

How Sausage is Made: Collective Bargaining in Public Education

December 9, 2022

Association of Alaska School Boards

Law & Policy Day



Agenda

- **Introduction**
- **The Sous Chef Will Tell You: Preparation is Everything!**
 - John M. Sedor – Sedor, Wendlandt, Evans & Filippi LLC
- **Slicing, Dicing, and Defatting – The Bargaining Process**
 - Saul R. Friedman – Jermain, Dunnagan & Owens, PC
- **Microwaves Not Needed: The Glacial Nature of Fundamental Change in Negotiated Agreements**
 - Sandy Daws – Chief Financial Officer, Kodiak Island Borough School District
- **When There are Not Enough Cooks in the Kitchen – Bringing in a Mediator**
 - Ligia M. Velazquez – Commissioner, Federal Mediation and Conciliation Service
- **Keeping it Spicy! An NEA-Alaska Perspective on Bargaining**
 - Jessica Minguez, NEA-Alaska Uniserve Director
- **Presentation and Plating For Fine Dining: A Panel Discussion with Front Line Negotiators**
 - Katherine Gardner, Associate Superintendent of Human Resources, Matanuska Susitna Borough School District
 - Ivory McDaniel-Ilggenfritz, Director Human Resources Department, Fairbanks North Star Borough School District
 - Nate Crabtree, Executive Director of Human Resources, Kenai Peninsula Borough School District
- **The Last Word**
 - John M. Sedor



SEDOR

WENDLANDT

EVANS

FILIPPI



The Sous Chef Will Tell You
... Preparation is
Everything!

John M. Sedor



Know What You Have in the Kitchen

- History Keeper
- Grievances/Arbitrations
- MOA's/MOU's
- District Administration Operational Issues and Concerns
- Financial Status and Health
- The Bargaining Team
 - Finance
 - Operations
 - Note Taker
 - Superintendent
 - Board Member
 - Third Party Negotiator





Always Know Who the Executive Chef Is

- The Board
- Like an Executive Chef, The Board Should be Trained

“The Board encourages staff members, parents, and community members to submit school district questions and communications through the Superintendent. This allows the Board and District as a whole to best process information and make the best decisions for the District. In this vein, if contacted individually, Board members should refer the person to the appropriate channel of authority, except in unusual situations. Board members cannot and will not take private action or engage in communication to staff about programs that might compromise the Board or administration. Board members’ questions or communications to staff or about programs should be channeled through the Superintendent’s office.”

(cf. 9310 - Public Statements)

(cf. 9320 - Meetings)

(cf. 9322 - Agenda/Meeting Materials)

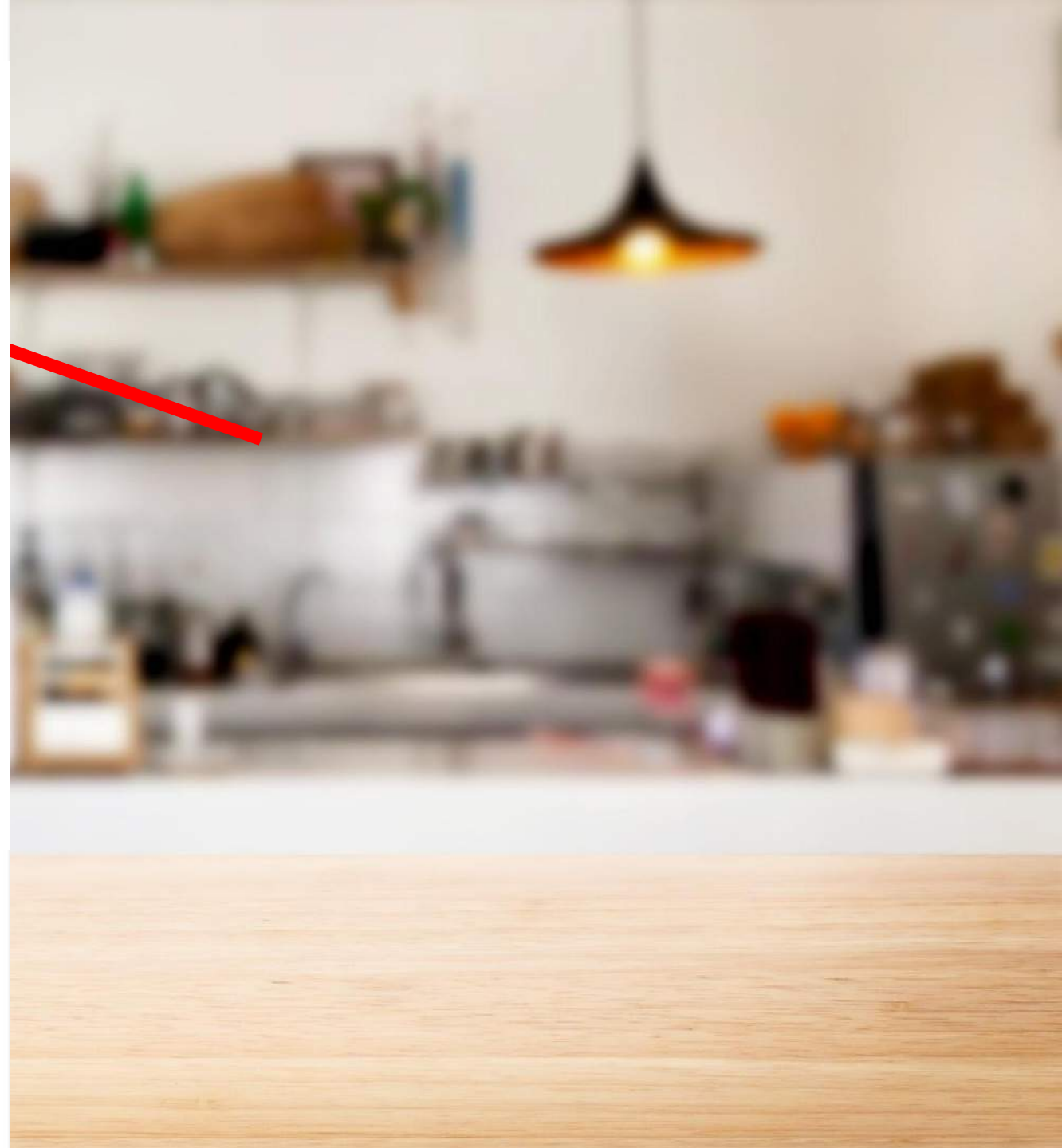
(cf. 9271 - Code of Ethics)

Legal Reference:

ALASKA STATUTES

[40.25.110 - .220](#) - Alaska Public Records Act

[44.62.310 - .312](#) - Open Meetings Act





Ingredients for Your Collective Bargaining Agreement

KeyCite Yellow Flag - Negative Treatment
Enacted Legislation Note in 2022 Alaska Laws Ch. 35 (H.B. 416),
KeyCite Yellow Flag - Negative Treatment
Proposed Legislation

West's Alaska Statutes Annotated

Title 23. Labor and Workers' Compensation (Refs & Annos)

Chapter 40. Labor Organizations

Article 2. Public Employment Relations Act

AS § 23.40.250

§ 23.40.250. Definitions

Currentness

In AS 23.40.070 - 23.40.260, unless the context otherwise requires,

(1) “collective bargaining” means the performance of the mutual obligation of the public employer or the employer’s designated representatives and the representative of the employees to meet at reasonable times, including meetings in advance of the budget-making process, and negotiate in good faith with respect to wages, hours, and other terms and conditions of employment, or the negotiation of a question arising under an agreement and the execution of a written contract incorporating an agreement reached if requested by either party, but these obligations do not compel either party to agree to a proposal or require the making of a concession;

(2) “election” means a proceeding conducted by the labor relations agency in which the employees in a collective bargaining unit cast a secret ballot for collective bargaining representatives, or for any other purpose specified in AS 23.40.070 - 23.40.260;

(3) “labor relations agency” means the Alaska labor relations agency established in AS 23.05.360;

(4) “monetary terms of an agreement” means the changes in the terms and conditions of employment resulting from an agreement that

(A) will require an appropriation for their implementation;

(B) will result in a change in state revenues or productive work hours for state employees; or

AS § 23.40.250

(1) “**collective bargaining**” means the performance of the mutual obligation of the public employer or the employer’s designated representatives and the representative of the employees to meet at reasonable times, including meetings in advance of the budget-making process, and negotiate in good faith with respect to wages, hours, and other terms and conditions of employment, or the negotiation of an agreement, or negotiation of a question arising under an agreement and the execution of a written contract incorporating an agreement reached if requested by either party, but these obligations do not compel either party to agree to a proposal or require the making of a concession;

(9) “**terms and conditions of employment**” means the hours of employment, the compensation and fringe benefits, and the employer’s personnel policies affecting the working conditions of the employees; but does not mean the general policies describing the function and purposes of a public employer.

Those items which are **negotiable** are:

1. Recognition
2. Negotiation Procedures
3. Grievance Procedures
4. Salary Schedule Conditions
5. Salary Schedule
6. Automatic Cost of Living
7. Extra Curricular and Extra Duty
8. Extended Contract
9. Additional Educational Employment
10. Life Insurance
11. Health Insurance
12. Liability Insurance
13. Automobile Allowance
14. Tuition/In-Service Workshops
15. Reimbursement for Physical Examinations
16. Sabbatical Leave
17. Career Development
18. Administrative Leave
19. Personal Leave
20. Sick Leave and Bereavement
21. Personal and Sick Leave for Half
22. Unpaid Leave of Absence
23. Maternity Leave
24. Political Leave

Those items which are **non-negotiable** are as follows:

1. Relief from Non-Professional Chores



Add a Dash of Public Involvement

AS § 23.40.235

§ 23.40.235. Public involvement in school district negotiations

Currentness

Before beginning bargaining, the school board of a city or borough school district or a regional educational attendance area shall provide opportunities for public comment on the issues to be addressed in the collective bargaining process. Initial proposals, last-best-offer proposals, tentative agreements before ratification, and final agreements reached by the parties are public documents and are subject to inspection and copying under [AS 40.25.110-40.25.140](#).

Credits

SLA 1996, ch. 31, § 13.

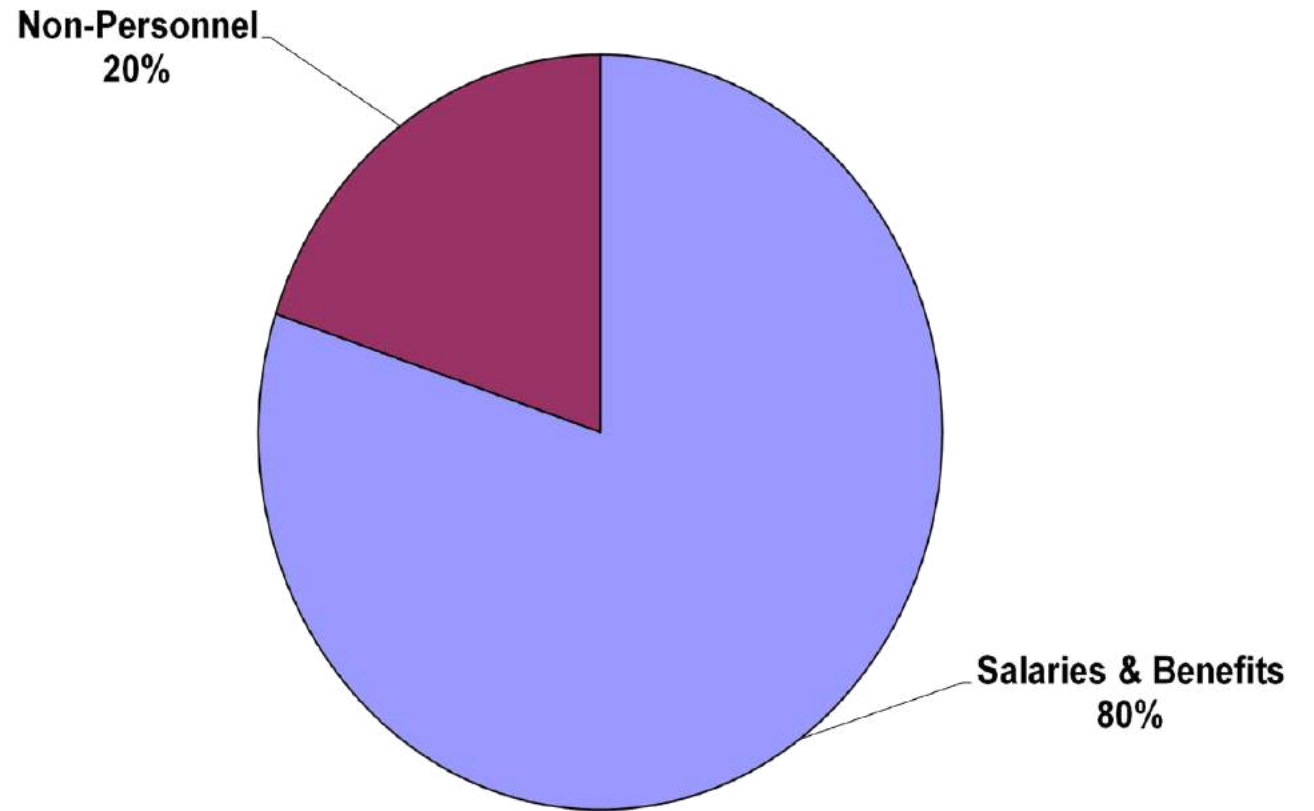
A top-down view of a person's hands holding a light blue ceramic bowl filled with a stir-fried dish, possibly containing chicken, broccoli, and shredded carrots. The bowl is centered in the frame. In the background, a wooden table is set with numerous other dishes, including bowls of green soup, yellow soup, and various stir-fries, all slightly out of focus. The lighting is warm and natural, creating a cozy dining atmosphere.

**Your Meal Will Depend on
Things You Control and
Things You Cannot Control**

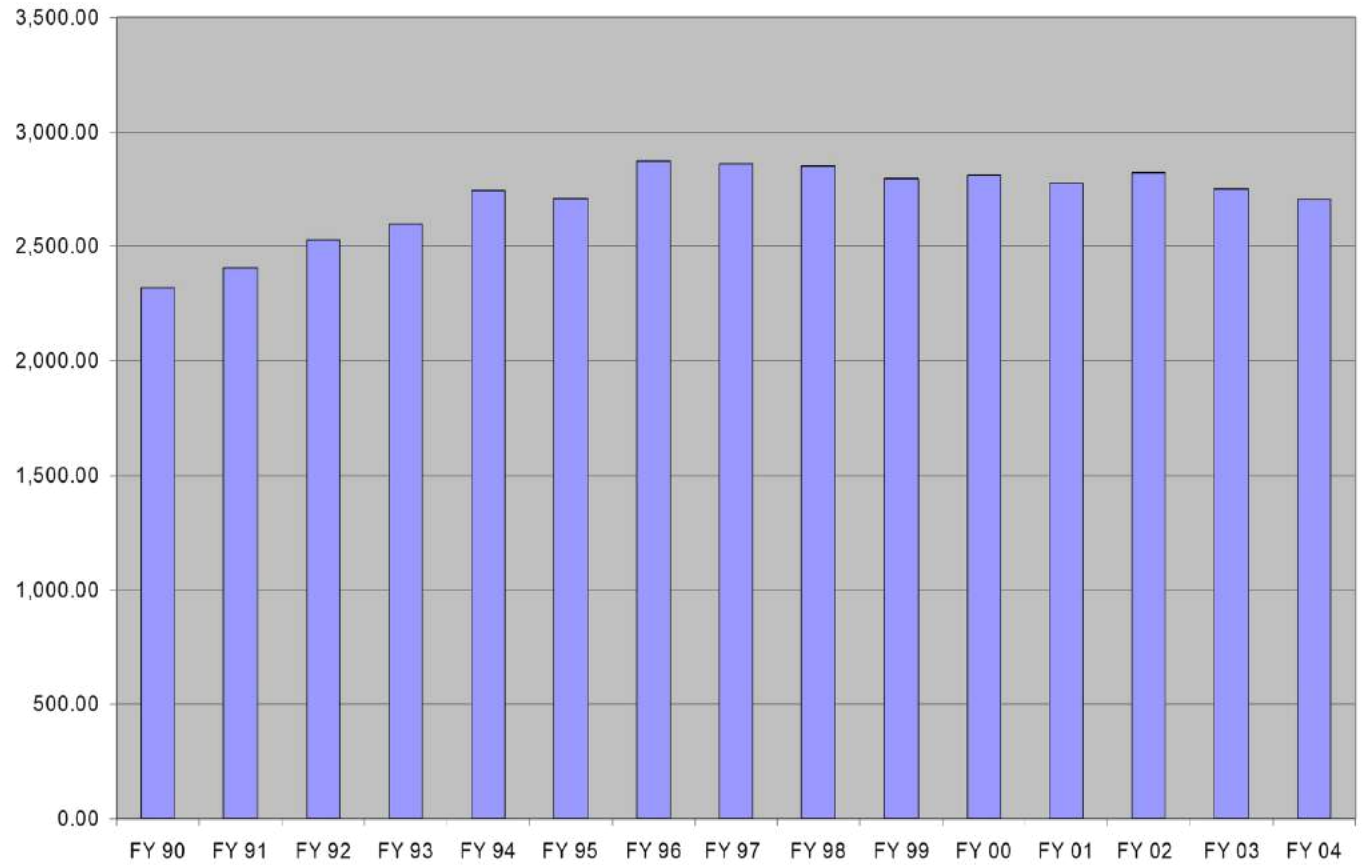
Internal Factors



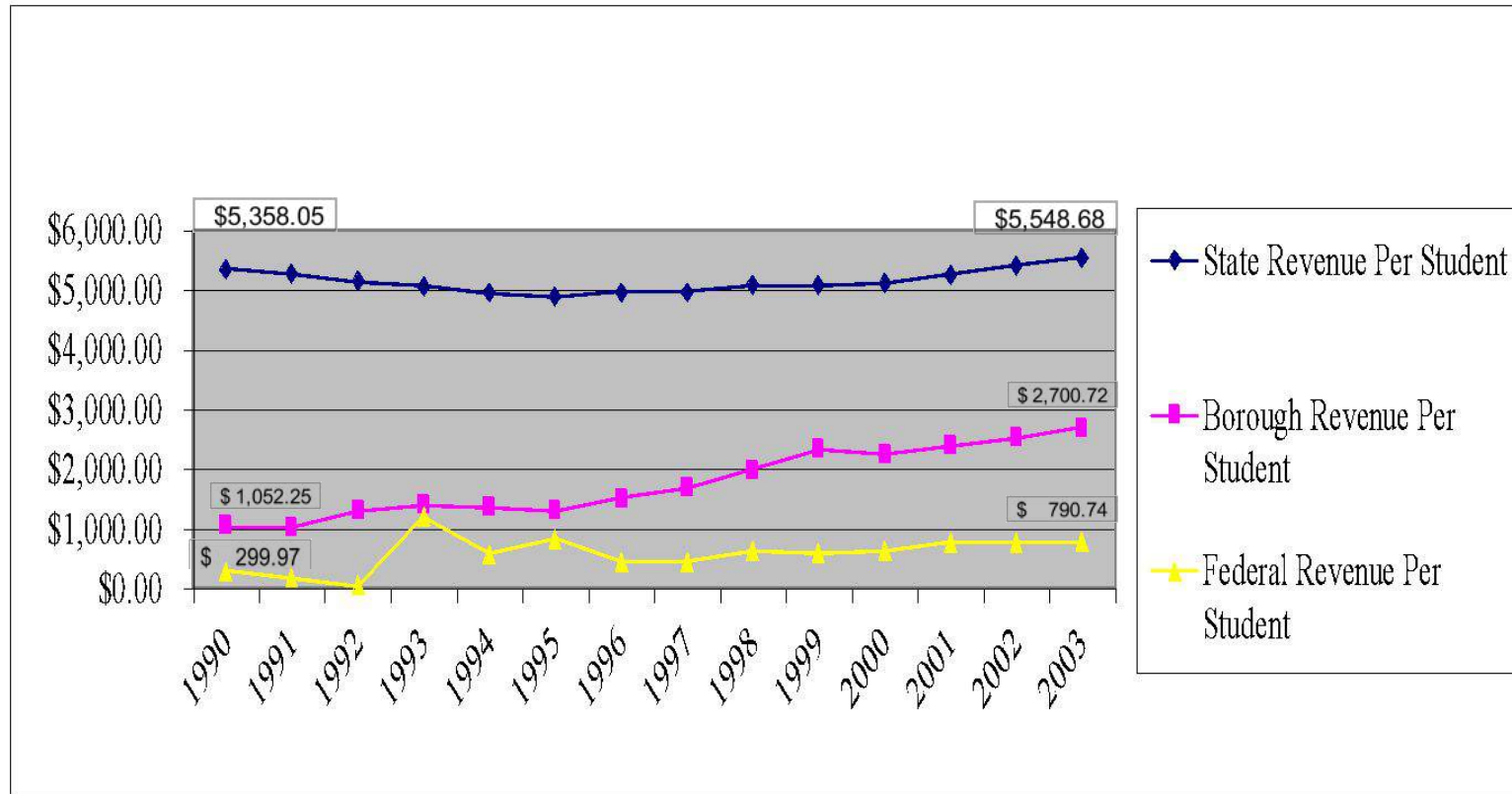
Budget Expenditure Percentage Summary



Historical Enrollment



General Fund Per Student Revenue History



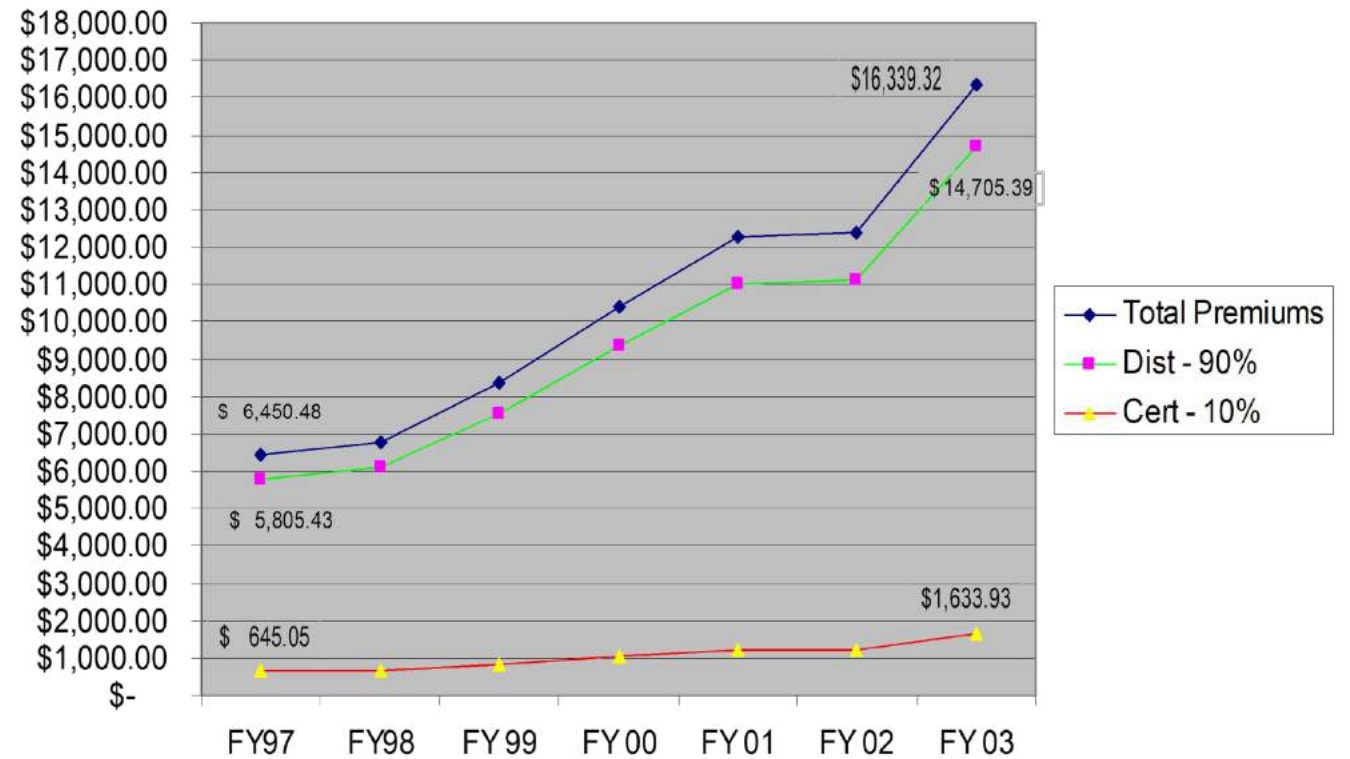
Certified Salary Schedule With Index

BA + 0		BA + 18		BA + 36 / MA + 0		BA + 54 / MA + 18		MA + 36		MA + 54	
Index	Yearly	Index	Yearly	Index	Yearly	Index	Yearly	Index	Yearly	Index	Yearly
1.00	\$ 34,157	1.07	\$ 36,548	1.14	\$ 38,939	1.21	\$ 41,330	1.28	\$ 43,721	1.35	\$ 46,112
1.08	\$ 36,890	1.15	\$ 39,281	1.22	\$ 41,672	1.28	\$ 43,721	1.36	\$ 46,454	1.43	\$ 48,845
1.15	\$ 39,281	1.22	\$ 41,672	1.29	\$ 44,063	1.36	\$ 46,454	1.43	\$ 48,845	1.51	\$ 51,577
1.22	\$ 41,672	1.29	\$ 44,063	1.36	\$ 46,454	1.43	\$ 48,845	1.50	\$ 51,236	1.58	\$ 53,968
1.28	\$ 43,721	1.36	\$ 46,454	1.42	\$ 48,503	1.49	\$ 50,894	1.56	\$ 53,285	1.65	\$ 56,359
1.32	\$ 45,087	1.40	\$ 47,820	1.47	\$ 50,211	1.54	\$ 52,602	1.61	\$ 54,993	1.70	\$ 58,067
1.35	\$ 46,112	1.44	\$ 49,186	1.52	\$ 51,919	1.59	\$ 54,310	1.66	\$ 56,701	1.75	\$ 59,775
		1.47	\$ 50,211	1.57	\$ 53,626	1.64	\$ 56,017	1.71	\$ 58,408	1.80	\$ 61,483
				1.61	\$ 54,993	1.68	\$ 57,384	1.75	\$ 59,775	1.84	\$ 62,849
				1.65	\$ 56,359	1.72	\$ 58,750	1.79	\$ 61,141	1.88	\$ 64,215
						1.76	\$ 60,116	1.83	\$ 62,507	1.92	\$ 65,581
								1.87	\$ 63,874	1.96	\$ 66,948
										2.00	\$ 68,314
1.37	\$ 46,795	1.49	\$ 50,894	1.67	\$ 57,042	1.78	\$ 60,799	1.89	\$ 64,557	2.02	\$ 68,997

Teacher Salary Schedule Scattergram

FY03			BA+36/	BA+54/			
	BA+0	BA+18	MA+0	MA+18	MA+36	MA+54	Total FTEs
0	8.10	-	5.00	-	-	-	13.10
1	4.51	-	2.00	2.01	-	-	8.52
2	9.43	2.48	2.00	-	-	-	13.91
3	3.00	3.00	2.00	1.00	1.00	-	10.00
4	5.00	2.00	4.00	-	-	-	11.00
5	2.00	1.00	2.00	1.00	-	-	6.00
6	11.50	3.48	5.50	2.00	1.00	2.00	25.48
7		14.47	4.00	4.00	-	1.00	23.47
8			2.00	-	1.00	1.00	4.00
9			29.33	1.60	1.00	-	31.93
10				23.64	-	1.00	24.64
11					9.04	-	9.04
12						4.92	4.92
17	-	2.00	13.00	6.00	4.54	9.00	34.54
Total FTEs	43.54	28.43	70.83	41.25	17.58	18.92	220.55

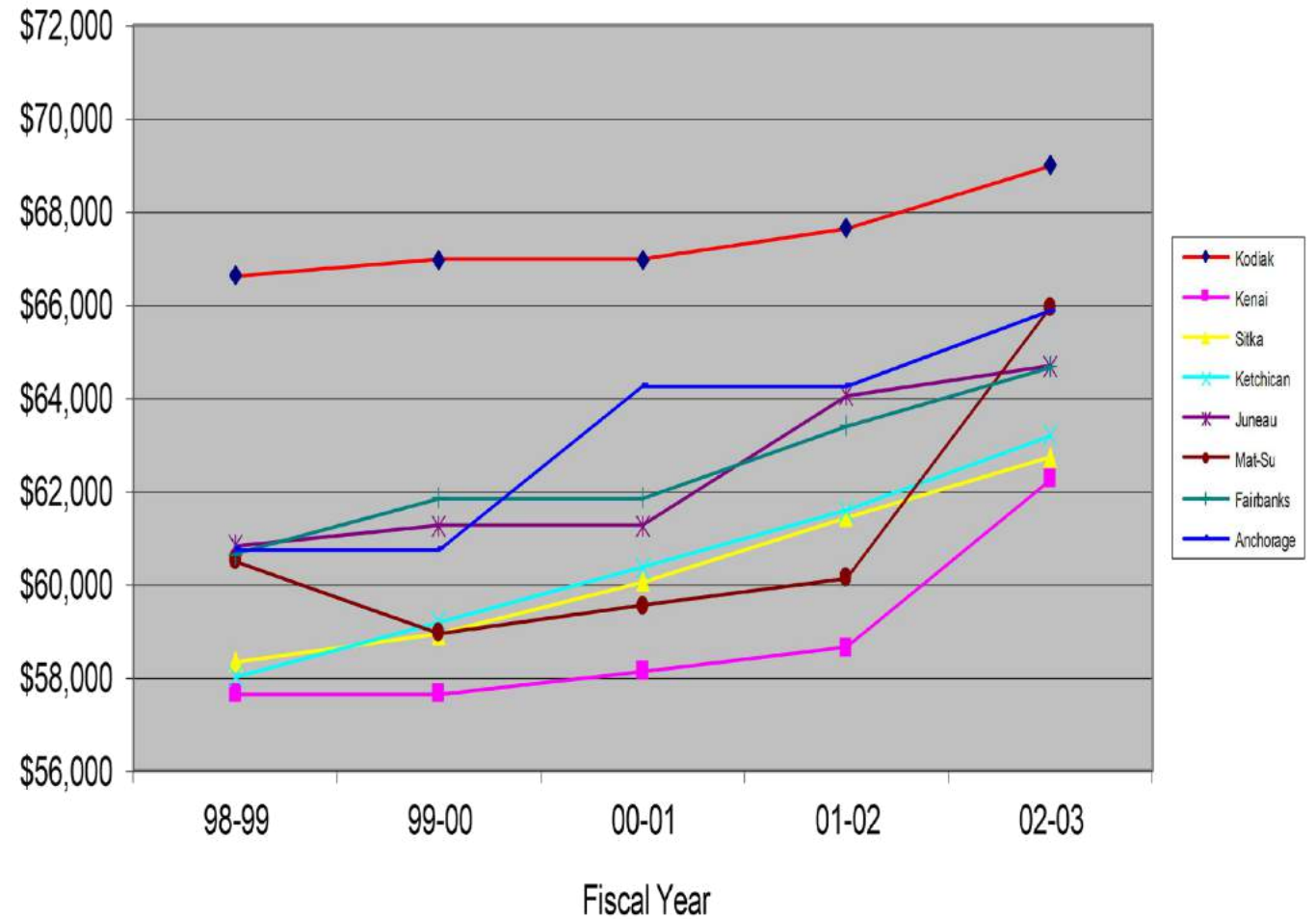
Certified Family Health Insurance Yearly Premium Cost History



A rustic dining table set with food and drink. The table is made of dark wood and has a metal pitcher, a bowl of salad, a plate of roasted meat, and a cutting board with cheese and fruit. The background shows a window with a view of greenery.

External Factors

Maximum Pay Salary Comparisons



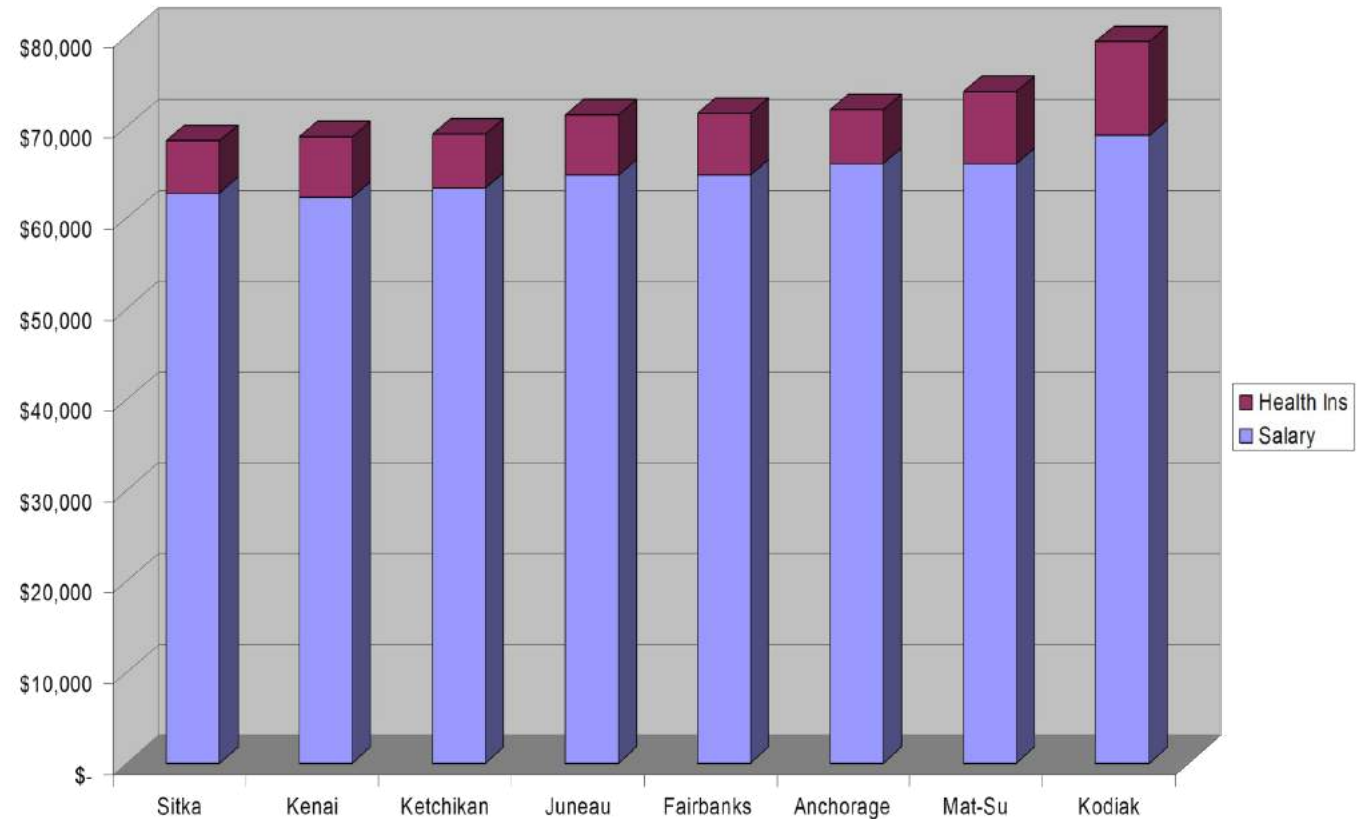
Eight District Comparative Health Insurance Cost Cap Information

02-03 School Year					
				Cost Share	
		District	Applicable	Percentage	
		Monthly Cost	Rate	Beyond Cap	
	District	Per Employee	Cap Amount	Employer	Employee
	Sitka	\$472.78 *	\$388.36	50.00%	50.00%
	Ketchikan	\$498.01	\$498.01		100.00%
	Anchorage	\$500.00	\$500.00		100.00%
	Kenai	\$550.00	\$550.00	50.00%	50.00%
	Juneau	\$550.00	\$550.00		100.00%
	Fairbanks	\$562.41	\$480.00	50.00%	50.00%
	Mat-Su	\$658.00	\$658.00		100.00%
	Kodiak	\$863.82 *	No Cap**		

* In Kodiak and Sitka, the monthly amount paid by the district is determined by the specific coverage carried by an individual. For example, in Kodiak the district currently pays \$1,225.45 per month for a teacher with family coverage, and \$404.46 for a teacher with single coverage. The other districts pay a flat monthly amount for each individual regardless of the specific coverage for that individual. For comparison purposes, the average monthly cost per teacher in Sitka and Kodiak has been calculated by dividing the total monthly cost by the number of teachers. The specific calculations are available upon request.

**Kodiak is the only comparable district that does not have a monthly cap on the amount of premium to be paid. The district currently pays 90% of the cost of the premium, and the certified employees pay 10% of the cost of the premium, regardless of the total amount of premium.

Maximum Salary & Health Insurance Comparisons



Dynamic Factors

A top-down view of a meal featuring two plates of tacos, bowls of salsa, jalapeños, and a lime wedge, with a person's hands holding the plates. The tacos are filled with meat, cheese, and vegetables. The bowls contain red salsa and jalapeños. A lime wedge is on the right plate. The background is a dark, textured surface.

		Kodiak -VS- Anchorage					

	Kodiak			Anchorage		Current	

<u>Year</u>	<u>Placement</u>	<u>Salary</u>		<u>Placement</u>	<u>Salary</u>	<u>Cost Differential</u>	<u>Adjusted Salary</u>
1	BA+0(0)	\$ 34,157		BA+0(0)	\$ 32,926		
2	BA+0(1)	\$ 36,890		BA+0(1)	\$ 33,914		
3	BA+18(2)	\$ 41,672		BA+18(2)	\$ 36,712		
4	BA+18(3)	\$ 44,063		BA+18(3)	\$ 37,700		
5	BA+36(4)	\$ 48,503		BA+36(4)	\$ 40,499		
6	BA+36(5)	\$ 50,211		BA+36(5)	\$ 41,487		
7	BA+36(6)	\$ 51,919		BA+36(6)	\$ 42,475		
8	BA+54 (7)	\$ 56,017		BA+54 (7)	\$ 45,273		
9	BA+54 (8)	\$ 57,384		BA+54 (8)	\$ 46,261		
10	MA+36 (9)	\$ 61,141		BA+72 (9)	\$ 49,560		
11	MA+36 (10)	\$ 62,507		BA+72 (10)	\$ 50,548		
12	MA+36(11)	\$ 63,874		BA+72 (11)	\$ 51,535		
13	MA+36(12)	\$ 68,314		BA+90 (12)	\$ 54,334		
14	MA+36(12)	\$ 68,314		BA+90 (13)	\$ 55,322		
15	MA+36(12)	\$ 68,314		BA+90 (14)	\$ 56,310		
16	MA+36(12)	\$ 68,314		BA+90 (15)	\$ 57,297		
17	MA+36(12)	\$ 68,314		BA+90 (16)	\$ 58,285		
18	MA+36(17)	\$ 68,997		BA+90 (17)	\$ 59,273		
19	MA+36(17)	\$ 68,997		BA+90 (18)	\$ 60,261		
20	MA+36(17)	\$ 68,997		BA+90 (19)	\$ 61,248		
	Total	\$ 1,156,899		Total	\$ 971,220	0.093%	\$ 1,061,543

	The Kodiak teacher earns \$185,679 more than the Anchorage teacher over their careers.				
	The Kodiak teacher is also paid \$95,356 more than the Anchorage teacher in excess of the adjustment for the area cost differential.				

			Teacher D				
		Wage History & Inflation Comparison					
				Yearly	Total	Anchorage	
			\$\$	%	%	CPI-U	Inflation
<u>Contract Year</u>	<u>Placement</u>	<u>Salary</u>	<u>Increase</u>	<u>Increase</u>	<u>Increase</u>	<u>Index</u>	<u>%</u>
88/89	MA0(1)	\$ 32,960				108.6	
89/90	MA0(2)	\$ 35,896	\$ 2,936	8.91%	8.91%	111.7	2.85%
90/91	MA0(3)	\$ 38,979	\$ 3,083	8.59%	18.26%	118.6	6.18%
91/92	MA0(4)	\$ 41,512	\$ 2,533	6.50%	25.95%	124	4.55%
92/93	MA+18(5)	\$ 46,069	\$ 4,557	10.98%	39.77%	128.2	3.39%
93/94	MA+18(6)	\$ 48,991	\$ 2,922	6.34%	48.64%	132.2	3.12%
94/95	MA+18(7)	\$ 51,794	\$ 2,803	5.72%	57.14%	135	2.12%
95/96	MA+36(8)	\$ 56,098	\$ 4,304	8.31%	70.20%	138.9	2.89%
96/97	MA+36(9)	\$ 58,143	\$ 2,045	3.65%	76.40%	142.7	2.74%
97/98	MA+36(10)	\$ 59,757	\$ 1,614	2.78%	81.30%	144.8	1.47%
98/99	MA+54(11)	\$ 64,643	\$ 4,886	8.18%	96.13%	146.9	1.45%
99/00	MA+54(12)	\$ 66,310	\$ 1,667	2.58%	101.18%	148.4	1.02%
00/01	MA+54(12)	\$ 66,310	\$ -	0.00%	101.18%	150.9	1.68%
01/02	MA+54(12)	\$ 66,974	\$ 664	1.00%	103.20%	155.2	2.85%
02/03	MA+54(12)	\$ 68,314	\$ 1,340	2.00%	107.26%	158.2	1.93%
			\$ 35,354		107.26%		38.24%
Inflation %	38.24%						
Salary Increase %	107.26%						
Salary % Increase							
Exceeding Inflation	69.02%						

Not All
Recipes Are
Easy!



Flat Funding State of Alaska

- State of Alaska has not increased education funding in recent years
- There are three primary areas where the State of Alaska has maintained flat funding
 - Base Student Allocation (BSA)
 - No adjustment since 2017
 - Transportation Funding
 - No adjustment since 2016
 - School Bond Debt Reimbursement Program
 - Suspended program 2015-2025 for new projects
 - Short funded or failed to fund program in recent years

Preliminary Long-Term Forecast

- Enrollment increases by 1%
- State BSA increases to \$6,046 in FY 2024 and maintains thereafter
- All other revenue maintains with no increase or decrease



	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Revenue	250,185,132	244,697,360	250,275,288	252,883,621	255,543,777	258,234,961
Expenditure	250,185,132	244,697,360	251,770,374	268,820,916	275,863,655	283,290,037
Excess (Deficit)	-	-	(1,495,086)	(15,937,295)	(20,319,878)	(25,055,076)



Add to Taste: Ground Rules

- Maximum
- Minimum

"Anyone who loves the law or sausages should
never watch either being made"

A fisherman wearing a cap and a large blue and grey backpack stands in a river. He is holding a large fish in his right hand. The background shows a dense forest and a clear sky.

The End