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MICHIGAN EMPLOYMENT RELATIONS COMMISSION  
IN THE MATTER OF THE FACT FINDING  
BETWEEN

GROSSE POINTE BOARD OF EDUCATION

-and-

MERC Case No. D93 F-0795

GROSSE POINTE EDUCATION ASSOCIATION

\* \* \* \* \*

FACT FINDING REPORT AND RECOMMENDATION

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STATE OF MICHIGAN  
EMPLOYMENT RELATIONS COMMISSION  
DETROIT OFFICE

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Grosse Pointe Public School

APPEARANCES

For the Employer:

Ronald R. Tonks  
Director of Personnel

*Mark J. Glazer*

Michigan State University  
LABOR AND INDUSTRIAL  
RELATIONS LIBRARY

For the Association:

Gerald Haymond  
Executive Director  
S.O.M.E.A.

On November 1, 1993 MERC appointed me as fact finder. Thereafter a pre-conference was held on December 1, 1993 followed by conference dates on February 5 and February 9, 1994. Comprehensive exhibits, arguments and testimony were presented by the parties. The issues include salary, additional duty days for staff development/in-service, health insurance benefits, tax sheltered annuities (TSA), long-term disability (LTD), LTD for probationers and discipline and evaluation of employees. Each issue will be considered followed by a recommendation. The relevant period is the 1993-1994 contract.

# I

## SALARY/ADDITIONAL DUTY DAYS FOR STAFF DEVELOPMENT/IN-SERVICE TRAINING

### ASSOCIATION POSITION

3.5% salary increase.

### BOARD POSITION

Maintain 1992-1993 salaries, and add four in-service days payable by \$400 off the salary schedule.

### DISCUSSION

The parties have traditionally used in their negotiations the districts located in Local 1 of the MEA as relevant comparables. Further, the Employer particularly references the Birmingham and Bloomfield Hills School Districts as being comparable to Grosse Pointe in terms of educational goals and financial capabilities. In the future these districts, in addition to other Oakland County out of formula districts, may become even

more relevant in bargaining due to the recent changes in school finance.

The Board of Education agrees that it has the ability to pay the Association's offer. Nevertheless, it contends that the Association is ahead of the Consumer Price Index with its offer and that the District will remain as the number one paid District in Local 1 even without a wage increase. The District additionally believes that releasing all of the teachers at the same time during additional in-service days will be educationally beneficial.

The Association asserts that none of the comparables have experienced a wage freeze as offered by the Employer, and in fact, the increases have averaged over 3%. The Board's proposal is said to drop Grosse Pointe an additional \$2,000.00 below the Bloomfield Hills comparable. Regarding the additional in-service days, the Association maintains that the Board proposal creates a lower wage scale for teachers working on in-service days, and that a two tiered system would be inappropriate and unsupported by the comparables.

A review of the settled Local 1 comparables reveals the following for salaries in 1993-1994:

Anchor Bay	3.5%
Centerline	3.27%
Chippewa Valley	3.0%
Clintondale	3.0%
Fraser	3.0%
Harper Woods	3.0%
L'Anse Creuse	3.0%
Lakeview	3.0%
Romeo	2.5%
Southlake	3.0%
Warren Woods	4.09%

For the out of formula Oakland County Districts the following pattern emerges:

Birmingham	2.4%
Bloomfield Hills	2.5% (projected)
Farmington	5.0%
Southfield	5.0%
Troy	1.5%
Walled Lake	5.2%
West Bloomfield	3.0%

This data reveals that none of the comparable communities have frozen their wages for 1993-1994, and that this is true from the richest to the poorest districts. Further, the Consumer Price Index (CPI) has been at 2.3%. Consequently, a wage freeze as proposed by the Employer would cause a loss in purchasing power for teachers notwithstanding the District's ability to pay. The freeze would also be out of line with any of the settlements achieved by the relevant comparables. Therefore, there isn't any basis consistent with the collective bargaining history of the parties to recommend a wage freeze as proposed by the Employer. Similarly, there isn't a basis to recommend 3.5% as proposed by the Association, insofar as that is higher than the relevant settlements.

Turning to the additional in-service days, the District's proposal would require a wage give-back, since teachers make more than \$100.00 per day, and the District proposes to pay \$400.00 off the schedule for four additional work days. There isn't anything in the comparables to suggest the need for a give-back in terms of in-service days; also, as previously indicated, the District has the ability to pay. Further, the Employer's proposal would place Grosse Pointe out of line in terms of the number

of teacher days. Consequently, the additional duty day proposal should be rejected.

### **CONCLUSION**

The Local 1 comparables militate in favor of a 3% increase for 1993-1994. The truncated list of highly compensated Oakland County comparables, including only Birmingham and Bloomfield Hills, suggests 2.5%. An increase in excess of 2.5% would move Grosse Pointe closer to the highest paid district, Bloomfield Hills. A settlement below 3% would cause Grosse Pointe to lose some of its advantage with other Local 1 districts. It is apparent that a settlement within the 2.5% to 3% range, or at either extreme, is arguable. However, it would seem that a recommendation of 2.75% could achieve a settlement that is congruent with the relevant settlements.

### **RECOMMENDATION**

A 2.75% salary increase for the 1993-1994 school year is recommended.

## **II**

### **HEALTH INSURANCE BENEFITS**

#### **ASSOCIATION POSITION**

Tenured teachers are currently covered by the BCBS MVF 2 Plan, with master medical, \$100/\$200 deductible, first \$50/\$100 paid by the Employer, and a \$2.00 prescription co-pay. Probationary teachers are covered under a PPO. The Association agrees to extend PPO coverage for probationary employees from two years to four years pursuant to changes in the Teacher Tenure Act.

## **BOARD POSITION**

The Board proposes to keep probationary employees on PPO's for the duration of their employment. Further, the prescription co-pay would increase to \$5.00, employees would pay 50% of any increase in health insurance premiums and the Board reimbursement would be eliminated for the first \$50/\$100 of the master medical deduction.

The Board points to increasing costs for health coverage and efforts made by retired Grosse Pointe teachers and the private sector to control costs. It also refers to the savings created by a PPO Plan.

The Association maintains that no comparable district has a \$50/\$100 deductible, a premium cap or premium sharing. Further, it notes that no comparable district has a two tiered PPO system for probationary employees. It is also asserted that none of the comparables has a \$5.00 drug rider. Finally, the Association argues that Birmingham has a superior medical plan.

## **DISCUSSION**

The comparables do not support the Board's position; again, a review from the richest to the poorest school districts fails to indicate a plan such as the Board's proposal.

The Association, however, has provided a significant concession to the Board on health care. Grosse Pointe is unique in placing its probationary teachers in a PPO Plan. This is a large group of teachers that has been expanded by the increase in the probationary period from two to four years. Grosse Pointe is also in an expansive phase, where new probationary teachers are

being hired. Hence, the Association proposal is most appropriate.

### RECOMMENDATION

The Association proposal on health care should be adopted.

## III

### TAX SHELTERED ANNUITY

#### ASSOCIATION POSITION

The Association would increase TSA's from \$53.00 for married employees to \$100.00; further, it would increase the payment for single employees from \$18.00 to \$150.00.

#### EMPLOYER POSITION

The Board would increase TSA's to \$75.00 for married employees and \$25.00 for single employees if the drug co-pay is increased from \$2.00 to \$5.00.

### DISCUSSION

TSA's are paid to married teachers who forego health insurance, and to all single teachers. When the entire package of benefits and wages is considered, the Association has not made a compelling case for an increased benefit in this area. The parties have negotiated over the years the present level of TSA's with the knowledge that other districts have a higher level of benefit. It would not be appropriate at this time to change the relationship with the relevant districts concerning the TSA benefit.

Concerning the Employer's proposal, it has not shown that increasing the co-pay for prescriptions will result in a net benefit to the Association. Thus, this is an issue where the

status quo should be maintained.

#### RECOMMENDATION

The status quo should be maintained concerning TSA's.

#### IV

#### LTD

#### ASSOCIATION POSITION

The Association would increase the LTD benefit from 60% of salary to 66-2/3% of salary.

#### BOARD POSITION

The Association proposal would be accepted if the Board's \$50/\$100 reimbursement for health deductible is eliminated.

#### DISCUSSION

The Association maintains that it is behind most other Local 1 comparables, who are at a 66-2/3% reimbursement. This is also true for the Oakland County out of formula comparables. The Association additionally asserts that other comparables provide coverage for probationers, while Grosse Pointe does not.

The Employer maintains that its superior overall economical package allows teachers to purchase additional coverage if they choose, and that an increase in cost to the District isn't justified.

While an increase in this benefit is a relatively low cost item for the Employer, (\$15,000.00 as projected by the Association), the parties after years of collective bargaining have arrived at the 60% figure, notwithstanding the higher reimbursement for most other districts. I am reluctant to disturb the



present arrangement without a commensurate concession by the Association; however, I don't see the \$50/\$100 deductibility as being something that the Association would trade for the LTD benefit increase.

Therefore, the status quo should remain on LTD benefits.

#### **RECOMMENDATION**

The status quo should remain concerning the level of LTD benefits.

### **V**

#### **LTD FOR PROBATIONERS**

##### **ASSOCIATION POSITION**

The Association would provide employer paid LTD benefits to probationers after two years.

##### **EMPLOYER POSITION**

The Employer would allow probationers to purchase LTD benefits after two years.

#### **DISCUSSION**

Until the Tenure Act change, probationary teachers would achieve tenure at two years and employer paid LTD insurance. Therefore, the Board's proposal would require a concession by the Association, since it currently has employer paid LTD insurance after two years. The record fails to support a give-back on this issue. The status quo is only maintained by employer paid LTD insurance after two years.

#### **RECOMMENDATION**

Probationers should receive LTD insurance at employer expense after two years.

## VI

### DISCIPLINE AND EVALUATION OF EMPLOYEES

#### ASSOCIATION POSITION

The Association asks for written reprimands and extra in-depth evaluations to be forwarded to the Association. Currently, the Association receives letters of corrective action.

#### BOARD POSITION

The Board would notify the Association of reprimands, but not letters of corrective action; in-depth evaluations could be forwarded to the Association by the teacher.

#### DISCUSSION

The Association believes that it needs the information concerning reprimands and evaluations to adequately represent its teachers. The Board maintains that privacy is involved and the teachers can forward information regarding evaluations and discipline to the Association if they choose to do so.

This issue has been on the table during negotiations for many years, yet the parties have been unable to achieve a settlement. A recommendation either way could hold up a contract settlement, which would not be in the best interest of the parties or the public. Accordingly, the status quo should be maintained on this issue.

#### RECOMMENDATION

The status quo should be maintained concerning discipline and evaluation of employees.



MARK J. GLAZER, Fact Finder

Dated: February 23, 1994