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REPORT OF FACT FINDER

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STATE OF MICHIGAN
BUREAU OF EMPLOYMENT RELATIONS
DETROIT OFFICE

RE: Birmingham Public Schools -and- Birmingham Association of Educational
Officer Personnel/MESPA
MERC Fact Finding Case No. D84 I-2705

On February 8, 1985, the undersigned Edward L. Cushman received notice of appointment as fact finder and agent of the Michigan Employment Relations Commission in the above-captioned case in a letter dated February 1, 1985 from Commission Member Morris Milmet.

A pre-hearing conference was held February 25, 1985 attended by Joseph F. Griffin, Director, Personnel Relations and Transportation, representing the Birmingham School District, Gerald E. Haymond, Executive Director, representing the Birmingham Association of Educational Officer Personnel/MESPA and the Fact Finder. The representatives of the parties stated that there had been no resolution of the issues identified as outstanding when fact finding was requested by the Association. Accordingly, a hearing was scheduled and held before the Fact Finder on Monday, March 18, 1985 at the offices of the Birmingham School District.

Since the parties had agreed that their new contract would be retroactive to July 1, 1984 the Fact Finder encouraged the filing of post-hearing briefs which were due and received by April 15, 1985.

Based on the presentation of the parties at the hearing of March 18, 1985 including the exhibits, the Fact Finder makes the findings and recommendations

Birmingham Public Schools

which follow with respect to each of the five matters (all economic) on which the parties have not reached agreement.

1. COMPENSATION (wages or salaries)

The union is asking for an increase in each of the two years (1984-1985 and 1985-1986) of nine percent at each step and level of the salary schedule (plus increments) for 1984-1985 (retroactive to July 1, 1984) and for 1985-1986.

The Board of Education is proposing six percent (6%). Also at issue is the classification of Level VI.

The union's argument for its proposed nine percent (9%) increase is that it would improve the Birmingham's ranking of the four major clerical classifications relative to all Oakland County districts while the Board's six percent proposal would have the opposite effect (i.e. would lower Birmingham's ranking relative to all Oakland County districts). The union also argues that the cost differential between the union's nine percent proposal and the Board's six percent would not be a serious financial burden on the Board of Education. The union estimates that the present salary cost of \$1,282,203 per year would increase for 1984-1985 under the Board's six percent proposal to \$1,359,313, an additional \$77,110 while the union's proposal of nine percent would increase the salary cost to \$1,395,113 for a total increase of \$112, a cost difference of \$35,800. Similarly, for 1985-1986 the union's nine percent proposal would increase salary cost for the classification to \$1,535,795 compared to the Board's six percent result of \$1,455,337, a difference in cost of \$80,458.

The Board's position is that its six percent offer would result in employees in the four categories (SHS security, elementary security, clerk-typist, and

Senior Bookkeeper) would be paid higher maximum hourly rates than comparable school districts: Bloomfield Hills, Farmington, Ferndale, Rochester, Royal Oak, Southfield, Troy, Waterford and West Bloomfield. Furthermore, the District argues that settlements for 1984-1985 with unions representing other classifications of employees of the District (teachers, administrators, and aides) have been at the six percent rate.

The Board presented no detailed figures on costs but did not take issue at the hearing with the estimates made by the union. The Board did argue that its proposal exceeded the cost-of-living increases both experienced and anticipated and exceeded the wage increases generally negotiated throughout the country during the past year.

The Fact Finder recognizes that this difference of viewpoint is the critical issue preventing the parties from reaching agreement. His impression from the hearing is that the Board is unwilling to add to its offer and that the union is willing to accept something between the Board's offer and its nine percent proposal.

The Fact Finder has given long and careful study to the comparisons presented by the parties. He finds the districts selected by the Board and cited above to be more appropriate than the union's listing of all Oakland County school districts. Those listed by the Board are most like Birmingham in size, character and quality.

The factors which led the Board and the unions representing other employees including teachers to agree on a six percent increase for 1984-1985 are applicable to this employee group, with respect to salaries or wages. No special facts seem to warrant special attention.

Accordingly, the Fact Finder recommends that the six percent suggested by the Board be agreed upon for 1984-1985 and an additional six percent be the

agreement for 1985-1986. The parties did agree on retroactivity to July 1, 1984. Although there was not formal agreement on the length of the contract the presentations made reference to a possible second year. It seems to the Fact Finder that both logic and the proper exercise of the responsibilities of the parties argue for a two year agreement of the type proposed.

With respect to the disputed classification of Grade VI, the Fact Finder found the testimony as to the need for this classification persuasive with respect to the unique requirements for the printer and to the labor market. He, therefore, recommends that classification for the printer. If there are other positions which should be placed in this classification as suggested by the union, this matter should be considered by the parties. No detailed presentation was made with respect to any such positions as was done in the case of the Presenter. The Fact Finder cannot, therefore, do other than to suggest further consideration by the parties.

2. DENTAL INSURANCE

The Union is asking that the dental insurance program now in effect for teachers and exempt employees be applied to the clerical employees represented by the union. This request is that the Board provide all eligible permanent and full-time employees i.e. those employees who have acquired seniority and who are regularly scheduled to work a minimum of five (5) straight time hours per work day and twenty-five (25) straight time hours per week, dental insurance coverage (100/80-60-0) maximum annual coverage \$1,000 per eligible family member)....

The Board's position is to retain the present dental coverage (50-50-0. maximum annual coverage \$600 per eligible family member)...

The Fact Finder was not presented with detailed cost estimates, as to the extension of the more liberal program to this group of employees. However, the Fact Finder was not impressed with any arguments as to why this group of employees should not have the same dental insurance program as teachers and exempt employees. From his experience with dental programs, it appears that the increased cost will not be unmanageable for the district. The Fact Finder recommends, therefore, that the union's request be accepted by the Board.

3. VISION INSURANCE

The union position is that the Board provide eligible permanent employees and their eligible dependents Blue Cross-Blue Shield of Michigan Vision Benefit A-80 or equivalent coverage.

The Board wants to continue the current program which provides that:

"Each permanent employee who has six (6) months of seniority or more shall receive a maximum total of \$30 Vision Benefit Allowance payable directly to him by the Board. A maximum of \$15 shall be provided for an eye examination of the employee or dependent which shall be certified in writing and be dated by a licensed optical professional. In addition, a maximum of \$15 shall be payable to the employee, or dependent, for the purchase of prescribed lenses/frames which shall be evidenced and certified in writing and dated by an organization/company providing such services."

The Fact Finder's opinion is the same with respect to the vision insurance program as with respect to dental insurance. In the absence of data which would indicate that the cost of providing these employees with the same benefits as teachers and exempt employees would be prohibitive, logic and equity argue for the union's position.

4. SICK LEAVE BANK (pay for unused sick days)

The union proposes that "Upon severance of employment for the district, fifty percent of each employee's remaining sick leave days contained in his/her

personal sick leave day accumulation shall be placed in the common sick leave bank." The district believes that the present system of benefits and funding is appropriate. Furthermore, the district has gone beyond the agreement in dealing with cases considered urgent.

Since no cases of undue hardship resulting from the present contractual arrangements were presented, it does not seem to the Fact Finder that the need for additional financing as proposed by the union has been demonstrated.

5. TERMINAL PAY

The union proposes that the terminal pay provision be modified as follows:

<u>TERMINAL PAY</u>	
<u>UNION POSITION</u>	
<u>YEARS OF SERVICE</u>	<u>AMOUNT OF TERMINAL PAY</u>
10	\$1,000
11	1,100
12	1,200
13	1,300
14	1,400
15	1,500
16	1,650
17	1,800
18	1,950
19	2,100
20	2,250
21	2,400
22	2,550
23	2,700
24	2,850
25	3,000
26	3,300
27	3,600
28	3,900
29	4,200
30	4,500

BOARD POSITION

Current language.

CURRENT LANGUAGE

YEARS OF SERVICE

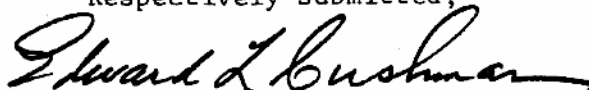
AMOUNT OF TERMINAL PAY

15	\$1,000
16	1,100
17	1,200
18	1,300
19	1,400
20	1,500
21	1,650
22	1,800
23	1,950
24	2,100
25	2,250
26	2,400
27	2,550
28	2,700
29	2,850
30	3,000

The District argues that the present provision is in four (4) other collective bargaining agreements, one of which has just been extended until June 30, 1987.

The Fact Finder is not persuaded that the union's argument for more liberal treatment merits support, particularly in the light of employer-paid State pensions and the seniority distribution of employees represented by this union.

Respectively submitted,



Edward L. Cushman
Fact Finder

April 22, 1985

cc: Joseph Griffin
Gerald Haymond
James Amar