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CENTER LINE PUBLIC SCHOOLS

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STATE OF MICHIGAN
EMPLOYMENT RELATIONS COMMISSION

CENTER LINE PUBLIC SCHOOLS

-and-

November 10, 1976

CENTER LINE EDUCATION ASSOCIATION

Ruth Kahn

LABOR AND INDUSTRIAL
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REPORT Michigan State University

The parties to this dispute are the Center Line Public Schools, hereafter referred to as the School District or the Board, and the Center Line Education Association, hereafter referred to as the Association. The Board and the Association were unable to negotiate an Agreement for the 1976-1977 school year. Pursuant to the Board's and the Association's applications for fact finding, dated September 10, 1976, the undersigned was designated by the Employment Relation Commission to serve as the fact finder. A pre-hearing conference was held with the chief spokesmen for the two parties on October 8, 1976. Its purpose was to clarify and define the issues to be presented, to establish hearing times and procedures, and to ascertain the kinds of data required from the Board by the Association. Three days of public hearings were held at the offices of the Employment Relations Commission, on October 16, 18 and 20, 1976.

The differences between the parties involve the following issues: salary, longevity pay, health insurance, life insurance, supplementary salaries, released time for the Association president, class size, sick leave bank rules, grievance procedure, calendar, layoff notification, art and music for kindergarten classes. My recommendations regarding these issues are contained below.

SALARY

The salary schedule for teachers has a four-lane structure to correspond with the teacher's post-degree education. In the 1975-1976 school

year the base salary for a teacher with a B.A. degree was \$9,752. The base for a teacher with a B.A. plus 20 semester hours was \$10,089. For a teacher with an M.A. the base salary was \$11,027. And with an M.A. plus 30 hours ("Post Masters") the base was \$11,742. Each lane has ten increment steps. A teacher moves up a step each year until he reaches the maximum. He also moves laterally into a new lane when he acquires the requisite post-graduate hours and/or degree.

The parties disagree on the size of the salary increase to be granted to teachers for the 1976-1977 school year. The Board proposes an increase of 5 percent along with higher longevity pay and improved insurance benefits. The Association seeks an immediate salary increase of 5.6 percent. And it asks to be guaranteed a portion of additional revenue which the Board may realize from such sources as an increase or change in state aid and in the State Equalized Value (SEV) formula. It also urges the following: higher pay for several kinds of extra duty; improvements in longevity pay, health and life insurance beyond that which the Board has offered; stricter regulation of class size; and 105 minutes released time for kindergarten teachers. These form the major cost items.

The Board believes its proposal is both fair and equitable. It insists that the School District is unable to pay more than it has offered to the Association. It claims funds are simply not available for a larger salary increase nor for the other improvements sought by the teachers. It emphasizes that the 1976-1977 Operating Budget Draft #10 - after allowing for its proffered 5 percent salary increase and other benefits - reflects a deficit of \$106,127. And its "Fund Equity Deficit Analysis" translates into a present accumulative deficit of \$497,532. It proposes to recoup fifty percent of that deficit (\$248,766) in 1976-1977. It insists state law mandates retirement of the deficit within two years. It further claims that during the recent millage campaign it promised to restore program cutbacks. It feels that it would be betraying a trust were it to allocate a portion of the new millage to salary improvements. It maintains that new earnings levels for the teachers in 1976-1977 will compensate for effects of inflation.

The Association, on the other hand, argues that an immediate increase of 5.6 percent is justified. It stresses that this amount barely compensates for the increase in the cost of living in the past year. It notes that the percent of total expenditures in this School District devoted to teacher salaries has averaged 63.6 percent for each of the past five school years. Only 57.5 percent is being allocated for teacher salaries

in 1976-1977. It points out that during this same period Center Line's ranking - insofar as teacher salaries are concerned - has fallen in relation to the other Macomb County school districts. It disputes the Board's asserted inability to pay. It believes there is money available in the budget for the higher salary it seeks. Employing the Board's estimate that a one percent salary increase costs approximately \$43,000 it urges that its 5.6 percent demand costs only \$25,800 more than the Board's 5 percent offer.

After thorough consideration of these arguments and supporting data, I recommend that the salaries for this School District be increased by 5.3 percent together with certain other economic improvements.* There are several reasons for this recommendation.

First, teachers are entitled to a measure of protection of the purchasing power of their earnings. The cost of living has increased by 5.2 percent in Detroit between August 1975 and August 1976.** The Board's responses is that the salary structure in the Agreement provides for step increments and for lane increments, as well as other opportunities for supplemental income. It believes that these increments and supplemental stipends, together with its 5 percent proposed increase more than offset the effects of inflation. Its argument is not persuasive. Step and lane increments are an integral part of the salary structure. As a teacher acquires greater experience and/or formal training, it is presumed his classroom performance improves. The increment compensates him for his enhanced value. The increments are not intended to compensate for escalating living costs. Increments are a part of the salary progression and equally entitled to protection from erosion by inflation.

Next, a comparison of salary schedules in seventeen Macomb County school districts shows that for 1976-1977 eleven districts improved salaries by 5.3 percent or better over the preceding year.*** The average (unweighted) increase for these districts is 6.7 percent. My recommendation of 5.3 percent is wholly consistent with this county-wide pattern. Viewed

* The wage increase will be computed for the entire school year. Any retroactive payment will be in one lump sum in accordance with the parties' understanding.

** U.S. Department of Labor, Bureau of Labor Statistics, Consumer Price Index for Urban Wage Earners.

*** Based upon B.A. and M.A. schedules supplied by the Association.

together with other economic improvements I shall support, I consider the result is fair and equitable.

Third, and this is a major reason, I am convinced the School District has the present ability to pay the recommended 5.3 percent increase. It estimates that the total cost of each additional one percent in base salary is approximately \$43,000. It has offered to raise salaries by 5 percent, and it has budgeted approximately \$215,000 to cover this increase. My recommendation would mean an added .3 percent of \$43,000, or \$12,900. I estimate the cost of the other economic improvements which I recommend to be \$6,500 over the Board's figures for its offer.* A review of the proposed Budget (Draft #10) leads me to believe that this money could be made available. Likely sources may be found through relatively minor adjustments in plant operations and maintenance, and/or pupil transportation. Restoration of some program cuts which the Board claims to have made in 1974-1975 may have to be at a slower pace.

The Association urges the District has other means as well to increase its revenues. It suggests paring costs through such means as better fuel conservation, more prudent purchasing practices, and postponement of general maintenance projects. Just how much could be realized in these areas is not established. It does offer one suggestion which I find to merit serious consideration. It believes the District should sell or lease the two schools, Groesbeck and Sherwood, which it has closed down. It relies on the Board's conclusion - based upon its population studies - that the schools are no longer needed and will not be reopened. It claims that proceeds from the sale or lease of these properties could be used to reduce or perhaps eliminate the deficit. Savings in maintenance and repairs could also result. For example, the Board has allotted approximately \$29,000 for maintenance on the two buildings in 1976-1977. The Association criticizes the Board for its inaction. It points out that so far as Groesbeck is concerned, the District had the property appraised in September 1975 and let it out for bids once. As to Sherwood, the District has done nothing at all to make it revenue-producing.

The Association's position has merit. These buildings clearly have value. Here too it is questionable just when and how much can be realized. Nonetheless the possibilities for increased revenues exist.

* This does not include the improvement in pay to teachers of Drivers Education, for which I lack data to estimate the cost. It is at best a rough approximation.

Undoubtedly much of the Board's energies have been directed to the millage campaign which was conducted in mid-1976. However, it is appropriate to urge that the Board now take steps to dispose of these schools as well as any other surplus property.

A final comment concerning the District's financial condition is necessary. The Association does not dispute the existence of an accumulative deficit. It complains, however, that the deficit is a result of the Board's past failures. It objects that the teacher should not be called upon to remedy the Board's past wrongs.

The Association's position is based upon the following information. Its data indicates that among fourteen school districts in southern Macomb County, Center Line had the second highest SEV/pupil ratio in 1975-1976. In the same period its operating millage was the lowest of the fourteen. It conducted no campaign to increase its millage from 1973 until 1976. During these years, the U.S. City Average Consumer Price Index rose by 25 percent. The Detroit index rose by 24 percent in the same three year period. These facts suggest that the District was remiss in failing to levy, or to seek authorization to levy, a millage rate which would enable it to operate with a balanced budget. The unprecedented double-digit inflation alone should have alerted the District to anticipate a need for higher revenues.

However, the fact remains that the Board is now operating under financial constraints. It has a present accumulative deficit of \$497,532. It must reduce the deficit in 1976-1977 with a view to eliminating it by 1977-1978. It feels an obligation to restore programs which it cut back during 1974-1975. Its requirements are real. Some balance between these competing considerations - the teachers' demands for economic gains and the District's need to conserve finances - must be struck. I believe that a 5.3 percent increase recognizes the teachers' demands for a more equitable salary in relationship to the cost-of-living and to other Macomb County districts, and it recognizes also the Board's financial difficulties in terms of revenues currently available.

LONGEVITY INCREASES

At present, a longevity increment of \$250 is paid at the beginning of the 16th year of service in the District and each fifth year thereafter. The Board has offered to raise its payment to \$275. It considers this an equitable amount. The Association asks for \$300. It notes that the increment has remained unchanged since the 1968-1969 contract. It argues that to have kept pace with inflation, the longevity payment should now be \$402.25. It presents data comparing Center Line's longevity payment with those paid

in twenty other Macomb County districts. Twelve districts pay \$300 or more. Four of the five districts immediately adjacent to Center Line pay \$300 or higher. Given these facts, I find the Association's request to be reasonable. I recommend its adoption.

SUPPLEMENTAL SALARY INCREASES

Several other kinds of extra-classroom duty, compensation for a regular sixth period assignment and for teachers of vocal music are at issue here. Under the 1975-1976 Agreement, the Board paid \$7.50 per hour to teachers of Drivers Education, for Social Adjustment Class supervision, and for Lunchroom Duty. It paid \$2,000 per year to a secondary teacher on a regular sixth period assignment. And it paid Cheerleader sponsors an annual fee of \$450 (senior high) or \$250 (junior high). Teachers of vocal music were paid no additional monies.

The Association demands an increase to \$8.50 per hour for Drivers Education teachers, Social Adjustment Class supervisors and Lunchroom Duty. It seeks \$2,200 for the sixth period assignment. It believes Cheerleader sponsors should be paid \$500 (senior high) and \$300 (junior high). And it urges a stipend amounting to 2 percent of base salary for Vocal Music Teachers at the elementary and junior high schools, 3 percent of base salary at the senior high school. I will deal with each set of proposals separately.

As to Drivers Education, Social Adjustment, Lunchroom Duty, Cheerleader Sponsors, and Sixth Period Assignment: The Association argues the present rates have been in effect since the 1973-1975 Agreement, and that inflation has eroded their purchasing power. It presents data on comparative wage scales for teachers of Driver Education in 21 Macomb County school districts. I estimate that ten districts pay an hourly rate of \$8.00 or slightly over.* The Association also presents a History of Supplemental Pay Jobs in Center Line. It shows that stipends to Driver Education teachers have exceeded payment to the other groups in 1969-1970, 1970-1972 and 1972-1973. This fact together with the supporting County data leads me to recommend payment of \$8.00 per hour to teachers of Drivers Education. I recommend the other demands be withdrawn.

As to Vocal Music: The Association made a very persuasive argument for payment to the senior high vocal music instructor, describing

* A number of districts pay a percent of base, making comparison unsure.

the excellence of the performers, their role in the community and contribution to good will. Such high quality was attributed in large part to the effort and time spent by the staff. I recommend adoption of the Association's proposal for payment of 3 percent of base salary to high school vocal music instructors. It does not appear to me that there are sufficient program and time demands on the elementary and junior high instructors to merit a stipend at this time. Hence, I recommend that the Association withdraw its proposal for a stipend for elementary and junior high school vocal music teachers.

HEALTH CARE

It is agreed by the parties that the MESSA-Delta Plan D with Ortho Rider (prepaid dental care) is to be offered to the group. The Board will pay the full cost for all participants and qualified dependents. The effective date for coverage is to be December 1, 1976.

The remaining health care issue concerns the Association's demand for prepaid optical benefits for teachers who will have neither the hospital/surgical/ medical prepaid benefits nor the dental plan. These persons are in all instances protected by insurance programs through a spouse's coverage. The Association believes this latter group should be compensated by another kind of benefit. It urges that the optical plan is a far less costly benefit than the hospital coverage and should be made available to them.

I am not persuaded by the Association's position. The aim of group health plans is to ensure that a uniform comprehensive level of protection is available for employees and dependents. When the premium is paid by the employer, the real benefit is still greater, for no taxes are withheld from this indirect "income". However, emphasis is on benefit levels. It is not contemplated that each employee will benefit in identical monetary terms. Consider, for example, the matter of premiums: a portion of the teachers is single; a second group is married and lists a spouse as a dependent; a third category lists both spouse and children. Blue Cross rates are structured in such a way that the cost for a family is approximately one and a half times again the cost for an individual. It does not follow that the employer should provide something "extra" to make up the difference to the individual. I can find no rational justification to allot a third kind of benefit for persons not covered by

the program. The protection is available for them when they need it. I recommend the Association's proposal be withdrawn.

LIFE INSURANCE

Present life insurance coverage provides each teacher with group insurance worth \$12,000. The Board proposes to increase the protection to \$15,000. The Association seeks \$18,000. It is generally considered that a desirable level of group life insurance protection should provide the equivalent of one year's salary. Well over half the District's teachers (55.7 percent) are now at the last step in the salary progression; and half of the remaining faculty (23.2 percent) are at the sixth step and above. At the 1975-1976 salary levels, maximums were as follows: for teachers with a B.A. - \$17,146; B.A. and 20 hours - \$17,483; M.A. - \$19,669; M.A. plus 30 hours - \$20,944. In view of the standard for adequate protection which is stated above, together with the profile of teachers' earnings, I believe \$18,000 life insurance protection is appropriate. I recommend the Association's demand be adopted.

ART AND MUSIC FOR KINDERGARTEN STUDENTS

The Agreement provides: "Approximately 105 minutes of art and music will be provided elementary students (1-6)". The Association urges extension of this program to the kindergarten. It notes that at present the kindergarten teachers have no block of released time. A teacher aide provides the kindergarten teacher with a ten-minute relief period during each session. There was no evidence that programs similar to those sought here exist in comparable communities. Nonetheless, the idea has appeal, for it enables the children to have an additional learning experience with a new teacher and a special subject. At the same time, the kindergarten teacher receives a class period in which to accomplish the same kinds of tasks which the grade 1-6 teachers now perform. All of these considerations viewed together with the financial situation confronting the District lead me to recommend that 50-55 minutes of art or music be provided kindergarteners.

ASSOCIATION PRESIDENT'S RELEASED TIME

The 1975-1976 Agreement permits the Association to "purchase at direct Board cost two-fifths (2/5) of the time of the Association president..." The Association now asks to purchase three-fifths of the President's time. The Board states in its "Summary of Issues" that this is a "no-cost" item which it "will consider" if its proposed change in the provisions procedure is adopted. In view of the fact that I will recommend incorporation of time limits into the grievance procedure, it seems the Board would not oppose this Association demand. I recommend its adoption.

SICK LEAVE BANK

Under Section 4.2 of the 1975-1976 Agreement, Center Line professional employees may voluntarily participate in a sick leave bank. Each person donates a day of sick leave per year until overall deposits reach 1,500 (\$4.2B). If a member becomes ill, he may draw on the bank for "days" after the first twenty days of illness (\$4.2E). He must first exhaust his own accumulated sick leave days (\$4.2F). He may draw a maximum of ninety days each school year.

The Board urges that the waiting period be increased to thirty days from the present twenty. It believes this would have the effect of encouraging teachers to use sick leave more prudently.

The Association seeks several changes. First, it would reduce the waiting period to ten days. Next, it asks that a teacher be permitted to reserve 25 percent of his sick days rather than be required to deplete his accumulated sick days before drawing from the bank. It expresses concern that a teacher who is drawing on the bank has no sick days of his own. Hence, if he returns to work for even one day and becomes ill, he is without income and must wait twenty days before going to the bank. And third, it proposes that upon retirement, a teacher's unused sick days be deposited in the bank.

The arguments of the Board and the Association are largely theoretical, hypothetical and unsubstantiated by data. In view of the absence of compelling reasons, I recommend no changes be made at this time. I further recommend the parties conduct a joint study of the bank, collecting and examining its experience data, in order to be able to appraise its eligibility and benefit provisions in a more informed manner.

CALENDAR

The 1975-1976 school year consisted of 186 teacher responsibility days: 180 days are with students in attendance; six workdays are for teachers only. The Board wants to continue with the same total figure of 186 days for 1976-1977. The Association seeks to reduce teacher responsibility days to 185. Its proposed calendar would consist of 180 student attendance days and five teacher-only days. Its data indicates that nine out of eleven surrounding school districts have calendars of 183-185 days. Only two have 186. It also urges a full two-week recess at the Christmas season. It would have the schools close Monday, December 20, 1976, to reopen on Monday, January 3, 1977.

I recommend adoption of a portion of the Association's proposal. Total number of teacher responsibility days should be set at 185. However, I do not find its arguments for a two-week Christmas-New Year's recess to be persuasive. I recommend this demand be withdrawn.

CLASS SIZE

The 1975-1976 Agreement speaks to this matter with the following provisions:

"3.2.A.1. It shall be the goal . . . to keep class size within reasonable limits for good classroom instruction . . . Whenever a teacher and/or the Association feels these limits have been exceeded, [the parties] shall explore the alleged excesses and determine the conditions under which the best interests of the students may be served.

"3.2.A.2. In determining how the problem may be alleviated, consideration will be given to the use of teacher aides, team teaching"

The Board claims it has implemented this language. It cites instances of transporting students to less populated schools, adding faculty or teacher aides, as examples of the measures it has used to deal with problems of too large a class size.

The Association proposes that the number of students in a class be limited in the following manner. In the elementary schools, class sizes be as follows: kindergarten, a maximum of 24 students; grades 1 to 3, a maximum of 26 students; grades 4 to 6, a maximum of 28 students. Secondary classes should be arranged so that there is a maximum overall ratio of one teacher for each 25 students in a building. There should be a maximum of 28 students in a classroom, and no teacher should have more than an average of 25 students in his classes. It further proposes that if the maximum or ratio is exceeded, the parties meet to reach a solution. Certain exceptions (physical education and music) may be allowed.

The Association presents no figures estimating the cost of its proposal. The Board estimates the cost would be \$108,000. The parties' data showing the average numbers of students in the elementary classes indicate size is not a major problem. No data was introduced as to the size of present secondary classes. It appears from testimony that certain high school classes may be over-crowded. It hardly seems justified, however, to legislate class size for the entire District when the problem is not widespread. It further appears that such methods as rescheduling have been effective in the past. I urge the parties to make a prompt and earnest effort to resolve the particular class size problems by reasonable and practical methods. I recommend the Association's proposal as to class size be withdrawn.

GRIEVANCE PROCEDURE

The grievance procedure contained in the 1975-1976 Agreement consists of five levels: 1) Presentation and discussion of complaint by aggrieved teacher with supervisor or principal; 2) Filing the grievance with the Association to "decide whether or not there is a legitimate grievance"; 3) Appeal to Superintendent who must render decision within five days from receipt; 4) Appeal to Board for decision "as soon as possible"; 5) Appeal to mediation and/or arbitration. No time limits are stated for initiation of the complaint, nor are time limits clearly set for proceeding from Level One to each of the four succeeding levels.

The Board believes time limits should be clearly prescribed. The Association, however, opposes any change in the grievance procedure. It argues that the Board can avail itself of the equitable principle of laches. It also cites the Agreement which provides, "No judgment shall be awarded prior to the date of the grievance". It urges that this limitation offers sufficient protection for the Board.

I do not find the Association's position convincing. Time limits in a grievance procedure serve several important functions. Prompt notice is given to the parties of the existence of a complaint. This enables them to handle the matter expeditiously. Early attention to grievance can minimize employee discontent. A timely filing permits the parties to investigate while events are fresh and to preserve testimony. It bars stale claims. Time limits introduce an additional and desirable element of order into the grievance machinery.

No set formula is available for establishment of time limits. Rather, the special circumstances of the parties should decide the terms. In the present case, however, the positions taken by the parties are irreconcilable. Neither party offers a satisfactory solution to the problem. Hence, I propose the following as an outline of time limits for each of the five present levels. I urge the parties to develop contractual language which will best accommodate their special needs.

I recommend at Level One that initial notification to the supervisor or principal of a complaint be made within five days of its occurrence, or from the time the grievant knew or should have known of its occurrence. Discussion of the complaint shall be within three days of notification. If the aggrieved employee does not receive a satisfactory answer, or if he receives no answer, within three days of the day following notification, he

may within five days submit the complaint to the Association for its screening (Level Two). At the same time notice shall be given to the supervisor that Level Two is being invoked. The Association has ten days to determine the legitimacy of the complaint.

The grievant may submit a written grievance to the Superintendent (Level Three) within three days of completion of Level Two action. If the grievant does not receive a satisfactory answer at Level Three, or if he receives no answer within seven days following the day of submission to the Superintendent, he may submit the grievance to the Board (Level Four). Submission to the Board shall be within five days following receipt of an unsatisfactory answer at the preceding level or from the expiration of the seven days given for an answer.

If the aggrieved employee does not receive a satisfactory written answer or if he receives no answer within ten days following the day of submission to the Board, he may appeal his case to mediation or arbitration within twenty days following completion of the procedures at Level Four. He must give the District simultaneous notice of the appeal at the time he invokes the arbitration/mediation authority.

If the aggrieved employee does not process his grievance to Level Two, or Level Three, or Level Four, or Level Five, within the prescribed time period, his grievance shall be considered settled on the basis of the answer at the last previous level, as the case may be.

I recommend adoption of time limits for the grievance procedure in accordance with the above-proposed language.

LAY-OFF NOTICE

The 1975-1976 Agreement contains the following provision regarding 'Reductions in Personnel . . .

"2.3.B. No teacher shall be discharged or laid off (pursuant to a necessary reduction in personnel) for any school year or portion thereof unless said teacher shall have been notified of such discharge or layoff at least sixty (60) days prior to the last teaching day of the current school year".

The Board proposes that §2.3.B. be stricken from the Agreement. It argues that an April 1 (approximate) deadline for lay-off notices is premature and burdensome. It claims the provision forces the Board

to send lay-off notices to persons whom it may in fact ultimately retain, causing unnecessary anxiety to the affected teachers and to administrators. The Association vigorously opposes removal of this section of the Agreement. It insists the language offers valuable protection to the teachers.

The Board has failed to demonstrate that the April 1 notice provision is onerous. The section merely requires that Administrators assess the upcoming year's needs for instructional staffing in early spring. The Board must then - "at least sixty (60) days prior to the last teaching day" - advise those persons who may be laid off or discharged. It has not shown that it has been damaged by this requirement. There is no evidence that it has either been compelled to carry numbers of personnel it otherwise would have laid off, or that the early notice has caused irreparable loss of valuable personnel. The protection afforded teachers by the notice requirement clearly outweighs the alleged burden on the Board. I recommend the Board's proposal be withdrawn.

Ruth E. Kahn

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Fact Finder