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IN THE MATTER OF FACTFINDING
BETWEEN
CENTRAL MICHIGAN UNIVERSITY
AND
UAW LOCAL 6888 (CMU STAFF ASSOCIATION)
MERC CASE NO. L91 F-0461

FF 3/25/92
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STATE OF MICHIGAN
DEPT. OF LABOR & INDUSTRY

BACKGROUND

The contract between the parties expired on June 30, 1991. After negotiations a tentative Agreement was reached on September 11, 1991. This tentative Agreement was rejected by the Union membership.

After much dispute, including a short walkout by the Union, both sides agreed to submit their dispute to Factfinding. This Fact Finder was chosen October 3, 1991 and a pre-Hearing conference was held in Detroit on November 13, 1991. It was then agreed to hold hearings at the Central Michigan University campus on January 13 and 17, 1992. Mr. Robert M. Vercruysse, Esq. represented the University and Mr. H. Rhett Pinsky, Esq. represented the Union. A record was made of the proceedings by Mr. Raymond Marcoux, Reporter.

At the time of the Hearing on January 13, 1992 there were several issues separating the parties. These issues were:

1. length of time allowed for an employee to remain "temporary"
2. language regarding pregnancy leave
3. health benefits for part-time employees
4. released time for Union officer
5. salary adjustment
6. choice of health care provider

Central Michigan University

Bernard Klein

3/25/92

A quite thorough analysis of the University's budget position was presented by Mr. Jerry Scoby, Assistant to the President for Budget and Planning. There was no question of the University's dire financial condition and the Union did not question the financial straits that public institutions in Michigan find themselves. The Union rather based its case on questions of equity and priorities. After the Hearings (February 19, 1992) Attorney for the University sent a letter to the Fact Finder pointing out the Governor's recent recommendation of no increase in his proposed budget for higher education. This Fact Finder offered to reopen the Hearings if the Union requested it as a result of that letter. The union did not request reopening but reiterated its position as one based on equity and priorities. Due note was taken by this Fact Finder of this development though it must also be noted that there is always the possibility of modifications of the Governor's recommendations by the Legislature.

POSITION OF THE UNION

The Union believes that its members were being singled out for more sacrifice than the other units on campus. Indeed they pointed out that the faculty bargaining unit received a seven (7) percent increase during the current year. Other units received less but all more than was currently offered to the clerical unit.

The Union favors continuation of the present four (4) month automatic limit for temporary employees before needing Union consent to continue. They point out that the system works well and that no one was able to allege or show that the Union has ever been unreasonable in this regard.

The Union did not consider the maternity leave issue a real issue but one of working and was not in any disagreement with the University on this matter.

The Union did seriously disagree with the Administration on the question of health care for part-time employees of this unit. First of all the Union believes that many of the part-timers work mostly for the health benefits. Many, they claim, are single parents who need this protection. The Union also feels that it isn't fair to take away a benefit already achieved and expected by the membership and the Union further fears that members' hours would be manipulated at times to deprive them of full time status and health benefits.

A side issue of the health care issue is the choice of carrier and the level of benefits. The Union is willing to give the Administration the ability to shop for the lowest price carrier of the insurance as long as it is the equivalent of Blue Cross/Blue Shield low option and mammogram availability. The Union however desires to have input into the choice of carrier.

In the matter of the released time for the Union president and first vice president, the Union presents the demand of a policy of two (2) hours a day released time to be shared by the

two top officers. They do not feel that any real rationale was given to change this policy.

The area of wages is understandably the most contentious of the issues brought to factfinding. At the time of the tentative agreement which was voted down by the membership, the agreed upon increases for the three years of the Agreement was zero, 4.11% and 4%. The Union's original demand was zero, 10% and 5%. The University's latest offer in the "light of the decline of the state economy" is zero, 2.5 and 2.5.

The Union as stated before did not question the budget testimony or doubt the seriousness of the financial situation faced by the University. However as stated by Mr. Pinsky, figures can be manipulated and money could be found if the University wanted to. At issue according to the Union is the unequal treatment being accorded to this bargaining unit as compared to other units.

The Union stated clearly that the two issues which caused the defeat of the ratification of the Agreement by the Union were wages and the taking away of health benefits from the part-timers.

POSITION OF EMPLOYER

The University spokesman went to great lengths to show that the University has no difficulty recruiting clericals and that its pay scales and benefits paid to these employees are higher than other private or public employers in the region. There was

considerable debate on this matter between the UAW staff representative and the University's spokesman.

The University pointed out that the maternity leave question as simply one of wording and misunderstanding.

On the issue of cutting in half the released time for the Union president and vice president, the University based this demand on philosophical rather than financial reasons. The University believes that released time for Union activities should be paid for by the Unions themselves from Union dues.

The University also considers the issue of part timers' health benefits and the wage package to be the most important of the outstanding issues. On the issue of benefits for part timers the University proposes single person coverage for the employee him or herself while the additional cost for family coverage would be paid by the employee. The University cites both its financial plight and the higher comparable costs for these employees. The University is willing to allow input by the Union on its choice of carriers but not a veto power.

The University seeks to change the length of time a temporary can work without agreement by the Union from four months to nine months. They do not claim to have had any difficulty in the past, but because these people are usually paid by "soft money" the University needs more flexibility. The University feels that it does not wish to be held hostage on this issue because of other outstanding differences it may have from time to time with the Union.

Wages remained the most serious issues on both sides. The University backed off the tentatively agreed upon rate and now offers - zero, 2.5 and 2.5 for the three years respectively. In his concluding statement, spokesman for the University even suggested the possibility of zero and 3%, 3% although the suggested it very reluctantly. This Fact Finder is convinced he would not have made that suggestion after the Governor's Budget Message. The University's main contentions in regard to wages are two fold.

1. This bargaining unit is well paid in comparison to other similar employment in the region.
2. overall financial plight of the University and the State of Michigan

POSITION OF FACT FINDER

This Fact Finder has dealt with austerity budgets and is extremely mindful of the financial exigencies that public institutions in Michigan are facing. The budget information of Central Michigan University as well as their plans for belt tightening were very ably presented by Mr. Jerry Scoby, Assistant to the President for Budget and Planning and Mr. Mark Mehall, auditor from Arthur Andersen and Co. One can only hope that even though 1992-93 looks grim, some improvement will take place in the Michigan economy in time for the 1993-94 fiscal year.

Yet it would not be fair to deprive this unit of improvements in the light of some of the settlements of some of the other units. It is not sufficient to say that the University

is now attempting to negotiate give backs from those units since the University might not be successful in achieving this plus at least those units have from what to give back. Nor is it a very strong argument to point out that the top administrators have accepted a wage freeze this year. They are the ones who should be setting an example and can probably most afford a freeze.

1. Issue of Temporary Employees

This Fact Finder agrees with the University's position that it needs more flexibility and should be allowed to keep an employee on temporary status for up to nine (9) months without Union approval. This enables the administration to plan better and lessens an item of contention between the parties.

2. Issue of Released Time for Union Leaders

The University through its spokesman and Mr. Wood, the Director of Employee Relations gave no sound reasons for denying the Union's request of two hours a day between the President and first Vice President. While one might agree that philosophically it is not a good idea, it is a practice found in most organizations and can even work to the benefit of the employer in that minor problems are handled before they become major problems. Another thing that leads this Fact Finder to recommend the Union's position is that it is the practice in the other bargaining units and no information was presented to see how this compares with other units.

3. Issue of Choice of Health Care Provider

The costs of employer provided health care coverage is one of the most crucial issues of our time. As costs keep escalating it becomes more and more difficult for employers to meet the costs. It has reached crisis proportions and it behooves both sides to cooperate in helping to contain the costs of such coverage. For these reasons, it is recommended that the University be permitted, indeed encouraged to shop around for the lowest cost carrier that would provide coverage equivalent to Blue Cross/Blue Shield low option plus mammogram. The Union should be consulted but not given veto power over the choice. In the event that the employee can prove he or she is not getting equivalent coverage it should be remedied through the grievance process.

4. Issue of Maternity Leave

Both sides are in agreement of what the policy is and therefore language clarifying the policy should be agreed upon.

5. Issue of Part Timers Health Care

Though cognizant of the escalating costs of this coverage, this Fact Finder does not consider it fair to deny those part timers who were hired and given University paid family health care. It is granted that it may be a benefit not provided by other employers to their part timers, but it is something some 51 or 52 current unit members have needed and expected. An

equitable solution would be to "grandfather" those part timers receiving family coverage while new hires would only receive the single employee coverage at University expense. It is also recommended that both full timers and part timers who can be covered by a non University health care policy of either a spouse or someone else be given a small bonus in recognition of the savings to the University.

6. Wages

This is the toughest of all issues. It calls into question the conflict between the University's precarious financial condition and the question of fairness and equity among the various bargaining units on campus. The recommendation for the three year period is zero, 5% and 4%. While I recognize that neither side will be pleased with this recommendation, it should be pointed out that over a three year period it barely matches the increases in the cost of living. It is hard to justify having given this year a 7% raise to the faculty to be thrifty at the expense of the clerical staff. The argument was made about the marketplace for clericals as against faculty, but this Fact Finder's experience as a faculty member at another institution reinforces the importance of the morale and work of the clericals in the operation of a major educational institution.

Obviously the next question that arises is where the University is supposed to get the resources for these last two recommendations. Some suggestions are to consider the money

saved while members were on strike last Fall. Another source would be to increase tuition fees charged at the various off campus outposts of Central Michigan University around the State. Most of the students enrolled in off campus courses are working adults and can afford increases that would be a source of increased revenue to the main campus' general fund. Another source of temporary funds would be to delay the payment by the Public Broadcasting Co. to the University station wholly or in part until next year. This is an internal transfer and can possibly be delayed. These are just some suggestions and obviously the Administration must make the necessary adjustment in its budget priorities, a task this Fact Finder does not envy but yet had to consider questions of fairness and equity.

It is hoped that these aforementioned recommendations can provide the basis for a settlement of the dispute between the parties and that the parties can look forward to peaceful cooperation for at least the remainder of the contract period.

SUMMARY OF RECOMMENDATION

1. Temporary employees doing work of this bargaining unit shall be allowed to work up to nine (9) months without permission of the Union.

2. The President and First Vice President of this bargaining unit shall receive up to two (2) hours a day of released time to conduct Union business.

3. The University shall have the authority under the Agreement to shop for the lowest cost provider of the agreed upon coverage, consulting the Union in the process. Failure to receive agreed upon coverage shall be remedied through the grievance process.

4. The University shall change the wording of the maternity leave provision to accurately reflect its actual meaning.

5. Health care benefits for family coverage shall continue for current part time employees while new hires after April 1, 1992 shall only receive single person coverage from the University and can have it extended o family coverage at their own expense. All employees full time or part time who are able to forego single or family coverage for whatever reason shall receive an agreed upon bonus.

6. The wage package for this bargaining unit shall be 1991-92 - zero, 1992-93 - 5%, 1993-94 - 4%.

Respectfully submitted,



Bernard Klein
Fact Finder

Dated: March 25, 1992
Dearborn, Michigan