	10.6	76	30	7.6	3.0
<u>84-85</u>							
Admin.	7	14	2.0	6	8	1.9	1.1
Teach.	18	153	8.5	71*	65*	4.2*	3.8*
<u>5 YR. TOTAL:</u>							
	163	1,061	6.5	561	483	3.5	3.0

Note: * = issue award data missing for 1 contract

Source of Data: State Department of Education, Office of Legal Affairs

Overall, the number of union versus board last best offers on contract issues awarded through arbitration is about equal as Table III-3 indicates. Based on data concerning arbitration awards on a total of 1,044 issues involved in 161 contracts settled over the past five years (full issue data were missing for the 3 additional contracts), board offers were awarded 54 percent of the time while union offers were awarded 46 percent of the time.

The award pattern does vary by type of issue. For example, on salary schedule issues submitted to arbitration, the last best offers of unions prevail in the majority of cases. Analysis of 1989-90 arbitration awards, summarized in Table III-4, shows that in regard to 82 salary schedule issues, the last best offers of teacher unions were awarded 77 percent of the time. The table also indicates that union offers on fringe benefits were awarded somewhat more often than board offers (54 vs 46 percent).

Table III-4. Awards By Type of Issue: 1988-89 Negotiating Season.

Type Issues	Teacher Contracts (N=40)			Administrator Contracts (N=18)		
	Total	Percent		Total	Percent	
	No.	Board	Union	No.	Board	Union
Salary						
Schedule	82	23	77	25	24	76
Other Salary	84	65	35	23	52	48
Benefits	56	46	54	27	59	41
Hours	30	70	30	1	100	0
Leaves	22	68	32	4	75	25
Grievance	1	0	100	4	25	75
RIF	6	50	50	3	100	0
Other	68	57	43	12	50	50
Total	349	51%	49%	99	48%	51%

Note: RIF = reduction-in-force provisions.

Source of Data: State Department of Education contract award summary 1988-89.

Board offers were awarded more frequently on several other types of economic issues in teacher contracts. Regarding "other salary" matters such as longevity pay, extra duty salary schedules, tuition reimbursement, and early retirement, nearly two-thirds of the board offers were awarded (65 percent). Awards of board offers were also more common regarding teacher contract issues on hours (70 percent) and leaves (68 percent).

For policy and language matters such as class size, teaching duties, contract duration, and just cause ("other issues" in Table III-4), award of board offers was also more frequent than for teacher union offers (57 vs 43 percent). It should be noted that many times, the board offer on such issues calls for no change in current contract language while the union offer proposes modifications.

Of the issues that go to arbitration, salary is by far the most frequent type. As Figure III-2 shows, during the last negotiating season (1988-89), nearly half of all arbitrated issues concerned salary schedules and other types of compensation for both teacher and administrator contracts.

Salary Issues

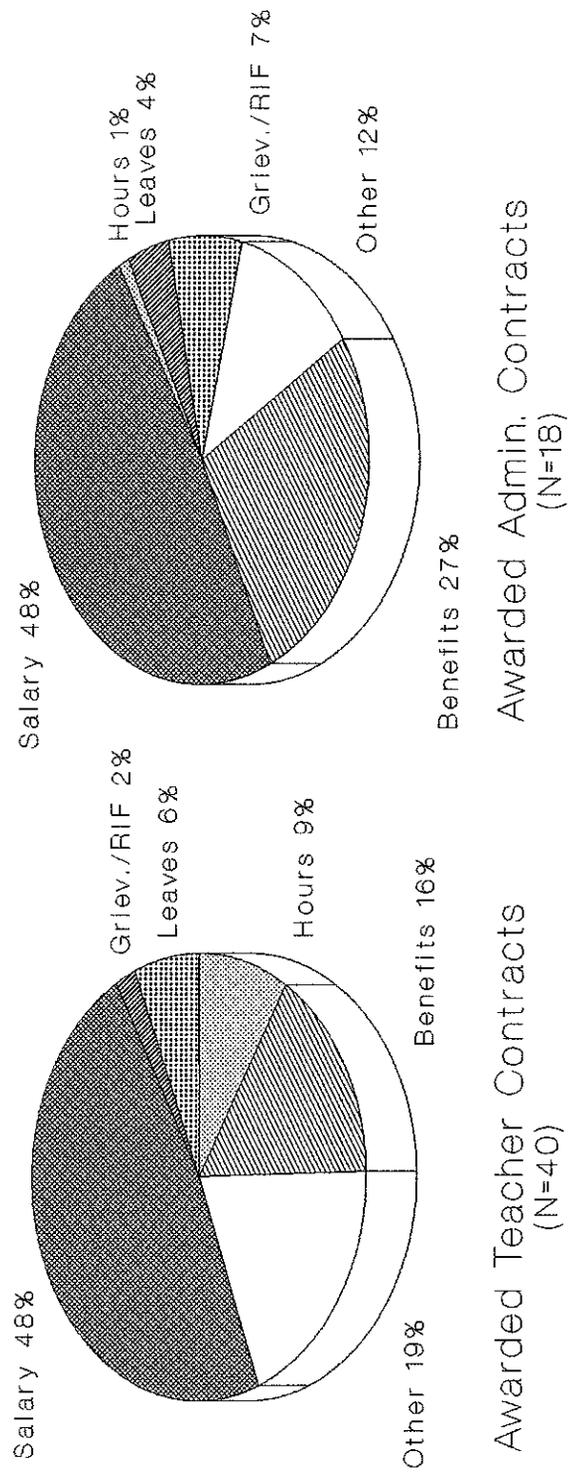
A wide variety of issues related to wages, hours, and working conditions are resolved through the Teacher Negotiation Act contract settlement process. The following analysis focuses on salary settlements that are achieved through collective bargaining between teacher units and boards of education.

While compensation is not the only issue with an economic impact, salary increases are the key component in most teacher contract talks and receive the most public attention. This is due, in part, to the fact that staff salaries are generally the largest single item in a school operating budget and, therefore, a substantial portion of total expenditures in most towns.

Other items with an economic impact, such as employee benefits, length of work year and day, class size, and even layoff provisions, vary widely in content. The diversity in economic issues other than salary increases make them difficult to quantify, and, thus, not easy to compare.

Some recent trends concerning benefits and hours provisions in teacher contracts have been noted by neutral arbitrators. For example, the number of contracts that contain provisions for employee co-payment of insurance premiums has increased. The addition of one or more days to the teacher work year has also been a common negotiations

Figure III-2. Arbitrated Contract Issues by Type: 1988-89 Negotiations



Source of Data: State Dept. of Education

subject since the passage of the enhancement act. Provisions calling for reopening of negotiations on salary schedules for the third year of a contract period have increased in frequency as well.

Teacher compensation. As background to the following discussion of salary settlements, it is important to understand the factors that affect teacher compensation. Individuals are paid according to a schedule that includes "lanes" based on educational attainment (e.g., bachelor's degree, master's degree, sixth year certificate, etc.) and "steps" based on years of experience. Salary schedules, which are subject to negotiation during the collective bargaining process, vary by school district in terms of numbers of lanes and steps as well as compensation levels for each combination. Examples of several district salary schedules are provided in Figure III-3.

Step increases are referred to as annual increments, which teachers usually receive each year provided they have not reached their maximum step and performed satisfactorily during the preceding school year. Statewide, increment increases average about two to two and one-half percent of annual salary. Teachers also receive salary increases when they complete the educational requirements necessary to change lanes in a salary schedule (e.g., finish a master's degree). Many districts also provide for longevity payments and have separate schedules for additional compensation for extra duties such as coaching.

Two types of salary information are examined in detail below: 1) average percentage increases in teacher salary accounts reached through the bargaining process--salary settlements; and 2) changes in average teacher salary. Salary settlements, which are discussed first, are reported as a percentage increase in the school district salary account and include the costs of teacher increments. These figures represent anticipated rather than actual expenditures. In addition, raises that individual teachers receive will vary from the settlement reported for their contract, depending on whether they are eligible for step increases and how any additional increases are distributed within the district salary schedule.

The second part of the analysis focuses on the average teacher salary actually paid in Connecticut. Increases in these figures represent real changes in compensation and provide an indication of the impact contract settlements and the state education enhancement act has had on teacher salaries.

Figure III-3. Examples of Teacher Salary Schedules: Selected Hartford County Districts, 1989-90.

DISTRICT	LEVEL	1/19	2/20	3/21	4/22	5	6	7	8	9	10	11	12	13	14	15	16	17	18			
HARTFORD	B	26188	27285	30378	33520	36668	39805	0	0	0	0	0	0	0	0	0	0	0	0	0		
	M	28283	29380	32478	35663	40858	45043	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
	M15	29654	30901	34044	37234	42424	46614	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
	S	31425	32478	35615	39805	43995	48185	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
	M45	32478	33520	36668	40858	45043	49238	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
	M60	33520	34568	37710	41900	46090	50280	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
	M75	34568	35615	38755	42948	47138	51328	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
	M90	35615	36668	39865	43885	48185	52375	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
	M95	36668	37710	40965	44885	49185	53375	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
MANCHESTER	B	25808	26770	27712	28699	29643	30612	31630	32715	33815	35487	37554	0	0	0	0	0	0	0	0	0	
	B15	26243	27208	28155	29148	30085	31058	32075	33151	34196	35938	38200	0	0	0	0	0	0	0	0	0	
	M	27396	28390	29355	30470	31592	32856	34146	35509	37198	38958	40821	43205	0	0	0	0	0	0	0	0	
	S	30136	31094	32150	33190	34321	35451	36723	38147	39760	41678	43709	46302	0	0	0	0	0	0	0	0	
	DR	32798	33846	34983	36114	37347	38576	39964	41516	43270	45434	47958	50863	0	0	0	0	0	0	0	0	
	B	28700	30187	31673	33160	34647	36133	37620	39106	40598	0	0	0	0	0	0	0	0	0	0	0	0
	B30	31000	32652	34327	35990	37654	39317	40980	42644	44307	0	0	0	0	0	0	0	0	0	0	0	
	M	31900	33628	35356	37084	38811	40537	42267	43995	45723	0	0	0	0	0	0	0	0	0	0	0	
	M30	34200	36083	37966	39848	41731	43614	45497	47379	49262	0	0	0	0	0	0	0	0	0	0	0	
NEW BRITAIN	DR	36800	38734	40667	42601	44535	46469	48402	50336	52270	0	0	0	0	0	0	0	0	0	0	0	
	B	28700	30187	31673	33160	34647	36133	37620	39106	40598	0	0	0	0	0	0	0	0	0	0	0	
	B15	29100	30652	32227	33800	35374	36947	38520	40094	41667	0	0	0	0	0	0	0	0	0	0	0	
	M	30000	31708	33437	35170	36904	38637	40370	42103	43836	0	0	0	0	0	0	0	0	0	0	0	
	M30	32400	34308	36237	38170	40104	42037	43970	45903	47836	0	0	0	0	0	0	0	0	0	0	0	
	B	24450	25356	26348	27404	28554	29792	31121	32563	34120	35804	39399	0	0	0	0	0	0	0	0	0	
	B15	25212	26157	27172	28270	29454	30725	32103	33595	35204	36944	40657	0	0	0	0	0	0	0	0	0	
	B30	26007	26983	28029	29156	30384	31700	33121	34658	36322	38117	41951	0	0	0	0	0	0	0	0	0	
	M	26424	27404	28459	29616	30864	32194	33645	35210	36895	38718	44788	0	0	0	0	0	0	0	0	0	
M15	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
M30	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
S	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
S15	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
S30	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
DR	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
PLAINVILLE	B	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
	M	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
	M15	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
S	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	

Source: Connecticut Education Association.

Salary settlements. Information on statewide average salary settlements for teacher contracts supplied by the Connecticut Education Association is presented in Table III-5. The table shows the average annual percent increase for the first two years of each contract period for all negotiating seasons since 1976-77.

Overall, statewide average settlements ranged from a low of 5.98 percent for the 1977-78 contract year of 1976-77 contract negotiations to a high of 10.86 percent for 1985-86 contract year of the 1984-85 negotiating season. As the table shows, average increases in teacher salary accounts have been larger since the Teacher Negotiation Act went into effect during the 1979-80 negotiating year.

Since the initiation of binding arbitration, salary settlements for teachers reached through arbitration have not varied significantly from increases resulting from negotiation or mediation. This is illustrated by Figure III-4, which presents statewide average settlement information by type of resolution for the first contract year of each negotiating period since 1980-81. In general, the average salary account increase reached through arbitration slightly exceeded negotiated and mediated settlement amounts. However, in several years, notably the two prior to implementation of the Education Enhancement Act in 1986-87, statewide average negotiated settlements were about one percent higher than awarded increases.

The salary settlement data presented in Table III-5 and Figure III-4 do not include any increases resulting from state education enhancement grants that towns received during 1986-87 through 1988-89. Therefore, they indicate the average level of local obligation for teacher salary account increases. Without considering raises from enhancement funding, the level of average increases has been fairly consistent over time. The pattern of average annual teacher salary account increases of more than nine percent was established before the enhancement act passed, continued during implementation of enhancement, and persisted into the 1988-89 post-enhancement negotiating season.

District salary settlements. Detailed information on teacher salary settlements reached during the last negotiating season for individual school districts is presented in Appendix C. The appendix lists settlement information chronologically for 134 of the 141 local and regional school district teacher contracts resolved during 1988-89. (Settlement date and/or contract resolution information were not available for the remainder.) No clear time pattern among the 1988-89 salary settlements is evident from an analysis of these data by settlement date.

Table III-5. Statewide Average Teacher Contract Salary Settlements
(Percentage Increase in Salary Account).*

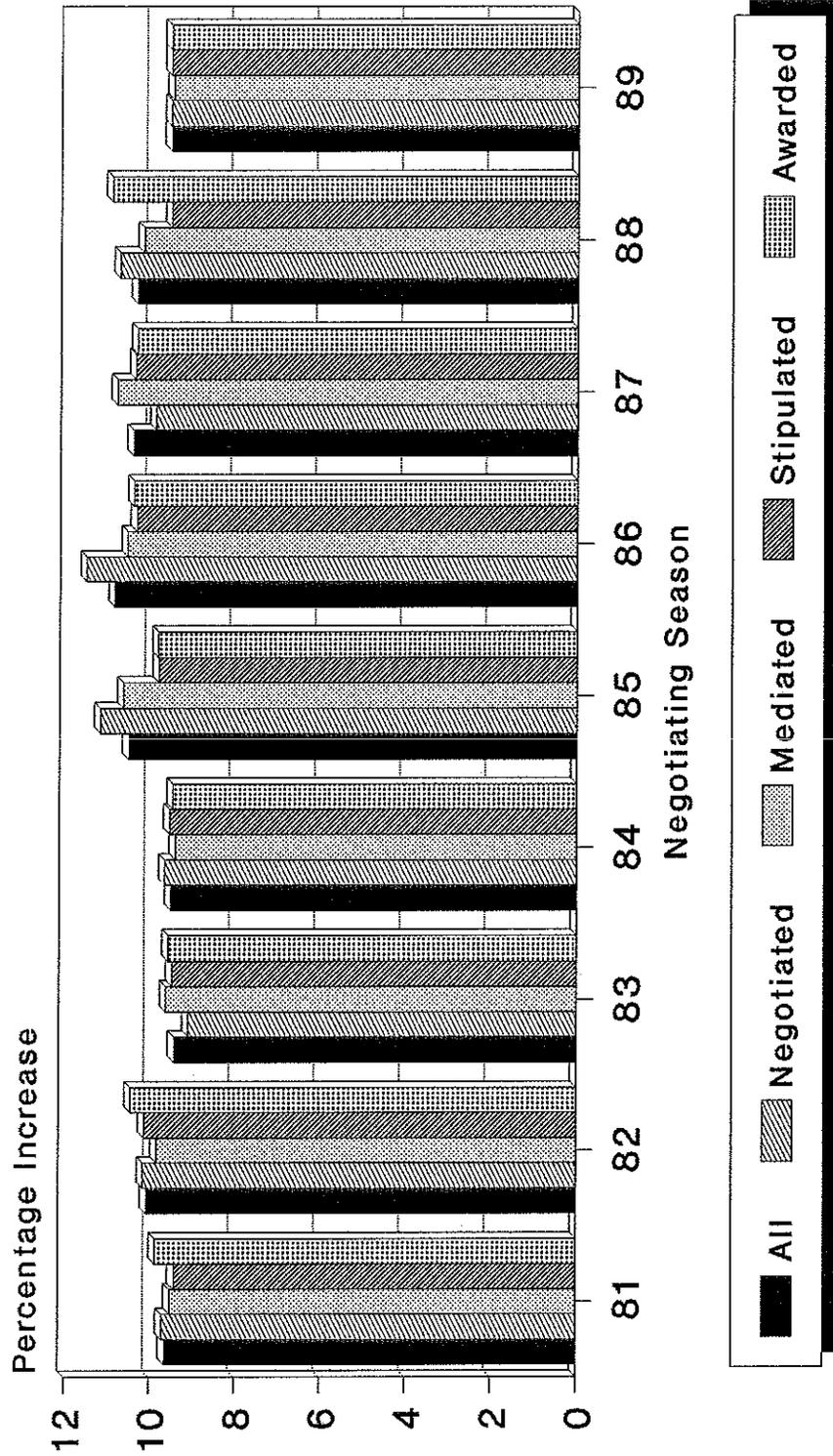
<u>Neg. Season</u>	<u>Contract Year</u>	<u>All Contracts</u>	<u>Neg.</u>	<u>Med.</u>	<u>Stip.</u>	<u>Award.</u>
88-89	90-91	9.13	8.95	9.09	9.29	9.18
	89-90	9.56	9.56	9.51	9.56	9.56
87-88	89-90	9.36	9.61	9.26	8.65	10.33
	88-89	10.35	10.74	10.19	9.50	10.93
86-87	88-89	10.07	9.74	10.34	10.67	9.56
	87-88	10.44	9.89	10.80	10.38	10.33
85-86	87-88	10.38	11.10	9.93	10.21	10.30
	86-87	10.86	11.52	10.55	10.34	10.40
84-85	86-87	9.86	10.55	9.76	9.75	9.76
	85-86	10.52	11.18	10.64	9.80	9.82
83-84	85-86	9.33	9.39	9.26	9.47	9.35
	84-85	9.52	9.66	9.41	9.55	9.48
82-83	84-85	9.61	9.19	9.74	9.33	9.88
	83-84	9.44	9.11	9.63	9.48	9.57
81-82	83-84	10.11	10.11	9.54	10.24	10.29
	82-83	10.09	10.16	9.83	10.13	10.45
80-81	82-83	9.64	9.68	9.32	9.41	10.36
	81-82	9.64	9.71	9.51	9.42	9.87
79-80	81-82	UA	N/A	N/A	N/A	N/A
	80-81	6.79	N/A	N/A	N/A	N/A
78-79	80-81	6.79	N/A	N/A	N/A	N/A
	79-80	6.66	N/A	N/A	N/A	N/A
77-78	79-80	6.41	N/A	N/A	N/A	N/A
	78-79	6.25	N/A	N/A	N/A	N/A
76-77	78-79	UA	N/A	N/A	N/A	N/A
	77-78	5.98	N/A	N/A	N/A	N/A

N/A = not applicable; UA = unavailable

* Not including Education Enhancement Act funding

Source of Data: Connecticut Education Association.

Figure III-4. Average Teacher Salary Settlements* by Type of Resolution 1980-81 - 1988-89 Negotiating Seasons



* statewide average not including EEA

Source of Data: Conn. Education Assoc.

~~Data on increases in district teacher salary accounts~~ for each year of the contract period, provided by the Connecticut Association of Boards of Education (CABE), are also included in the appendix, although final settlement data were missing for 15 of the districts listed. In addition, in a number of districts, increases were set for only one or two years of the three year contract period presented.

The 1988-89 district salary settlement data included in Appendix C are summarized in Table III-6. The table shows the range of teacher salary account increases (minimum and maximum values) among the school districts overall, and for negotiated, mediated, and arbitrated contracts. Average (mean) percent increases as well as median increases (the value where half the increases were more and half less) are also presented for reference.

Overall, the teacher salary settlements for 126 contracts resolved in 1988-89 ranged from a minimum of 4.5 to a maximum of 14.0 percent. The unusually low minimum in 1988-89 occurred in Bridgeport, a district with unique financial difficulties. When Bridgeport is excluded, the district minimum rises to a more representative 6.75 percent.

Salary settlement trends. A change in the pattern of salary account increases averaging about 9 to 10 percent experienced since the Teacher Negotiation Act went into effect may be occurring. As Table III-6 shows, the mean of third year (1991-92) settlements, overall and for each type of contract resolution, was less than nine percent.

Whether this is the beginning of a trend of lower average salary settlements is uncertain at this time. Fewer contracts are scheduled for negotiation during the current (1989-90) season. As of November 30, 1989, only 5 teacher contracts were settled, with none arbitrated. Only 1 of the 12 salary increases resolved for these contracts was above 9.0 percent; the remainder ranged from 7.3 to 8.95.

Enhancement act salary increases. Information on teacher salary account increases resulting from state Education Enhancement Act (EEA) grants to school districts is incomplete at this time. The best available data, summarized in Table III-7, show that during the 1986-87 and 1987-88 negotiating seasons, enhancement increases averaged between 5.47 and 7.47 percent.

Typical increases from enhancement funding ranged from about 4 to 6 percent per year. There was a significant range at the district level in the amount of increase due to enhancement funding. For example, for contracts negotiated in 1986-87, EEA percentage increases for contract year 1987-88 were as low as 0.3 and as high as 15.79 percent.

Table III-6. Distribution of 1988-89 Teacher Contract Salary Settlements among School Districts.

	<u>All Contracts</u>		
	<u>89-90</u>	<u>90-91</u>	<u>91-92</u>
Mean	9.46	9.09	8.69
Median	9.34	9.00	9.00
Minimum	4.50*	6.75	6.75
Maximum	14.00	13.00	13.00
Total No. Contracts	126	111	71

	<u>Negotiated</u>			<u>Mediated</u>			<u>Arbitrated</u>		
	<u>89-90</u>	<u>90-91</u>	<u>91-92</u>	<u>89-90</u>	<u>90-91</u>	<u>91-92</u>	<u>89-90</u>	<u>90-91</u>	<u>91-92</u>
Mean	9.03	9.10	8.46	9.41	9.06	8.57	9.54	9.12	8.84
Median	9.27	9.00	8.46	9.20	9.00	8.50	9.48	9.10	8.90
Minimum	7.00	8.30	8.18	7.25	6.75	6.75	4.50*	6.75	7.00
Maximum	10.50	10.00	8.75	14.00	12.00	10.00	13.00	13.00	13.00
Total No. Contracts	6	3	2	62	57	42	57	51	27

Note: * = Bridgeport settlement; next lowest settlement was 7.00 for all contracts and 7.60 for arbitrated contracts.

Sources of Data: State Dept. of Education and Connecticut Association of Boards of Education

Table III-7. Percentage Increases in Teacher Salary Accounts: All Sources, 1986-87 to 1988-89 Negotiating Seasons.

<u>Neg. Season/ Contract Year</u>	<u>No. Contracts*</u>	<u>Percentage Increases</u>		
		<u>Mean</u>	<u>Minimum</u>	<u>Maximum</u>
<u>88-89</u>				
90	126	9.45	4.50	14.00
91	111	9.09	6.75	13.00
92	71	8.67	6.75	13.00
<u>87-88</u>				
89				
Local	8	8.81	4.10	12.90
EEA	9	5.63	1.00	14.60
Total	20	12.66	8.50	23.80
90	13	9.57	7.40	17.25
91	4	8.32	7.90	8.90
<u>86-87</u>				
88				
Local	76	8.59	0	14.30
EEA	69	6.17	0.30	15.79
Total	88	14.22	6.80	24.69
89				
Local	66	8.21	1.80	16.70
EEA	59	5.93	0	14.60
Total	76	13.63	8.70	24.90
90	3			
EEA Reopener**				
87	93	5.47	0	15.20
88	20	6.25	0.20	21.00
89	6	7.47	2.00	19.10
<u>85-86</u>				
87	76	10.88	9.00	16.45
88	41	10.18	8.00	13.00
89	20	10.05	8.90	12.00

* Number represents at least 80 percent of the total contracts negotiated that season except for 1987-88 season, which represents only 46 percent of the total.

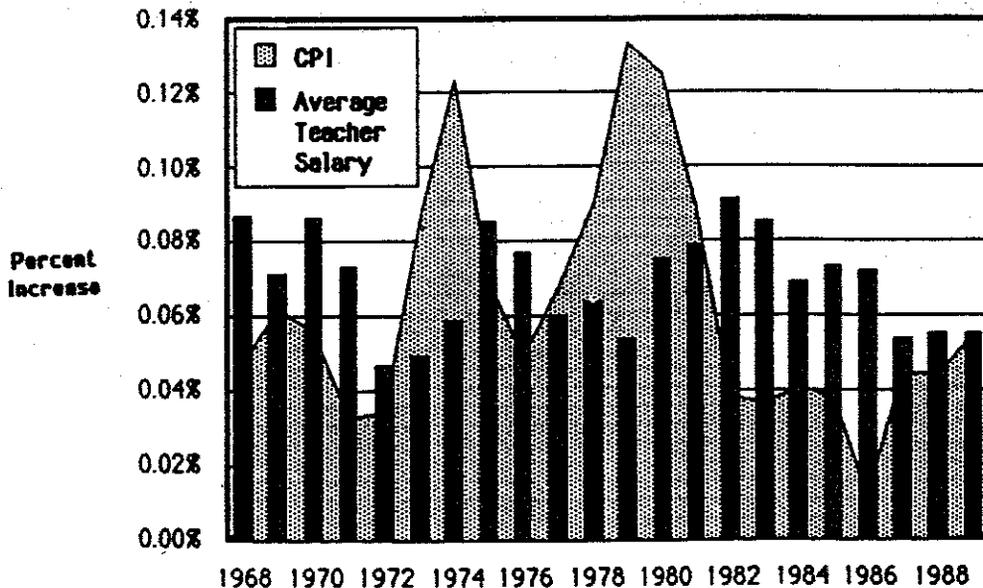
** EEA increases added to contracts settled prior to passage of the act and reopened during 1986-87.

Source of Data: Connecticut Association of Boards of Education

Salary increases from enhancement funding were frequently coupled with additional teacher work days. It is generally accepted that about 0.5 percent of a teacher's annual salary increase offsets each extra work day. The teacher work year increased in at least 97 districts, mostly during the 1986-87 negotiating season, according to CAFE information. Typically, 1 to 2 days per contract year were added during the period of enhancement funding. The adding of teacher work days has continued in a few districts during the current and just-completed negotiating seasons.

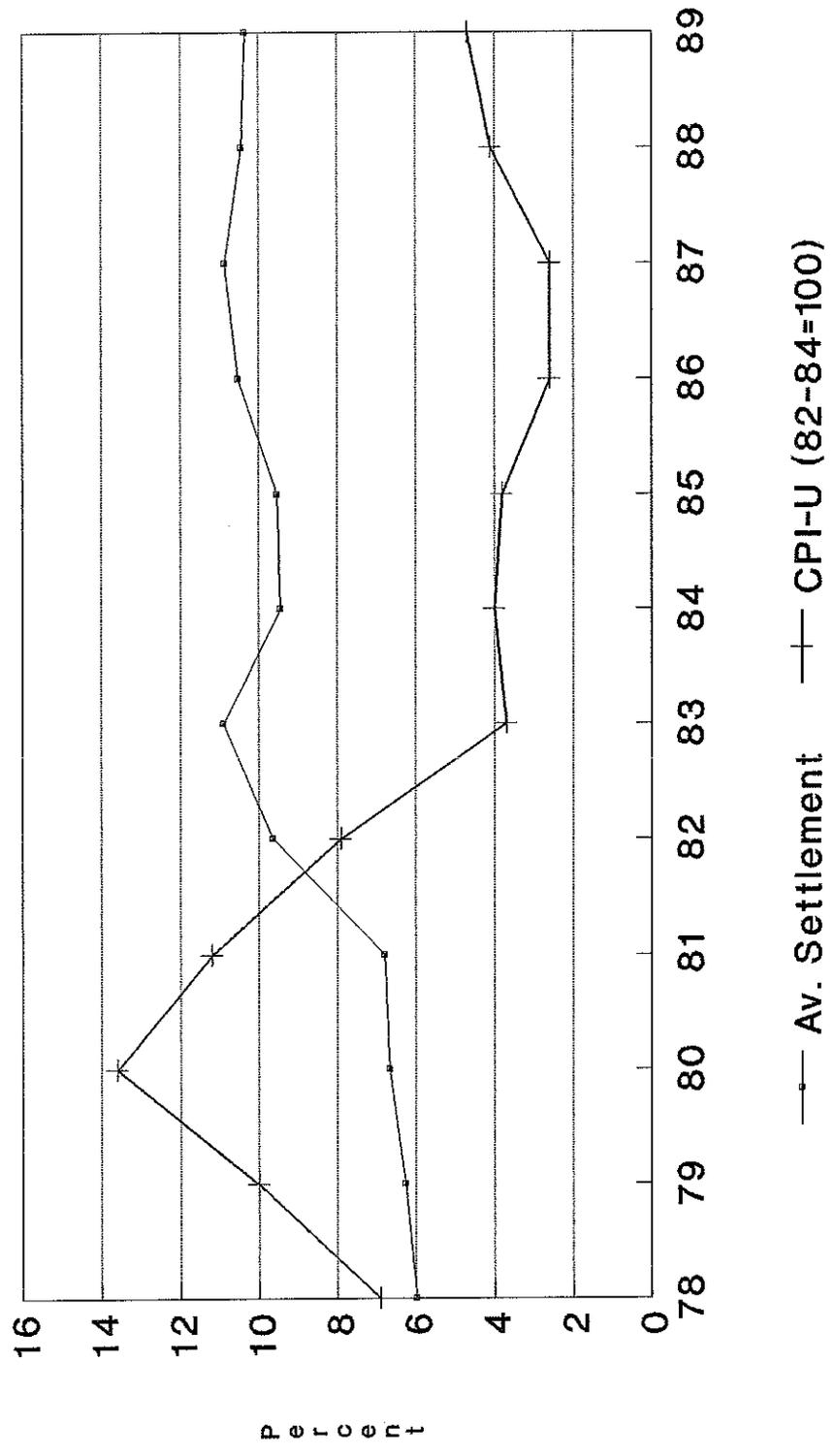
Salary settlement comparisons. Average teacher salary account increases, not including gains achieved under the Education Enhancement Act, have exceeded the inflation rate over the last five years. In the late 1970s and early 1980s, the statewide average settlements of 5.98 to 6.79 percent were below cost of living increases, as Figure III-5 demonstrates. This pattern is reflective of long-term teacher salary trends occurring on a national basis, as Figure III-6 below shows. Increases in U.S. average annual teacher salaries tend to lag behind increases in the cost of living over the 20 year period presented.

Figure III-6. Annual Increase in Average U.S. Teacher Salary Compared to Consumer Price Index.



Source: American Federation of Teachers, Survey and Analysis of Salary Trends 1989, July 1989.

Figure III-5. Average Teacher Salary Settlement* vs Inflation Rate



* statewide average not including EEA

Source of Data: CEA and U.S. BLS

It appears that teacher salary settlements have been greater than those received by state and other municipal workers in the Connecticut, although comparative data on salary increases and levels for other public employees are limited. In Figure III-7 statewide average teacher settlements are compared with the average settlement for all state employee groups over the past six years.

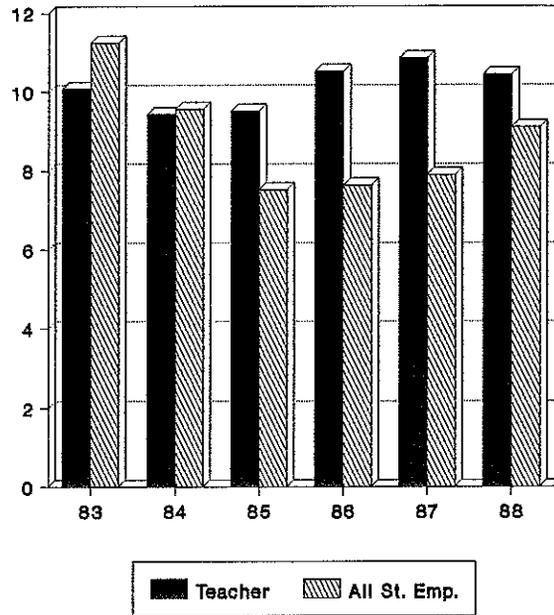
A comparison with the average salary settlements for selected municipal employees (police and fire personnel are not included) in the state's three largest cities is presented in Figure III-8. In the figure, an estimated two percent annual increment has been excluded from the teacher increases for the purposes of comparability. Unlike teacher salary settlements, municipal employee increases are reported without the costs of increments, which are estimated to average from two and one-half to three percent for eligible personnel.

It also appears that average teacher salary settlements during the past five years also have exceeded typical wage increases in the private sector. However, data for any private sector employee groups other than production workers in this state are limited. According to information provided by the Connecticut Business and Industry Association, average annual budgeted increases for supervisory, management, and professional employees among their members, who are primarily manufacturing firms, have been in the 5.0 to 5.9 percent range since 1985.

Salary levels. With the settlement amounts discussed above, the average teacher salary in Connecticut has increased steadily since implementation of binding arbitration. Figure III-9 shows the trend in the average salary actually paid to teachers in the state since the 1980-81 school year. As the figure indicates, the most significant increases in teacher salary levels were the result of state Education Enhancement Act funding.

At present, the average Connecticut teacher salary is \$38,140. According to state education department analysis, about 20 percent of all Connecticut public school teachers earned \$35,000 prior to enhancement act implementation in 1986-87. By 1988-89, the last year of enhancement funding, nearly 60 percent did.

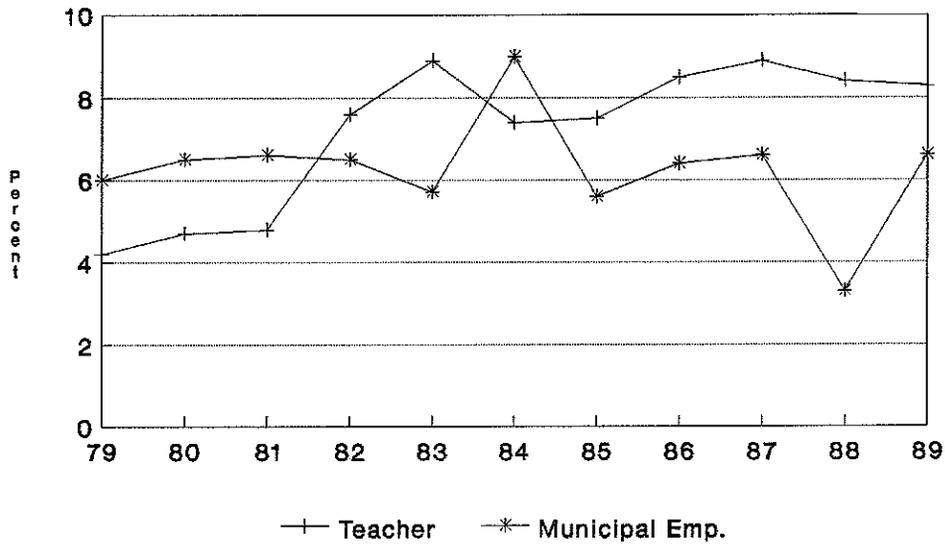
Figure III-7. Average Salary Settlement:
Teachers vs State Employees*



* Note: Teacher settlements w/o EEA

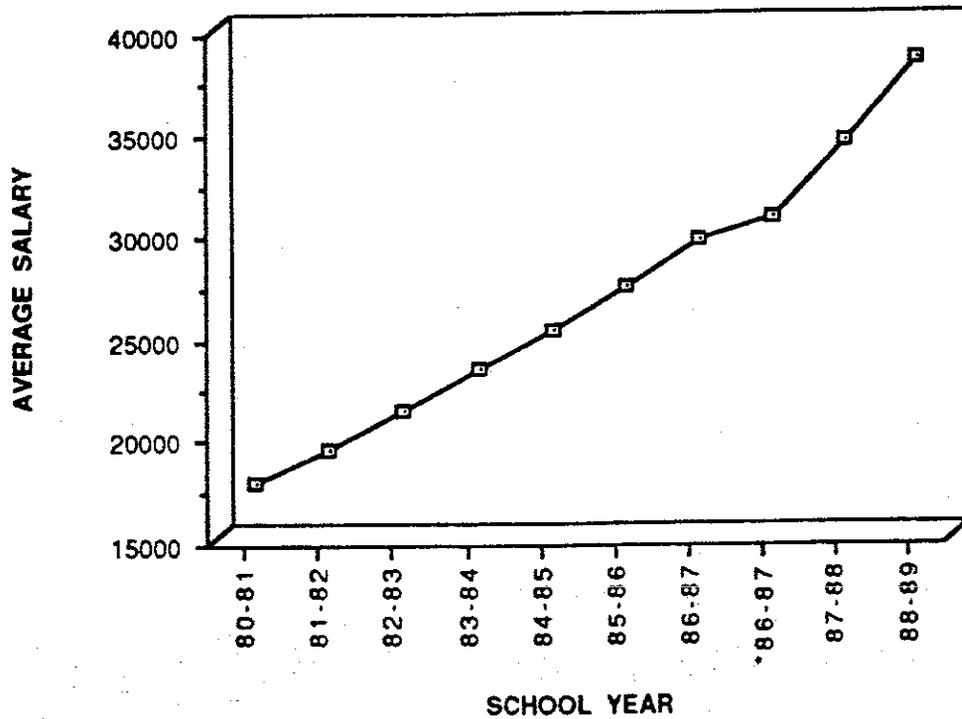
Sources of Data: CEA;OFA

Figure III-8. Average Salary Settlement:
Teacher vs Selected Municipal Employees*



* Note: Teachers settlements w/o EEA and
minus annual increment (est. 2%)
Sources of Data: CEA; AFSCME Council 4

Figure III-9. Average Connecticut Teacher Salary (dollars).



* Beginning of Enhancement

Source: Connecticut Department of Education.

Table III-8 shows that, on average, teacher salaries in Connecticut nearly doubled between September 1980 and 1987, the last year included in chart. After adjusting for inflation, the average teacher salary increased almost 40 percent during this period. Annual changes in the average teacher salary, adjusted for inflation, were negative in 1979 and 1980, but then ranged from 2 percent in 1981 to more than 9 percent in the two years following passage of the Education Enhancement Act (1986 and 1987).

Table III-8. Average Public School Teacher Salary Paid in Connecticut: 1979 - 1987.

<u>Year (as of Sept.)</u>	<u>Teacher Average Salary</u>	<u>Percent Change</u>	<u>Teacher Av. Sal. Adj. for Inflation</u>	<u>Percent Change</u>	<u>Inflation Rate**</u>
1987	\$34,170	12.4	\$30,514	9.5	2.6
1986 (post)*	30,410	12.5	27,874	9.7	2.6
1986 (pre)*	29,437	8.9	26,982	6.2	2.6
1985	27,034	8.3	25,415	4.4	3.8
1984	24,954	8.6	24,348	4.4	4.0
1983	22,977	9.2	23,313	5.3	3.7
1982	21,036	10.0	22,132	2.0	7.9
1981	19,121	8.5	21,699	-2.5	11.2
1980	17,624	7.1	22,244	-5.7	13.6
1979	16,454		23,583		10.0

Notes:

* pre and post Education Enhancement Act funding

** Consumer Price Index for all urban consumers (82-84 = 100)

Sources of Data: State Department of Education and U.S. Bureau of Labor Statistics.

During the 10 years before enhancement's initiation in 1986-87, Connecticut's average teacher salary ranked between 10th and 23rd and was below the national mean during the early 1980s, as Table III-9 shows. Connecticut's average teacher salary was the lowest of the four states shown in the table until 1986-87, the first year of education enhancement funding. For 1988-89, the last year of enhancement funding, Connecticut's average teacher salary was the highest of the four states shown and second highest in the nation.

Table III-9. Average Teacher Salaries in Connecticut and in Selected States.

School Year	Conn.	Conn. Rank*	Mass.	New York	New Jersey	National Mean
88-89**	\$37,343	2	\$31,909	\$36,654	\$33,037	\$29,648
87-88	33,487	4	30,379	34,500	30,720	28,029
86-87	28,902	7	28,410	32,000	28,718	26,556
85-86	27,850	10	29,065	31,300	28,370	26,319
84-85	25,596	16	28,000	29,166	26,060	24,644
83-84	23,699	17	26,650	28,000	24,362	22,903
82-83	21,728	22	25,900	25,600	22,571	21,790
81-82	19,815	23	22,000	23,900	20,868	20,152
80-81	18,100	20	24,973	21,550	19,140	18,377
79-80	17,062	15	22,500	20,400	18,851	16,780
78-79	16,056	16	22,000	19,000	16,981	15,836
77-78	14,306	15	15,200	17,830	15,370	14,247
76-77	14,264	14	15,182	17,590	15,252	13,892

* national ranking (all states)

** estimated

Source of Data: National Education Association.

The Education Enhancement Act was passed in response to a legislative finding, based on a task force report, that the levels of public school teacher compensation in Connecticut were not competitive. It was assumed that once salary bases were significantly improved with enhancement funding, the adjustments necessary to keep salaries competitive would be made through the collective bargaining process.

Whether current teacher salary levels in Connecticut are competitive is not clear. Connecticut's enhanced teacher salaries are certainly more competitive with salary levels in other states. Improvements have also been achieved in teacher salaries compared with the state government professions requiring similar qualifications that were examined by the enhancement task force study, as Table III-10 shows.

In terms of private sector wages, satisfactory comparative data could not be developed within the timeframe of the committee study. Ideally, actual teacher salary increases should be compared with the changes in earnings of comparable groups of Connecticut workers. In lieu of examining the relationship between increases in teacher salaries and those of other wage earners in the state, the change in average teacher salary is compared with the change in Connecticut's per capita income (both adjusted for inflation) in Figure III-10.

The figure shows that increases in average teacher salaries lagged behind growth in Connecticut per capita income in the early 1980s while the two indicators coincide during the middle years of the period shown. Teacher raises outpaced changes in per capita income after 1985, reflecting the impact of state enhancement funding on teacher salaries.

Disparities in salaries among districts, another issue addressed by the enhancement act, are monitored by the state education department. In 1988, the department reported that the disparity among districts in both starting and midcareer teacher salaries decreased between 1986 and 1987. An analysis of more recent trends by the Connecticut Education Association shows disparities in teacher salaries, as demonstrated by county averages, were greatly reduced during the initial enhancement years and remain lower than before the enhancement act took effect. Findings from the CEA analysis are highlighted in Table III-11.

Table III-10. Connecticut Teacher Salaries Compared to Salaries of Selected State Employees.

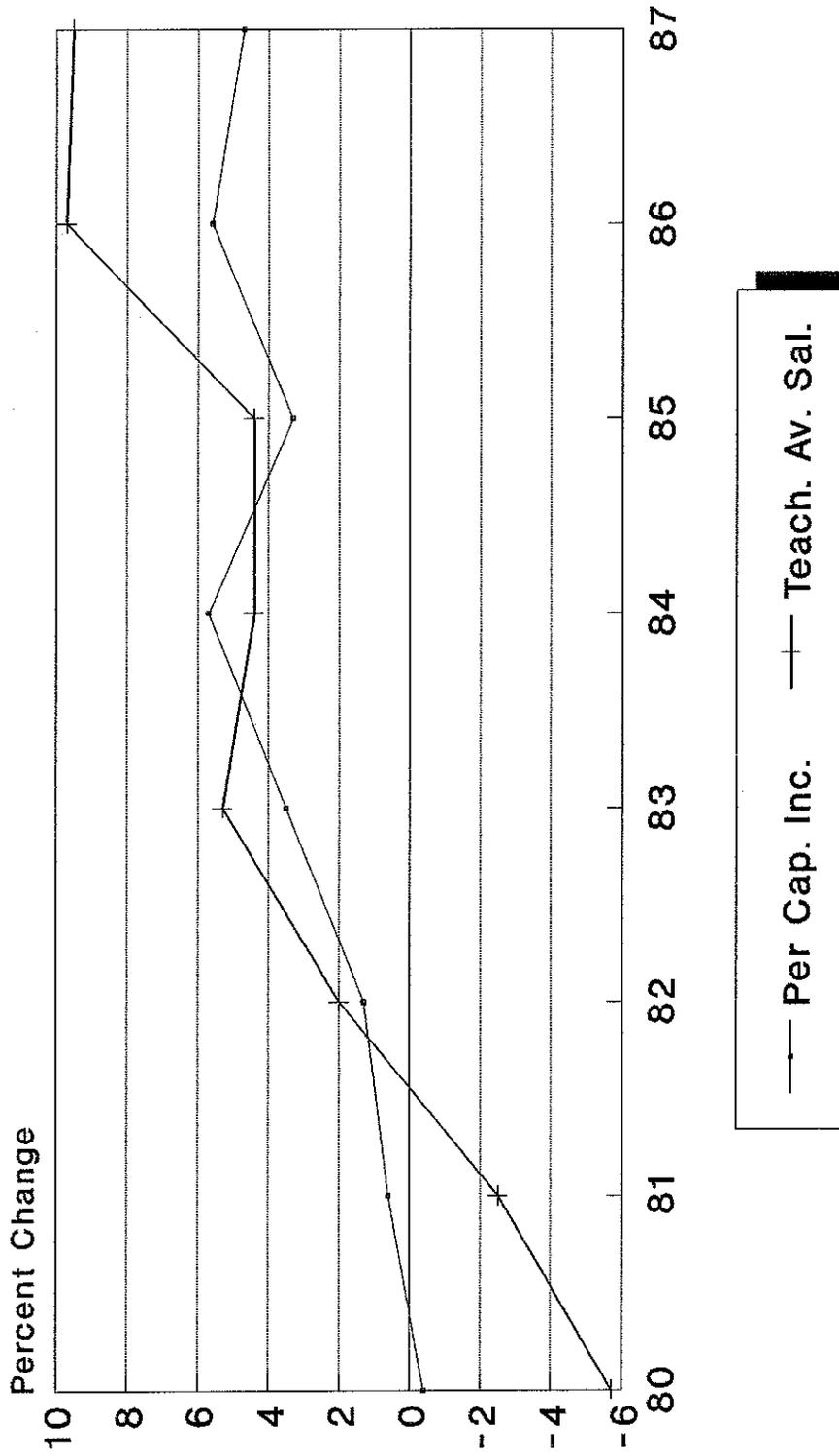
	<u>1980</u>	<u>1985</u>	<u>1989-90</u>
<u>Starting Position</u>			
Teacher (BA)*	\$10,155	\$15,455	\$23,000
CT Career Trainee	12,286	17,285	21,916
Computer Prog. Trainee	15,774	23,297	26,586
Engineer Trainee	11,850	22,203	28,771
Soc. Worker Trainee	11,850	16,669	24,206
Staff Nurse	14,311	20,130	27,659
<u>Midcareer Position</u>			
Teacher (MA Max)*	\$19,025	\$27,986	\$41,000
Sr. Acct.	22,812	32,086	34,682-42,137**
Sr. Engin. (Trans.)	21,808	32,199	36,392-47,515**
DP Systems Analyst I	25,001	36,924	34,682-42,137**
Sr. Librarian	18,920	26,612	31,550-38,448**
Personnel Officer II	25,984	35,996	37,072-47,555**
Social Worker	19,799	27,847	31,657-38,579**

* 1980, 1985 = median salary; 1989-90 = average salary

** salary range (average/median not available)

Sources: Conn. Department of Education (1980,1985 data); Personnel Division, Conn. Department of Administrative Services (1989-90 data); Connecticut Education Association (1989-90 Average Teacher Salary).

Figure III-10. Change in Average Teacher Salary vs Change in CT Per Capita Income
 (both adjusted for inflation)



Sources of Data: Ct. Dept. of Education;
 Leg. Office of Fiscal Analysis

Table III-11. Differences Between County Average Teacher Salaries:
Entry Level (BA Minimum) and Mid-Career (MA Maximum).

<u>Entry Level Salary</u>				
	<u>County High (Fairfield)</u>	<u>County Low (New London)</u>	<u>Difference</u>	<u>(Difference as % High)</u>
1986-87 Initial	\$18,602	\$15,666	\$2,936	(15.8%)
1986-87 Final	20,534	18,935	1,599	(7.8%)
1987-88	21,314	20,164	1,150	(5.4%)
1988-89	23,099	21,174	1,925	(8.3%)
1989-90	24,814	22,753	2,061	(8.3%)
<u>Mid-Career Salary</u>				
	<u>County High (Fairfield)</u>	<u>County Low (Windham)</u>	<u>Difference</u>	<u>(Difference as % High)</u>
1986-87 Initial	\$34,116	\$25,506	\$7,610	(22.3%)
1986-87 Final	34,440	28,556	5,884	(17.1%)
1987-88	37,902	32,756	5,146	(13.6%)
1988-89	41,845	37,646	4,199	(10.0%)
1989-90	45,304	40,637	4,667	(10.3%)

Note: Initial = pre-enhancement; Final = with enhancement

Source of Data: Connecticut Education Association

Arbitrator Usage

Most arbitrations concerning teacher and administrator contracts have been conducted by a relatively small number of arbitrators. As Table III-12 indicates, about half of the neutral members of the arbitration panel have conducted nearly all of the arbitrations occurring each year since the 1984-85 negotiating season.

One neutral arbitrator handled 41 percent of the total (246) arbitrations in the this period. The next two most frequently used neutral arbitrators handled 12 and 11 percent, respectively, of arbitrations occurring between 1984-85 and 1988-89.

Table III-12. Neutral Arbitrator Usage: 1984-85 through 1988-89.

<u>Arbitrator</u>	<u>84-85</u>		<u>85-86</u>		<u>86-87</u>		<u>87-88</u>		<u>88-89</u>		<u>5 Year Total</u>	
	<u>No.</u>	<u>%</u>	<u>No.</u>	<u>%</u>								
Basine	0		0		2	3	0		2	2	4	2
Blum	19	49	10	34	12	21	16	53	43	48	100	41
Christianson	*		*		*		*		10	11	10	4
Halperin	5	13	1	3	8	14	1	3	8	9	23	9
Lieberman	*		*		*		*		1	1	1	0
Logue	*		3	10	7	12	4	13	13	14	27	11
Murphy, A.	5	13	3	10	8	14	2	7	7	8	25	10
Orlando	7	18	3	10	8	14	3	10	2	2	23	9
Post	*		*		*		*		1	1	1	0
Whitman	*		*		*		*		3	3	3	1
Wenig	3	8	9	31	13	22	4	13	*		29	12
Total	39	100%	29	100%	58	100%	30	100%	90	100%	246	100%

Note: * = not panel member.

Source of Data: State Department of Education, Office of Legal Affairs.

Not all the individuals listed served as neutral arbitrators for the entire period, a factor which affects their five-year totals. However, the most used neutral arbitrator overall was, by far, the most frequently used in each year analyzed except for 1986-87.

In most cases, selection frequencies for neutral arbitrators indicate the preferences of the parties involved. For all years shown in the table except one, state law provided that neutrals were to be mutually selected by the party arbitrators; if agreement could not be reached, the state education commissioner would randomly select the neutral. As described earlier, under a statutory revision in effect only for the 1986-87 negotiating season, all neutral arbitrators were chosen through a modified random selection process. During that year, there was more even use of the neutral members of the arbitration panel.

Arbitration Award Decisions

All 59 arbitration awards for teacher and administrator contracts issued during the 1988-89 negotiating season were reviewed for format and content. Compliance with the statutory requirements that arbitration awards include a written narrative explaining decisions and that six factors be considered in decisionmaking was also evaluated. As described previously, the six statutory criteria to be considered by the arbitrators are:

- o the negotiations between the parties prior to arbitration;
- o the public interest and the financial capability of the school district;
- o the interests and welfare of the employee group;
- o changes in the cost of living;
- o the existing conditions of employment of the employee group and those of similar groups; and
- o the salaries, fringe benefits, and other conditions of employment prevailing in the state labor market.

When analyzing how the written arbitration awards address the criteria, it is important to note that these factors are not prioritized in any way in the statute. Also,

none of the terms used in the criteria, like "public interest" and "financial capability", are defined anywhere in the Teacher Negotiation Act.

In terms of format, the award narratives reviewed typically included a summary of the evidence submitted with respect to a particular issue, and a statement concluding that one party's last best offer was selected. Every decision reviewed did cite the statutory criteria somewhere in the narrative. Beyond that, the format and the way the statutory criteria are referenced vary among arbitrators.

A high degree of consistency in format and content existed among the 59 awards issued last year simply because one arbitrator prepared 32 of them. This neutral arbitrator's format was standard from award to award. A concise narrative, summarizing the offers of both parties and discussing evidence presented on both sides, was prepared by issue. At the conclusion of the discussion, a statement was made that, based upon "the above discussed evidence", a preponderance of evidence supported the proposal of one party or another.

After the statement of which offer is selected, the "statutory factors pertinent to said decisions" were listed. Typically at least three factors were cited. Infrequently, a direct link between evidence discussed and a statutory criterion was made.

The second most productive arbitrator in terms of written awards, who prepared nine written awards last year, also presented a comprehensive discussion of evidence, but arranged it by statutory criteria. Other arbitrators listed out the statutory criteria in an introduction to the awards and made general statements that the weight given to each factor depended on the issue.

Whatever evidence discussed in an award comes from the parties. However, it was not possible to tell from the awards reviewed all the evidence that was presented or, obviously, what was not. In some awards reviewed, the narratives noted a lack of evidence supporting a particular position, usually when that position represented a change from the current contract and the award went the party proposing no change.

Comparability was a major element in the award discussions, as at least two of the six statutory factors call for comparisons. The factor, "existing conditions of employment of members and of those in similar groups", requires comparison. To a certain extent, the financial capability factor is also comparative.

From the awards analysis, it appears that both sides, in presenting their cases, identify comparable groups that make their positions on an issue appear most reasonable. On certain issues, parties presented statewide data; on others, data from geographically proximate towns were used. The most commonly cited comparable employee groups in the awards reviewed were teachers in other, similar districts. Various town fiscal characteristics were cited, but typically included statewide or countywide rank regarding wealth, mill rate, education spending and similar information.

In regard to salary increase issues, the awards reviewed usually discussed salary amounts at specific points in a salary schedule, such as the minimum or maximum point for teachers with master's degrees. These amounts were then compared to some comparable group, usually in districts that were geographically contiguous, similar in wealth, etc. The relative effect of one party's last best offer compared to another, in terms of the comparability of the salaries, was often cited. One point often made in this context was what the real effect of proposed increases would be given a teacher's actual position on a salary schedule.

One apparent difference among the arbitrators noted in the review of the 1988-89 written awards concerned the weight given to statewide average salary increases. These averages are based on negotiated, mediated, and arbitrated contract settlements for pertinent years and are cited by parties to support last best offers on salary issues. Some of the arbitrators seem to find statewide average increases a stronger measure of "existing conditions of employment ... of similar groups" than others. One arbitrator specifically noted in an award that: "the relevant comparison implied by the statutory criterion is not so much salary increase percentages that teachers in the various towns receive, but how do their salaries for a given year compare with other teacher salaries in dollar terms."

Survey results. A questionnaire prepared by the program review committee staff was sent to all members of the arbitration panel to elicit further information about each arbitrator's decisionmaking process. A copy of the survey instrument is contained in Appendix D. Completed questionnaires were received from 6 of the 10 neutrals, including those that conduct the majority of arbitrations, as well as 10 party arbitrators (6 employee and 4 board). However, the following analysis of the survey results focuses on the responses of the neutral arbitrators.

Survey responses from the six neutral arbitrators indicated consistency in the working definitions of the criteria. Although one neutral said the criteria can only be interpreted in relation to a specific case, the remainder

similarly defined the terms "public interest", "financial capability", "similar groups," and "prevailing employment conditions."

In response to a survey question requesting the neutrals to rank the importance of the six criteria in regard to different types of issues, two said all six are equally important. The public interest and financial capability of the district was cited most frequently as the most important criterion regardless of the type of issue by the other four neutral arbitrators although the conditions of similar employee groups was also ranked most important for salary and benefit issues. Employee group welfare was another criterion ranked most important in regard to grievance and reduction-in-force issues. No other criterion was ranked most important for any type of issue.

When asked to rank the importance of a variety of types of evidence to decisions on salary issues, two arbitrators responded that the importance of evidence can only be evaluated in regard to a specific case. The responses of the remaining four neutrals, while not unanimous, indicated general agreement that actual salary levels are more important evidence than percentage increases, and comparative evidence from districts with similar financial capability is more important than geographically close districts. Statewide average percentage increase was rated as either somewhat or not very important evidence to decisions on salary issues.

Salary settlement last best offers. In reviewing the 1988-89 arbitration awards, information on the last best offers submitted on salary schedule issues was compiled for all arbitrated teacher contracts. Differences between the parties' final proposed salary increases were examined to evaluate whether the system, as its underlying theory assumes, results in relatively close last best offers.

Proposed salary increases concerning 38 of the 41 arbitrated teacher contracts were reviewed; last best offer data were missing for two contracts and for one more, salary schedule was not an arbitration issue. In two additional cases, the percentage increases proposed by the board and the union were the same, since the distribution rather than amount of the salary increase was in dispute. The difference between last best offers on salary for the remaining 36 contracts averaged about one percent, although proposed increases differed significantly in some districts.

For example, for the first year of the contract period, 1989-90, the largest difference between last best offers was 4.5 percent, occurring for two of 36 contracts. One of these districts was Bridgeport, where the board's last

best offer of zero percent and the union's 4.5 percent offer were by far the lowest proposed increases. The smallest difference in offers was less than a half percent (0.23) for the New Fairfield teacher contract. In one case, the board offer was slightly higher (0.3 percent) than the union last best offer on salary schedule. For three-quarters of these contracts, last best offers on salary schedule increases were 1.5 percent or less apart.

Fewer districts submitted last best offers on salary schedules for the second and third contract years (33 and 20 districts, respectively). In addition, in several districts, reopener provisions rather than percentage increases were offered by boards. Reopener provisions were proposed by two boards for 1990-91 salary schedules, by seven for 1991-92 schedules; reopeners were awarded one and four times, respectively.

For 90 percent of the 31 contracts without reopener provisions in the 1990-91 contract year, the difference between proposed salary increases was 1.75 percent. For the 11 contracts with percentage increase last best offers on 1991-92 salary schedules, all offers differed 1.5 percent or less. The salary schedule last best offer information summarized here is presented by district in Appendix E.

CHAPTER IV
FINDINGS AND RECOMMENDATIONS

Introduction

As the Legislative Program Review and Investigations Committee conducted its review of the state's system of teachers' binding arbitration, it became clear that many of the issues raised involved matters beyond traditional labor and management interests. The program review committee found that decisions on changes to the Teacher Negotiations Act often need to balance efforts to increase local control, preserve labor peace, promote neutrality and equal bargaining positions, and produce both competitive employment conditions and quality education at a reasonable cost.

Quality of education, a factor taken into account during individual negotiations, must also be considered in studying the overall bargaining process for teachers. It is important to recognize that the current compulsory binding arbitration system was adopted in response to the disruptive and negative effect of protracted contract talks and potential or actual teacher strikes on the educational process.

Local fiscal control over education expenditures becomes a consideration in studying binding arbitration, since in Connecticut, unlike many other jurisdictions, school boards are not fiscally independent. Town fiscal authorities are obligated to meet salary and other economic provisions of settled educator contracts, but are not parties to negotiations with teachers. In the case of an arbitrated teacher contract, an independent third party--the neutral arbitrator--often is deciding on the amount that a substantial and relatively fixed category (educator salaries and benefits) of a town's budget will increase.

Finally, the state's school finance policy is another element to consider. Improvement in teacher compensation has occurred with the implementation of the state-financed Education Enhancement Act, as well as through collective bargaining. Despite growth in the state's share of the costs of education, however, the burden of salary increases averaging more than nine percent on enhanced salary levels continues to be greater for poorer districts than wealthier ones. Many localities, regardless of their financial status, are experiencing taxpayer resistance to annual increases in both education and total budgets that are well above the current cost of living.

Two goals of current state education policy are to achieve competitive teacher salary levels throughout the state and to reduce disparities in education spending among local school districts. Some proposals to alter the binding arbitration process for educators in order to strengthen local control over budget increases may, in fact, impede progress toward these goals. To promote state policy, and reduce local taxpayer burdens, it may become necessary to reexamine state funding policies as well as evaluate the teacher binding arbitration process.

As a process for resolving impasses in bargaining without strikes and for producing timely negotiations, the Legislative Program Review and Investigations Committee found the teacher binding arbitration process to be working as intended. However, the committee believes trends in salary settlements, particularly in terms of fiscal impact on municipalities, warrant monitoring. In addition, the committee found that revisions are needed to address perceptions of bias and to increase the general understanding of the process.

Committee findings, along with recommendations, are presented in detail below and focus on: the overall results of the process, the fiscal impact of the process, the appointment of neutral arbitrators, written arbitration decisions, and the issue of increased local control and participation. Several program review committee proposals call for refinements in the current process to enhance the neutrality of the public interest arbitrators, formalize procedures for the appointment of neutral arbitrators, and improve the reporting of arbitration results. Other recommendations call for greater local fiscal authority participation and increased monitoring of the impact of contract settlements.

Results of the Arbitration Process

Binding arbitration for public school teachers and administrators was established in 1979 to provide an impasse resolution mechanism to boards of education and employee unions for timely contract settlements and to prevent strikes. Both goals have been achieved. In the 10 years following enactment of the Teacher Negotiations Act, there have been no strikes and contracts have been in place prior to the beginning of the school year in every district.

The majority of contracts and most contract issues are resolved voluntarily by the parties involved. Less than one-quarter of all the more than 1,500 teacher and administrator contracts settled over the past ten years have been decided by an arbitrator or arbitration panel. Appeals

of arbitration decisions have been rare and only three awards have been vacated by the courts.

Based on data from the past five years, the total number of issues awarded through arbitration to boards and to unions is about equal. However, under the present arbitration process, it appears that union positions on salary issues are much more likely to be awarded than board last best offers. Over 75 percent of the last best offers on teacher salary schedule issues selected during 1988-89 were union positions.

As one would expect, average teacher salary settlements are higher since the introduction of compulsory binding arbitration due to the improved bargaining position it grants employees who are prohibited from striking. At the same time, teacher salary account increases awarded through arbitration differ very little from negotiated and mediated settlements. This fact supports both premises often offered about the arbitration process: 1) that arbitrators use voluntary settlements as guides for selecting last best offers on salary increases; and 2) that parties view arbitrated salary settlements as guides for their offers on salaries during negotiations.

To the best of the committee's knowledge, there is no definitive research method that can determine what, if any, cause and effect relationship exists between arbitrated and non-arbitrated salary settlements. It is clear, however, that the results of binding arbitration, which is the final phase for resolving impasses in labor negotiations between boards of education and teachers, cannot be separated from the collective bargaining process as a whole. The fact that under the current system, contract disputes that cannot be voluntarily settled by a set date are subject to an arbitrator's decision obviously influences negotiations.

A comparative study of teacher compulsory binding arbitration in several states including Connecticut was conducted by two university researchers in 1984. (See, Michael Finch and Trevor W. Nagel, "Collective Bargaining in Public Schools: Reassessing Labor Policy in an Era of Reform," Wisconsin Law Review, (1984).) The study's evidence from the educational and non-educational employment sectors suggested teachers' salaries may be moderately inflated by the introduction of binding arbitration procedures. The authors of the study also found that such salary inflation occurs through the influence of arbitration on negotiation behavior, with professional negotiators possibly influenced by arbitration to negotiate somewhat larger salary settlements.

The authors further stated that substantial salary increases will not result unless arbitrators are willing to establish substantial salary precedents, which as their

evidence indicated, does not occur. Their study reached the conclusion that even though arbitration may have an effect on salary settlement levels, market factors have more influence.

As analysis in the previous chapter showed, the average teacher salary in Connecticut has steadily risen over the past ten years, with the greatest gains occurring as a result of state Education Enhancement Act funding for the three-year period of 1986-87 through 1988-89. As the 1984 study of binding arbitration discussed above predicted, substantial raises in teacher salary levels resulted from factors outside the bargaining process.

Through the committee's series of public hearings, it became apparent that many organizations representing both school boards and local fiscal and legislative authorities, as well as individual municipal officials, perceive that the binding arbitration process is biased toward teachers on economic issues. Among the evidence cited to support this belief are the following results:

- o union last best offers are selected over board offers on salary schedule three out of four times:
- o average teacher salary settlements have consistently been in the 9-to-10 percent range over the past ten years and are well above recent annual inflation rates; and
- o despite significant increases in teacher salary levels, salary account settlement amounts for the first year following the Education Enhancement Program are the about the same as those from the years prior to enhancement.

Throughout the course of the study, the committee found there was little support for repeal of the current last best offer binding arbitration system. Instead, most critics have offered a number of modifications aimed primarily at altering salary settlement results. Suggested changes include revising the statutory criteria to clarify their meaning and emphasize certain aspects, particularly those concerning cost of living and prevailing employment conditions, and limiting awards on salary issues to a one-year duration.

The program review committee does not propose modifications of the current bargaining system to make teacher salary settlements more reflective of cost of living rates or prevailing wage increases at this time. There is some evidence that the average settlement may be dropping under the present system. In addition, the effect of recent

local education budgets cuts, especially those resulting in staff reductions, on future negotiating behavior of both parties remains to be seen.

Furthermore, until it is known whether teacher salaries have risen to a competitive level, it is difficult to judge whether the existing settlement pattern is, as some claim, unreasonable. What is a reasonable salary level and, subsequently, a reasonable salary increase, remains a matter of judgment.

The best measure of the competitiveness of teacher salaries is improved ability to attract and retain more and better qualified individuals. The state education department, which monitors this area, has noted it is too early to fully assess the impact of enhanced salaries since trends in these indicators lag behind the trends in salary levels. The department reported initial findings based on 1987 data that the college entrance examination (SAT) scores of those entering teacher preparation programs in Connecticut has risen and that there have been modest improvements in the percentage of prospective teachers who pass or receive waivers for the state certification test.

If the primary objective regarding teacher salary settlements is to control costs, more direct actions than modifying binding arbitration can be taken. Policy decisions can be made, independent of any collective bargaining system or judgments about the competitiveness of teacher salaries, that would set base salary levels as well as annual increases. For example, a statewide salary schedule could be mandated for all school districts and legislation linking teacher raises to cost of living increases could be enacted.

The primary concern of the program review committee study of binding arbitration is whether the system is working as intended. The theory behind last best offer binding arbitration assumes that the process puts both parties at equal risk. Given the study findings on the pattern of teacher salary settlements to date, the program review committee is concerned that the risk factor with respect to salary issues may be out of balance.

The existence of such a consistent pattern does create negotiating behavior, as testimony before the committee from board of education members confirms. Furthermore, it seems to indicate that, as a practical matter, there is no incentive for teacher representatives to negotiate or mediate below the statewide average settlement figure, knowing they can be reasonably assured that arbitration will result in a level of increase close to this amount.

If the present pattern of increases and negotiating behavior continues, changes to the arbitration process to equalize risk in the process should be reconsidered by the legislature. The program review committee recommends that the state department of education as part of its statutory comprehensive planning process monitor teacher salary settlements and include findings regarding settlement patterns in its periodic progress reports to the legislature.

Throughout the committee's review, it was also apparent that a lack of information was contributing to misconceptions regarding the process and its results. At present, most of the data available about teacher contract settlements is prepared by the parties involved. There is no single, independent source of information on all teacher and administrator contract settlements including the outcomes of arbitration.

The committee believes that better distribution of such information, compiled by someone other than parties to negotiations, would improve public understanding of the process and may help to alleviate perceptions of bias in the system. Therefore, it is recommended that the state department of education prepare and issue by December 1 of each year, a report summarizing the results of all contract negotiations occurring under the Teacher Negotiation Act during the preceding negotiating period. At a minimum, the department's annual report shall include:

- o a listing of all contracts settled, indicating for each, the settlement status and settlement date; and
- o the names of mediators and arbitrators involved, when applicable.

The program review committee additionally recommends that for all awarded contracts, the department's annual Teacher Negotiation Act report include a synopsis of the decision on each issue, noting the nature of the issue and which last best offer was selected. To the extent possible, information contained in the written award decisions on the cost of all economic issues should also be summarized.

Most of the information listed above is compiled now by the department's legal affairs staff for internal purposes. With the anticipated automation improvements at the department, compilation and publication of the recommended report should not be a burden. This type of information is needed by the education commissioner, as overseer of the teacher and administrator negotiations process, for assessing the effectiveness of process and identifying bargaining trends. It also will aid other education department monitoring efforts recommended by the committee.

Compliance with these new reporting requirements as well as other recommendations resulting from this study will be periodically assessed as part of the program review committee's statutory oversight responsibilities. To assist the legislative oversight process, the committee recommends that the state education department's annual Teacher Negotiation Act report, as well as a report summarizing teacher salary settlement information discussed in the earlier recommendation be provided to the Legislative Program Review and Investigations Committee and the General Assembly committee with cognizance of all matters relating to education by December 15 each year beginning in 1990.

Fiscal Impact on Municipalities

The program review committee encountered several obstacles to a comprehensive assessment of the fiscal impact of teacher binding arbitration on municipalities. First, it is difficult if not impossible to separate the results of arbitration from collective bargaining generally. Second, the impact of the Education Enhancement Act on salary expenditures at a district level is still being evaluated. District data necessary to isolate the portion of salary expenses paid with local funds from that financed with state aid are not available at this time. School expenditure data generally are subject to more than a one-year time lag; the latest state education department information on local education costs is based on unaudited district expenditure reports for the 1987-88 school year.

Third, due to their diversity, contract provisions other than salary schedule items, such as fringe benefits, extra duty compensation or work hours, cannot be quantified in terms of fiscal impact without reviewing individual contracts. Significant amounts of research, therefore, would be needed to determine the total effect of a teacher contract in terms of net increased costs to a town.

One clear outcome from the review of salary settlement data presented in the previous chapter is that in many districts salary account increases have been well above the current inflation rate in recent years and similar increases are now being paid on enhanced salary levels. Public hearing testimony and committee staff interviews with a small sample of towns also revealed that some school districts have eliminated programs and reduced staff in response to budget cuts imposed by local fiscal authorities. The need for such cuts was attributed both to the inability to reduce the fixed costs of salary and fringe benefits within the school budget and to lower than anticipated state education funding.

As expected, the direct impact of increased teacher salaries on a municipality's budget will vary depending on the proportion of the school budget spent on salaries, the proportion of the town budget spent on education, and the level of state education aid received by the locality. Committee staff estimated the impact of a 10 percent increase in a salary account for all certified staff, based on 1987-88 data. Results are summarized in Table IV-1.

The example presented in the table illustrates the significance of present levels of educator wage increases on local spending decisions. Without considering state aid, which could reduce the local share of increased costs by as much as two-thirds, a 10 percent increase in teacher and administrator salary expenditures for a district operating grades kindergarten through 12 would increase the total town budget by about 2 to 5 percent in 1987-88.

Given the significance of education personnel costs within local budgets, state policy makers should be aware of the long term impact of enhanced salaries as well as the financial effect of collective bargaining settlements. It appears that rising salary and fringe benefit expenses, in combination with state aid reductions, are having an effect on educational programming in some districts.

The program review and investigations committee recommends that the state education department monitor and report on the impact of the major economic provisions of collective bargaining agreements, including but not limited to, settlements regarding salaries of certified staff, on local education expenditures and programs. The department's monitoring efforts shall focus on identifying trends in the portion of local education budgets spent on certified staff salaries and the relationship between salary costs and educational quality indicators such as staffing levels, student-teacher ratios, and class size.

The committee believes that this type of impact information is essential to any future discussions of teacher collective bargaining results as well as to school finance policy considerations. The enhancement act, when passed in 1986, contained a provision calling for a study of its impact. However, this provision was eliminated when revisions to the act were made during the 1987 session.

The education department, as part of its statutory comprehensive planning mandate, already compiles much of the data and analyzes many of the educational quality indicators required for assessment of local fiscal impact of various

Table IV-1. Estimated Impact of Educator Salary Increases on
Municipal Budgets: 1987-88 Data.

All Education Expenses as Percentage
of Total Municipal Expenditures

Average: 51.9%
Range: 29.67% - 80.17%

Certified Staff Salaries as Percentage
of Total School District Budget

Average Elementary: 36.02%
Average K-12: 57.55%
Average Secondary: 54.59%
Average Overall: 51.18%

Increase in total municipal budget resulting
from 10% increase in certified staff salaries
(assuming no other change in municipal budget
and without consideration of state aid):

<u>Salary % Total Ed.</u>	<u>Ed. % Total Municipal</u>		
	<u>30%</u>	<u>50%</u>	<u>80%</u>
58% (K-12)	1.74%	2.85%	4.64%

State Education Aid as Percentage
of Net Current Local Education Expenses

Average: 34.3%
Range 4.5% - 67.0%

Sources of Data: Conn. Public Expenditures Council, Conn.
Department of Education, Conn. Education
Association.

education expenditures. Furthermore, the department annually produces a report on numbers, types, and salaries of certified professional staff in the state's public school districts and monitors information on staff supply and demand.

The program review committee recommendation, therefore, would only require some expansion of current research efforts. As with its earlier recommendations for improved monitoring and reporting, the committee also recommends that a summary of the state education department's findings on the impact of major economic provisions of teacher collective bargaining agreements be provided to the Legislative Program Review and Investigations Committee and the General Assembly committee with cognizance over all matters relating to education by December 15 each year beginning in 1990.

Appointment of Neutral Arbitrators

By law, neutral arbitrators are recommended by the State Board of Education and appointed by the governor with the advice and consent of the General Assembly. There are no statutory requirements regarding the state board's selection process and neutral arbitrators are only required to be Connecticut residents and experienced in public sector collective bargaining impasse resolution.

The committee found that the current process used for appointing neutral members of the arbitration panel does allow for input from both parties as well as executive and legislative review. The state education department has informally established selection criteria and a multiphase screening process carried out by representatives of both parties to teacher and administrator contract negotiations. Within this process, either party may veto candidates for a neutral arbitrator position.

Throughout the course of the committee's review, it was evident that many parties were unaware of the department's screening procedures and others believed the appointment process ensured neither the quality nor impartiality of neutral arbitrators. For the binding arbitration process to be effective, both parties involved must have confidence that it is fair.

To enhance the impartiality and credibility of the neutral arbitrators, the committee believes that the mechanism for screening applicants for neutral arbitrator positions needs to be formalized. It is recommended that the state department of education by November 1, 1990, adopt in accordance with C.G.S. Chapter 54, regulations concerning the process for selecting nominees for neutral members of the arbitration panel established under the Teacher Negotiation

Act. At a minimum, the regulations shall address:

- o applicant requirements and application procedures;
- o the composition of bodies responsible for screening applicants; and
- o the selection criteria and process.

Many aspects of a comprehensive recruitment and screening process are in place under the department's current process. Existing advertising and interviewing practices as well as selection criteria could be adopted in regulations as is. Since promulgation of regulations requires public hearings, the parties affected by the process could be involved in its development, thus promoting confidence in its effectiveness.

One deficiency in the current recruitment and selection process is the lack of any type of training for individuals unfamiliar with Teacher Negotiation Act arbitration proceedings. By law, neutral arbitrators must be experienced in public sector impasse resolution. The committee found that all the current neutral arbitrators have considerable experience in labor relations matters and most, as attorneys, have legal training as well. All but one current neutral arbitrator is a member of the American Arbitration Association and several are members of the more selective National Academy of Arbitrators.

Experience in actually conducting teacher and administrator contract arbitrations, however, is only gained on the job. The committee believes that if training were available, newly appointed panel members would be better prepared to carry out their duties and the pool of applicants for the arbitration panel could be expanded. Given the fact that under certain conditions, neutral arbitrators are selected at random to conduct hearings, it is especially important that efforts be made to ensure the competence of all panel members.

The program review committee recommends that the selection process discussed above include an evaluation of level of arbitration experience and that definitions of experience levels be adopted in the regulations concerning selection criteria. Applicants deemed inexperienced but otherwise qualified would be notified of the opportunity to participate in a training program, overseen by the state education department, in which they would serve an internship with experienced neutral members of the Teacher Negotiation Act arbitration panel. The criteria for this training program and the requirements for successful completion shall be outlined in the selection process regulations.

The concept of an internship training program for public sector neutral arbitrators is used in Minnesota. Under that state's system, interns must attend a specified number of actual arbitration hearings and write "mock" awards based on their evaluation of the proceedings. This type of training program, in the committee's opinion, provides the best experience to prospective neutrals. At the same time it is relatively easy to administer and involves little cost to either the state or the applicant.

The committee also found that arbitrator performance is not formally reviewed on a regular basis. Through the education department's screening process, the qualifications of current neutral panel members who are seeking reappointment may be reviewed at the end of their terms. No neutral arbitrator has ever failed to be recommended for reappointment and only one neutral arbitrator has not been reappointed to the panel despite being recommended by the State Board of Education.

The program review committee believes that periodic, objective evaluation of arbitrator performance would enhance confidence in the qualifications of the neutral panel members. It is recommended that the state department of education establish by November 1, 1990, a process for annually reviewing the performance of all members of the Teacher Negotiation Act arbitration panel. The annual assessment of each neutral arbitrator shall include an evaluation of compliance with statutory requirements for written arbitration decisions. In addition, the department shall encourage the parties involved in arbitrations to submit written evaluations of awards. The parties' award evaluations shall be retained by the department for use by selection committees when considering applicants for reappointment as well as for annual performance reviews.

Arbitration Decisions

The Teacher Negotiation Act requires arbitrators to consider six statutory criteria in making decisions on the last best offers and evaluating supportive evidence presented by the parties during arbitration. The program review committee found the present criteria are sufficiently broad to allow both parties to present relevant information addressing a wide range of educational and fiscal concerns as well as labor and management interests. The Teacher Negotiation Act criteria are nearly identical to the sets of statutory criteria applicable to Connecticut state employee and municipal employee interest arbitrations. In addition, the factors are similar to many used to guide arbitrators in other jurisdictions.

As arbitration awards must be issued in writing, arbitrators are accountable for their decisions. By law, each award must:

- o state "in detail the nature of the decision and the disposition of the issues by the arbitrator"; and
- o include a narrative explaining the evaluation by the arbitrator of the evidence presented for each item upon which a decision was rendered by the arbitrator.

Review of arbitration awards issued during 1988-89 indicates that, for the most part, the current statutory requirements regarding what the written awards are to contain are being met. The program review committee found that while format and content of written awards vary among the arbitrator, district financial capability (e.g., fiscal condition and wealth information) is always discussed in the awards and cost of living information is always noted.

With respect to salary increases, the committee found that in addition to statewide average salary settlement data, evidence about average salary settlements in geographically contiguous or otherwise similar towns as well as comparative salary level rankings (e.g., for steps within schedules) is virtually always discussed. Often, the point is made in the award that a district can afford either last best offer and accompanied with a statement such as the "salary proposals are not so different that it can be established the town doesn't have the ability to pay".

However, the committee also found that current statutory requirements do not call for the kind of explanation that would be most informative about how the arbitrators are making decisions. There is no requirement that the arbitrators explain specifically by issue how the statutory criteria are considered. Therefore, the impact of the various factors in the context of the evidence presented and thus, the basis of the awards, is not clearly identified in every award.

Responses to a program review committee survey of arbitration panel members, presented in the previous chapter, provided insight into the arbitrators' views on the application of the criteria to their decisions. Discussions during a committee workshop with members of the arbitration and mediation panels further clarified the arbitrators' decisionmaking processes. At the workshop, which was attended by nearly all members of the arbitration panel and many mediators, most participants expressed satisfaction with the statutory criteria as currently defined. There was also

general agreement that the amount of evidence presented by the parties during the arbitration hearing determines the weight given to each criterion in making decisions.

The survey responses along with the workshop discussions revealed much about arbitrator decisionmaking that could be included in written award narratives. Therefore, program review committee recommends that the C.G.S. Section 10-153f(c)(4) be amended to require that the arbitrator:

- o state with particularity the basis for each decision as to each disputed issue, and the manner in which the statutory criteria were considered in arriving at such decision, including, where applicable, the specific comparability evidence relied upon, and the reasons for the reliance; and
- o include in the award an explanation of how the total cost of all offers selected was considered.

These requirements will enable anyone to review an arbitration award, regardless of which neutral arbitrator wrote the award, and determine why the award was made. Implementation of this recommendation will also facilitate the performance evaluation of the neutral arbitrators proposed earlier.

Local Participation and Control

As noted earlier, in Connecticut, unlike many other jurisdictions, school boards have management control over school districts, including the authority to negotiate teacher contracts and develop education budgets, but no taxing powers. The municipal bodies with revenue raising powers and authority over local expenditures including total education spending are not parties to negotiations with school employees. In recognition of this, the current teacher negotiation statute provides opportunities for participation by local fiscal and legislative body officials throughout the negotiation process.

Initially, the school board must meet and confer with the local fiscal body prior to the onset of the contract negotiation process. Based on interviews and public hearing testimony, the committee has seen no evidence that these meetings are not taking place. During the negotiations, a member of the local fiscal body is permitted to be present. According to testimony at program review committee public hearings, fiscal body participation varies among districts,

ranging from attending all negotiating sessions to no involvement at all.

With respect to local fiscal participation in the arbitration process, written notice of the arbitration hearings is sent to the fiscal authority having budgetary responsibility, and a fiscal representative may be heard as part of the board of education case. When asked in the program review committee survey whether local fiscal body members were involved during arbitration hearings, either as observers or witnesses for the school board case, the arbitrators responded that both situations occurred infrequently.

If a settlement is reached through negotiations, the terms of the contract are binding unless the legislative body of the district rejects the contract within 30 days of its filing with the town clerk. If the contract is rejected, the parties go into arbitration. The committee found that voluntary settlements are rarely rejected. During the 1988-89 negotiating season, 85 teacher contracts were settled during the negotiation or mediation stages. Of these, six were subject to review; four were rejected by the local legislative bodies, and subsequently went on to arbitration.

It is unclear exactly what weight a local rejection of a negotiated settlement is given by the arbitrators in the context of the statutory criteria. However, the committee's review of the four 1988-89 rejections, summarized in Table IV-2, found that arbitration outcomes concerning teacher salary account increases are virtually identical to the rejected negotiated settlements.

In each of the four cases examined, the teachers' last best offers were identical to the figures previously agreed to by the parties but rejected by the local legislative bodies. For all issues except one, the arbitration award went to the teachers. In each of the award narratives from these arbitrations, the presence of an earlier, rejected settlement was discussed and considered in the context of the statutory criterion "previous negotiations between the parties." However, evidence about wealth ranks, actual salary step ranks in comparison to other county districts, and anticipated state grant money, was also noted.

In the Region 6 award, there was a discussion of the significance of an earlier local rejection of the identical offers by the teachers as subsequent last best offers. The board argued: "where the electors of the district have rejected a settlement and where the board of education makes a reasonable last best offer, in the absence of any compelling reason to override the will of the electorate, the arbitrator should defer to the democratic process." The arbitrator noted that the statutes made no provision for such

deference. "At most, as the statute is presently enacted, the voters' preference may be considered as one factor demonstrating 'the public interest' which is to be considered under the statutory provision."

Table IV-2. 1988-89 Teacher Contract Local Rejections: Original Settlements, Last Best Offers, and Final Awards.

	<u>Rejected Settlement</u>	<u>Board Last Best Offer</u>	<u>Union Last Best Offer</u>	<u>Award</u>	<u>Reject. Forum</u>
Colebrook (Blum)	13.00 13.00 13.00	11.00 10.50 R	13.00 13.00 13.00	13.00 13.00 13.00	Special Town Meeting
Canterbury (Blum)	9.06 8.74 8.43	8.58 7.93 R	9.06 8.74 8.43	9.06 8.74 R	Referendum
Cheshire (Blum)	11.00 9.70 9.00	9.50 9.00 8.50	11.00 9.70 9.00	11.00 9.70 9.00	Town Council
Region 6 (Whitman)	9.20 8.90 8.50	8.75 8.30 R	9.20 8.90 8.50	9.20 8.90 8.50	Referendum

Key: R = salary reopener provision

Source of Data: LPR&IC staff analysis of arbitration awards.

Despite the fact that unlike a negotiated or mediated settlement, an arbitration award is not subject to local override, municipalities do have the ability to influence final school budgets. All terms of an arbitrated contract, including level of pay to teachers, are binding on the school board. However, maintaining the number of teachers employed at the time of negotiations to be paid at the contracted level is not. Staff reductions or cuts in other areas to lessen a school budget are legally limited only by the state's minimum education expenditure requirement established in school finance statutes as an equity floor.

Town fiscal authorities, therefore, can direct school boards to cut their budgets, although they have no authority to tell the boards where to cut. Finally, whatever local body has the authority to approve a town budget may, through rejection, force a reduction in the school board budget.

In the committee's opinion, current opportunities for fiscal participation during negotiations are, in general, sufficient, given the respective legal roles of the fiscal bodies and school boards in the delivery and financing of local education. To the extent these opportunities are not used now, fiscal bodies should be encouraged and welcomed by school boards to participate. The program review committee believes there are two additional areas within the binding arbitration process where local fiscal and legislative participation should be increased.

First, it is recommended that the formalized neutral arbitrator appointment process set out in the committee's earlier recommendation provide for participation by local legislative and fiscal authorities as well as representatives of the parties. Second, while no change in the finality of the arbitration award process is recommended, the committee believes the level of local nonschool board participation during arbitration should be altered. The Legislative Program Review and Investigations Committee recommends that during the arbitration hearings, a representative of the local fiscal body shall present testimony regarding the municipality's ability to pay, unless such appearance is waived by the local fiscal body. Non-appearance shall be considered a waiver unless there is a showing that proper notice was not given to the local fiscal authority.

The finality of arbitration is a critical feature to the success of the Teacher Negotiation Act process, making any kind of local veto provision inappropriate. However, the significance of outside third parties with no direct political accountability making decisions on matters affecting whole communities is acknowledged. The committee also recognizes that municipalities must be confident that their "position" is being presented fully, and considered fairly. If there is any feeling that a district's fiscal position is not being adequately represented in arbitration, the body with ultimate budget responsibility should have the opportunity to present such evidence. This opportunity is formally provided under the committee recommendation.

In considering the option of permitting local rejection of arbitrated teacher and administrator contracts, with the provision for a second arbitration, reviewing experiences with local rejections of voluntarily settled contracts proved instructive. Historically, local legislative bodies have had the opportunity to reject about two-thirds of teacher

contracts settled under the Teacher Negotiation Act yet this opportunity is seldom taken. As detailed above, voluntarily settled teacher contracts were locally rejected only four times last year.

At a minimum, analysis of these four cases suggests that although local rejection of a settlement is considered by the arbitrators, it does not override other evidence that may be presented. With the current criteria, there is no reason to believe that the outcome of a second arbitration of a locally rejected award would differ from the first arbitration, when the only evidentiary difference is local rejection.



APPENDICES

APPENDIX A

SUMMARY OF OTHER STATES' TEACHER COLLECTIVE BARGAINING LAWS

The processes available in other states with respect to teacher collective bargaining are summarized on the following page. As shown, 33 states give teachers the statutory right to bargain collectively over employment contracts. In the majority of these states, the same statute that covers teachers applies to other public sector employees as well.

Connecticut is the only state that mandates compulsory binding arbitration for teachers. Eighteen other states provide or allow for binding arbitration as follows: 14 only upon mutual agreement; 2 upon the request of one party; and 1 upon mutual agreement prior to negotiations, or absent that agreement, upon the request of one party.

According to the sources cited, teachers have the right to strike in five states, all based on certain conditions being met. In Ohio, for example, ten days prior written notice must be given.

A legend for use with the summary follows:

- 1 = parties jointly agree to binding arbitration
- 2 = one party may request binding arbitration
- 3 = compulsory by law
- 4 = certain conditions must be met

- a = advisory with respect to salaries, pensions, insurance
- b = cannot bind legislative body on cost items
- c = advisory on issues requiring legislative enactment
- d = not binding on matters involving money

<u>State</u>	<u>Coll. Bar.</u> <u>Statute</u>	<u>Mediation</u>	<u>FF</u>	<u>Arbitration</u>	<u>Strike</u>
Alabama	N				
Alaska	Y	Y			
Arizona	N				
Arkansas	N				
California	Y	Y	Y		N
Colorado	N				
Connecticut	Y	Y	N	Y(3)	N
Delaware	Y	Y	Y		N
Florida	Y	Y	Y	N	N
Georgia	N				
Hawaii	Y	Y	Y	Y(1)	
Idaho	Y	Y	Y	N	N
Illinois	Y	Y		Y(1)	Y(4)
Indiana	Y	Y	Y	Y(1)	N
Iowa	Y	Y	Y	Y(1)	N
Kansas	Y	Y	Y	N	N
Kentucky	N				
Louisiana	N				
Maine	Y	Y	Y	Y(1)a	N
Maryland	Y	Y			
Massachusetts	Y	Y	Y	Y(1)	
Michigan	Y	Y			N
Minnesota	Y	Y		Y(2)	
Mississippi	N				
Missouri	N				
Montana	Y	Y	Y	Y(1)	
Nebraska	Y	Y	Y		N
Nevada	Y	Y	Y	Y(1)	N
New Hampshire	Y	Y	Y	Y(1)b	N
New Jersey	Y	Y	Y	Y(1)	N
New Mexico	N				
New York	Y	Y	Y	Y(1)	
N. Carolina	N				
N. Dakota	Y	Y	Y		N
Ohio	Y	Y	Y	Y(1)	Y(4)
Oklahoma	Y	N	Y		N
Oregon	Y	Y	Y	Y(1)	Y(4)
Pennsylvania	Y	Y	Y	Y(1)c	Y(4)
Rhode Island	Y	Y		Y(2)d	N
S. Carolina	N				
S. Dakota	Y	Y	Y		N
Tennessee	Y	Y	Y		N
Texas	N				
Utah	N				
Vermont	Y	Y	Y		
Virginia	N				
Washington	Y	Y	Y		N
W. Virginia	N				
Wisconsin	Y	Y	Y	Y(1,2)	Y(4)
Wyoming	N				

Source: 3 Labor and Employment Arbitration, 62-1, Bornstein & Goslyn, Ed. Matthew Bender; Public Employee Bargaining, Commerce Clearing House

APPENDIX B

SUMMARY OF SCHOOL DISTRICT NEGOTIATING HISTORY 1979-80 TO 1988-89

The following table summarizes the negotiating history of each of the 169 public school districts (166 local and regional districts and the 3 incorporated academies) since the Teacher Negotiation Act went into effect.

Key to Appendix:

DISTRICT	Name of district
NUMNEG	Total number of contracts (teacher and administrator) negotiated
NUMARB	Total number of contracts arbitrated
PERARB	Percentage of all contracts arbitrated
NUMNEGT	Number of teacher contracts negotiated
NUMARBT	Number of teacher contracts arbitrated
PERARBT	Percentage of teacher contracts arbitrated

Source of Data: State Department of Education

School District Negotiating History 1979-80 to 1988-89

OBS	DISTRICT	NUMNEG	NUMARB	PERARB	NUMNEGT	NUMARBT	PERARBT
1	ANDOVER	6	1	16.6667	6	1	16.667
2	ANSONIA	8	5	62.5000	4	4	100.000
3	ASHFORD	5	2	40.0000	5	2	40.000
4	AVON	11	1	9.0909	5	1	20.000
5	BARKHAMSTED	6	3	50.0000	5	2	40.000
6	BERLIN	7	2	28.5714	4	2	50.000
7	BETHANY	6	1	16.6667	6	1	16.667
8	BETHEL	12	2	16.6667	7	1	14.286
9	BLOOMFIELD	11	7	63.6364	6	5	83.333
10	BOLTON	9	0	0.0000	5	0	0.000
11	BOZRAH	4	0	0.0000	4	0	0.000
12	BRANFORD	13	6	46.1538	7	5	71.429
13	BRIDGEPORT	9	8	88.8889	4	3	75.000
14	BRISTOL	11	0	0.0000	5	0	0.000
15	BROOKFIELD	12	4	33.3333	7	3	42.857
16	BROOKLYN	6	1	16.6667	6	1	16.667
17	CANAAN	7	0	0.0000	7	0	0.000
18	CANTERBURY	5	1	20.0000	5	1	20.000
19	CANTON	9	1	11.1111	6	1	16.667
20	CHAPLIN	10	0	0.0000	7	0	0.000
21	CHESHIRE	12	7	58.3333	5	4	80.000
22	CHESTER	7	0	0.0000	4	0	0.000
23	CLINTON	10	6	60.0000	5	4	80.000
24	COLCHESTER	8	3	37.5000	5	3	60.000
25	COLEBROOK	6	2	33.3333	6	2	33.333
26	COLUMBIA	5	1	20.0000	5	1	20.000
27	CORNWALL	7	0	0.0000	7	0	0.000
28	COVENTRY	12	1	8.3333	7	0	0.000
29	CROMWELL	12	1	8.3333	6	0	0.000
30	DANBURY	5	3	60.0000	5	3	60.000
31	DARIEN	8	4	50.0000	5	3	60.000
32	DEEP RIVER	7	0	0.0000	5	0	0.000
33	DERBY	11	5	45.4545	6	3	50.000
34	EAST GRANBY	13	0	0.0000	7	0	0.000
35	EAST HADDAM	8	3	37.5000	4	2	50.000
36	EAST HAMPTON	14	1	7.1429	8	1	12.500
37	EAST HARTFORD	11	4	36.3636	7	4	57.143
38	EAST HAVEN	12	8	66.6667	6	3	50.000
39	EAST LYME	9	3	33.3333	6	2	33.333
40	EAST WINDSOR	9	4	44.4444	4	3	75.000
41	EASTFORD	8	0	0.0000	8	0	0.000
42	EASTON	4	1	25.0000	4	1	25.000
43	ELLINGTON	10	3	30.0000	4	2	50.000
44	ENFIELD	11	8	72.7273	6	3	50.000
45	ESSEX	7	0	0.0000	4	0	0.000
46	FAIRFIELD	7	2	28.5714	4	1	25.000
47	FARMINGTON	7	0	0.0000	3	0	0.000
48	FRANKLIN	5	0	0.0000	5	0	0.000
49	GILBERT SCHOOL	1	0	0.0000	1	0	0.000
50	GLASTONBURY	12	3	25.0000	6	1	16.667
51	GRANBY	14	2	14.2857	8	1	12.500
52	GREENWICH	9	3	33.3333	4	2	50.000
53	GRISWOLD	11	2	18.1818	6	2	33.333
54	GROTON	8	0	0.0000	5	0	0.000
55	GUILFORD	15	3	20.0000	7	3	42.857
56	HAMDEN	8	1	12.5000	5	1	20.000
57	HAMPTON	8	0	0.0000	7	0	0.000
58	HARTFORD	8	6	75.0000	5	5	100.000

School District Negotiating History 1979-80 to 1988-89

OBS	DISTRICT	NUMNEG	NUMARB	PERARB	NUMNEGT	NUMARBT	PERARBT
59	HARTLAND	7	0	0.000	7	0	0.000
60	HEBRON	8	0	0.000	6	0	0.000
61	KENT	7	0	0.000	7	0	0.000
62	KILLINGLY	8	3	37.500	5	3	60.000
63	LEBANON	7	0	0.000	4	0	0.000
64	LEDYARD	10	5	50.000	5	2	40.000
65	LISBON	7	1	14.286	7	1	14.286
66	LITCHFIELD	10	5	50.000	7	4	57.143
67	MADISON	12	6	50.000	6	3	50.000
68	MANCHESTER	11	4	36.364	6	3	50.000
69	MANSFIELD	17	0	0.000	9	0	0.000
70	MARLBOROUGH	10	0	0.000	6	0	0.000
71	MERIDEN	12	11	91.667	7	7	100.000
72	MIDDLETOWN	11	4	36.364	6	2	33.333
73	MILFORD	10	10	100.000	6	6	100.000
74	MONROE	9	4	44.444	4	2	50.000
75	MONTVILLE	7	3	42.857	4	2	50.000
76	NAUGATUCK	13	6	46.154	6	4	66.667
77	NEW BRITAIN	13	10	76.923	5	4	80.000
78	NEW CANAAN	6	4	66.667	6	4	66.667
79	NEW FAIRFIELD	11	2	18.182	5	2	40.000
80	NEW HARTFORD	6	1	16.667	5	1	20.000
81	NEW HAVEN	11	10	90.909	5	5	100.000
82	NEW LONDON	10	5	50.000	4	1	25.000
83	NEW MILFORD	13	4	30.769	6	4	66.667
84	NEWINGTON	5	2	40.000	5	2	40.000
85	NEWTOWN	9	5	55.556	5	3	60.000
86	NORFOLK	6	0	0.000	6	0	0.000
87	NORTH BRANFORD	9	6	66.667	5	4	80.000
88	NORTH CANAAN	7	0	0.000	7	0	0.000
89	NORTH HAVEN	4	4	100.000	3	3	100.000
90	NORTH STONINGTON	12	4	33.333	8	4	50.000
91	NORWALK	10	9	90.000	5	5	100.000
92	NORWICH	9	6	66.667	5	3	60.000
93	NORWICH FREE	6	3	50.000	6	3	50.000
94	OLD SAYBROOK	13	3	23.077	7	2	28.571
95	ORANGE	9	4	44.444	7	3	42.857
96	OXFORD	8	3	37.500	5	2	40.000
97	PLAINFIELD	8	1	12.500	5	1	20.000
98	PLAINVILLE	13	3	23.077	7	2	28.571
99	PLYMOUTH	12	3	25.000	7	2	28.571
100	POMFRET	6	0	0.000	6	0	0.000
101	PORTLAND	8	1	12.500	4	0	0.000
102	PRESTON	7	0	0.000	3	0	0.000
103	PUTNAM	5	1	20.000	4	1	25.000
104	REDDING	6	1	16.667	6	1	16.667
105	REGION 1	7	0	0.000	7	0	0.000
106	REGION 10	7	1	14.286	4	0	0.000
107	REGION 11	7	2	28.571	5	1	20.000
108	REGION 12	6	1	16.667	5	1	20.000
109	REGION 13	11	2	18.182	8	1	12.500
110	REGION 14	10	2	20.000	5	1	20.000
111	REGION 15	10	4	40.000	5	1	20.000
112	REGION 16	11	1	9.091	5	1	20.000
113	REGION 17	11	4	36.364	6	4	66.667
114	REGION 18	10	1	10.000	7	1	14.286
115	REGION 19	1	0	0.000	1	0	0.000
116	REGION 4	14	0	0.000	6	0	0.000

School District Negotiating History 1979-80 to 1988-89

OBS	DISTRICT	NUMNEG	NUMARB	PERARB	NUMNEGT	NUMARBT	PERARBT
117	REGION 5	10	1	10.000	7	1	14.286
118	REGION 6	11	2	18.182	6	1	16.667
119	REGION 7	9	0	0.000	6	0	0.000
120	REGION 8	9	1	11.111	6	0	0.000
121	REGION 9	5	2	40.000	5	2	40.000
122	RIDGEFIELD	8	6	75.000	5	4	80.000
123	ROCKY HILL	6	3	50.000	4	2	50.000
124	SALEM	5	2	40.000	5	2	40.000
125	SALISBURY	7	0	0.000	7	0	0.000
126	SCOTLAND	7	0	0.000	7	0	0.000
127	SEYMOUR	10	2	20.000	5	2	40.000
128	SHARON	7	0	0.000	7	0	0.000
129	SHELTON	12	9	75.000	5	4	80.000
130	SHERMAN	6	0	0.000	6	0	0.000
131	SIMSBURY	14	2	14.286	7	1	14.286
132	SOMERS	15	2	13.333	7	2	28.571
133	SOUTH WINDSOR	9	3	33.333	5	2	40.000
134	SOUTHINGTON	8	4	50.000	5	3	60.000
135	SPRAGUE	7	1	14.286	6	1	16.667
136	STAFFORD	13	3	23.077	6	1	16.667
137	STAMFORD	8	5	62.500	5	3	60.000
138	STERLING	8	0	0.000	8	0	0.000
139	STONINGTON	8	0	0.000	4	0	0.000
140	STRATFORD	4	4	100.000	4	4	100.000
141	SUFFIELD	10	3	30.000	5	3	60.000
142	THOMASTON	13	4	30.769	6	2	33.333
143	THOMPSON	5	2	40.000	5	2	40.000
144	TOLLAND	8	0	0.000	6	0	0.000
145	TORRINGTON	12	6	50.000	6	2	33.333
146	TRUMBULL	7	5	71.429	4	4	100.000
147	UNION	10	1	10.000	9	1	11.111
148	VERNON	8	4	50.000	4	2	50.000
149	VOLUNTOWN	5	0	0.000	5	0	0.000
150	WALLINGFORD	10	4	40.000	5	3	60.000
151	WATERBURY	8	7	87.500	4	4	100.000
152	WATERFORD	9	5	55.556	5	3	60.000
153	WATERTOWN	10	3	30.000	5	2	40.000
154	WEST HARTFORD	7	1	14.286	7	1	14.286
155	WEST HAVEN	10	5	50.000	5	3	60.000
156	WESTBROOK	6	1	16.667	6	1	16.667
157	WESTON	4	2	50.000	4	2	50.000
158	WESTPORT	8	3	37.500	4	1	25.000
159	WETHERSFIELD	11	6	54.545	5	4	80.000
160	WILLINGTON	4	1	25.000	4	1	25.000
161	WILTON	12	7	58.333	6	6	100.000
162	WINCHESTER	12	1	8.333	6	1	16.667
163	WINDHAM	13	7	53.846	6	5	83.333
164	WINDSOR	9	3	33.333	5	2	40.000
165	WINDSOR LOCKS	10	2	20.000	5	2	40.000
166	WOLCOTT	10	4	40.000	6	4	66.667
167	WOODBIDGE	6	2	33.333	6	2	33.333
168	WOODSTOCK	5	2	40.000	5	2	40.000
169	WOODSTOCK ACADEMY	7	1	14.286	7	1	14.286

APPENDIX C

1988-89 TEACHER CONTRACT SALARY SETTLEMENTS BY DISTRICT

The following table is a chronological listing of 134 of the 141 teacher contracts settled during the 1988-89 negotiating season, including the resulting salary schedule settlements.

Key to Appendix:

DISTRICT	District Name
SETLDATE	Date Contract Settled
TNEG89	Type of Settlement
	A = Arbitrated/Awarded
	A* = Arbitrated/Awarded; Local Rejection
	AS = Arbitrated/Stipulated
	AS* = Arbitrated/Stipulated; Local Rejection
	M = Mediated
	N = Negotiated
T89PER90	Salary settlement (%) for 1989-90
T89PER91	Salary settlement (%) for 1990-91
T89PER92	Salary settlement (%) for 1991-92

A period (.) in all three salary settlement columns for a district indicates settlement data were missing; a period in the columns of 1990-91 and/or 1991-92 settlements indicates not applicable.

Sources of Data: State Department of Education and
Connecticut Association of Boards
of Education.

1988-89 Teacher Contract Salary Settlements by District

OBS	DISTRICT	SETLDATE	TNEG89	T89PER90	T89PER91	T89PER92
1	SEYMOUR	09/21/88	M	9.250	9.250	9.000
2	MIDDLETOWN	10/25/88	M	9.300	9.000	8.600
3	NEWINGTON	11/06/88	M	9.400	9.000	8.500
4	BROOKFIELD	11/09/88	M	9.300	9.000	8.500
5	NORWALK	11/12/88	AS	10.500	10.000	.
6	BRISTOL	11/14/88	N	9.750	10.000	.
7	ROCKY HILL	11/14/88	M	11.000	10.000	8.250
8	STAFFORD	11/14/88	M	9.300	9.400	.
9	COVENTRY	11/17/88	M	9.000	8.750	8.500
10	NEW MILFORD	11/17/88	M	9.900	9.500	9.000
11	BETHANY	11/18/88	M	11.300	.	.
12	PLAINVILLE	11/18/88	M	9.100	8.900	8.700
13	WINDSOR LOCKS	11/21/88	M	9.800	9.400	9.100
14	COLUMBIA	11/22/88	N	8.410	8.300	8.180
15	TRUMBULL	11/29/88	AS	9.000	9.000	9.000
16	NORFOLK	12/01/88	M	9.500	9.000	8.500
17	CANTON	12/02/88	M	9.500	9.000	8.500
18	MANCHESTER	12/05/88	M	8.500	8.500	8.500
19	PUTNAM	12/05/88	M	9.000	8.750	8.500
20	STRATFORD	12/05/88	A	9.148	9.070	.
21	WOODSTOCK ACADEMY	12/05/88	M	8.900	8.700	7.950
22	CANAAN	12/06/88	M	.	.	.
23	CORNWALL	12/06/88	M	.	.	.
24	EAST HAMPTON	12/06/88	M	9.000	8.500	8.500
25	GRISWOLD	12/06/88	M	8.800	.	.
26	NORTH CANAAN	12/06/88	M	.	.	.
27	SALISBURY	12/06/88	M	.	.	.
28	SHARON	12/06/88	M	.	.	.
29	THOMASTON	12/06/88	M	9.500	8.800	8.700
30	VERNON	12/09/88	M	8.760	8.540	8.390
31	TOLLAND	12/12/88	M	11.000	10.500	.
32	GROTON	12/13/88	M	8.500	8.500	8.500
33	SIMSBURY	12/13/88	M	10.500	10.500	.
34	SHELTON	12/14/88	AS	9.900	9.900	.
35	EAST HARTFORD	12/15/88	M	8.800	8.700	8.600
36	EAST HAVEN	12/16/88	AS	9.180	9.180	.
37	MANSFIELD	12/19/88	M	9.000	.	.
38	VOLUNTOWN	12/19/88	M	9.770	9.770	9.000
39	GILBERT SCHOOL	12/20/88	M	.	.	.
40	HAMDEN	12/20/88	M	9.750	9.250	9.000
41	POMFRET	12/21/88	M	9.000	9.250	.
42	WINCHESTER	12/21/88	M	8.500	8.500	8.500
43	WINDHAM	12/21/88	M	9.200	.	.
44	WILLINGTON	12/22/88	M	8.750	8.375	.
45	MARLBOROUGH	12/27/88	M	9.250	9.250	9.000
46	ANDOVER	12/28/88	M	9.500	9.000	8.500
47	BOLTON	12/28/88	M	9.700	9.350	.
48	NAUGATUCK	12/28/88	AS	9.500	9.250	.
49	HARTLAND	12/29/88	M	8.990	8.990	.
50	SHERMAN	01/03/89	M	9.560	9.110	.
51	PLYMOUTH	01/04/89	M	8.950	.	.
52	REGION 8	01/04/89	N	10.500	.	.
53	HEBRON	01/05/89	M	9.200	8.800	.
54	ORANGE	01/05/89	AS	9.400	8.900	.
55	WATERFORD	01/05/89	A	9.900	.	.
56	EASTFORD	01/06/89	N	7.000	.	.

1988-89 Teacher Contract Salary Settlements by District

OBS	DISTRICT	SETLDATE	TNEG89	T89PER90	T89PER91	T89PER92
57	MILFORD	01/06/89	A	9.110	9.050	8.780
58	CHAPLIN	01/11/89	M	8.500	8.400	.
59	GLASTONBURY	01/11/89	M	8.900	8.750	.
60	REGION 5	01/11/89	M	9.000	9.000	8.500
61	HAMPTON	01/12/89	M	9.000	8.950	8.850
62	NEW CANAAN	01/12/89	A	9.400	9.350	9.200
63	NEWTOWN	01/12/89	AS	9.600	9.400	8.500
64	NORTH BRANFORD	01/12/89	AS	9.600	8.900	8.900
65	NORWICH FREE	01/12/89	N	.	.	.
66	SUFFIELD	01/13/89	M	9.300	9.200	8.600
67	MONROE	01/14/89	A	9.000	9.100	9.000
68	SOUTHINGTON	01/14/89	AS	9.100	8.900	.
69	RIDGEFIELD	01/17/89	AS	9.300	9.200	8.900
70	AVON	01/18/89	M	14.000	12.000	10.000
71	BOZRAH	01/20/89	M	9.220	8.060	8.200
72	CLINTON	01/20/89	A	9.500	9.400	.
73	ELLINGTON	01/20/89	A	9.250	9.000	8.340
74	REGION 7	01/20/89	M	9.000	8.500	8.000
75	THOMPSON	01/20/89	M	8.000	7.700	7.500
76	LISBON	01/21/89	AS	9.000	8.300	8.200
77	SCOTLAND	01/24/89	M	8.900	8.700	8.400
78	REGION 19	01/27/89	N	9.250	9.000	8.750
79	KILLINGLY	01/30/89	A	9.000	8.750	.
80	REGION 16	01/30/89	M	.	.	.
81	STERLING	01/30/89	M	8.900	8.600	8.500
82	NEW BRITAIN	01/31/89	AS	9.800	9.700	9.000
83	NEW HARTFORD	01/31/89	AS	9.300	9.300	.
84	WETHERSFIELD	02/01/89	AS	9.400	9.100	9.100
85	COLCHESTER	02/02/89	A	9.500	.	.
86	EAST GRANBY	02/02/89	M	9.900	9.400	9.000
87	ASHFORD	02/03/89	A	9.700	.	.
88	BETHEL	02/03/89	A	9.900	9.500	.
89	OXFORD	02/03/89	AS	9.900	.	.
90	REGION 13	02/03/89	M	8.750	8.750	8.500
91	TORRINGTON	02/03/89	M	8.400	7.600	7.400
92	WATERTOWN	02/03/89	AS	9.900	9.400	8.900
93	BARKHAMSTED	02/07/89	A	9.540	8.620	8.550
94	BRIDGEPORT	02/08/89	A	4.500	6.750	.
95	ENFIELD	02/08/89	A	7.600	7.300	.
96	FRANKLIN	02/08/89	M	9.700	9.300	.
97	NORTH STONINGTON	02/08/89	AS	.	.	.
98	REGION 10	02/08/89	M	9.900	9.600	8.900
99	LEDYARD	02/10/89	AS	9.480	8.500	.
100	MERIDEN	02/10/89	A	9.100	8.900	.
101	CHESTER	02/14/89	M	.	.	.
102	DEEP RIVER	02/14/89	M	.	.	.
103	REGION 15	02/14/89	M	9.940	9.640	9.100
104	REGION 4	02/14/89	M	8.990	8.890	8.790
105	EAST LYME	02/16/89	A	10.900	10.300	.
106	ESSEX	02/17/89	M	.	.	.
107	REGION 11	02/17/89	M	8.850	8.850	.
108	PLAINFIELD	02/18/89	A	9.000	8.760	8.410
109	SOUTH WINDSOR	02/20/89	A	9.300	9.200	.
110	STAMFORD	02/22/89	A	9.650	9.490	.
111	NEW FAIRFIELD	02/23/89	A	9.520	9.210	9.000
112	WESTBROOK	03/03/89	A	9.800	.	.

1988-89 Teacher Contract Salary Settlements by District

OBS	DISTRICT	SETLDATE	TNEG89	T89PER90	T89PER91	T89PER92
113	WINDSOR	03/03/89	A	9.900	9.700	.
114	CHESHIRE	03/07/89	A*	11.000	9.770	9.000
115	NEW HAVEN	03/07/89	A	9.500	9.000	9.000
116	WALLINGFORD	03/07/89	A	9.380	9.000	8.500
117	NEW LONDON	03/08/89	A	9.500	8.975	.
118	BLOOMFIELD	03/09/89	A	10.000	8.910	.
119	SPRAGUE	03/09/89	A	9.380	9.210	.
120	NORWICH	03/10/89	A	9.400	9.400	8.200
121	BROOKLYN	03/11/89	A	9.000	8.750	8.500
122	GRANBY	03/13/89	A	9.500	9.000	.
123	COLEBROOK	03/23/89	A*	13.000	13.000	13.000
124	HARTFORD	03/24/89	A	8.000	7.500	7.000
125	REGION 12	04/06/89	A	12.930	.	.
126	REGION 17	04/06/89	A	9.700	9.100	.
127	WEST HAVEN	04/06/89	A	.	.	.
128	SALEM	04/08/89	A	12.300	9.500	9.500
129	REGION 6	04/23/89	A*	9.200	8.900	8.500
130	CANTERBURY	04/25/89	A*	9.050	8.750	8.040
131	WATERBURY	04/27/89	A	9.430	8.900	8.800
132	WOODSTOCK	05/08/89	A	.	.	.
133	WOLCOTT	05/11/89	AS	9.450	9.100	8.900
134	ANSONIA	08/11/89	A	.	.	.

APPENDIX D

LEGISLATIVE PROGRAM REVIEW AND INVESTIGATIONS COMMITTEE
SURVEY OF ARBITRATION PANEL MEMBERS

1. Please check which type of arbitrator you are:

Neutral Employer(Board) Employee(Teacher/Admin.)

2. How long have you served on the panel? _____ years

3. About how many teacher/administrator contract arbitrations have you participated in since 1979?

No. Teacher _____ No. Administrator _____

4. Briefly describe the goal of binding arbitration in your opinion:

5. In your opinion, what is the primary role of a neutral arbitrator during arbitration:

6. In your opinion, what is the primary role of a party (board or teacher/administrator) arbitrator during arbitration:

7. Regarding the sufficiency of the evidence to support last best offers that is presented by parties during arbitration hearings, which of the following statements best reflects your experience (check one):

- most times, both parties' evidence is equally sufficient
- most times, one party's evidence is better
- there is no noticeable pattern in the sufficiency of evidence presented by parties

Appendix D, cont.

8. Briefly describe your interpretations or working definitions of the following statutory phrases from the Teacher Negotiation Act:

8A. "negotiations between the parties prior to arbitration" _____

8B. "the public interest" _____

8C. "financial capability of the school district" _____

8D. "existing conditions of employment of...similar groups" _____

8E. "...conditions of employment prevailing in the state labor market" _____

9. Based on your experience, how frequently do representatives of local fiscal authorities participate as part of a school board's case during arbitration hearings?

___ Always ___ Sometimes ___ Rarely ___ Never

9A. Based on your experience, how frequently do representatives of local fiscal authorities attend arbitration hearings as observers?

___ Always ___ Sometimes ___ Rarely ___ Never

Appendix D, cont.

10. Recognizing that issues submitted to arbitration can vary greatly and last best offers often reflect unique situations, the committee would like to know in general which of the statutory criteria arbitrators consider most important and what factors matter less in making arbitration decisions. Several types of issues that may be submitted to arbitration are listed below. In the blanks next to each type of issue, please write in the number of the statutory criterion that is most important and the one that is least important to your decisions on last best offers, in general, regarding these issues. A numbered list of the statutory criteria is included here:

- 1 = Prior negotiations between the parties
- 2 = Public interest and financial capability of the district
- 3 = Interests and welfare of the employee group
- 4 = Changes in the cost of living
- 5 = Existing conditions of employment of the employee group and those of similar groups
- 6 = Salaries, benefits, and other conditions of employment prevailing in the state labor market

<u>TYPES OF ISSUES</u>	<u>Most Important</u>	<u>Least Important</u>
10A. Salary increases.....	_____	_____
10B. Changes in insurance benefits.....	_____	_____
10C. Length of the school year/day.....	_____	_____
10D. Reduction in force.....	_____	_____
10E. Grievance procedures.....	_____	_____
10F. Limits on class size.....	_____	_____
10G. Teacher preparation periods.....	_____	_____

11. In your opinion, how adequate are the statutory time limits for the following phases of the contract settlement process. Circle the number that represents your opinion for each phase of the process listed below:

	<u>Too Short</u>	<u>About Right</u>	<u>Too Long</u>
11A. Negotiation phase.....	1	2	3
11B. Mediation phase.....	1	2	3
11C. Selection of neutral arbitrator....	1	2	3
11D. Arbitration hearing.....	1	2	3
11E. Issuing written decision.....	1	2	3
11F. Arbitration phase overall.....	1	2	3

12. Overall, how satisfied are you with the support provided to arbitrators by State Department of Education:

 Very satisfied Satisfied Dissatisfied Very dissatisfied

Appendix D, cont.

13. Regarding salary issues, parties typically present evidence on the comparability of their proposed increases in teacher or administrator salaries. Assuming that there are no special circumstances to consider, please rate the importance of the following types of evidence to your decisions, in general, on last best offers concerning salary increases. Rate each type of evidence using the scale of 1 = very important to 5 = not important at all. If a type of evidence is not presented by parties for consideration in your decision making, rank it 0.

<u>YOUR RATING</u>	<u>TYPES OF EVIDENCE</u>
13A. ___	Average of percentage increases recently settled statewide
13B. ___	Pattern of percentage increases recently settled in geographically contiguous districts
13C. ___	Pattern of percentage increases recently settled in districts with similar financial capability
13D. ___	Average of actual salary levels recently settled statewide
13E. ___	Pattern of actual salary levels recently settled in geographically contiguous districts
13F. ___	Pattern of actual salary levels in districts with similar financial capability
13G. ___	Pattern of percentage increases recently settled for other municipal employees in the district
13H. ___	Pattern of percentage increases recently received by comparable groups of private sector employees
13I. ___	Pattern of actual salary levels recently settled for other municipal employees in the district
13J. ___	Pattern of actual salary levels recently received by comparable groups of private sector employees
13K. ___	Other(specify)_____
13L. ___	Other(specify)_____

14. Please circle the one type of evidence in the above list that is most important, in general, to your decisions on salary increases.

APPENDIX E

LAST BEST OFFERS ON SALARY SCHEDULE ISSUES FROM 1988-89 TEACHER CONTRACTS

The following tables summarize, by district and for each year of the contract period, last best offer information on salary schedule issues for 38 teacher contracts arbitrated during the 1988-89 negotiating season.

Key to Appendix:

LBO90U	Union last best offer 1989-90
LBO90B	Board last best offer 1989-90
DIFF90	Difference between last best offers (LBO90U - LBO90B) for 1989-90
PTYAWD90	Party offer awarded 1989-90
LBO91U	Union last best offer 1990-91
LBO91B	Board last best offer 1990-91
DIFF91	Difference between last best offers (LBO91U - LBO91B) for 1990-91
PTYAWD91	Party offer awarded 1990-91
LBO92U	Union last best offer 1991-92
LBO92B	Board last best offer 1991-92
DIFF92	Difference between last best offers (LBO92U - LBO90B) for 1991-92
PTYAWD92	Party offer awarded 1991-92

A period (.) in the last best offer columns for the second and third contract years indicates not applicable.

Source of Data: LPR&IC staff analysis of 1988-89 arbitration awards.

1988-89 Teacher Contracts
Last Best Offers on 1989-90 Salary Increases

DISTRICT	LBO90U	LBO90B	DIFF90	PTYAWD90
ANSONIA	10.000	8.000	2.00000	union
ASHFORD	9.700	9.000	0.70000	union
BETHEL	9.900	8.800	1.10000	union
BLOOMFIELD	12.000	9.540	2.46000	union
BRIDGEPORT	4.500	0.000	4.50000	union
BROOKLYN	9.000	8.500	0.50000	union
CANTERBURY	9.060	8.580	0.48000	union
CHESHIRE	11.000	9.500	1.50000	union
CLINTON	9.500	8.500	1.00000	union
COLCHESTER	9.330	8.470	0.86000	union
COLEBROOK	13.000	11.000	2.00000	union
EAST LYME	10.940	9.500	1.44000	union
ELLINGTON	9.250	8.500	0.75000	union
ENFIELD	8.600	7.600	1.00000	board
GRANBY	9.500	9.200	0.30000	union
KILLINGLY	9.010	7.500	1.51000	union
MERIDEN	9.100	8.500	0.60000	union
MILFORD	9.110	8.500	0.61000	union
MONROE	9.300	9.000	0.30000	board
NEW CANAAN	8.100	7.500	0.60000	union
NEW FAIRFIELD	9.520	9.290	0.23000	union
NEW HAVEN	10.000	9.500	0.50000	board
NEW LONDON	9.500	5.000	4.50000	union
NORWICH	9.400	9.400	0.00000	
PLAINFIELD	9.000	8.000	1.00000	union
REGION 6	9.200	8.750	0.45000	union
REGION 12	12.930	9.120	3.81000	union
REGION 17	9.400	9.700	-0.30000	board
SALEM	12.300	12.300	0.00000	
SPRAGUE	9.380	8.000	1.38000	union
STAMFORD	9.650	8.530	1.12000	union
STRATFORD	9.148	8.000	1.14800	union
WALLINGFORD	9.380	7.500	1.88000	union
WATERBURY	9.430	8.040	1.39000	union
WEST HAVEN	8.100	7.000	1.10000	union
WESTBROOK	9.800	9.000	0.80000	union
WINDSOR	9.900	9.070	0.83000	union
WOODSTOCK	13.960	12.520	1.44000	union

1988-89 Teacher Contracts
Last Best Offers on 1990-91 Salary Increases

DISTRICT	LBO91U	LBO91B	DIFF91	PTYAWD91
ANSONIA	.	.	.	
ASHFORD	9.200	8.000	0.80000	
BETHEL	9.500	8.500	1.00000	union
BLOOMFIELD	9.500	8.910	0.59000	board
BRIDGEPORT	7.900	0.000	7.90000	union
BROOKLYN	8.750	8.300	0.45000	union
CANTERBURY	8.740	7.930	0.81000	union
CHESHIRE	9.770	9.000	0.77000	union
CLINTON	9.400	8.250	1.15000	union
COLCHESTER	.	.	.	
COLEBROOK	13.000	10.500	2.50000	union
EAST LYME	10.750	9.000	1.75000	union
ELLINGTON	9.000	8.500	0.50000	union
ENFIELD	8.300	7.300	1.00000	board
GRANBY	9.000	8.800	0.20000	union
KILLINGLY	8.750	7.000	0.25000	union
MERIDEN	8.900	8.300	0.60000	union
MILFORD	9.050	8.400	0.65000	union
MONROE	9.100	8.500	0.60000	union
NEW CANAAN	8.100	7.250	0.85000	union
NEW FAIRFIELD	9.210	9.000	0.21000	union
NEW HAVEN	10.000	9.000	1.00000	board
NEW LONDON	8.975	5.000	3.97500	union
NORWICH	9.400	9.400	0.00000	
PLAINFIELD	8.760	7.500	1.26000	union
REGION 6	8.900	8.300	0.60000	union
REGION 12	.	.	.	
REGION 17	9.100	.	.	union
SALEM	9.500	9.500	0.00000	
SPRAGUE	9.210	8.000	1.21000	union
STAMFORD	9.490	8.260	1.23000	union
STRATFORD	9.070	8.000	1.07000	union
WALLINGFORD	9.000	7.500	1.50000	union
WATERBURY	8.900	7.880	1.02000	union
WEST HAVEN	8.000	7.000	1.00000	union
WESTBROOK	9.800	.	.	board
WINDSOR	9.700	8.860	0.68500	union
WOODSTOCK	7.565	7.050	0.51500	board

1988-89 Teacher Contracts
Last Best Offers on 1991-92 Salary Increases

DISTRICT	LBO92U	LBO92B	DIFF92	PTYAWD92
ANSONIA	.	.	.	
ASHFORD	.	.	.	
BETHEL	.	.	.	
BLOOMFIELD	.	.	.	
BRIDGEPORT	.	.	.	
BROOKLYN	8.500	7.800	0.70000	union
CANTERBURY	8.040	.	.	union
CHESHIRE	9.000	8.500	0.50000	union
CLINTON	.	.	.	
COLCHESTER	.	.	.	
COLEBROOK	13.000	.	.	union
EAST LYME	.	.	.	
ELLINGTON	8.750	8.250	0.50000	union
ENFIELD	.	.	.	
GRANBY	8.500	.	.	board
KILLINGLY	.	.	.	
MERIDEN	.	.	.	
MILFORD	8.780	8.300	0.48000	union
MONROE	9.000	8.500	0.50000	union
NEW CANAAN	8.100	.	.	union
NEW FAIRFIELD	9.000	8.900	0.10000	union
NEW HAVEN	10.000	9.000	1.00000	board
NEW LONDON	.	.	.	
NORWICH	8.200	8.200	0.00000	
PLAINFIELD	8.410	7.000	1.41000	union
REGION 6	.	.	.	
REGION 12	.	.	.	
REGION 17	.	.	.	
SALEM	9.500	9.500	0.00000	
SPRAGUE	.	.	.	
STAMFORD	9.500	.	.	board
STRATFORD	8.950	8.000	0.95000	union
WALLINGFORD	8.500	7.000	1.50000	union
WATERBURY	8.800	7.550	1.25000	union
WEST HAVEN	.	.	.	
WESTBROOK	8.900	.	.	board
WINDSOR	9.500	.	.	board
WOODSTOCK	.	.	.	

APPENDIX F

AGENCY RESPONSE



STATE OF CONNECTICUT

STATE BOARD OF EDUCATION



January 31, 1990

The Honorable Fred H. Lovegrove, Jr., Co-Chairman
The Honorable Jay B. Levin, Co-Chairman
Legislative Program Review and Investigations Committee
State Capitol, Room 506
Hartford, CT 06106

Dear Senator Lovegrove and Representative Levin:

I would like to thank you for the opportunity to comment on the recommendations of your committee prior to the publication of the final report on binding arbitration for teachers. As a preface to my remarks, however, I would be remiss if I did not compliment the committee and staff members Carrie Vibert and Jill Jensen for the thorough and professional inquiry into an extremely important labor and education issue.

My October 16, 1989 testimony before your committee, a copy of which is appended, states my general position on the issue of binding interest arbitration for Connecticut educators. It is from this position that I will respond to each of your recommendations.

All the recommendations appear to be potentially positive changes to the existing statutory scheme or administration of the Teacher Negotiation Act (hereinafter TNA). However, many of the recommendations will, if implemented, necessitate additional resources or reallocation of existing resources within the State Department of Education. Attorney Lee Williamson of the Department's Office of Legal Affairs administers the TNA on my behalf. Approximately one half of his time is spent on this endeavor. In order to implement all the recommendations, it would require reassignment of many of Attorney Williamson's other current responsibilities. The Department's Division of Research, Evaluation and Assessment can perform some of the empirical research required but not without other critical assignments being affected. Therefore, I am identifying the administrative impact in my response to each recommendation.

Recommendation 1

The program review committee recommends that the state department of education as part of its statutory comprehensive planning process monitor teacher salary settlements and include findings regarding settlement patterns in its periodic progress reports to the legislature.

Response

Currently, boards of education are mandated by statute to file teacher and administrator collective bargaining contracts with the Commissioner of Education. These contracts are kept on file and available for public inspection during regular working hours.

My understanding of the first recommendation is that the committee wants the Department of Education to analyze contract settlements in order to determine if there are discernable trends which indicate an equalization of risk between the parties, i.e., boards of education and exclusive bargaining agents. Implementation of the recommendation could be accomplished by the Division of Research, Evaluation and Assessment. However, the data obtained with the filing of contracts would not be complete enough for us to do a credible empirical analysis. It would be necessary for additional information to be submitted by boards of education, for example, gross salary expenditure data.

Currently the State Department of Education is exploring the development of an electronic data transfer system which would enhance our capability to receive timely and comprehensive information from local boards of education and thus minimize the reporting requirements for the boards. However, this system is not yet operational. Therefore, in order to implement this recommendation, together with interrelated recommendation number 3, I expect that it will be necessary to reallocate or supplement existing staff resources.

Recommendation 2

It is recommended that the state department of education prepare and issue by December 1 of each year, a report summarizing the results of all contract negotiations occurring under the Teacher Negotiation Act during the preceding negotiating period. At a minimum, the department's annual report shall include:

- o a listing of all contracts settled, indicating for each, the settlement status and settlement date; and
- o the names of mediators and arbitrators involved, when applicable.

The committee additionally recommends that for all awarded contracts, the department's annual Teacher Negotiation Act report include a synopsis of the decision on each issue, noting the nature of the issue and which last best offer was selected. To the extent possible, information contained in the written award decisions on the cost of all economic issues should also be summarized.

Response

The basis of this recommendation is that an "apparent... lack of information was contributing to misconceptions regarding the process and its results." I would have no difficulty in issuing a summary report of the contracts negotiated, method of settlement, and applicable names of mediators and arbitrators. This unreported information is available currently and could certainly be published by the State Department of Education. In fact, representatives from both employees and employers routinely contact Attorney Williamson throughout the year in order to obtain this information.

The settlement date would require the acquisition of data beyond what is collected now. While we have tentative settlement dates, i.e., the dates when the negotiating teams have reached an agreement, we do not collect ratification dates, i.e., the dates when the employees and the employer each ratify the contract. It should not be too difficult to acquire these data. Therefore, we can implement immediately part of your recommendation and will work diligently to collect additional information.

The second part of the recommendation will take additional staff time. An informational report for internal use is prepared now. The publication of an official document will require more time.

I have some reservations concerning the appropriateness of our summarizing or analyzing arbitrator awards. Awards, as with contracts, are on file and open to public inspection during normal working hours. Parties are able to review awards and analyze them for what ever purposes they wish to use the award. The current role of the Commissioner of Education is to be an informational resource.

Recommendation 3

The program review and investigations committee recommends that the state education department monitor and report on the impact of the major economic provisions of collective bargaining agreements, including but not limited to, settlements regarding salaries of certified staff, on local education expenditures and programs. The department's monitoring efforts shall focus on identifying trends in the portion of local education budgets spent on certified staff salaries and the relationship between salary costs and educational quality indicators such as staffing levels, student-teacher ratios, and class size.

Response

This recommendation, combined with the requirements of recommendation 1, will necessitate additional department resources, already outlined in the response to recommendation 1. I will note that the analysis requested appears to be extremely sophisticated in nature.

Recommendation 4

It is further recommended that the state education department's annual Teacher Negotiation Act report as well as a report summarizing the department's findings on teacher salary settlement patterns and the impact of the major economic provisions of teacher collective bargaining agreements be provided to the Legislative Program Review and Investigations Committee and the committee of the General Assembly with cognizance of all matters relating to education by December 15 each year beginning in 1990.

Response

Any report prepared in conjunction with the TNA could be provided to the Legislative Program Review and Investigations Committee and the Education Committee. However, the timing and comprehensiveness of such a report is directly related to the analysis required by recommendations 1 and 3 and the concomitant expansion of Department resources.

Recommendation 5

It is recommended that the state department of education by November 1, 1990, adopt in accordance with C.G.S. Chapter 54, regulations concerning the process for selecting nominees for neutral members of the arbitration panel established under the Teacher Negotiation Act. At a minimum, the regulations shall address:

- o applicant requirements and application procedures;
- o the composition of bodies responsible for screening applicants;
and
- o the section (sic) criteria and process.

Response

In order for the State Board of Education to adopt regulations under the provisions of Chapter 54 of the General Statutes, there must be specific statutory authority. Subdivision (2) of subsection (b) of Section 4-172 of the General Statutes states, in part, that "a regulation may not be effective before the effective date of the public act requiring or permitting the regulation." In an informal opinion, the Office of the Attorney General has interpreted this provision, together with a general reading of the Uniform Administrative Procedure Act, as supporting the proposition that in order to promulgate regulations either a general or specific authority to do such must be accorded the agency. Therefore, in order to adopt regulations, it appears that specific authority must be enacted into legislation. If this were done, I would recommend that the regulation timelines established by the Uniform Administrative Procedure Act be followed rather than the November 1, 1990, date in your recommendation.

I agree with the premise that "for the binding arbitration process to be effective, both parties involved must have confidence that it is fair." The neutrals on the TNA arbitration panel are intensely scrutinized. Their resumes are reviewed by State Department of Education staff and representatives of employers and employees; they are interviewed by State Department of Education staff and representatives of employers and employees. Successful candidates are screened by me and the State Board of Education, and then nominated to the Governor. The Governor screens the nominations and then appoints the arbitrators with the advice and consent of the General Assembly. In the General Assembly, candidates are again screened by the Executive Nominations Committee and voted on by both houses. I am unaware of any screening process for arbitrators, in this state or any other, which consists of such an intense review of qualifications and neutrality. I would be pleased to develop regulations, however, I am not convinced that they are necessary.

My understanding is that committee staff used the process established by the Minnesota Public Employment Relations Board as the model for this recommendation and recommendations 6 and 7. I would point out that in Minnesota the selection, review and appointment process rests with a single administrative agency, the Minnesota Public Employment Relations Board. Were a single Connecticut agency to have exclusive control over the recruitment, screening and appointment process, I would understand the necessity for regulations. Additionally, I will note that unlike our process, Minnesota does not involve the parties in the selection process.

Recommendation 6

The program review committee recommends that the selection process discussed above include an evaluation of level of arbitration experience and that definitions of experience levels be adopted in the regulations concerning selection criteria. Applicants deemed inexperienced but otherwise qualified would be notified of the opportunity to participate in a training program, overseen by the state education department, in which they would serve an internship with experienced neutral members of the Teacher Negotiation Act arbitration panel. The criteria for this training program and the requirements for successful completion shall be outlined in the selection process regulations.

Response

By statute, neutral arbitrators must be experienced in public sector interest dispute resolution. An intern program for "inexperienced but otherwise qualified" applicants is possible. However, such a program would require not only additional involvement by Attorney Williamson but also the cooperation of the arbitrators. It is important to remember that arbitrators would be asked to train "candidates" who would subsequently be competing for appointment on a panel which is limited in number.

I endorse the concept of internship. In fact, several years ago Attorney Williamson began a mediator intern program as a way in which to attract and train more women and minority mediators. The difference in the two panels, however, is that the mediation panel is not limited in number, although informally we attempt to keep the number administratively appropriate.

Recommendation 7

It is recommended that the state department of education establish by November 1, 1990, a process for annually reviewing the performance of all members of the Teacher Negotiation Act arbitration panel. The annual assessment of each neutral arbitrator shall include an evaluation of compliance with statutory requirements for written arbitration decisions. In addition, the department shall encourage the parties involved in arbitrations to submit written evaluations of awards. The parties' award evaluations shall be retained by the department for use by selection committees when considering applicants for reappointment as well as for annual performance reviews.

Response

Arbitrators are similar to administrative law judges. By the very nature of their position and the design of the last best offer issue-by-issue dispute resolution procedure, which I do not believe should be abolished, one side will win and one side will lose. This factor, combined with the high emotions of bargaining, will most always result in one side feeling, to some degree, that the arbitrator was "unjust." In the present selection format, party representatives are asked prior to the selection process if they would like arbitrators currently on the panel to be reinterviewed. Comments concerning the conduct of arbitrators are submitted to Attorney Williamson when the conduct is extremely serious. This seems a most appropriate manner in which to evaluate arbitrators.

In addition to the first seven recommendations, Mr. Nauer's asked me to comment on his January 18, 1990, letter. I believe that recommendation 9 is also applicable to the State Department of Education.

Recommendation 9

The program review committee recommends that neutral arbitrator nominee selection process set out in its earlier recommendation provide for participation by local legislative and fiscal authorities as well as representatives of the parties.

Response

I have no difficulty inviting a representative from a local legislative or fiscal authority to sit on the interview committee. I will note, however, that these bodies, while having an interest in the outcome of arbitrations, are not statutory parties. It is my understanding that this recommendation and recommendation 10, is not designed to give them party status.

If you have any questions, please feel free to contact me or Lee Williamson at 566-2135.

Sincerely,



Gerald N. Tirozzi
Commissioner of Education

GNT:lww
Enclosure
cc: Michael L. Nauer, Director

TESTIMONY OF GERALD N. TIROZZI

COMMISSIONER OF EDUCATION

before the

Legislative Program Review and Investigations Committee

October 16, 1989

Senator Lovegrove, Representative Levin, members of the Legislative Program Review and Investigations Committee, thank you for the invitation to testify on the subject of binding interest arbitration for educators.

The Connecticut Constitution states that there shall always be free public elementary and secondary schools in this state. The General Assembly has enacted legislation to effectuate this constitutional mandate by ensuring, among other things, that our children have an equal opportunity to receive a suitable program of educational experiences. The framework for educator collective bargaining is contained within the parameters of this mandate. As such, it is imperative that any dispute resolution procedure crafted by the General Assembly have, as an integral part, finality. The uninterrupted continuity of the educational process is an absolute necessity if we are to achieve educational excellence.

Since 1951, when the Connecticut Supreme Court first recognized that educators had a right to collectively bargain with their employing school boards, the Commissioner of Education has been actively involved in the inextricably linked areas of educational policy and educational labor relations.

In 1951, Commissioner Finis E. Engleman appointed a committee to study the working relationship between employee organizations and school boards. A 1957 report by this committee, together with a subsequent 1962 revision, both of which were adopted by the State Board of Education, served as the basis for the bargaining relationship until the General Assembly enacted comprehensive bargaining legislation in 1965. The legislation provided for mediation and advisory arbitration. However, the lack of finality in this bargaining scheme resulted in 52, albeit illegal, job actions by Connecticut teachers during the decade 1967-68 until 1977-78, resulting in approximately 196 school days of disruption.

The 1975 strike in New Haven, in which 90 teachers were jailed, is a personally poignant example of the devastating and debilitating effect of a strike within the education community. As a central office administrator, I experienced firsthand the bitterness of the moment and the residual bitterness that continues in a school system, even to this day. Children cannot learn and teachers cannot teach in an environment that is permeated by hostility.

In 1979, the strike by and subsequent incarceration of Bridgeport teachers provided the incentive for the passage of binding interest arbitration. Binding arbitration provided a viable alternative to a negotiation process that lacked finality. As a result, Connecticut has experienced a decade of labor stability within its public schools.

I am not here today to tell you that binding arbitration is the only effective dispute resolution procedure available or that it is, in fact, a panacea - obviously other states, each with their own unique historical peculiarities and proscriptions, have enacted legislation that is different than the statute in Connecticut. However, I will state that the concept of finality crafted in the existing, delicately balanced, binding arbitration statute should not be summarily discarded or amended. It has provided a fair and equitable process for achieving educational continuity while concomitantly ensuring that collective bargaining can occur. Unlike some other states, on labor day our teachers are in school, not on picket lines.

The current statute involves the intricate interplay of educational, fiscal and labor interests. The extent to which each of these groups participates in the negotiation process will have a significant and determinative effect on the effectiveness of the statute itself.

The statute provides for "last-best-offer issue-by-issue" binding interest arbitration whereby if school boards and employee organizations fail to reach contractual agreement after negotiation and mediation, the issues are submitted to an arbitration panel. This panel must select one of the parties' proposals on each issue in dispute, which can range from class size to salary schedules. This latter area appears to have generated a good deal of interest, in fact, the concerns raised recently are echoes of the concerns that have been raised since the passage of binding arbitration.

However, prior to 1986, binding arbitration achieved only moderate salary increases for educators, despite the fact that more often than not they prevailed on the economic issues in dispute. It was not until the enactment of the Educational Enhancement Act that, as a strong educational policy statement, this General Assembly recognized that an infusion of funds for teachers' salaries was necessary in order to meet our educational agenda, which is so dependent on our ability to attract and retain qualified Connecticut educators.

Today's focus appears to concentrate on post enhancement salary schedules which were negotiated, mediated or arbitrated last year. However, actual arbitration awards, i.e., those excluding stipulated awards, amounted to only approximately 27% of the 220 contracts negotiated. It is important to recognize that arbitration is a process that mirrors existing bargaining trends; arbitrators appear conservative by nature and follow, but do not often set, trends. Arbitrators did not appear to establish the settlement trend; they appear only to have used it as one factor, which by statute must be considered, in arriving at their decision. To illustrate this point, I need only refer you to Appendix B of your Briefing Package.

The binding arbitration statute established a dispute resolution procedure which balanced the needs and concerns of a variety of interested constituent groups. The statute was designed to ensure contract resolution prior to the time when a board of education would submit its itemized budget to its fiscal authority; fiscal authorities which have an intergral role in the negotiations. The statute mandates that the fiscal authority meet with the board of education prior to negotiation, specifically provides for fiscal

authority presence during negotiations and permits the fiscal authority to be part of the board's presentation during arbitration.

The contracts are negotiated prospectively, so that Connecticut teachers, unlike other municipal employees, never enter a work year not knowing what they will be paid for their services. If a dispute goes to arbitration then arbitrators must decide which of two last best offers to award on each issue in dispute. In arriving at a decision, the arbitrators must evaluate the evidence presented against statutory criteria. The award is subject to judicial review, if appealed.

My role, as Commissioner of Education, under the current bargaining statute is twofold: to handle representation issues, i.e., the determination of which union will represent employees in a particular unit and in which unit, if any, a particular employee should be placed; and, dispute resolution, i.e., ensuring that parties to the negotiation process complete that process in accordance with the law.

Specifically, in the latter category, the statute mandates that I ensure mediation and arbitration take place - if parties are unable or unwilling to select mediators then I must; if parties are unable to select neutral arbitrators, then I must choose them on a random basis.

The State Board of Education is responsible for establishing a panel of mediators. In addition, the State Board of Education is responsible for nominating neutral arbitrators to the Governor. By statute, the arbitrators must be Connecticut residents experienced in public sector interest dispute resolution. The Governor appoints arbitrators to the arbitration panel with the advice and consent of the General Assembly.

The State Board of Education has established a fair, valid, job related screening process for the selection of both mediators and neutral arbitrators nominees. It consists of resume review, and an extensive interview process. In each of these steps, labor experts representing the interests of various labor unions and boards of education, as well as the Office of the Commissioner, are involved. In fact, with regard to the neutral arbitrators, only those individuals who receive unanimous approval by the interview committee are recommended to me and subsequently to the State Board of Education for consideration. The process for the selection of mediators and arbitrators is void of "political" considerations. Candidates are evaluated only on their substantive qualifications.

The current negotiation statute, on balance, is a viable and fundamentally fair dispute resolution statute. It involves as participants, school boards, fiscal authorities and employee organizations. It provides finality to the negotiation process and thus, a school year where the focus can be placed on learning.

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