

1202

STATE OF MICHIGAN
EMPLOYMENT RELATIONS COMMISSION

In the matter of:

GRAND HAVEN EDUCATION ASSOCIATION

and

GRAND HAVEN BOARD OF EDUCATION

Daniel Kruger

HEARINGS OFFICER'S FACT FINDING REPORT

APPEARANCES:

For the Grand Haven Education Association:

Carroll Bennink, President
Carl Treutler, Past President
Robert Metzger, Economic Advisor
Gary Ten Hagen, Negotiations Chairman
James Boerma, Executive Director, Reg. 9-B
Dale Lathers, Executive Director

For the Grand Haven Board of Education:

Donald Anderson, Assistant Principal, Senior High School
Burton H. Brooks, Director, Media Services
W. Bright, Assistant Superintendent
John Andreasen, Assistant Superintendent - Business
John Lepard, Attorney

INTRODUCTION

This is a fact finding report under the provisions of Section 25 of Act 176 of the Public Acts of 1939, as amended, which provides in part as follows:

"Whenever in the course of mediation under Section 7 of Act No. 336 of the Public Acts of 1947, being Section 423, 207 of the Compiled Laws of 1948, it shall become apparent to the Board that matters in

disagreement between the parties might be more readily settled if the facts involved in the disagreement were determined and publicly known, the Board may make written findings, with respect to the matters in disagreement. Such findings shall not be binding upon the parties but shall be made public..."

In accordance with the Commission's Rules and Regulations relating to fact finding, the undersigned Hearings Officer was designated to conduct a hearing in the matter and to issue a report in accordance with Employment Relations Commission General Rules and Regulations 35. Briefly, this Rule states that the Hearings Officer will issue a report with recommendations with respect to the issues in dispute.

The Fact Finder was appointed on September 10, 1975 and the hearing was held at the Community Center, Grand Haven, Michigan on September 17, 1975.

ISSUES IN IMPASSE

At the outset of the hearing, the Hearings Officer asked Mr. Dale Lathers, Grand Haven Education Association, to identify the issues in impasse. He indicated that the following issues had not been resolved through the collective bargaining process:

1. Class size.
2. No Strike Clause
3. Binding Arbitration of Grievances.
4. Teacher Assignment.
5. Health Insurance
6. Life Insurance
7. Long Term Disability Insurance
8. Extra Duty Pay - Schedule B.
9. Salary Schedule - Schedule A.

Mr. John Lepard, attorney for the Board of Education, collaborated that these were the issues in impasse. He further noted that the Education Association and the Board of Education had entered into a two-year agreement effective September 1, 1974 and continuing through August 31, 1976 (Joint Exhibit #1). The Agreement provides the parties the right to reopen the following items for re-negotiations on July 1, 1975 for the second year of the Agreement:

1. Salary Schedule A.
2. Extra Duty Pay - Schedule B.
3. Calendar.
4. Class Size.
5. Continuity of Professional Services.
6. Teacher Assignments.
7. Financial Responsibility.
8. Binding Arbitration.
9. Insurance.

He further noted that the parties had reached tentative agreement on the calendar and financial responsibility.

DISCUSSION OF ISSUES AND HEARINGS OFFICER'S RECOMMENDATIONS

1. Class Size.

The Education Association has proposed the following:

- A. No teacher will be assigned more than the following number of students:

Kindergarten-----	20 per session
First through sixth grades-----	25 per session
All secondary-----	30 per session
Secondary physical education-----	35 per session

Band-----250 per day
 Orchestra-----250 per day
 Choir-----250 per day

1) The above numbers shall not increase by more than 10%.

B. In addition the following support services will be made available:

- 1) At least 1 full time guidance counselor in each elementary building.
- 2) At least 1 full time elementary science consultant in the district.
- 3) At least one full time specialist in each of the following areas for each 500 students on the elementary level. Said specialists to be assigned equitably throughout the district.

Art
 Music
 Physical Education
 Speech Therapist
 Reading
 Media
 Learning Disability

- 4) At least one full time specialist in each of the following areas for each 250 secondary students. Said specialists to be assigned equitably throughout the district.
- Guidance Counselors
 Media
 Reading

- 5) At least one full time specialist for each 1000 secondary students in each of the following areas. Said specialists to be assigned equitably throughout the district.
- Speech Therapist
 Learning Disability

C. Provided further that no teacher shall be assigned more students than the number of student work stations in the room.

D. The foregoing class sizes are considered maximums and the parties agree that class size should be adjusted downward when such action will improve the instructional program."

In support of its position the Education Association stated that its proposal was based on a "Class Size Study" Report by the Institutional Council dated May 1, 1975 (Education Association Exhibit #3).

The Board of Education, on October 15, 1974, gave the following charge to the Instructional Council:

"The Instructional Council shall initiate a review of research studies of class size and related problems. The study shall be started by November 15, 1974.

The study shall include a review of research reported by the NEA, ERIC, Encyclopedia of Educational Research, Journal of Education Research, and other sources of research on this topic. The review shall be completed by February 1, 1975.

A report based on the review of research shall be completed and presented to the Grand Haven Board of Education and GHEA by May 1, 1975.

Instructional Council members were asked to review selected class size research studies and to gather additional pertinent research articles. The following report issued to the Board of Education by the Instructional Council is the result of the above stated charge:

II. STATEMENT OF PROBLEM

The problem is to review research studies of class size and related problems." (Education Association Exhibit #3, p. 1).

The Board of Education pointed out that the report of the Instructional Council was only advisory in nature.

In the hearing it was pointed out by Mr. Lathers that there would be no costs involved to implement its class size proposal for the

kindergarten and for first through six grades. However, there was general agreement that eleven additional staff members would be required to implement its class size proposal for all secondary, secondary physical education, band, orchestra, and choir. In addition, twenty-nine and one-half additional staff members would be required to implement other parts of its proposal for a total of 40.5 new staff members.

The Board of Education has proposed the following provision for class size:

The Board and the Association recognize that pupil-teacher ratios are an important aspect of an effective educational program. When, in the judgment of the Board, adjustments in pupil-teacher ratios will enhance the instructional program, the Board will endeavor to make such adjustments to the extent it deems such adjustments reasonable and practical, based on the availability of finances, facilities, qualified teachers, and such other considerations as may be relevant." (Board Exhibit #10).

It appears from the evidence submitted that there has been a steady reduction, overall, in class size. Education Association Exhibit #35 entitled "Staff Pupil Proportions" shows the following data:

<u>Year</u>	<u>Students Per Classroom Teacher</u>
1966-67	26.0
1967-68	22.4
1968-69	24.4
1969-70	23.9
1970-71	23.7
1971-72	23.0
1972-73	22.8
1973-74	20.8
1974-75	18.5

Education Association Exhibit #36 entitled "Faculty Roster Analysis" shows the following data:

<u>YEAR</u>	<u>Pupils per Full Time Teacher (Total staff)</u>	<u>Pupils per Full Time Teacher (Elementary staff)</u>	<u>Pupils per Full Time Teacher (Secondary staff)</u>
1967-68	22.28	27.37	20.17
1968-69	23.23	27.32	21.97
1969-70	21.82	26.24	21.00
1970-71	21.21	25.19	20.93
1971-72	22.45	26.58	21.71
1972-73	20.99	23.65	21.54
1973-74	20.31	22.53	20.34
1974-75	20.27	21.58	20.31

Recommendation

The Hearings Officer notes that the Board of Education over the years has sought to reduce class size and the evidence submitted appears to support their efforts. It was pointed out that 40.5 teachers would be required to complement the Education Association proposal. This would cost over \$400,000 dollars for additional staff in salaries alone, assuming an average annual salary of \$10,000. In addition, there would be additional costs for fringe benefits. The Hearings Officer strongly recommends that the parties include language in Article IX Class Size which states that the Board of Education, in consultation with the Education Association, shall review annually pupil-teacher ratios so that adjustments, where appropriate, can be made. Such adjustments will be based on availability of finances, facilities, availability of qualified teachers and other pertinent factors. The Hearings Officer makes this recommendation because it is the joint responsibility [my emphasis] of the Board of Education, administrators, faculty and staff to work continuously and vigorously

towards the objective of improving the quality of education for all the students in the school district. He does not recommend the inclusion of specific minima or maxima for class size because conditions are constantly changing.

2. Continuity of Professional Service

The parties have informally agreed to mutually acceptable language but the Education Association is unwilling to agree to the provision without binding arbitration in the grievance procedure.

The Education Association's proposal and the Board of Education's proposal on Continuity of Professional Services - Article XXIV, appears below:

Education Association Proposal

"The Association recognizes the strikes, as defined by Section 1 of Public Act 336 of 1947 of Michigan, as amended, by teachers are contrary to law and public policy. The Board and the Association subscribe to the principle that differences shall be resolved by appropriate and peaceful means, in keeping with the high standards of the profession, without interruption of the school program. Accordingly, the Association and its individual members agree that during the term of this Agreement it will not direct, instigate, participate in, encourage or support any strike against the Board by any teacher or group of teachers." (Education Association Fact Finding booklet).

Board of Education Proposal

"The Association recognizes that strikes, as defined by Section 1 of Public Act 336 of 1947 of Michigan, as amended, by teachers are contrary to law and public policy. The Board and the Association agree, in keeping with the high standards of the teaching profession, that differences between them shall be resolved by the procedures provided herein, without interruption of the school program.

Accordingly, the Association and the individual teachers represented by it agree that during the term of this Agreement, they will not direct, instigate, participate in, encourage or support any strike or other cessation or interruption of professional services by any teacher or group of teachers, in the interest of insuring continuation of the educational program." (Board of Education Exhibit #3).

3. Binding Arbitration of Grievances

Article XVII of the 1974-75 Agreement covers the Grievance Procedure. Paragraph H deals with the duties and restrictions of the Arbitrator. The parties are in agreement on subparagraphs H.1., H.2., H.3., and H.4., H.8., and H.9. There appears to be disagreement on subparagraphs H.5., H.6., and H.7.

H.5. in the current Agreement reads:

"The Arbitrator shall not hear any grievance previously barred from the scope of the grievance procedure." (Joint Exhibit #1, p. 36).

The Education Association seeks to change the language to read:

"The Arbitrator shall not hear any grievance previously barred by the terms of this contract from the scope of the grievance procedure." (Education Association Fact Finding Book).

The Board of Education's proposal on H.5. is:

"The Arbitrator shall not hear any grievance previously barred from the scope of the grievance procedure in a prior arbitration proceeding." (Board Exhibit #4).

H.6. in the Agreement reads:

"Where no wage loss has been caused by the action of the Board complained of, the Arbitrator shall not recommend that the Board be

obligated to make monetary adjustment." (Joint Exhibit #1, p. 36).

The Board of Education seeks to change the word "wage" loss to "compensation".

H.7. in the Agreement reads:

"Arbitration awards will not be made retroactive beyond the date of occurrence or non-occurrence of the event upon which the grievance is based. In no event, however, shall the award recommend settlement earlier than thirty (30) days prior to the date on which the grievance is filed." (Joint Exhibit #1).

The Education Association seeks to change the second sentence in H.7. to read:

"In no event, however, shall the award recommend settlement earlier than the beginning of the school year upon which the action is based."

The parties have agreed to the language of subparagraphs H.5. and H.6. and have agreed to work out the language for subparagraph H.7.

4. Teacher Assignments

The current agreement, Article VII, Paragraph C, Teacher Assignments, reads:

- "1. Since pupils are entitled to be taught by teachers who are working within their area of competence, teachers shall not be assigned, except temporarily and for good cause, outside the scope of their teaching certification or their major or minor field of study.

2. All secondary school teachers shall have at least one unassigned period per day, equivalent to a normal teaching period, for the purpose of preparing lessons, student conferences, parent conferences, etc.
3. Junior high teachers shall have no more than six (6) assigned periods each day.
4. Senior high school teachers shall have no more than five (5) assigned periods each day.
5. When elementary teachers' classes are being taught by specialists, they may use such time for purposes of planning, preparation, conferences, and other professional duties outside of the classroom with the consent of the building principal.
6. Items 3 and 4 above shall not be changed during the life of this contract, except in cases of emergency and then only after full consultation with the Association. The Board contemplates no increases in the number of assigned periods during the life of the contract.
7. Non-Teaching Duties -- The Board and the Association acknowledge that a teacher's primary responsibility is to teach, and that his energies should be utilized to this end. It is agreed that teachers will be relieved of non-teaching duties to the extent possible and practical through the use of non-teaching personnel to perform clerical type tasks and supervise playgrounds and lunchrooms." (Joint Exhibit #1, p. 14).

The Board of Education seeks to change Paragraph C - Teacher

Assignments, to read:

- "1. Teachers shall be assigned, except temporarily and for good cause, within the scope either of their teaching certification or of their major or minor field of study.
2. Teachers, both elementary and secondary, shall not be regularly scheduled for more than eight (8) clock hours (exclusive of their lunch periods) of assigned teaching duties per day, of which at least one (1) clock hour per day shall be set aside, without classes, to be used for purposes of planning, preparation, conferences, and other appropriate professional duties.

3. When elementary teachers' classes are being taught by specialists, such teachers shall remain with their classes in the interest of providing continuity of instruction, follow-up, and in-service training; provided, however, that such teachers may, in the discretion and with the prior approval of the building principal, be allowed to use such time for purposes of planning, preparation, conferences, and other appropriate professional duties outside of their classrooms." (Board Exhibit #7).

The Education Association seeks only one change in the Teacher Assignments Provision in subparagraph 5 - the deletion of the words "with the consent of the building principal." (Education Association Fact Finding Booklet). Subparagraph 5 would read:

"When elementary teachers' classes are being taught by specialists, they may use such time for purposes of planning, preparation, conferences and other professional duties outside of the classroom."

The current school day is:

Elementary	8:30 a.m. - 3:30 p.m.	(7 hours)
Junior High	7:35 a.m. - 2:45 p.m.	(7 hours, 10 minutes)
Senior High	7:45 a.m. - 2:45 p.m.	(7 hours)

Teachers report for duty fifteen minutes prior to the start of school (Article VII, B., Joint Exhibit #1, p. 12). Within the school day teachers have a duty-free lunch period not to exceed forty-five minutes (Joint Exhibit #1, p. 12).

The Board of Education seeks to have an eight-hour day exclusive of the lunch period. One hour of the eight hours would be for planning and preparation. It argued that by extending the school day, all teachers would have more planning which, in turn, would improve the educational

program. The lunch period of 45 minutes would not be included in the eight hours. Thus, the Board's proposal would be for a school day of 8 hours, 45 minutes. With respect to excluding the lunch period, it argued that many other workers have an eight-hour work day exclusive of the lunch period. In its view, teachers should also follow this general pattern of work hours.

The Board of Education did not present any data showing how many school districts have adopted this work schedule for its teachers. Moreover, it did not present any data on the work schedules of any of the city, county, hospital employees.

In essence, the Board's proposal would add one hour, 45 minutes to the school day. Based on the current seven-hour day, including a lunch period, its proposal represents an increase of 20.7 percent in the teachers' work day. The Board did not propose, at the hearing, to increase teacher salaries just to compensate for this 20.7 percent in hours worked.

In the Hearings Officer's view, it is highly unrealistic for any employer, including Boards of Education, to propose increasing the length of its work day for its employees by 20 percent without a corresponding wage or salary increase. The length of the school day in Grand Haven has a long history. Moreover, the parents of the students plan their days around the length of the school days. They work, arrange baby sitters if necessary, and do many other things based on the current length of the

school day. Extending the length of the school day will also affect those students who work after school. In addition, school bus schedules would have to be rearranged and while the Board did not present any data on the additional costs to the School District by extending the work day, such an extension would entail additional costs.

Turning next to the Education Association's proposal calling for a deletion of the words "with the consent of the building principal" from subparagraph C.5., the Hearings Officer can understand the desire of the Educational Association to give the elementary teachers discretion in the utilization of the time when their classes are taught by specialists. There are times, however, when a specialist is covering a certain topic or technique which should concern the regular teachers and they should be present to observe and hear what the specialists have to say. Conceivably, exposure to what specialists do and say in the classroom could be of great value to the regular teachers. Moreover, if the regular teacher knows what the specialists are doing, one could make a very persuasive case that the total educational program for the class would be improved and integrated.

Recommendation

The Hearings Officer strongly recommends that the parties retain Paragraph C - Teacher Assignment as it now appears in the 1974-76 Agreement. The Board's proposal to extend the work day by 20 percent without

corresponding increases in compensation is unrealistic. Moreover, by raising this issue at this time, the Board merely contributes to straining Board-teacher relationships which, to the Hearings Officer, adversely affects the quality of education in Grand Haven. To put it candidly, this issue is very divisive at this moment in time.

Similarly, the Education Association contributes to the divisiveness by seeking to delete the words "with the consent of the building principal." The elementary teachers and the principals have probably worked out an accommodation to subparagraph 5., especially among experienced teachers. The Hearings Officer, therefore, does not recommend the deletion of the words "with the consent of the building principal."

5. Health Insurance

Currently the Board of Education provides MEA Super Med (full family coverage) for the teachers at a cost not to exceed \$50.50 per month (Joint Exhibit #1, p. 46). The Education Association seeks a Full Family MESSA SM-2 coverage with full costs to be paid by the Board of Education.

The Board of Education's proposal on health insurance is based on two options tied in with its salary proposals. In Option 1, the Board will continue to pay \$50.50 per month per teacher for Super Med. In Option 2, it will pay \$58.44 (full premium) per month per teacher.

The Education Association's proposal for improved health insurance coverage is estimated to cost an additional \$40,000 for 1975-76. The Board's Option 2 health insurance proposal would cost \$20,000.

In support of its position, the Education Association called attention to the fact that twelve of twenty-two districts in the eastern part of the State have Super Med II (Education Association Exhibit #4).

The recommendation on health insurance will be discussed below as part of a total economic package.

6. Life Insurance

The current agreement provides for \$15,000 term life insurance. The Board does not want to raise the amount of coverage. The Education Association seeks \$25,000 term life with double indemnity and the option of an additional \$12,500 if paid for by the teachers. It is estimated that the additional life insurance will cost \$9,000.00 for 1975-76 (Education Association Exhibit #6). Currently the cost of the \$15,000 group term life is approximately \$54.00 per year per teacher. The cost of the \$25,000 group term life policy will be approximately \$89.96 per teacher per year.

The recommendation for life insurance will be discussed below as part of the total economic package.

7. Long Term Disability Insurance

The current agreement on long term disability is only for tenure teachers, with the policy paying 70 percent of the monthly salary. (Joint Exhibit #1, p. 47). The present cost of this type of protection is \$46.90 per teacher per year.

The Education Association has proposed that all teachers employed by the Board of Education be covered by Long Term Disability Insurance. In addition, it has proposed that the coverage of the policy be broadened. This would include mental, nervous and drug addiction, Social Security freeze, Primary Social Security offset, Recurrent Disability Clause of six months (See Grand Haven Fact Finding Booklet, MESSA Bargaining Briefs, Education Association Exhibit #5, for details).

It is estimated that the Education Association's proposal would cost approximately \$70.20 per teacher per year, or \$8,000 additional costs for 1975-76.

The Board of Education seeks to retain the Long Term Disability provision in the current agreement.

The recommendation for long term disability will be discussed below as part of the total economic package.

A summary of the insurance proposal's costs are presented below.

Comparison of Insurance Proposal Costs in
New Money for 1975-76 Over 1974-75:

<u>Insurance</u>	<u>Board Proposal</u>	<u>Education Association</u>
Health Insurance	\$20,000.00	\$40,000.00
Life	No Proposal	9,000.00
Long Term Disability	<u>No Proposal</u>	<u>8,000.00</u>
Total New Costs	\$20,000.00	\$57,000.00

In addition to Health, Life and Long Term Disability Insurance coverages, the current agreement also provides Dental Insurance.

8. Extra Duty Pay Schedule B

Both parties are in agreement as to the rate of pay for extra duty activities. A percentage step schedule is provided in the Agreement (Joint Exhibit #1, pp. 57-61).

9. Salary Schedule

The salary schedule for 1974-75 had a \$8,950.00 base for the BA and a \$9,845.00 base for the MA. The schedule is presented in Table I.

The Education Association has proposed a \$9,500.00 base for the BA and a \$10,450.00 base for the MA for 1975-76. In addition, it wants the five percent (5%) for retirement to be paid by the Board of Education.

Table I. Salary Schedule for 1974-75, Step Increases and Percent Increases of Step Increases.

Salary Schedule A			
<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>
<u>Step</u>	<u>AB</u>	<u>Step Increase</u>	<u>% Increase</u>
1	\$ 8,950	-	-
2	9,398	\$448	5.0
3	9,935	537	5.71
4	10,472	537	5.13
5	11,009	537	5.13
6	11,635	626	5.69
7	12,262	627	5.39
8	12,888	626	5.10
9	13,604	716	5.56
10-14	14,320	716	5.26
15-19	14,678	358	2.5
20-24	15,036	358	2.44
25-29	15,394	358	2.38
30-34	15,752	358	2.32
35-39	16,110	358	2.27
40-44	16,468	358	2.22

Table I. Salary Schedule A for 1974-75--continued.

<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>
<u>Step</u>	<u>AB+18</u>	<u>Step</u> <u>Increase</u>	<u>%</u> <u>Increase</u>
1	\$ 9,398	-	-
2	9,845	\$447	4.76
3	10,382	537	5.45
4	10,919	537	5.17
5	11,456	537	4.92
6	12,083	627	5.47
7	12,709	626	5.18
8	13,336	627	4.93
9	14,052	716	5.37
10-14	14,768	716	5.10
15-19	15,126	358	2.42
20-24	15,484	358	2.37
25-29	15,842	358	2.31
30-34	16,200	358	2.26
35-39	16,558	358	2.21
40-44	16,916	358	2.16

Table I. Salary Schedule A for 1974-75--continued.

<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>
<u>Step</u>	<u>MA</u>	<u>Step</u> <u>Increase</u>	<u>%</u> <u>Increase</u>
1	\$ 9,845	-	-
2	10,382	\$537	5.45
3	11,009	627	6.04
4	11,635	626	5.69
5	12,262	627	5.39
6	12,978	716	5.84
7	13,694	716	5.52
8	14,410	716	5.23
9	15,215	805	5.59
10-14	16,021	806	5.30
15-19	16,379	358	2.23
20-24	16,737	358	2.19
25-29	17,095	358	2.14
30-34	17,453	358	2.09
35-39	17,811	358	2.05
40-44	18,169	358	2.01

Table I. Salary Schedule A for 1974-75--continued.

<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>
<u>Step</u>	<u>MA+15</u>	<u>Step Increase</u>	<u>% Increase</u>
1	\$10,382	-	-
2	10,919	\$537	5.17
3	11,546	627	5.74
4	12,172	626	5.42
5	12,799	627	5.15
6	13,515	716	5.59
7	14,231	716	5.3
8	14,947	716	5.03
9	15,752	805	5.38
10-14	16,558	806	5.11
15-19	16,916	358	2.16
20-24	17,274	358	2.11
25-29	17,632	358	2.07
30-34	17,990	358	0.20
35-39	18,348	358	1.99
40-44	18,706	358	1.95

Table I. Salary Schedule A for 1974-75--continued.

<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>
<u>Step</u>	<u>MA+30</u>	<u>Step Increase</u>	<u>% Increase</u>
1	\$10,919	-	-
2	11,546	\$627	5.74
3	12,262	716	6.20
4	12,978	716	5.84
5	13,694	716	5.52
6	14,499	805	5.88
7	15,305	806	5.56
8	16,110	805	5.26
9	17,005	895	5.56
10-14	17,900	895	5.26
15-19	18,258	358	.20
20-24	18,616	358	1.96
25-29	18,974	358	1.92
30-34	19,332	358	1.89
35-39	19,690	358	1.85
40-44	20,048	358	1.82

Source: Salary Schedule A from Joint Exhibit #1.

The Education Association's salary proposal for 1975-76 is presented in Table II. The parties are in agreement on the index.

Table II. Salary Schedule A Proposal for 1975-76.

Step	AB		AB+18		MA		MA+15		MA+30	
	Salary	Index	Salary	Index	Salary	Index	Salary	Index	Salary	Index
1	\$ 9,500	1.00	\$ 9,975	1.05	\$10,450	1.10	\$11,020	1.16	\$11,590	1.22
2	9,975	1.05	10,450	1.10	11,020	1.16	11,590	1.22	12,255	1.29
3	10,545	1.11	11,020	1.16	11,685	1.23	12,255	1.29	13,015	1.37
4	11,115	1.17	11,590	1.22	12,350	1.30	12,920	1.36	13,775	1.45
5	11,685	1.23	12,160	1.28	13,015	1.37	13,585	1.43	14,535	1.53
6	12,350	1.30	12,825	1.35	13,775	1.45	14,345	1.51	15,390	1.62
7	13,015	1.37	13,490	1.42	14,535	1.53	15,105	1.59	16,245	1.71
8	13,680	1.44	14,155	1.49	15,295	1.61	15,865	1.67	17,100	1.80
9	14,440	1.52	14,915	1.57	16,150	1.70	16,720	1.76	18,050	1.90
10	15,200	1.60	15,675	1.65	17,005	1.79	17,575	1.85	19,000	2.00

Source: Education Association Fact Finding Booklet.

The Board of Education has two options in its salary proposal for 1975-76. Option 1 is to pay the five percent (5%) retirement and the increments, as provided in the Salary Schedule A for 1974-75. The Board would pay \$50.50 per teacher per month for family MESSA Super Med. Health Insurance. Under Option 2, the Board has proposed increasing the base salary from \$8,950.00 to \$9,350.00 without payment of the five percent (5%) retirement contribution. In addition, the Board would pay a full premium of \$58.44 per teacher per month for full family MESSA Super Med Health Insurance.

The Education Association's salary proposal in raising the base from \$8,950.00 to \$9,500.00 represents a 6.25 percent increase. However, when the movement from the appropriate step on the 1974-75 Salary Schedule to the next step on the 1975-76 Salary Schedule is considered, the average percent increase is 11.85 percent. Table III shows the step increase from the 1974-75 Salary Schedule to the 1975-76 proposed Salary Schedule and the percent increase of each step increase.

Table III. Movement of Teachers From 1974-75 Salary Schedule to Teacher Salary Proposal 1975-76.

<u>Step</u>	<u>AB 1974-75 Salary</u>	<u>Teacher Proposal</u>	<u>Step Increase</u>	<u>% Increase</u>
1	\$ 8,950	\$ 9,500	-	-
2	9,398	9,975	\$1,025	11.45
3	9,935	10,545	1,147	12.20
4	10,476	11,115	1,180	11.88
5	11,009	11,685	1,213	11.58
6	11,635	12,350	1,341	12.18
7	12,262	13,015	1,380	11.86
8	12,888	13,680	1,418	11.56
9	13,604	14,440	1,552	12.04
10	14,320	15,200	1,596	11.73

Table III. continued.

<u>Step</u>	<u>AB+18 1974-75 Salary</u>	<u>Teacher Proposal</u>	<u>Step Increase</u>	<u>% Increase</u>
1	\$ 9,398	\$ 9,975	-	-
2	9,845	10,450	\$1,052	11.2
3	10,382	11,020	1,175	11.9
4	10,919	11,590	1,208	11.6
5	11,456	12,160	1,241	11.4
6	12,083	12,825	1,369	12.0
7	12,709	13,490	1,407	11.6
8	13,336	14,155	1,446	11.4
9	14,052	14,915	1,479	11.8
10	14,768	15,675	1,623	11.5

Table III. continued.

<u>Step</u>	<u>MA 1974-75 Salary</u>	<u>Teacher Proposal</u>	<u>Step Increase</u>	<u>% Increase</u>
1	\$ 9,845	\$10,450	-	-
2	10,382	11,020	\$1,175	11.93
3	11,009	11,685	1,303	12.55
4	11,635	12,350	1,341	12.18
5	12,262	13,015	1,380	11.86
6	12,978	13,775	1,513	12.34
7	13, 694	14,535	1,557	12.00
8	14,410	15,295	1,601	11.70
9	15,215	16,150	1,740	12.07
10	16,021	17,005	1,790	11.76

Table III. continued.

<u>Step</u>	<u>MA+15 1974-75 Salary</u>	<u>Teacher Proposal</u>	<u>Step Increase</u>	<u>% Increase</u>
1	\$10,382	\$11,020	-	-
2	10,919	11,590	\$1,208	11.64
3	11,546	12,255	1,336	12.24
4	12,172	12,920	1,374	11.90
5	12,799	13,585	1,413	11.61
6	13,515	14,345	1,546	12.08
7	14,231	15,105	1,590	11.76
8	14,947	15,865	1,634	11.48
9	15,752	16,720	1,173	11.86
10	16,558	17,575	1,823	11.57

Table III. continued.

<u>Step</u>	<u>MA+30 1974-75 Salary</u>	<u>Teacher Proposal</u>	<u>Step Increase</u>	<u>% Increase</u>
1	\$10,919	\$11,590	-	-
2	11,546	12,255	\$1,336	12.24
3	12,262	13,015	1,469	12.72
4	12,978	13,775	1,513	12.34
5	13,694	14,535	1,375	10.59
6	14,499	15,390	1,696	12.38
7	15,305	16,245	1,746	12.04
8	16,110	17,100	1,795	11.73
9	17,005	18,050	1,940	12.04
10	17,900	19,000	1,995	11.73

Source: Joint Exhibit #1, p. 56 and Education Association Fact Finding Booklet.

Table I shows the step increases and the percent increases of these steps which would be paid to the teachers under the Board of Education Option 1 Salary Proposal. In addition, there would be a five percent (5%) retirement contribution paid by the Board. The average percent increase of these steps is approximately 4.2 percent. From Steps 2-10, the average percent step increase is slightly over 5 percent, but the longevity payment beyond Step 11 reduces the average percent of step increase.

Table IV shows the Board of Education Salary Schedule proposal for 1975-76 based on a \$9,350.00 base for the BA.

Table IV. Grand Haven School Board Salary Schedule, 1975-76.

	BA	AB + 18	MA 1	MA + 15	MA + 30
1	\$ 9,350.00	\$ 9,817.50	\$10,285.00	\$10,846.00	\$11,407.00
2	9,817.50	10,285.00	10,846.00	11,407.00	12,061.50
3	10,378.50	10,846.00	11,500.50	12,061.50	12,809.50
4	10,939.50	11,407.00	12,155.00	12,716.00	13,557.50
5	11,500.50	11,968.00	12,809.50	13,370.50	14,305.50
6	12,155.00	12,622.50	13,557.50	14,118.50	15,147.00
7	12,809.50	13,277.00	14,305.50	14,866.50	15,988.50
8	13,464.00	13,931.50	15,053.50	15,614.50	16,830.00
9	14,212.00	14,679.50	15,895.00	16,456.00	17,765.00
10	14,960.00	15,427.50	16,736.50	17,297.50	18,700.00

Source: Board Exhibit #18 and Education Association Fact Finding Booklet.

Table V shows the step increase from the 1974-75 Salary Schedule to the Board of Education Salary Schedule proposal for 1975-76. The average percent of the step increases is 9.9 percent.

Table V. Movement of Teachers From 1974-75 Salary Schedule to Board Proposal #2, Step Increases and Percentages.

<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>
Step	1974-75 AB	Board Proposal	Step Increase	% Increase
1	\$ 8,950	\$ 9,350.00	-	-
2	9,398	9,817.50	\$ 867.5	9.69
3	9,935	10,378.50	980.5	10.43
4	10,472	10,939.50	1,004.5	10.11
5	11,009	11,500.50	1,028.5	9.82
6	11,635	12,155.00	1,146	10.41
7	12,262	12,809.50	1,174.5	10.09
8	12,888	13,464.00	1,202	9.80
9	13,604	14,212	1,324	10.27
10	14,320	14,960	1,356	9.97

<u>1</u>	<u>2 AB+18</u>	<u>3</u>	<u>4</u>	<u>5</u>
1	\$ 9,398	\$ 9,817.50	-	-
2	9,845	10,285	\$ 887	9.44
3	10,382	10,896	1,001	10.17
4	10,919	11,407	1,025	9.873
5	11,456	11,968	1,049	9.61
6	12,083	12,622.50	1,166.5	10.18
7	12,709	13,277	1,194	9.88
8	13,336	13,931.50	1,222.5	9.62
9	14,052	14,679.50	1,343.5	10.07
10	14,768	15,427.50	1,375.5	9.789

Table V. continued.

<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>
Step	1974-75 AB	Board Proposal	Step Increase	% Increase
1	\$ 9,845	\$10,285.00	-	-
2	10,382	10,846.00	\$1,001	10.17
3	11,009	11,500.50	1,118.5	10.77
4	11,635	12,155.00	1,146	10.41
5	12,262	12,809.50	1,174.5	10.09
6	12,978	13,557.50	1,295.5	10.56
7	13,694	14,305.50	1,327.5	10.23
8	14,410	15,053.50	1,359.5	9.93
9	15,215	15,895.00	1,485	10.30
10	16,021	16,736.50	1,521.5	10.00

<u>1</u>	<u>2 MA+15</u>	<u>3</u>	<u>4</u>	<u>5</u>
1	\$10,382	\$10,846.00	-	-
2	10,919	11,407.00	\$1,025	9.87
3	11,546	12,061.50	1,142.5	10.46
4	12,172	12,716.00	1,170	10.13
5	12,799	13,370.00	1,198	9.84
6	13,515	14,118.50	1,319.5	10.31
7	14,231	14,866.50	1,351.5	10.00
8	14,947	15,614.50	1,383	9.72
9	15,752	16,456.00	1,509	10.10
10	16,558	17,297.50	1,545.5	9.81

Table V. continued

<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>
<u>Step</u>	<u>1974-75</u> <u>MA+30</u>	<u>Board</u> <u>Proposal</u>	<u>Step</u> <u>Increase</u>	<u>%</u> <u>Increase</u>
1	\$10,919	\$11,407.00	-	-
2	11,546	12,061.50	\$1,142.5	10.46
3	12,262	12,809.50	1,263.5	10.94
4	12,978	13,557.50	1,295.5	10.57
5	13,694	14,305.50	1,327.5	10.23
6	14,499	15,147.00	1,453	10.61
7	15,305	15,988.50	1,489.5	10.27
8	16,110	16,830.00	1,525	9.96
9	17,005	17,765.00	1,655	10.27
10	17,900	18,700	1,695	9.97

Source: Joint Exhibit #1, p. 56 and Board Exhibit #15 and Education Association Fact Finding Booklet.

Table VI compares the total teacher compensation costs for 1974-75 with the total compensation costs of the proposals of both the Education Association and the Board of Education for 1975-76.

A summary of the total compensation costs is presented below.

Total compensation costs 1974-75.....	\$4,286,437
Education Association Proposal 1975-76.....	4,768,451
Board of Education Option #1, 1975-76.....	4,441,957
Board of Education Option #2, 1975-76.....	4,445,186

Table VI. Comparison of Teacher Compensation Costs for 1974-75 With Compensation Costs of Education Association and Board Proposals for 1975-76.

<u>1974-75</u>		<u>1975-76 Education Association Proposals</u>	
<u>Insurance</u>	\$144,500	<u>Insurance</u>	\$201,500 (includes health, life and long term disability)
<u>Schedule A</u>	\$4,088,790	<u>Schedule A</u>	\$4,293,478
<u>Schedule B</u>	\$53,147	<u>Schedule B</u>	\$56,000
<u>Retirement</u>	None	<u>Retirement</u>	\$217,473 (5% of Schedule A & B)
<u>Total Amount Spent for 303.5 teachers in 1974-75</u>	\$4,286,437	<u>Total (for 288 teachers)</u>	\$4,768,451
<u>Board Proposals Option #1 increment + 5% for Retirement</u>		<u>Board Proposals Option #2 \$9350 base + \$58.44 health insurance</u>	
<u>Insurance</u>	\$139,000	<u>Insurance</u>	\$164,500
<u>Schedule A (old base)</u>	\$4,044,908	<u>Schedule A</u>	\$4,225,686
<u>Schedule B</u>	\$53,147	<u>Schedule B</u>	\$55,000
<u>Retirement</u> (5% of Schedule A & B)	\$204,902	<u>Retirement</u>	None
<u>Total (288 teachers)</u>	\$4,441,957	<u>Total (288 teachers)</u>	\$4,445,186

Further analyses of the total teacher compensation costs for 1974-75 and the proposals for 1975-76 show:

A. <u>Total Teacher Compensation Costs for 1974-75</u>	\$4,286,437
Average total compensation per teacher (based on 303.5 teachers)	14,123
B. <u>Education Association Proposals for 1975-76</u> (including Schedules A, B, Insurance and Retirement)	\$4,768,451
Average total teacher compensation based on 288 teachers for 1975-76	16,557
Average increase in total compensation per teacher for 1975-76 (\$16,557-\$14,123)	2,434
Percent increase in average teacher total compensation for 1975-76	17.23%
C. <u>Board of Education Proposal Option #1</u>	\$4,441,957
Average total teacher compensation based on 288 teachers	15,423
Average increase in total compensation per teacher (\$15,423-\$14,123)	1,300
Percent increase in average teacher total compensation for 1975-76	9.2%
D. <u>Board of Education Option #2</u>	\$4,445,186
Average total teacher compensation based on 288 teachers	15,434
Average increase in total compensation per teacher (\$15,434-\$14,123)	1,311
Percent increase in average teacher total compensation for 1975-76	9.28%

The costs of the Education Association for Schedule A, Schedule B, Life Insurance, Health Insurance, and Long Term Disability represent an increase in average total teacher compensation costs of \$2,434, or 17.23 percent. Under Option #1, the Board's proposal represents an increase in average total teacher compensation of \$1,300, or 9.2 percent. Under Option #2, there will be an increase in average total teacher compensation of \$1,311, or 9.28 percent.

Both parties introduced numerous exhibits in support of their respective positions on salary schedule increases for 1975-76. The Education Association maintained that the increases in the Consumer Price Index in the last two years have eroded teacher purchasing power (Education Association Exhibits #16, #17, #18, #19 and #24). It showed the differences between its salary proposal including retirement with the Board's proposal of a \$9,350 base for the BA (Education Association Exhibit #11).

Education Association Exhibit #21 showed that the average teacher salary in Grand Haven was \$12,500 in 1970-71 and \$14,066 in 1974-75. In 1970-71 Grand Haven ranked 29 in teacher salaries in the state, and in 1973-74 teachers ranked 81. The inference is that Grand Haven teachers have slipped in their salaries behind other school districts. In the same exhibit (#21) the Education Association showed that in 1970-71 the percent of the General Fund going for teacher salaries was 63 percent

and in 1974-75 it was 58 percent. The inference is that a smaller proportion of the General Fund is going for teacher salaries. Such an inference, however, ignores that other costs have also risen, e.g. heat, water, insurance, transportation costs.

It maintained that Grand Haven teacher salaries are below the state median for both BA and MA (Education Association Exhibit #23). The differences between the State median and Grand Haven teacher salaries are presented in Education Association Exhibit #22. In 1974-75, Grand Haven BA minimum was 97.28 percent of the State median; its BA maximum was 92.15 percent; its MA minimum was 98.35 percent; and the MA maximum was 91.32 percent of the State median for the MA maximum. By comparison in 1964-65, the Grand Haven BA minimum was 91.41 percent of the State median; its BA maximum was 95.49 percent; its MA minimum was 91.66 percent; and the MA maximum was 95.65 percent of the State median for the MA maximum.

The Education Association presented data on teacher salaries in Muskegon, Kent, and Ottawa counties for 1974-75 (Education Association Exhibit #25). It also presented salary data for Group D schools in Michigan 1974-75 (Exhibit #26) and for 1975-76 (Exhibit #34). In Exhibit #37, it showed the BA minimum salary for Group D schools in Michigan with the operating millage for each district. It also presented salary data for school districts in MEA Region 9 for 1975-76 (Education Association Exhibits #27, #28, #29 and #30). The thrust of all these exhibits is that

the Education Association's salary proposal is justifiable and equitable.

The Board of Education presented data to show that under both its options, the salaries of Grand Haven teachers would be comparable and in some instances better than salaries of teachers in surrounding areas (Board Exhibits #22, #23, #24, #26 and #27).

The Education Association presented data on the Fund Equity of the Board of Education (Education Association Exhibit #13) and on the Board's ability to finance its proposals (Education Association Exhibit #14). It contends that the Board of Education has the financial resources to underwrite its proposals for increases in Salary Schedule A and B, health insurance, life insurance and long term disability insurance.

The Board pointed out that the voters in the School District had overwhelmingly defeated two millage elections in 1975 which necessitated sharp cutbacks in the educational program (see Board Exhibit #29 for program reductions). It pointed out that its fund equity was very low in comparison with the fund equity of nearby school districts (Board Exhibit #32).

It introduced its budget projections for 1975-76 which, as of the date of the hearing, had not been adopted by the Board (Board Exhibit #30). It pointed out that the budget projections were based on Option #1 under which the teachers would receive the increment provided by Salary Schedule A for 1974-75 plus five percent (5%) for retirement (Board Exhibit #31). The same exhibit notes that the budget projections are based on the following:

- Principals and Supervisors - 2.7 percent increase plus 5 percent retirement.
 - Secretarial - 2.7 percent plus 5 percent retirement (the secretaries are represented by an employee organization).
 - Superintendent and Assistants - 7.7 percent increase.
 - Local #586 (Transportation and Maintenance) - 7.7 percent increase.
 - Other salaries - partial 7.7 percent increase.
- (Board Exhibit #31)

Moreover, the same level of fringe benefits as provided in 1974-75 would be maintained with the exception of the five percent (5%) retirement contribution by the Board.

The Board also pointed out that the evaluation of the Consumers Power Company plant property located within the School District had been reduced (Board Exhibit #37), which in turn would reduce tax revenues available to the Board of Education.

The Board of Education stated, but did not present, evidence of the following wage settlements in Grand Haven and Ottawa County for 1975-76:

City of Grand Haven

--non-union employees	7 percent increase
--Street, Water and Parks Association	7.5 percent increase
--Fire Fighters Union	7.5 percent increase
--Police Officers	None

Ottawa County

--Employees Association	January 1975 - 9% increase January 1976 - 7% increase
--Nurses	January 1975 - 9% increase
--Sheriff's Department	January 1975 - 9% increase

North Ottawa County Hospital Authority

Average wage increase, effective July 1975, was 8 percent.

Although no written evidence of these wage settlements were presented by Mr. Lepard, Attorney for the Board, he stated that he had negotiated these agreements. In passing, the Fact Finder notes that data on wage settlements of employees in other public jurisdictions of which the School District is a part, should have been presented in written form. He makes this observation because in analyzing salary data for teachers, the wage settlements of employees of other public jurisdictions should be included. These employees, in many instances, live within the School District boundaries and pay their property taxes which support, in part, the school system. In this instance, their wage and salary increases for 1975-76 need to be compared with the salary proposals of both the Education Association and the Board of Education.

Recommendations on Health, Life, Long term Disability, Schedule A and Schedule B and Retirement

A. Health Insurance

The Fact Finder does not recommend any changes in the Health Insurance program. The Board of Education will continue to pay \$50.50 per teacher per month for full family MESSA Super Med.

B. Life Insurance

The Fact Finder does not recommend any changes in the Life Insurance coverage. The Board will continue to provide \$15,000 of group term life insurance.

C. Long Term Disability Insurance

(1) The Fact Finder recommends that all teachers employed by the Board of Education be covered by Long Term Disability Insurance.

(2) The Fact Finder, with the exception of long term disability coverage for all teachers, does not recommend the expansion of coverage as proposed by the Education Association.

D. Salary Schedule A

The Fact Finder strongly recommends that the base of \$8,950.00 for the BA be increased to \$9,350.00 for 1975-76.

E. Retirement

The Fact Finder strongly recommends that the Board of Education pay two percent (2%) of the retirement contribution for teachers for 1975-76.

This recommendation will cost:

<u>Health, Life, Dental and Long Term Disability Insurance:</u>	\$139,000*
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(Note: The cost of average of all teachers for long term disability insurance is not included in this estimate of costs because the Fact Finder does not know how many teachers are probationary.

<u>Schedule A</u> at \$9,350 base for BA:	\$4,225,686*
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<u>Schedule B:</u>	\$55,000*
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<u>Retirement</u> - 2 percent of Schedule A and Schedule B. ($\$4,280,686 \times .02$):	<u>\$85,614</u>
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Total compensation costs for 288 teachers for 1975-76:	\$4,505,300
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*Taken from cost analyses of Option #2. (see page 32 of this Award.)

This economic package represents an average total compensation cost per teacher of \$15,644 for 1975-76. It represents an increase in average total compensation per teacher of \$1,521, which is a 10.77 percent in average total compensation per teacher for 1975-76.

The calculations are as follows:

Total teacher compensation costs for 1974-75	\$4,286,437
--Average total teacher compensation based on 305.5 teachers	14,123
Total teacher compensation costs recommended for 1975-76	\$4,505,300
--Average total teacher compensation costs based on 288 teachers	15,644
--Average increase in total teacher compensation per teacher, based on 288 teachers (\$15,644 - \$14,123)	1,521
--Average percent increase in total teacher compensation costs per teacher for 1975-76	10.77%

Summary

The Fact Finder has made recommendations which, when all the facts are considered, are fair and equitable. With respect to the economic package including health, life, dental, long term disability insurance, Salary Schedule A and Salary Schedule B, the Fact Finder has recommended for 1975-76 an average increase in teacher total compensation costs of \$1,521 or a 10.77 percent over 1974-75. This increase exceeds the wage and salary adjustments for 1975-76 received by employees of the City of Grand Haven and Ottawa County, many of whom are also residents of the

School District. In framing these economic recommendations, the Fact Finder was very strongly influenced by the fact that the property owners within the School District have twice turned down millage proposals by large votes. It seems to the Fact Finder that the voters were communicating loud and clear to both the Education Association and the Board of Education to reduce the school's educational program and to control escalating costs of operating the School District.

The Fact Finder very strongly recommends that both the Grand Haven Education Association and the Grand Haven Board of Education accept all the recommendations presented in this Fact Finding Report



Daniel H. Kruger
Fact Finder

Date: October 14, 1975