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STATE OF MICHIGAN
BEFORE THE DEPARTMENT OF LABOR
EMPLOYMENT RELATIONS COMMISSION

IN RE:

HOLLY AREA SCHOOLS

-AND-

HOLLY AREA SCHOOLS ADMINISTRATIVE
ASSOCIATION

Case No. D 77 F 1956

Walter Nussbaum 5-12-78

REPORT, FINDINGS OF FACT,
AND RECOMMENDATIONS OF FACT-FINDER

This fact-finder was assigned to the dispute between the Holly School Administrators and the School District upon administrative order of Robert Pisarski, Director of the Michigan Employment Relations Commission, on March 16, 1978.

Hearings were held on April 3, April 10, April 11 April 15 and April 17, 1978. The Association was principally represented by Donald Mance, and the school district was principally represented by James Buckley, a trustee, and Bruce Mitchell, Assistant Superintendent. Other members of the collective bargaining representatives and the Board of Trustees of the school district did represent participants from time to time.

When hearings commenced, nineteen items were in dispute and bargaining had been in progress since 1976. In the

later stages of bargaining, a mediator was involved and impasse was certified.

The parties conducted negotiations between fact-finding hearings. To the credit of all of the negotiators, substantially all issues were resolved during these bargaining sessions, leaving the fact-finder with issues relating to:

- a) Salary
- b) Number of days to be worked by each of the administrators, and,
- c) the contract period.

Contract Period

The fact-finder would seek to address the issues in inverse order because the long period of bargaining leading almost to the conclusion of the 1977/1978 school year mitigates against a recommendation of a contract which would be retrospective only and, in effect, be a prelude to new chaos. It is the fact-finder's view that the parties of necessity should seek to operate for approximately one year without being in a bargaining posture. Therefore, a three-year contract would seem to be appropriate with the first year being for the 1976-77 school year, the second being for the 1977-78 school year, and the third for the 1978-79 school year.

The arbitrator therefore recommends incorporation of the following language in any ultimate contract:

"This contract shall be deemed to be in effect for the period beginning July 1, 1976 and ending June 30, 1979."

Work Days

The fact-finder has reviewed the testimony of the Superintendent of Schools and the Deputy Superintendent, along with the numerous exhibits furnished by the parties and finds that administrator's contracts in the various districts which were surveyed by either or both of the parties range from a minimum length of 42 weeks to a maximum length of 48 weeks.

It is the view of this fact-finder that it is difficult indeed to reconcile the testimony of the Superintendent with the exhibits, more particularly Exhibit "17A" furnished by the Board of Education, as to reasonable expectations as to the workweek, the range being between 42 and 48 weeks, less the amount of time that normally would be treated as holidays in any other situation. This fact-finder, however, does indeed find it difficult to rationalize a salary structure involving a proposed salary for a high school principal of \$24,100.00 per annum, while announcing expectations of twenty work days additional, over and above those demanded of an elementary principal.

The explanation seems to have its origins in the School Board having a history of dealing with salaries of individuals rather than salaries allocable to positions, with appropriate ranges between a starting salary and a maximum salary in that position based upon the duration of service and the quality of service.

The fact-finder has reviewed in considerable detail the evidence submitted by the Board of Education as to reasonable expectations as to the number of work days and compared this data with the data that is generally available and is reflected in the materials furnished by the collective bargaining representatives. Accordingly, the fact-finder does not find such great disparity as to create a rational assumption of unreasonableness, in general, in the Holly area Board of Education's proposals to work days and, therefore, recommends the following work schedules which are in general, if not in specific, conformity:

<u>Position</u>	<u>Work Days</u>
High School Principal	227
Ass't High School Principal	201
Middle School Principal	222
Ass't Middle School Principal	201
Elementary Principal	207
Community Education Director	227
Athletic Director	217
Special Education Director	197

Compensation

Now, addressing himself to the question of compensation, this fact-finder has reviewed the testimony given by the parties on all of each of the exhibits, and it is in the area of compensation that the fact-finder finds himself looking with considerable sympathy at the positions of both parties.

For reasons which were thought to be appropriate by the, then, Board of Education, a formula-method of compensa-

tion was adopted which pegged the salary of administrators at some multiple of the salary of master teachers with a net result that every dollar of pay increase given to the master teacher over the past few years resulted in some multiple of that salary being given to an administrator. By 1975, it became apparent to the School Board that the administrator's salaries were outstripping the means by which they could be paid and administrators were reaching into the area of being paid compensation which approached the highest levels in the state in terms of exceeding in many cases the 90th percentile, and in other cases exceeding the 75th, 60th and 85th percentile of salaries being paid for like position on a statewide basis. There is no questions but that this method of compensation was intolerable because it inhibited the ability of the district to obtain teachers at competitive salaries. (High enough to attract the best.)

This factfinder is not unmindful of the fact that the difficulties were jointly created between the administrators and the School Board and represented a joint problem. Nor is this fact-finder unmindful of the litigation pursued by some of the administrators against the school district seeking money damages for the breach of, then existing, employment contracts. That litigation was resolved by an award of money damages on January 26, 1976 and so far as this fact-finder is concerned, any dispute relating to the 1975-1976 teacher's salary schedules and/or administrator's schedules was terminated

by that litigation. This fact-finder is constrained to find the only matters properly before him are the 1976-77 school years and those following, to a maximum of three, terminating in 1979 on June 30.

This fact-finder has not been able to determine from the evidence before him, why, three elementary school principals are receiving three different rates of pay and it appears to defy reason, that three elementary school principal should be getting different rates of pay.

This fact-finder is convinced that the three elementary schools in Holly are more heavily populated than any of the comparable elementary schools ranging in size from 700 to 900 students when it is apparent that a comparison of schools in similar areas indicate that in most cases the maximum population of each school is in the 700-student range.

Therefore, it is recommended that the salary scales of the principals reflect the larger school population with which they are dealing and the responsibilities attendant upon such increased school population by awarding compensation somewhat higher than the median as the maximum compensation under the terms of the contract.

The fact-finder finds that in the Holly School District the elementary school population ranges from a low of 700 to a high of 960 in the three elementary schools. As

indicated above, the smallest elementary school in Holly is as large as the largest elementary schools in other districts. It is, therefore, this fact-finder's view that the principal of an elementary school, which does not have an assistant principal in that school, in such cases as the school population exceeds 800 students, shall receive a salary premium of \$1,000.00 per year above the scale as is provided elsewhere in this opinion.

It is, therefore, further recommended that any contract as contemplated hereby provided a range of salaries for elementary school principals as follows: For the year 1976-1977, start - \$20,000.00, maximum - \$25,000.00. It is further recommended that the maximum be reached after the completion of three years; that is to say, in the fourth year. For the fiscal year, 1977-1978 - Start - \$20,000.00, maximum - \$25,500.00.

The fact-finder further recommends that the pension contribution required of every school employee be satisfied by deduction from the employee's salary in the fiscal year 1976-1977. However, it is to be paid by the Board in the year 1977-1978 and subsequent fiscal years.

It is to be noticed that the premium payment proviso as hereinbefore described, shall be added to the compensation of principals in those elementary schools who served a school population in excess of the maximum described (800), starting the 1977-1978 school year.

For the fiscal year 1978-1979, maximum salary, subject to only the premium payment addition, shall be \$26,175.00

Nothing contained in this recommendation shall require the payment of funds in excess of those previously contracted for on a voluntary basis by any of the employees, nor should any employee be required to take a reduction in salary to meet the parameters established by the agreement recommended by the fact-finder.

In years after 1977-1978, the period of employment in the position of elementary school principal from start to maximum shall be increased so that the maximum shall not have been reached until the commencement of the fifth year in the position of principal.

It is the view of this fact-finder that the salary adjustments recommended by this fact-finder are consistent with the patterns generally available in districts which have a great deal in common other than geographical location with the Holly School District. Commonality is predicated upon where goods and services which are an essential element of life are purchased. The general demographic make-up of the communities, including the presence or absence of enrichment facilities, such as, museums, libraries, near-by colleges and universities, balance between rural and urban activities and considerations, and other matters which are suggested by the respective lists of comparatives prepared by the Board of Education and the collective bargaining representatives were also considered.

The High School principal (there is only one) was hired under circumstances which lead this fact-finder to believe that it would be necessary to suggest a salary for the year 1976-1977 for that position.

It is the view of this fact-finder, however, that the position should carry a range of a starting salary of \$23,000.00 for the year 1976-1977 to a high of \$27,000.00 with the maximum to be reached in three equal steps and with the School Board absorbing all of the pension costs.

The recommendation as to the salary of the high school principal is based upon a review of the salaries paid in the immediate area, the Board of Education's survey, and other matters itemized as follows:

- A. The special circumstances involving the present high school's principal's appointment;
- B. The necessity of a uniform application of a reasonable series of steps in a progression pattern to maximum pay from starting salary;
- C. The responsibilities involved.

It would appear at least to this fact-finder to be reasonable considering the agreed hire-in salary and the lack of significant prior experience in high school administration of the present incumbent to leave his starting salary at the level to which he agreed and to adopt the first step in the application of the scale in the second year.

The fact-finder also notes that he took into consideration the District's salary scales for master teachers teaching at

the secondary level who have acquired significant amounts of post-graduate credits and their compensation in attempting to arrive at a reasonable salary level for the person who is primarily responsible for first level supervision. This position is buttressed by the extremely complex description of duties of the high school principal contained in the job descriptions furnished the fact-finder.

It may seem strange to some that at least, initially, the assistant principal of the high school will, based upon this fact-finder's recommendation, be out of phase with the principal's scale, but this is a matter which can be best cured by the School Board over a period of time by making appropriate adjustments within the administrative staff.

With regard to the assistant principal of the high school, it is this fact-finder's view that the compensation of the assistant principal school of the high school should range over a period of three years, with a maximum being reached in the fourth year of service. The first year should be based upon the larger of 70% of the principal's salary, or \$1,500.00 more than the master teacher with ten hours of graduate training. The second year, 80%, or \$1,500.00 more; the third year, 90% of the principal's salary, or \$1,500.00 more.

With reference to the position of principal in the middle school, it is the view of this fact-finder that the range of salaries for the middle school principal beginning 1976-1977 should be between \$22,000.00 to start to a maximum reached after three years of \$26,450.00.

It is the further view of this fact-finder that the assistant principal of the middle school should have a range beginning at \$1,000.00 more than the master teacher teaching in the middle school to a maximum of 90% of the principal's salary in the middle school to be reached after three years; the maximum to be attained as in all other cases in annual steps, each comprising one-third of the difference between the minimum and maximum.

It is, further, the fact-finder's recommendation that for the high school and middle school, the assistant principals, assistants, and principals in each case, the School Board shall be responsible for the entire pension contribution in the year 1976-1977 and in all subsequent years; provided, however, that nothing contained in this recommendation shall require the payment of funds in excess of those previously contracted for on a voluntary basis by any of the employees, nor should any employee be required to take a reduction in salary to meet the parameters established by the agreement recommended by the fact-finder.

Athletic Director

With reference to the Athletic Director, this fact-finder finds that there is a paucity of information as to the compensation ranges for athletic directors. He further

finds that within the areas which the Holly School Administrator's Association would have us compare, there are only a total of five athletic directors and with reference to the survey conducted by the Board of Education, fourteen had been reported. The fourteen reported by the Board of Education range from a low of \$18,500.00 to a high of \$27,064.00, with an average salary of \$21,933.00. In light of the testimony that was heard as to the duties and responsibilities of the athletic director as the coordinator of both league and intermural athletic endeavors for a school district in excess of 4,000 students, it appears to the fact-finder that there was a lack of consideration relating to the fact that the duties and responsibilities exceed those that would normally be attributable to a straight teaching function.

We, therefore, are recommending that the Athletic Director be compensated at the rate of \$20,160.00 for the 1977-1978 school year, and \$21,240.00 for the 1978-1979 School year.

Director of Community Education

The fact-finder finds that the position of Director of Community Education is a position of diverse and complex responsibilities. The responsibilities of this position as described in the testimony and other materials and to which this fact-finder has given great consideration indicate:

A. The Community Education Director would be required to work the equivalent number of days the high school principal works if the fact-finder's proposal is adopted and, if not, even more days;

B. Duties placed upon this individual far transcend those duties which would normally be anticipated to fall upon a classroom teacher, even one with a master's degree;

C. The position required supplemental experience of such nature as to fully include all of the several responsibilities set forth in the job description.

It is the view of this fact-finder that compensation at the rate of \$21,145.00 for the year 1977-1978 would not be unrealistic and that the rate of \$22,225.00 per annum for the year 1978-1979 would be sufficiently close to the range of salaries which are disclosed by the Board of Education's survey as to be persuasive. The initial year's recommendation is slightly below the median, and the second year's recommendation is only slightly higher than the state-wide median recommended by the Board for like positions and under the circumstances, it is the view of this fact-finder that such compensation is both reasonable and necessary to offer sufficient economic opportunity to attract and maintain the quality of people that should be conducting a program of this significance within the community.

The fact-finder notes that both with the position of Athletic Director and Community Education Director, it is important that the Board establish a salary range with a minimum and maximum with a period of time specified to reach the maximum level of compensation. This would also be true of the position of Director of Special Education Services.

Director of Special Education Services

The fact-finder has also considered the job description of the Director of Special Education Services including the requirements of possession of a master's degree, teacher accreditation, special education qualifications as apart from general education qualifications as described in the Michigan Special Education code, a requirement of three year's experience in the field as well as one or more year's as a classroom teacher, as well as an even broader spectrum of communication abilities than is required of any other teacher to relate to people of all ages and positions as well as to effect appropriate changes in the educational process to improve services to children and there is no questions in my mind that special education services are those which are especially attributable to the physically and emotionally and developmentally inhibited youngsters. These qualifications and the extensive list of requirements including the broadbasis supervisory requirements put this person in a situation where the duties far exceed the duties of a master teacher and that any reasonable extension of the data provided would indicate the hours required to be worked in multiple locations and the performance of services and the diversity of problems is of such nature as to require compensation significantly in excess of that of a master teacher. Under the circumstances, it is recommended that the range of salaries for this position be at a start, at least \$1,500.00 in excess of a master teacher, and top pay after three years, and that the maximum pay for the year July 1, 1977 through July 1, 1978

be \$21,145.00 and for the year July 1, 1978 through June 30, 1979 be \$22,225.00; and, in addition, the Board pay the full retirement contribution.

This fact-finder has not been unmindful of the position taken by the Board of Education in the school district of Holly that the costs of operation far out-stripped what they should have been in the area of administrative salaries for a good many years, however, a simple review of the statistical data furnished this fact-finder would indicate, or tend to indicate, to him at least, that that condition has now terminated and that existing salary levels as recommended by this fact-finder are not unreasonable in the light of payment received by others similarly situated and qualified and having similar duties.

This fact-finder was much impressed by the Board of Education's review of its own situation and the self-criticism that was implicit in many of the things that were said in the course of hearings in this matter. Criticism directed to the inability to maintain certain college-level courses, including courses in language and mathematics was justified and must be shared by the Board and by the Administrators as a group. This fact-finder does find as a fact that the limits on availability of courses was at least in part a result of the refusal, failure or neglect of the professional administrators to insist upon these education

programs and in part by the fact that the Board of Education has not insisted upon strong policy guidelines which would require that a full range of foreign languages and mathematics courses be made available for the college preparatory student, who requires them to achieve at maximum capability.

It is the view of this fact-finder that the lack of satisfaction by the Board of Education with the performance of Administrators in some capacities and with its own performance in others is a healthy sign. That the failure of the school district to provide programs by which students can regularly take such tests as are available for advanced placement in college programs is a failing which should be recognized and has been recognized by the Board of Education and should be, forthwith, recognized by the administrators who have a right, if not an absolute duty, to recommend areas of enrichment to the education program. This duty extends not only to those at the top levels of potential among the student body but to students at all levels of potential, and the administrators should take seriously the responsibility to make effective recommendations in writing through normal channels to improve the educational program through the system and to encourage the Board to adopt policies to further those educational standards.

The fact-finder finds as a fact that the salary adjustments imposed by the Board of Education for the elementary school principals and others who were, in effect, subjected to a salary freeze was an over-reaction of major proportion that

resulted in a bargaining posture which was less than equitable and specifically finds that his economic recommendations represent a valid compromise and adjustment considering the funds available to the school district, its size and the obligations of its administrators.

The fact-finder urges upon the Board of Education constant vigilance, both in terms of budget and in terms of demands for quality education service.

The fact-finder recommends to the Board a policy or program of setting a salary range for each position with automatic step increases until the maximum is reached and review of that maximum, against other salaries similarly paid, on a regular basis.

The fact-finder recommends that individual contracts for administrators be for a period of two years and be terminable other than for cause on a one-year notice.

Additional Comments

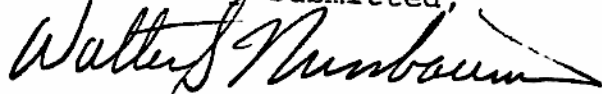
This fact-finder cannot help but have been impressed by the history of generosity with which this Board has dealt with its administrators, historically. But, in making these recommendations, the fact-finder also was required to recognize that three years is a long time in which to attempt to retain the same economic status quo with some individuals while adjusting it for others and that the Board of Education in an effort to modify

its posture and rid itself of burdensome and onerous formula, did to some extent react in such fashion as to give the appearance of a degree of unfairness in dealing with certain administrators.

The fact-finder further recommends that compensation as fixed herein for the period involved be net compensation with the requirement that the pension contribution of the administrators be fully funded for the years ending June 30, 1977, June 30, 1978 and June 30, 1979, by the Board of Education and without contribution by the Administrator.

The fact-finder further recommends that there be no retrospective adjustment in any regard to the period terminating June 30, 1976.

Respectfully submitted,



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Dated: May 12, 1978