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STATE OF MICHIGAN

EMPLOYMENT RELATIONS COMMISSION

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Fact Finding Proceedings in the matter of:

COOPERSVILLE AREA PUBLIC SCHOOLS.

STATE OF MICHIGAN'
EMPLOYMENT RELATIONS COMMISSION
LABOR RELATIONS DIVISION

Public Employer,

and

COOPERSVILLE EDUCATION ASSOCIATION.

nigan Sinter University. BOR AND INDUSTRIAL

Employee Organization.

James R. Mc Cormick

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REPORT OF FACT FINDER

Representing Board of Education: Miller, Canfield, Paddock & Stone, by Thomas Nordberg, Attorney at law; Clarence Mason, Superintendent

Representing Education Association: David L. Ratajik, Executive Director;
Marvin Bergsma, President

Petition for Fact Finding filed: September 8, 1971

Petition for Fact Finding filed: September 8, 1971
Answer to Petition filed: September 27, 1971
Fact Finder appointed: September 30, 1971
Fact Finding Hearing Held: October 26, 1971
Report of Fact Finder Issued: November 23, 1971

UNRESOLVED ISSUES

issues are unresolved as of the time of this proceeding. As a result of negotiations which began several months ago, the Board of Education and the Association have agreed on several items relating to salaries, hours and working conditions. They are in disagreement concerning the appropriate salary schedule (Schedule A), the extra duty salary schedule (Schedule B), and Health Insurance Fringe Benefits (Schedule C).

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The non-economic issues concern (a) procedures used for adoption of school calendar, (b) compensation for "snow days", (c) determination as to whether the contract ought to specify second year salaries or simply provide for a wage reopener, and (d) provisions relating to personal leave days.

During the course of the hearing, which lasted a full day, each side presented numerous exhibits in support of its various positions on the economic and non-economic issues. To some degree the parties made novel proposals during the hearing, such as would constitute modifications and compromises of their earlier stated positions. The Fact Finder publicly urged the parties to make every effort to reach an overall agreement through a recess in the hearings or through meetings following the completion of the hearings. Both parties seem to be sincerely interested in working out their difficulties and it must be stated that reasonable arguments were made pro and con on every issue outstanding between the parties. Needless to say, such a situation makes it difficult to arrive at impartial recommendations which have behind them the full force of reasoned argu-Nevertheless, a collective bargaining impasse must eventually be resolved and the conflicting interests and points of view as expressed by the parties in this matter must be subjected to criticism and resolved in favor of the party presenting the most persuasive case. The Fact Finder has sought to do that on each issue without regard to the personalities involved or other irrelevant considerations. However, the Fact Finder has taken into consideration the practical fact that give and take must occur on both sides if these recommendations are to meet overall acceptance without the necessity of further protracted and perhaps even bitter negotiations. With two months of the school year having already transpired it is urgent that these parties reach agreement upon terms governing their day to day working relation-

ship. The fact that this is late in the day for the occurrence of negotiations is a motivating factor to some degree in my recommendation of what otherwise might be viewed as overly simplistic solutions to the problems. Complicated recommendations would undoubtedly provoke extensive further meetings. By permitting this matter to continue without resolution until two months after the beginning of the school year both parties have contributed to the situation in which the undersigned feels that simple and readily understandable answers must be accepted. The positions of the parties with respect to salary schedules are exceedingly complicated and present a difficult problem in attempting to adequately describe the positions so that the public may be able to comprehend them without actually engaging in lengthly study of the issues, which study would also require some knowledge of school finance. other issues are not so complicated as to be beyond the comprehension of the average citizen without detailed description. Accordingly, the undersigned will first discuss and make recommendations concerning the non-economic issues and schedule B and C, and will treat of the salary schedule conflict thereafter.

FINDINGS AND RECOMMENDATIONS

Procedures for Adoption of School Calendar:

The Association complains that the Board unilaterally adopted a complete school calendar at its August, 1971 monthly Board Meeting. The Board replies that it did so because it was nearly time for the commencement of the school year and the Teacher Administrative Advisory Council had not made formal recommendations to the Board, as is called for by Article IV A. 1. a. of the Collective Bargaining Contract which expired in June, 1971. The Board feels that it had no choice but to adopt a calendar at the time when it took such action, and the Board further argues that the calendar is only slightly different from that which the Association had recommended at the beginning of the collective

bargaining sessions in the Spring of 1971. The record reveals that the calendar adopted by the Board differs from that originally proposed by the Association as to only two or three days at the beginning and end of the school year. The parties have no disagreement as to when school should begin in September and are in complete agreement as to when all of the intra-school year holidays should be celebrated. The Association differed with the Board as to one day in September and one or two days at the beginning of June. Article IV A. 1. of the old Collective Bargaining Contract contains the following relevant language:

"The school year shall begin no earlier than the first day of September, shall end no later than June 15, shall consist of not less than 180 calendared attendance days plus such days as may be stipulated by law and such days as shall be agreed upon by the contracting parties for such activities as teacher orientation, vacations, recording of grades, and inservice training.

a. The teacher-administration advisory committee in cooperation with the Association will recommend to the Board a calendar for the following year."

The Association points out that the old contract expired in June, 1971 and therefore was not binding when the Board took its action in August, 1971. The Board counters that Article IV A. 1. must have been intended to apply to the calendar for this year or else the clause would have had no meaning at all. In any event, the undersigned notes that Article IV A. 1. specifies that the calendar shall include such days as "shall be agreed upon by the contracting parties". Such language would ordinarily be interpreted as to mean that the parties would negotiate concerning the setting of special days within the outside boundaries of September 1 and June 15. The Board apparently feels that such an inference is not justified in view of sub-paragraph a. which seems to delegate to the Teacher-Administration

Advisory Committee "in cooperation with the Association" the function of making recommendations to the Board of Education concerning a school calendar for the following year. The undersigned is at a loss to reconcile the reference to agreeing upon calendar days with the contract language seemingly delegating to TAAC the function of making recommendations regarding calendar. It should further be noted that the attorney for the Board of Education urged the Fact Finder to make no recommendations on this issue in view of the fact that the Michigan Employment Relations Commission has pending before it at this time an unfair labor practice case involving the Pine River School District inwhich a question as to whether the contents of a school calendar is a mandatory subject of bargaining is presented. Counsel indicated that this matter will hopefully be resolved by the Michigan Employment Relations Commission before bargaining begins for the next school year. Accordingly he saw no reason to get into it at this time.

in the calendar adopted by the Board and that originally proposed by the Association in negotiations are almost identical. I am also persuaded that the Board had no choice but to adopt at least a partial calendar when school was about to begin. It is not known whether negotiations were at an impasse in August, but if they were at an impasse then the Board certainly had a right to take action on an issue which had to be immediately resolved in order to avoid chaos at the beginning of the school year. This of course would not justify adopting a calendar for the entire school year, but only would be an explanation for adopting a partial school calendar. On the other hand, that fact that the calendar adopted by the Board differs only in the slightest detail from that originally proposed by the Association causes the undersigned to conclude that the Board substantially accepted the bargaining

position of the Association on this item. Accordingly, aside from the legalities of the Association's contention, and aside from the almost inscrutable language of Article IV A. 1., the undersigned recommends that the Association accept the entire school calendar as adopted by the Board last August.

Compensation for "snow days":

Last year the Coopersville Area Schools were closed for 8 days during the winter because of foul weather. The Board's policy at that time was that teachers would be paid for such days only if they reported for duty. Those teachers who found it difficult or impossible to get through the storm to the school were docked one day's This year the Association insists that the contract must provide that teachers will be compensated fully for days when the schools are closed because of snow or other foul weather. The Board has offered, as a compromise, a proposal that teachers be paid without reporting for duty on the first three "snow days" of the school year, but that they be docked thereafter on "snow days" unless they report for duty. The Board contends that these schools are often closed for the benefit of the children and because of the highway dangers to school buses, even though there is no particular danger to adults traveling by auto-The Board notes that the schools are often closed on days mobile. when business and industry carries on uninterrupted. While not disputing that fact, the Association presented witnesses relating stories concerning harzardous driving conditions through which they fought in an effort to arrive at school on "snow days". The teachers felt obligated to report in order to receive their normal pay, even though one of the witnesses testified that she always had plenty of papers to correct, classes to prepare, or professional reading to do on such These matters could be handled at home, in her opinion. She testified that she felt an obligation to spend "snow days" working on

school related matters even if she were home. The Board points out that in any group of 103 teachers there will be all levels of dedication, including some people who will not feel an obligation to devote the day to school work.

The Board's proposed compromise of three paid "snow days" during each school year is based upon its statistical analysis of the "snow days" during the last four winters. The average number of days on which the schools were closed in Coopersville over the four year period was three. Accordingly, the Board feels that paying the teachers for three "snow days" will do them justice. The Board however fails to note that last year there were eight snow days and in one or more years there were none or nearly none. As a result, the teachers would have been paid for only three snow days under the Board's proposal last year but would not have received pay for three snow days in the earlier years when the schools were seldom if ever closed.

The undersigned sees the proper resolution of this dispute as turning upon the nature of the professional employment of teachers in the public schools. It is well known that a substantial portion of the work of a classroom teacher is done outside of the classroom, either in the school building or at home. This involves class preparations, professional reading, preparation of exhibits and blackboards and demonstrations, correlation of extra-curricular activities, correcting of assignment papers and examinations, and related matters. One of the recognized characteristics of professional employment is that the individuals are expected to work with a very minimum of supervision and are expected to exercise a maximum of discretion in the execution of their duties. I am inclined to the conclusion that the docking of pay from teachers when they are unable to report for duty because of bad weather conditions, on days when the schools are closed, is inconsistent with a proper recognition of the role of

teachers in the education of pupils. It could even be viewed as demeaning to their professional integrity. I recognize that some persons in every profession are deserving of the jaundiced eye when it comes to matters of professional integrity and individual responsibility, but I do not think that a school policy should be predicated on the assumption that a substantial portion of teachers will not act responsibly in the carrying out of their responsibilities towards the students. If on a particular "snow day" a teacher chooses to do other things, that is not in itself necessarily a case of irresponsibility, since the teacher may have spent the weekend preparing for classes and correcting examinations, and has some right to plan his or her work week to the extent that it is consistent with classroom assignments. A second, but less significant reason for my recommendation that teachers be paid on all snow days regardless of whether or not they report to the school building is the fact that this is salaried employment and their salary is determined on a yearly basis, rather than an hourly or daily rate. While for some purposes teacher salaries have been sliced up into percentages of the annual number of duty days, I do not think that such an approach to salary is appropriate in connection with days on which the teacher, but for weather conditions and a decision of the Superintendent, would be engaging in classroom teaching. The concept of an annual wage has gained favor even in blue collar areas, not to mention its prevalence in white collar clerical work. It is generally felt that it is more consistent with personal dignity and a recognition of the annual income needs of families to pay people on an annual or at least a monthly basis in the form of a salary which they may anticipate receiving, rather than paying individual according to each hour worked, docking the individual each time the operation is shut down for any period of time, even a fraction of an hour. Accordingly, it is urgently recommended that the parties discontinue the practice of docking teachers for "snow days" on which

they fail to report for duty. If there are to be in-service training programs for teachers or other worth while meetings at the school buildings on "snow days", teachers ought to give serious consideration to making the effort to attend them, unless the driving is simply too hazardous. However, on any day when the superintendent considers it too dangerous for the school buses to travel on the roads it can be assumed that some of the teachers, at least, will also find it very difficult to get to school. Their sense of responsibility will be enhanced if they are not pressured to come to the school building regardless of the fact that nothing may be planned in order to make the day meaningful there. They should not be expected to prepare their classes or correct examinations at school in preference to home on the assumption that they are too immature or irresponsible to get their work done unless they are under the constant eye of administration representatives. In the long haul, the approach which I am recommending will be to the betterment of the teaching profession and therefore to the betterment of the school program.

Reopener Versus Two Year Salary Package:

The Association opposes a wage reopener for the second year of a two year contract unless it can get agreement at this time as to retention of the present index whereby the salary level at each of the annual steps is calculated. The Association prefers determination of salary for both years at this time. The Board has no objection to a reopener but would also be agreeable to setting the second year, although its proposal for second year salaries is not acceptable to the Association. For reasons discussed under the heading of Salaries (Schedule A) the undersigned does not recommend a reopener for the second year but will recommend that the teachers receive a straight cost of living increase at all levels of the pay scale for the second year of a two year contract.

Personal Leave Days:

A tentative agreement on the subject of personal leave days was arrived at during the negotiations. The Association believes that it ought to be made a part of any contract. The Board is concerned that the Association is interpreting the tentatively agreed upon language in such a way as would permit teachers to use all of their leave days, including those designed for sick leave, for any purpose they might choose, including going hunting, possible from the record made at the hearing that such an interpretation would be advanced by the Association if the clause tentatively agreed to should become part of a contract. The Board would be agreeable to permit one personal leave day to be used, assuming requests were made in writing, without reference to the purpose for which it would be used. This issue does not concern the number of leave days during the year, which is agreed upon. Teachers are to receive one and a half leave days for each month of the school year. It is intended that these are primarily to be used for sick leave or related matters such as funeral leave. The undersigned agrees with the Board of Education that language allowing teachers to use their entire sick leave provision for any purpose whatsoever would not be desirable. The Board proposes that personal leave may be used for up to one day per year at the teacher's discretion, but it admits that the employees have never asked for more than two personal days, and that the current interpretation of the tentative agreement by certain teachers was probably not the intended interpretation of the parties during the negotiations. The undersigned recommends that the Board and Association compromise this issue by specifying that two personal leave days per year may be used at the teacher's discretion for any purpose whatsoever, along the lines of the language contained in Board Exhibit No.B-1.

Extra Duty Salary (Schedule B):

The parties do not disagree as to the percent of the annual salary which should be paid to each teacher who performs an extra duty contained on the Extra Duty Roster. The difference lies in the effect in the overall costs of the Extra Duty Schedule which will result from the negotiation of the basic salary schedule. In other words, if the basic salaries are higher than that proposed by the Board it follows that the extra duty salaries, which are calculated on a percentage of regular salary, will also be higher. The undersigned agrees with the Board in recommending that the Association and Board enter into an agreement in accordance with the schedule B percentages as already outlined during negotiations. This issue should not be debated in itself, and whatever salaries are determined for the regular school year ought to simply be plugged-in to the extra duty schedule B.

Insurance Fringe Benefits (Schedule C):

For the last two years the Coopersville district contributed up to a maximum of \$20 per month toward any type of benefit or benefits available from the Michigan Education Association Special Services
Association (MESSA). The Association presented, in Exhibit C-1, figures from nearby districts indicating that Coopersville's \$240 per year contribution was less than the great majority of districts paid during 1970-71. Many paid \$400 or more. The Board offered \$22.50 per month during negotiations, but at least hinted, during the hearing, that it would consider moving towards full family coverage at Board expense. The Board's \$22.50 offer would cost approximately \$27,000 per year, while the Association's demands of \$40 per month would cost \$50,000 the first year. During the hearing the Association proposed a compromise (Exhibit C-3) whereby full family benefits (\$46.64 per month) would be provided by the Board for those desiring

it, but for others only the equivalent of a single individual's premium \$18.04) would be applied by the Board towards MESSA options. Calculations indicate the probable annual cost of such a proposal to be \$43,000, or \$13,000 more than the Board's proposal (\$15,000 more than last year's cost). While this represents an increase in the cost of insurance of over 50%, it represents a relatively modest part of the overall economic package. It will not adversely affect the district's fiscal ability and it appears the district is not particularly averse to this move, although it is obviously a cost factor.

For the second year of the contract the Board contribution should remain frozen, in light of the large increase this year. In other words, in the event premiums of MESSA increase during the second year of the contract, the Board's contribution should not be increased.

Salary Schedule (Schedule A):

The parties are not far apart in terms of overall cost of the proposed salary package or in terms of the differences at each step and level on the schedule. The 1970-71 salary schedule provided for eleven annual steps for teachers possessing the bachelor degree (BA /BS), beginning at \$7,400 and rising to \$11,248. There existed a separate schedule for teachers with the bachelor degree plus 15 semester hour credits towards a masters degree. That schedule contained eleven steps, running from \$7,400 to \$11,396. A further schedule, also containing eleven steps for teachers with twenty credits towards the masters, ran from \$7,400 to \$11,544. Finally, a masters schedule contained eleven steps running from \$7,400 to \$13,320, with longevity steps after 15,20 and 25 years.

The Board presented statistical data comparing the 1970-71 schedule with eighteen nearby districts. These comparisons indicate, generally speaking, that Coopersville salaries were \$79 below the

the average of \$7,4.79 at the BA base step; \$232 above the average of \$9,166 at the BA 6th step; \$199 above the average of \$10,951 at the BA 11th step; \$707 below the average at the MA base step; \$421 above the average at the MA 6th step; and \$86 above the average at the MA 11th step.

The Association also produced statistical data from districts in geographical proximity to Coopersville. It selected fourteen districts in Ottawa, Kent, Muskegon and Newaygo counties. Geography was the sole standard used for selection; state equalized valuation per child, for instance, was not taken into consideration. Association argued, with some logic, that these are districts in which present Coopersville teachers might be expected to look for positions (without having to change residences). From the experience of this factfinder the rationales used by the respective sides in these salary disputes depends in part upon the simple need to justify one's own position. Both the Association and the Board, in this instance, have selected some districts arbitrarily. Nevertheless they chose nine districts in common: Grand Haven, Holland, Hudsonville, Jenison, Kenowa Hills, Kent City, Sparta, West Ottawa and Zeeland. The comparisons of the Association group of 14 districts produces a composite picture similar to that shown above in the Boards grouping of districts. The Association chose to rank Coopersville with the other 14 rather than to show actual dollar figures.

Thus, at the <u>BA base step</u> Coopersville, at \$7,400 for 1970-71, ranked 8th among 13 area districts (including itself). It was <u>slightly below</u> average in rank. The Board tally showed it was <u>slightly below</u> the <u>dollar average</u> when compared to 18 selected districts. It was ranked 5th out of the 13 Association districts at the <u>BA 11th</u> step, or <u>somewhat above average</u>. This was also true in the Board's comparisons of dollar figures.

At the MA base step Coopersville ranked last. (It was \$707 below average in the Board's list.) At the MA 11th step it was 6th out of 13 reported districts, or slightly above average. (It was \$86, or slightly above average in the Board's list of 18 districts.

My analysis of the fiscal ability of Coopersville, in terms of operating millage, state equalized valuation of taxable property per student, and budget surplus position at the end of the last fiscal year is that the district has the means to at least maintain its relative position vis a vis area school districts. While the Board, through its legal counsel at the factfinding hearing, deemphasized the importance of ability to pay, this issue is one which is nearly always stressed by parties when it operates to buttress their positions. I am convinced that it should be treated as important, along with the question of the relative standing of the district among comparable districts.

The Board presented figures showing that, when compared to 1971 settlements in 16 districts in the area (apparently the other two had not settled or else figures were not available) Coopersville's last Board offer at the <u>BA base step</u> (\$7,800) was only \$55 below the \$7,855 average 1971-72 settlement. At the <u>BA 6th step</u> the offer \$9,798) was \$111 above the \$9,687 average. At the 11th step the offer \$11,348) was \$182 below the \$11,530 average.

The Board presented figures showing that Coopersville's last Board offer at the MA base step (\$7,800) was \$692 below the \$8,492 sixteen district average. At the MA 6th step Coopersville's offer \$10,094) was \$405 below the \$10,499 average. At the MA 11th step the offer (\$12,710) was \$64 below the average.

Next to be considered is the rank in which Coopersville would fall for 1971-72 in the Association group of districts, on the basis of the Board's last offers and the Association's most recent

demands. According to Association figures Coopersville, at the BA base step, would go from 8th (1970-71) to 9th place (Board offer) or up to 5th place (Association demand). To maintain 8th place Coopersville would have to start at \$7,850, halfway between the \$7,800 offer and the \$7,900 demand.

At the <u>BA llth step</u> Coopersville would go from its 1970-71 5th place to 9th place (offer) or 3rd place (demand). To maintain 5th place it would have to pay \$12,139, roughly half way between the current positions of the parties.

At the <u>MA base step</u> Coopersville would remain in last place under either offer (\$7,800) or demand(\$7,900). At the <u>MA 11th</u> step it would go up from 1970-71 6th place to either 5th place (Board offer) or 3rd place (demand). To maintain 5th place it would need to pay \$13,600, just slightly less than the Board offer.

Board Exhibit #10 concludes that the actual difference in salary expenditures between the two positions, taking into consideration the length of tenure and degrees held by the Coopersville staff, is \$24,000 (which is less than $2\frac{1}{2}$ % of the total cost of salaries). Board has prepared a balanced budget, using its last offer figures and presuming that these increases will be in effect for only 78% of the school year (22% of the year having fallen within the 90 day Presidential wage-price-rent freeze, which period ended November 15,1971) It is noteworthy that the district completed the last fiscal year with a surplus (cash reserve) of just over \$150,000, or approximately 8% of its annual expenditures during the 1970-71 year. Also significant is the fact that the Superintendents budget estimate of expenditures, in past years, has always been within a 4% margin of error when compared with actual expenditures. Here that translates into a margin of error of a maximum of \$80,000, either upwards or downwards. In light of this, the \$24,000 total difference in the salary positions of the

parties is seen to be relatively small. Even if the budget estimates of the Superintendent should prove a full \$80,000 too low, the Association's proposals would not come close to wiping out the cash reserve. If the budget estimate should prove too high, the surplus position of the district might actually improve. When compared with the multitude of school districts which annually face the prospect of a deficit, Coopersville must be considered to be on a relatively solid financial base.

To summarize some of the above findings, it may be stated that the Board's salary proposals are, by and large, somewhat less than enough, at most steps, to retain Coopersville's present ranking among comparable districts in the same general area of the State of Michigan. The Association's proposals, conversely, are, by and large, somewhat more than enough to retain the district's ranking. On the record made at the hearing there is no good reason why this district should not retain its existing ranking. Under the circumstances, including the fact that there are enough settlements in the area to allow us to compute Coopersville's ranking, it is recommended that the parties settle for a salary schedule which will accomplish that objective.

The Association's cost of living figures indicate a cost of living increase of 5.16% during the year which has gone by since the employees began to receive the 1970-71 salaries. I find this district can afford to meet the cost of living and that it would be inequitable and potentially damaging to the morale of teachers not to at least do that much. The so-called "Phase Two" yardstick for pay raises is, as of this time, 5½% per year, which is intended to mean 5½% increase in the total economic package, including insurance and other benefits, over and above the total package of

the previous year. Since the parties are in agreement upon some increase in the insurance benefits, that must also be considered in the overall cost of the package over 1970-71.

Related issues in resolving the salary dispute concern the continuation of a BA + 15 schedule and the concept of eliminating step increases after the 6th or 7th step of the BA schedule for the purpose of creating an incentive to teachers to upgrade themselves professionally. While the parties agree on the latter concept, the Board would do away with the BA + 15 now, rather than next year, as proposed by the Association. The undersigned believes that it should be eliminated at this time. It has little basis in logic. The Board's concept of a schedule for permanently certified teachers is a solid one and is easy to implement. It should be adopted this year, at both BA and MA levels, as proposed by the Board. Since the parties agree as to the number of annual steps, that should remain as is. Also legitimate, and probably necessary for ratification, is the notion that no teacher will receive an increase of less than \$100 over last year. That should be included in the contract.

The Association's Exhibit A-10 shows that the Board's last offer would result in an actual decrease in buying power for most teachers, since it is less than the cost of living increase in most cases. This confirms my tentative finding, above, that the contract settlement should be somewhat higher than the Board's offer, but less than the demands of the Association.

After poring over the reams of figures for a great deal of time, I have come upon a solution to this dispute which I believe will best achieve equity without distorting the areas of agreement already reached by the parties. This solution turns upon the issue of what is known in this field as the "index". This is the percentage factor by which each annual step exceeds the previous step. For example,

in the previous contract the second step at the BA level was 103% of the base step. The third step was 110% of the base step. The Association prefers to retain the present index or ratio among the steps. The Board would do away with it by simply increasing every step of the schedule by a flat \$400 over what it was last year. The Board's system would change the index downwards in such a way as to adversely affect teachers with longer service.

However, if the Board's \$7,800 base salary offer were adopted, but retaining the existing index of steps (except for the elimination of certain steps on the BA provisional schedule, as discussed above), the net effect would be to produce an overall salary schedule which would approximately retain Coopersville's present ranking and be equitable at nearly all levels and steps. It should be done on the basis of the separate provisional and permanent schedules as proposed by the Board, at both BA and MA levels. While I have not been in a position to calculate the precise cost of such a salary package, it will clearly be within the Board's ability to pay. Since it would achieve most of the objectives of the parties in terms of the policies reflected in salary-setting (ranges, incentives, rewarding permanent status, retaining a good index) I strongly urge the parties to accept this as a basis for resolving their dispute.

As to the second year of the contract, I recommend that the salary schedule, at the base steps, be increased in direct proportion to the cost of living increase during this intervening year, and that the current index be retained, so that each step will receive the full benefit of the actual increase, as opposed to the Board's proposal of an increase at each step of a set dollar amount calculated on the base step cost of living increase. The Board's idea in this regard would distort the index and penalize higher seniority teachers unwisely.

Finally, the parties are requested to contact the State Mediator for the purpose of arranging further conferences to finalize a contract.

JAMES R. MCCORMICK, Fact Finder