

FREDERICK P. KESSLER
ARBITRATOR

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PUBLIC EMPLOYMENT
RELATIONS BOARD

IOWA WESTERN COMMUNITY COLLEGE
Public Employer

and

DECISION, INTEREST ARBITRATION

IOWA WESTERN COMMUNITY COLLEGE
HIGHER EDUCATION ASSOCIATION
Employee Organization

A. APPEARENCES

The Association appeared by John Phillips, Uniserv Director for the NEA/ISEA Southwest Uniserv Unit. He testified and presented the evidence of the Association.

The College appeared by Attorney Joseph Dreesen, of Jackson Lewis LLP. He called as witnesses Bill Barrett, the negotiator for the Association, Tom Johnson, Vice-President of Finance and Operations for the College, and College President Dan Kinney

Both Phillips and Dreesen cross examined the opposing witnesses.

B. BACKGROUND

Iowa Western Community College main campus is located in Council Bluffs. It is one of 15 Community Colleges operated by the State of Iowa.

In 2011-12 the College had a full time equivalent enrollment of 7406.15 students, making it the 4th largest Community College in the state. Enrollment at the College increased 53.59% since 2000, compared with a state-wide average increase of 35.62%. It was one of only three colleges that had increased its enrollment in 2012. The 2012-13 tuition for full-time students is \$4260.00. Only three other community colleges have a lower tuition for full time students. It is also the third lowest tuition per semester hours. The College is not planning a tuition increase in its budget for 2014. Currently 128 full-time faculty are in the bargaining unit at the College.

On April 30, 2013 the parties entered an Independent Impasse Agreement. Final Offers were exchanged on May 21, 2013. On April 25th, this arbitrator was notified that he had been selected by the parties to hear this interest arbitration. On April 26th the parties agreed to hold a hearing at 10:00 a.m. on May 29, 2013 at the College campus in Council Bluffs. The hearing began at 10:00 a.m. Testimony was taken and documents were received in evidence. The hearing concluded at 3:00 p.m. The College requested permission to submit a post hearing brief, to which the Association objected. The request was denied.

C. PROPOSALS OF THE PARTIES

The Arbitration offer of the College (Exhibits College 2 and College 3):

1. Article 9- Wages and Salaries: 3.5% wage increase, and other proposed wage and salary increases.
2. The Employer reserves the right to modify coverage benefits level and premium contributions as required by state/federal law.

The Arbitration offer of the Association:

1. Article 3 – Hours. No unit member will be required to attend in-service on Saturday or Sunday.
2. Article 7- Leaves of Absence.
A unit member will be granted up to three (3) days of personal leave.
A unit member will be allowed to carryover up to one (1) unused personal day per academic year.
3. Article 9- Wages and Salaries.
An eligible full-time unit member covered by this agreement for the 2012-2013 contract year shall receive a 5.0% increase of his/her 2013 contract base. A regular part-time unit member shall receive the appropriate prorated increase.

D. STATUTORY CRITERIA

Section 20.22(9) Iowa Stats. list the factors considered in Binding Arbitrations:

20.22(9) The panel of arbitrators shall consider, in addition to any other relevant factors, the following factors:

- a. Past collective bargaining contracts between the parties including the bargaining that led up to such contracts.
- b. Comparison of wages, hours and conditions of employment of the involved public employees with those of other public employees doing comparable work, giving consideration to factors peculiar to the area and the classifications involved.
- c. The interests and welfare of the public, the ability of the public employer to finance economic adjustments and the effect of such adjustments on the normal standard of services.
- d. The power of the public employer to levy taxes and appropriate funds for the conduct of its operations.

E. POSITIONS OF THE PARTIES

The College

The College has proposed a 3.5% salary increase for members of the bargaining unit and a total package increase of 2.12%. The salary provision compares favorably with the 5 year average of 3.32% salary increase at Iowa Western and the 3.06% average salary increase for the faculty at all the other community colleges in the state. The 2.12% total package cost also reflects the fact that the college's faculty members have less seniority (and therefore lower pay grades) than many of the other Iowa Community Colleges because of the college's growth and resulting need to expand the size of the faculty.

The Association points out that its proposed 5 % salary increase is closer to the 4.19% average for those community colleges which have already settled their 2014 agreements (percentages from the Association evidence). They also argue that its 3.4% total package cost is far closer to the 3.94% average total package cost for the other settled community college than the 2.12% total package offered by the College. The Association argues there is no precedent for such a low figure, and that total package amounts have been the basis for most arbitration awards in comparable educational institutions.

During the past twelve years in which the parties have bargained, a pattern demonstrates that in years the insurance costs rose, salary increases were less generous; however, when insurance costs increased at a lesser rate, wages did increase. This year insurance costs actually dropped, therefore wages should be increase. The past pattern should be determinative.

There is no question that the College has the ability to pay for the increase. State aid has been increased by the legislature. The College received a 9.97% increase in General Fund Appropriations for 2014, the second highest increase of any college. The College has an unrestricted General Fund balance of \$3,676,129, the highest since 1990 and almost \$400,000 more than the prior year. Salaries for other positions in the school have increased at a faster rate.

The members of the bargaining unit believe that they should not be compelled to work on Saturdays and Sundays when in-service training could be completed in the normal work week.

The Association personal leave proposal would bring the Labor Agreement into conformity with the policies in comparable colleges. The majority of those Colleges that grant personal leave provide for three days and allow one day to be carried into the next year.

F. DISCUSSION

The first factor the statute requires to be considered is past bargaining history between the parties. The Association has shown that when insurance rates increased substantially, wages did not rise as fast. When insurance rates rose only slightly, wages increased at a higher rate. This time insurance costs actually decreased, which tends to support a salary increase.

A second factor considered is a comparison of wages and hours of other public employees doing comparable work. The College suggested that the comparables should be limited two colleges in the western part of the state. I conclude that all community college settled agreements for 2013-14 are a more relevant factor. This group of settled agreement provides as follows:

Comparable Salary and Total Package increases for settled Community Colleges Agreements (Association Exhibit 7-1 and College Exhibit C-8) (* marked difference in Exhibits)

	<u>Salary</u>	<u>Total Package</u>
North Iowa Area Community College	3.00%	3.50%
Northwest Community College	3.90	3.90
Iowa Central Community College	2.76	2.80*
Hawkeye Community College	5.29*	4.10
Kirkwood Community College	4.06	4.00
Western Iowa Tech Community College	3.76	4.20*
Des Moines Area Community College	<u>4.00</u>	<u>4.53</u>
Average	3.82	3.86
Iowa Western Proposal	3.50	2.12
Association Proposal	5.00	3.40

North Iowa Area Community College is not covered by a collective bargaining agreement. If it were not included the Salary Average, the average would be raised to 3.91% and the Total Package Average would be 3.92%. In either case, the salary average would be closer to the College's proposal and the total package average would be closer to the Association's proposal.

I find it is also relevant to consider the current salary paid at the different community colleges and Western Iowa Community College's rank compared to the community colleges.

State-wide Community College Salary Ranking in 2011-12
(Salary in thousands) (Exhibit 5-8)

	<u>Salary</u>	<u>Rank</u>
North East Iowa Community College	\$46.7	13
North Iowa Area Community College	57.2	3
Iowa Lakes Community College	52.6	9
Northwest Community College	43.2	15
Iowa Central Community College	55.9	5
Iowa Valley Comm. Coll. Ellsworth	54.5	8
Iowa Valley Comm. Coll. Marshalltown	55.8	6
Eastern Iowa Community College	51.2	11
Hawkeye Community College	49.5	12
Kirkwood Community College	56.1	4
Western Iowa Tech Community College	51.4	10
Des Moines Area Community College	61.7	2
Southwestern Community College	41.1	16
Indian Hills Community College	55.3	7
Southeastern Community College	<u>63.0</u>	1
State Average	54.1	
Iowa Western Community College	46.3	14

Iowa western Community College ranks fourteenth of the sixteen salary schedules at the various community colleges and their campus's. The final offer of the Association is closer to the comparable wages paid to other college instructors doing similar work, and therefore is preferred based on salary paid to faculty.

The most persuasive argument offered by the College is that its Final Offer allows it to avoid increasing tuition. Student debt is already a major concern throughout the country. The heavy debt load from student loans is seriously impacting graduates in numerous ways, including limiting their ability to take community service jobs or qualifying for home mortgages. The College has gone from having the second highest tuition in 2003-04 to having the third lowest tuition in 2013. It has not planned to increase tuition for 2014. It has followed a very commendable path in making holding down student costs a major policy goal of the college.

Making this policy a consideration in the determination of which offer should be accepted might be reflected in the “interest and welfare of the public,” but, it is difficult to believe that was the intention of the legislature when they adopted the public employee bargaining law. If it was to be a criteria considered in higher education bargaining, it should have been specifically mentioned and defined

The Association’s proposal that its members should not be compelled to work on Saturdays and Sundays for in-service training is rejected. No evidence has been offered to show that such a prohibition is found in any other Labor Agreement.

Personal Day Leaves and Carryover (Exhibit C-17 and 9-3)
 (* disputed)

	<u>Days</u>	<u>Carryover</u>
Northwest Community College	2	1
Iowa Central Community College	3	1*
Hawkeye Community College	4	
Kirkwood Community College	3	
Western Iowa Tech Community College	2	
Des Moines Area Community College	3	
Iowa Western Proposal	3	1

The personal leave proposal of the Association is also rejected. Compared with the other college policies that have settled their Labor Agreements, three of the six that grant personal leave provide for three days, one allows four days and the remaining two allow two days. Only two allowed a personal day to be carried into the next year. The Association did not persuade me that a change is needed to fall in line with comparable institutions.

F. AWARD

For the reason explained above, based on the standards established by statute, the Association proposal for salaries is more reasonable, and is awarded.

Based on the same criteria, the Association's proposed changes in hours and in personal leave are rejected.

Dated at Milwaukee,
Wisconsin, this 7th day of
June, 2013



FREDERICK P. KESSLER
Arbitrator

CERTIFICATE OF SERVICE

I certify that on the 7th day of June, 2010, I served the foregoing Award of Arbitrator upon each of the parties to this matter by mailing a copy to them at their respective address as shown below:

Attorney Joseph Dreesen
Jackson Lewis LLP
10050 Regency Circle
Suite 400
Omaha, NE 68114

John Phillips
1110 Broadway
Red Oak, IA 5166

I certify that on the 12th day of June, 2010, I served the foregoing Award for filing by mailing it to the Iowa Public Employment Relations Board, 510 East 12th Street, Suite 1B, Des Moines, IA 50319.



FREDERICK P. KESSLER
Arbitrator