

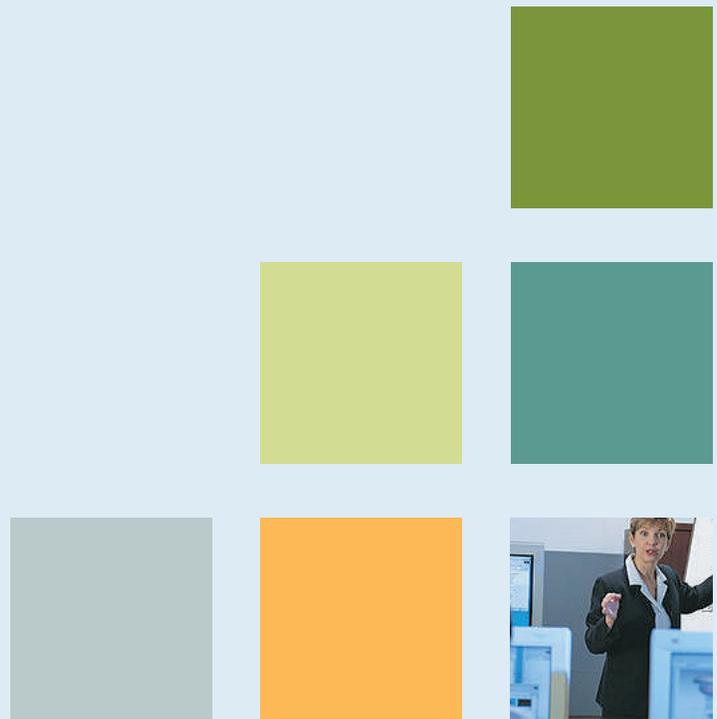
SHRMTM

SOCIETY FOR HUMAN
RESOURCE MANAGEMENT

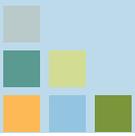
Fallsburg School Negotiations Simulation

By Alan Cabelly, Ph.D.

Student Workbook



EMPLOYEE AND LABOR RELATIONS



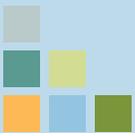
Fallsburg School Negotiations Simulation

Simulation Instructions

Scenario: Today is July 1. You are in Fallsburg, Oregon. The contract between the Fallsburg School District and the Fallsburg Teachers Association expired yesterday. School begins in two months, on September 3.

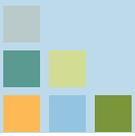
Student groups will simulate the negotiations between the Fallsburg School District (FSD) and the Fallsburg Teachers Association (FTA). To do this effectively, please read and abide by the following:

- You and your teammates are experienced negotiators and have negotiated a number of contracts with the opposing negotiators.
- For this simulation, September 3 occurs two hours before the last class ends. Your teams must come to agreement—including signatures by all members of FSD and FTA—by this time. Failure to come to agreement (with a contract signed by everyone) by the deadline results in an impasse. Impasse is a bad thing.
- FSD is a real school district in your state, operating in real time. Much of the language comes from a real contract. Salary and related data are consistent with readily available salary information (you may want to Google “school salaries”).
- You have a separate, highly confidential document with issues central to your side. These issues are all real and have been publicized in school districts within the last few years. Use these issues merely as a starting point; elaborate and do research as appropriate. Choose your own issues wisely.
- No one wants a strike in September. You will do all you can, short of colluding with your opponent, to avoid one. Any good negotiator, however, knows that a strike is sometimes necessary and is prepared for the associated losses.
- You may not do anything that makes this simulation unrealistically “easy.”
 - You may do whatever is reasonable for a local school district.
 - You may raise funds in ways and amounts that other local school districts are doing today. You may not, however, charge unreasonable fees or expect an unrealistic amount of fundraising or sponsorship funds.
 - The instructor’s judgment on what is reasonable or unreasonable is final.
 - Ask if you have questions about what is considered reasonable.
- Nineteen (19) teachers retired as of June 30. Fifteen of those teachers were at the Senior Step, one at Step 10, one at Step 9, and two at Step 8.
- You will read in the contract that a teacher remains in a step for two years; assume that half your continuing teachers will move up a step and automatically receive the pay increase associated with that move.
- FSD had 3,892 students in the year that just ended and is expected to have 4,100 when school begins in September. These students are evenly distributed from kindergarten through 12th grade. Thus, last year’s average class size was 28 (3,892 students divided by 139 teachers; see Appendix I).
- FSD has five elementary schools (grades K-5); two middle schools (grades 6-8); and two high schools.
- Each school has one principal, whose salary is \$102,000. The middle schools and high schools each have a dean of students who earns \$90,000.
- Normal contract provisions are part of the real FSD/FTA agreement but are not included in this simulation. These provisions include sections on union recognition; non-discrimination; association and management rights; extra duty and extra curriculum; early retirement; teacher evaluations; and payroll deductions/fair share.
- Items not listed in your budget are of no concern to you. These are not negotiable.
- The contract you will read is a three-year contract. Appendices I and II (salary and budget information) pertain to the current year.



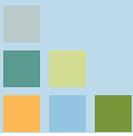
Fallsburg School Negotiations Simulation

- The district's operating budget (from federal, state and local tax dollars) was cut 2.63 percent last year. Although the economy is improving, there are still funding challenges within the state and district.
- The increase in health insurance premiums in the next three years is expected to be huge.
- Parent, media and other groups are actively involved in education issues in Fallsburg. They will place appropriate and inappropriate pressures on both sides. (And yes, they will choose sides.)
- The union is strong. School board members are all highly respected and won the last election easily. Both of these sources of support can erode rapidly if the situation gets ugly.
- Teachers are required to be members of the teachers union and have union dues automatically deducted from their paychecks.
- Aides and other support staff are unionized.
- Everyone knows that FTA feels an absolute necessity to improve the lot of its membership, especially in these difficult economic times.
- Everyone knows that FSD feels an absolute necessity to keep costs low, especially in these difficult economic times.
- The budget must be balanced.
- There is a permanent gag order between different bargaining simulations in the course. Thus, while FSD "A" can speak with FTA "A" at any time after negotiations begin, members of the "A" simulation cannot discuss the negotiations with members of the "B" or "C" simulations until the final classroom debriefing begins.
- Stay in your roles at all times. Forget what the business student today thinks. You are who your role says you are; you think and believe as that person does.



FALLSBURG SCHOOL NEGOTIATIONS–FINANCIAL ADDENDUM GROUND RULES

- See Appendix I and II for all budget line item numbers and other financial information.
- Your financial negotiations deal primarily with budget line items 2.2.1, 2.2.2, 2.2.3, and 2.2.4. Line items 2.1.4, 2.2.7, and 2.3.4 are established by law and cannot be modified.
- Line item 2.1.1 lists professional salaries (principals and deans) and can be changed by actions of the district. However, these positions represent real people whose jobs are believed to be necessary for the smooth functioning of the school district.
- Line items 2.1.2, 2.2.5, and 2.3.1 are wages of other unionized employees in the district. These contracts will be negotiated at other times. Their benefits and pension contributions are subject to these constraints.
- Line items 2.3.2 and 2.3.3 are crucial to the smooth operation of the school district. Line item 2.3.2 is fixed (for example, you need heat in buildings); line item 2.3.3 determines how students get to school and to events.
- You currently raise approximately \$610,000 per year from private grants, sponsorships and activities fees (see Appendix II: 1.2, 1.3). A significant increase is not possible in the current financial climate. Every school district in the state is begging for grant and sponsorship money.
- Any financial decision that makes the negotiation “easy” is prohibited. For example, you cannot suddenly “find” \$1,000,000 in corporate funding for all of your athletic and extracurricular activities or delete \$250,000 in maintenance costs.



EXISTING CONTRACT BETWEEN FALLSBURG TEACHERS ASSOCIATION AND FALLSBURG SCHOOL DISTRICT (Abridged)

ARTICLE 1 LAYOFF

- A. If the board is formally considering that a layoff is necessary, it will notify the association president. The notice shall include the specific position(s) to be affected; the proposed time schedule; and the reasons for the proposed action, assuming this information is available when the notice is given or as soon as possible thereafter.
- B. The district shall provide the association with a seniority list, upon request, at the time it notifies the association that a layoff has been formally considered by the board. Seniority shall be defined as the employee's total length of continuous service in the district as a licensed staff member from the first date of actual service. Seniority will be computed and accrue from the teacher's first day of work in the district and shall continue to accrue during all leaves in accordance with state law. Ties for position on the seniority list shall be broken by drawing lots in the presence of district and association representatives.
- C. In the event the board, in its discretion, determines that a layoff is necessary, it will then determine the teachers to be retained by means of the following criteria:
 - 1. A determination of whether the teachers to be retained hold the proper license to fill the remaining position(s);
 - 2. A determination of the seniority of the teachers to be retained.
- D. Nothing in this article shall be construed so as to interfere with the board's right to dismiss or non-extend a contract teacher pursuant to the provisions of the Fair Dismissal Law or to dismiss or non-renew a probationary teacher pursuant to state law. This article applies to all releases, layoffs or terminations for non-personal reasons, except that temporary teachers shall have no right of recall after the term of their temporary contract.
- E. In conducting a layoff under this article, the district will first determine the program(s) or area(s) scheduled for reduction or elimination.
- F. Whenever the board determines that a layoff is necessary it will notify the association. As soon as practicable, notice will be given to the affected teachers of their layoff.
- G. Any appeal from the board's decision on layoff or recall shall be by means of a grievance filed as provided in Article 8.

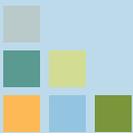
ARTICLE 2 TEACHER RIGHTS

A. STUDENT GRADES

No student grade or evaluation shall be changed without consultation with the teacher during the school year or when the teacher is available during the summer. In the event that the employer changes the grade over the teacher's objections, the employer shall bear the full responsibility for such a change and notify the teacher in writing of the changes and the reasons therefore.

B. CRITICISM

Teachers shall not be criticized by any supervisor or administrator in the presence of students, parents, the public, classified employees or other teachers, excluding association representatives, nor shall they be criticized by board members in public meetings or when representing the board in a public or school setting. This provision is not intended to limit professional discourse, discussion or debate.



C. JUST CAUSE

1. No teacher shall be suspended, denied step increment, reprimanded or otherwise disciplined in writing without just cause.
2. All information forming the basis for disciplinary action will be made available to the teacher upon request. Any violation of this provision may be used as a basis for a grievance.
3. Any investigatory suspension shall be with pay pending the district's initiation of action to dismiss, discharge, or reinstate. This section will not prevent the district from suspending an employee without pay as a form of discipline if the district fulfills its obligations outlined above.
4. This section shall not apply to any teacher non-renewal, non-extension, dismissal, assignment to or retention in extra duty positions, or the substance of an evaluation.

D. PERSONAL LIFE

The personal life of teachers is not of appropriate concern or attention of the district except where it affects job performance. This section may not be taken to arbitration.

ARTICLE 3 WORKDAY

A. WORKDAY

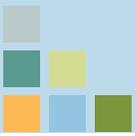
1. The length of the workday shall not exceed eight (8) hours.
2. A duty-free lunch period of sixty (60) minutes, free of all supervisory tasks, will be granted all teachers of this district.
3. Scheduling staff for supervision of bus students, lunchroom duty, playground duty, study halls and other like functions will be done by the administration in consultation with the staff.

B. PREPARATION TIME

1. Senior high and middle school teachers shall have a preparation period during the student day equal to one (1) class period.
2. The elementary preparation period shall fall during the workday and shall consist of a minimum of forty-five (45) minutes per day. The district will provide thirteen (13) early release days to help provide some additional prep time. If the district decides to provide prep time within the student day, the district retains the discretion to reduce or eliminate the early release days.
3. Those teachers who have not been provided with a preparation period during the time specified in the contract will be reimbursed at the rate of one-sixth (1/6) of daily pay for the period of time which there is no preparation period.

C. SUPERVISION RESPONSIBILITIES

1. Teachers shall have supervision responsibilities for students during class time, passing times and all other times during the student day and while students are on school property or approved school trips.
2. At after-hour events or activities, teachers have no specific supervision responsibilities when they attend as parents or spectators. However, teachers may intervene or be asked to assist other adults in dealing with student behavior in certain circumstances.
3. No teacher shall be disciplined, negatively evaluated, or suffer any reprisal for declining to deal with student behaviors at after-hour events or activities when attending as a parent or spectator. If the teacher chooses to provide assistance at after-hour events, he/she will not be disciplined, negatively evaluated or subject to any reprisal for such involvement as long as the actions by the employee were reasonable and prudent, considering the circumstances. Teachers shall not be responsible for supervising or controlling adults at after-hour events or activities.



ARTICLE 4 COMPENSATION

A. SALARY SCHEDULES

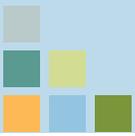
1. The salary schedule for teachers is attached to this agreement and by this reference is incorporated herein.

B. CONTRACT PERIOD

1. The contract period will be for one hundred ninety (190) days unless stated otherwise on the individual contracts.
2. Those 190 days shall be allocated as follows:
 - 178 student contact days.
 - Five (5) paid holidays (Labor Day, Veteran's Day, Thanksgiving Day, President's Day, Memorial Day).
 - Seven (7) "in-service" days, determined by the district.

C. SALARY PLACEMENT AND MOVEMENT

1. Teachers new to the district shall be placed on the salary schedule at the licensed experience level indicated by years of service in accredited schools to a maximum of ten (10) years of credit. However, the district may, in its sole discretion, award full credit for years of teaching experience beyond ten (10).
2. Teachers new to the district will be placed on a salary column according to their college degree(s) and the number of college credit hours on file that the superintendent determines to be relevant to the assignment or any other assignment projected by the district. Only these credit hours earned after issuance of the initial teaching license shall count toward placement or horizontal advancement on the salary schedule.
3. Following initial placement, teachers shall advance one (1) step on the salary schedule for every two (2) years of completed service of one hundred thirty-five (135) contract days or more in the district subject to the limits of the salary schedule.
4. Following initial placement, teachers shall advance on the salary schedule as additional credit hours are earned. Academic credits will be in the form of approved college quarter-hours. All courses taken for credit which will accrue toward the next level on the salary schedule must 1) be reasonably related to the teacher's current assignment or another assignment projected by the district; 2) must be part of a planned degree or certification program approved in advance by the superintendent; 3) must otherwise have prior approval of the superintendent. Teachers shall advance one (1) step on the salary schedule for every two (2) years of approved academic work. Completion of an approved master's or doctoral degree shall be considered the equivalent of an additional year of approved academic work. The superintendent shall not withhold approval in an arbitrary or capricious manner.



5. Credits for column advancement must be documented to the district on a transcript no later than October 15 of any year together with a written request for a column change. The salary change shall then be effective from the beginning of that contract year. Salary column changes shall be effective February 1 of any year if transcripts are presented to the district by January 15.

D. Attached to each teacher's contract, the district will provide a statement of how it arrived at each teacher's salary, including accumulated sick leave, at the beginning of each school year.

E. DEPARTMENT HEADS/TEAM LEADERS

1. Teachers who accept additional responsibilities as requested by the administration to serve as department heads or team leaders will be compensated at their hourly rate for time spent. Compensation for any person accepting these responsibilities shall not exceed \$450 per year. The method for determining such responsibilities and who will fill said responsibilities will be recommended by the administration in consultation with the staff and approved by the board.

ARTICLE 5 INSURANCE

A. The district will contribute on behalf of each full-time bargaining unit member \$829 per month toward insurance, which will be pooled.

B. Contributions for less than full-time teachers shall be prorated. Unit members may draw out of the pool amounts necessary to cover the programs outlined in Section C. If the pool does not cover the cost of the basic programs for all members, payroll deductions will be made to cover the remaining cost of insurance according to a plan submitted by the association.

C. The insurance package shall include up to full-family medical-hospitalization, up to full-family dental with orthodontia, up to full-family vision, employee life and employee long-term disability coverage. The specific carriers and benefit levels will be determined by the association in accordance with the expressed wishes of the staff as a group after consultation with the administration.

D. All licensed employees must participate in the insurance plans except where the employee provides evidence of duplicate medical coverage.

E. Insurance benefits shall be for twelve (12) consecutive months each year. New teachers shall receive coverage beginning October 1 or the first of the month following employment if hired after the start of the school year. For teachers leaving the district after completing an entire school year, coverage shall continue until September 30. For teachers who terminate employment before the end of the school year, district insurance coverage shall end at the close of the month employment terminates.

ARTICLE 6 LEAVES OF ABSENCE

A. SICK LEAVE

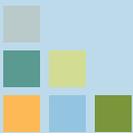
1. Sick leave is allowed to full-time licensed personnel at the rate of ten (10) days per complete school year. Sick leave will be credited to the teacher's account on the first duty day of the school year.

2. Those on extended contracts will have one (1) day sick leave for each twenty (20) days of employment.

3. Any teacher who is absent because of illness for five (5) or more consecutive school days or who shows a consistent pattern in use of sick leave which gives rise to a suspicion of abuse of the sick leave benefit may be required by his/her supervisor to file with the administration a certificate from his/her physician attesting to such illness.

4. As soon as a teacher knows he/she will be unable to report for duty, he/she should notify his/her principal or designee. If the date of the teacher's return is not known to the principal, the teacher shall call prior to the end of the student day of the day before he/she returns to work to confirm his/her ability to return. Sick leave will be deducted even though a substitute may not be hired when a teacher is absent.

5. At the option of the employee, sick leave may be used for the period of disability due to pregnancy, parental leave, family illness and other circumstances allowed by law.



B. BEREAVEMENT LEAVE

1. Three (3) days of non-accumulative leave will be granted in case of death of any member of the immediate family. Additional paid days may be granted at the discretion of the superintendent.
2. The immediate family shall include husband, wife, son, daughter, mother, father, sister, brother, son-in-law, daughter-in-law, father-in-law, mother-in-law, grandmother, grandfather, grandchildren. Leave may be granted at the discretion of the superintendent for others living in the immediate household.

C. FAMILY ILLNESS LEAVE

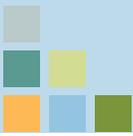
1. Three (3) days of non-accumulative paid leave will be granted each year for family illness of any member of the immediate family.
2. The immediate family shall include husband, wife, son, daughter, mother, father, sister, brother, son-in-law, daughter-in-law, father-in-law, mother-in-law, grandmother, grandfather, grandchildren. Leave may be granted at the discretion of the superintendent for others living in the immediate household.
3. If family illness leave is exhausted, then the employee may use available personal leave and then sick leave, in that order, if additional days are needed.

D. PERSONAL LEAVE

1. One (1) day leave for personal reasons will be granted annually. Personal leave will increase to two (2) days annually after an individual has accumulated twenty (20) days sick leave, been employed with the district for two (2) years and maintained twenty (20) days of accumulated sick leave. A total of three (3) days of personal leave shall be available after the teacher has accumulated eighty-five (85) days of sick leave and has been employed by the district for nine (9) years or more. Up to two (2) days of personal leave per year may be taken at the end of the school year in a cash payment figured at the substitute teacher rate.
2. Unless an emergency precludes doing so, the administration shall be notified at least twenty-four (24) hours in advance of the taking of personal leave. Personal leave will not accumulate.
3. Personal leave may be used on a day preceding or following a vacation period or holiday but not for the purpose of extending the holiday or vacation period. In emergency situations, administrative approval is necessary for any exceptions to this restriction. If a pattern of use of personal leave on days before or after vacation or holiday develops, the district may require reasons be given for the leave.

E. PARENTAL LEAVE LAW

Upon request of the employee, the district shall grant up to twelve (12) weeks of leave for purposes of the child care for newly born or adopted children, in accordance with federal law.



ARTICLE 7 COMPLAINT PROCEDURE

A. NOTIFICATION AND REPRESENTATION

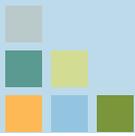
1. An employee shall be informed of any complaint which is received by the administration from a patron, parent, or student, the substance of which may be used in evaluation of the employee or may be placed in the employee's personnel file.
2. Within ten (10) working days of receipt of the complaint or at a mutually agreeable time, the building principal and the teacher shall meet to discuss the complaint.
3. The teacher, at his/her request, may have a representative present at all meetings involving this procedure, except for meetings held under B.1. below.

B. PROCEDURE AND RESOLUTIONS

1. If the teacher wishes to meet with the complainant, the principal shall attempt to arrange the meeting. If the issues are resolved, no record will be retained unless the administrator deems the nature of the complaint to be of special concern.
2. When the administrator judges attempts at informal resolution to be no longer productive, the complaint will be reduced to writing and signed by the complainant. A copy shall be given to the teacher. An unwritten or unsigned complaint shall not be processed further.
3. The administrator shall investigate a written, signed complaint. Upon completion of the investigation, the administrator shall decide that the complaint be dismissed, placed in the personnel file, or held at the building level. A recommendation for possible resolution may also be made. Copies of the investigation report and decisions shall be given to the teacher. The decisions of the administrator may be appealed to the superintendent for a final decision.
4. Any action to reprimand or otherwise discipline an employee as a result of a compliant investigation shall be by separate written document.

C. DISPOSITION

1. Any complaint the administrator chooses not to discuss with the teacher within the provision of Article 7, Section A above shall be considered void.
2. A complaint may be deemed without merit by the administration or school board at any point in this procedure. In such cases, no record of the complaint will be retained.
3. If a complaint has been substantiated and a record is to be placed in the employee's personnel file, the record shall include at least the following information: name of the employee against whom the complaint is made, the date and nature of the complaint, the name of the complainant(s), the administrative summary and the disposition of the complaint. The teacher may submit a written statement of disagreement, which will be attached to the record.



ARTICLE 8 GRIEVANCE PROCEDURE

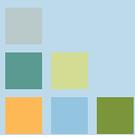
A. DEFINITIONS

1. “Grievant” shall mean either: 1) a member of the bargaining unit; or 2) the Fallsburg Teachers Association.
2. “Grievance” shall mean a claim by a grievant that a dispute or disagreement exists involving interpretation or application of the terms of this agreement. Grievances alleging that a district policy or administrative regulation has been violated shall be grievable, but only to the board level.
4. “Party in interest” is the person or persons making the complaint and the person or persons against whom the complaint is made.
5. “Representative” is the one who may advise a party in interest.
6. “Immediate supervisor” is the one who has direct administrative or supervisory responsibilities over the grievant in the area of grievance.
7. “Hearing officer” is any impartial individual who shall conduct the procedures and/or rule on the issues presented at Level Two and Level Three.
8. “Days” when used in this article, except as otherwise indicated, shall mean the grievant’s working days.
9. “Arbitrator” is the person making the decision that is final and binding on all parties in interest as stated in Level Four.

B. GENERAL PROCEDURES

The purpose of this procedure is to secure, at the lowest possible level, equitable solutions to the problems which may, from time to time, arise, affecting members of this bargaining unit. Both parties in interest agree that these proceedings will be kept informal and confidential as may be appropriate at any level in the procedure.

1. These procedures should be processed as rapidly as possible. The number of days indicated for settlement or appeal at each level should be considered a maximum. The time limits can be extended by written mutual consent of the parties involved at any level of the procedure.
2. The time period for filing a grievance and responding to the grievance procedure at each level shall be no longer than ten (10) days unless extended by mutual agreement. The day of notification shall be the start of grievance procedure.
3. Any party of Fallsburg Teachers Association has a right to representation of his/her/its own choosing at each level of this grievance procedure.
4. There shall be no restraint, interference, discrimination or reprisal exerted on any person concerned with the resolution of grievances.
5. Failure at any level of this procedure by the grievant to appeal a grievance to the next level within the specified time limits shall be deemed to be acceptance of the decision rendered at that level. Failure at any level of this procedure to communicate the decision in writing on a grievance within the specified time limits shall permit the grievant to proceed to the next level.



Fallsburg School Negotiations Simulation

6. Forms for processing grievances shall be prepared by the superintendent in cooperation with the association and will be printed and given appropriate distribution by the parties so as to facilitate operation of the grievance procedure.
7. All parties will avoid interruption of a classroom and/or any other school-sponsored activity and will process grievances so they will not interfere with any school process.
8. All parties in interest may process grievances with the administration outside the student contact day. Investigation of grievances by or among bargaining unit members must be done outside the workday.
9. Each grievance shall have to be initiated in writing within fifteen (15) days for the individual and twenty (20) days for the association from the time of first knowledge of the alleged violation. Failure to initiate the grievance within the time allotted shall be grounds to waive the grievance.
10. In the event a grievance is filed at such time that it cannot be processed through all the steps in this grievance procedure by the end of the school year, and if left unresolved until the beginning of the following school year could result in irreparable harm to a party of interest, the time limits set forth therein shall be reduced so that the grievance procedure may be exhausted prior to the end of the school year or as soon thereafter as practicable.
11. Any levels of a grievance procedure may be waived with mutual agreement of both parties in interest.
12. Any individual(s) acting as hearing officer(s) except for the superintendent shall not have previously been involved in the events leading to the grievance.
13. Both parties in interest shall have the opportunity to present arguments and evidence orally as well as in writing. Both parties shall also have the opportunity to confront and cross-examine witnesses.
14. The determination of the grievance shall rest solely on the evidence adduced at the hearing.
15. All communications, appeals and findings shall be sent by registered mail, signed receipt requested, or presented to the individual parties concerned face-to-face when any activity above the first level of this procedure is involved.
16. All documents, communications, and records dealing with a grievance shall be filed in a separate grievance file and SHALL NOT be kept in the personnel file of any of the participants.
17. No reprisals of any kind shall be taken by the board, association or administration against any party interest, any representative, association or participant in the grievance procedure by reason of such participation.
18. Pursuant to state law, a moratorium shall be placed on grievance processions while an employee is on a plan of assistance for improvement for grievances related to evaluation procedures on the plan of assistance for improvement. The district will notify the employee and the association when the plan is no longer in effect and the moratorium is lifted.

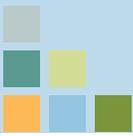
C. LEVELS

1. Level One (Unit Level)

The grievant shall first discuss his/her grievance with his/her principal or immediate supervisor with the objective of resolving the matter informally. If the grievant is not satisfied with the disposition of his/her grievance, he/she may file a written grievance within ten (10) working days, with his/her immediate supervisor. The immediate supervisor shall communicate his/her decision in writing to the grievant within ten (10) days from receipt of the grievance.

2. Level Two (District Level)

- a. If the grievant is not satisfied with the decision rendered by the principal, he/she may appeal in writing to the superintendent within ten (10) working days from the time he/she received the Level One decision in writing. After consultation with the grievant, the superintendent shall give written notice of the time and place of a hearing to the grievant, his/her representative, and other persons officially involved in the grievance.
- b. The superintendent shall, within ten (10) working days following the hearing, communicate to the grievant and all other parties officially present at the hearing, his written decision and the facts that are the basis for that decision.

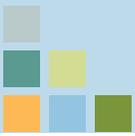


3. Level Three (Board Level)

- a. If the grievant is not satisfied with the decision rendered at Level Two, he/she may appeal to the school board within ten (10) working days. The appeal shall be in writing and copies delivered to board members, superintendent, and persons officially involved. The grievant may request and shall be granted an open hearing. The board shall conduct the hearing. Since the members of the board are functioning as hearing officers, those participating in the hearing shall comply with the definitions in Sections A.6. and B.12. Those unable to qualify shall withdraw themselves from the hearing and in no way shall participate in the decision rendered at this level. The board shall communicate to the grievant and all other parties officially present at the hearing its written decision and the facts that are the basis for that decision within ten (10) working days from the date of the hearing.
- b. At the request of the grievant, the hearing before the board shall be an open hearing. Within ten (10) days after the Level Three hearing, the board shall render a decision in writing to all official parties.

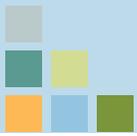
4. Level Four (Arbitration Level)

- a. If the grievant is not satisfied with the disposition of the grievance at Level Three, or if no decision has been rendered within ten (10) school days after the presentation, he/she may request the association to submit his/her grievance to arbitration.
- b. Upon timely receipt by the district of an association notice to take a grievance to arbitration, the parties shall attempt to select a mutually acceptable arbitrator.
- c. If the parties are unable to agree on an arbitrator, the Employment Relations Board shall be requested to provide a list. The parties shall then be bound by the rules and regulations of the American Arbitration Association.
- d. If any questions arise as to whether a particular dispute involves the interpretation, meaning or applications of any of the provisions of this agreement, such a question will first be ruled upon by the arbitrator selected to hear the dispute.
- e. Except as otherwise expressly provided in this agreement, the arbitration will be conducted in accordance with the voluntary labor arbitration rules (expedited) of the American Arbitration Association in effect at the time (hereinafter referred to as the AAA Rules).
- f. The arbitrator's decision shall be in writing and shall set forth his/her finding of fact, reasoning and conclusions on the issues submitted.
- g. The arbitrator shall be without power or authority to make any decision which requires the commission of an act prohibited by law or which is in violation of the terms of a written agreement.
- h. The decision shall be submitted to all interested parties.
- i. The costs of the services of the arbitrator shall be borne equally by the district and the FTA.
- j. All decisions of said arbitrator shall be binding to both sides.



ARTICLE 9 TERMS OF AGREEMENT

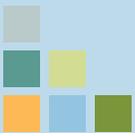
- A. This agreement shall be effective as of July 1 and shall be binding upon the board and the association and members of the bargaining unit and shall remain in full force and effect for three years, ending June 30 of the third year. This agreement, together with all terms, conditions and effects thereof shall expire on the date indicated.
- B. The parties may, by mutual agreement, enter into negotiations over matters of concern which arise during the life of this contract. The economic provisions for the fourth school year will be subject to future negotiations between the parties.
- C. If any provision of the contract is declared null and void by any court of this state or other competent jurisdiction, the remainder of this contract shall remain in full force and effect. Upon request of either side, the parties shall commence negotiations for a replacement of the voided section.
- D. All individual contracts shall be in compliance with this agreement. In cases of direct conflict between adopted board policy and this agreement, this agreement shall prevail.
- E. Within thirty (30) days of the signing of this agreement, the association shall print and provide sufficient copies for distribution to the current staff and all new hires. The district shall provide copies to the administration and board.



APPENDIX I: FALLSBURG SCHOOL DISTRICT SALARY SCHEDULE

Step	Salary	Number of Teachers	Cost
1	32,400	10	324,000
2	33,600	13	436,800
3	35,400	18	637,200
4	37,800	12	453,600
5	40,200	14	562,800
6	43,200	7	302,400
7	46,200	8	369,600
8	49,800	8	398,400
9	53,400	11	587,400
10	57,000	9	513,000
Senior	61,200	29	1,774,800
TOTAL		139	6,360,000

(Please see financial addendum ground rules)



Fallsburg School Negotiations Simulation

APPENDIX II: FALLSBURG SCHOOL DISTRICT BUDGET

1. Income

1.1. State and local tax dollars	13,492,936
1.2. Grants and activities fees	210,486
1.3. Sponsorships	\$400,000
(\$250,000 Coca-Cola; \$50,000 Microsoft; \$100,000 Nike)	
GRAND TOTAL	14,103,422

2. Expenditures

2.1. Administration	
2.1.1. Professional salaries	1,278,000
2.1.2. Clerical/staff support	500,400
2.1.3. Professional and clerical health insurance	386,624
2.1.4. State pension @ 6%.....	106,704
	2,271,728
2.2. Instruction	
2.2.1. Teacher salaries	6,360,000
2.2.2. Teachers' health insurance	1,382,772
2.2.3. Activities salaries, teachers (sports, band, dance, etc.).....	109,200
2.2.4. Department head salaries (54 x \$450)	24,300
2.2.5. Teacher aides	1,050,000
2.2.6. Aides' health insurance	228,270
2.2.7. State pension @ 6%.....	451,152
	9,605,694
2.3. Physical Plant#	
2.3.1. Staff salaries (maintenance, security, etc.).....	650,000
2.3.2. Maintenance and utilities.....	1,153,000
2.3.3. Transportation*	384,000
2.3.4. State Pension @ 6%.....	39,000
	2,226,000
GRAND TOTAL	14,103,422

Virtually nothing in this section is easily cut.

* Transportation is currently outsourced to a private vendor. Approximately 91 percent of transportation costs cover daily transportation; 9 percent of costs cover transportation to special events.