Lansing School Distric

STATE OF MICHIGAN EMPLOYMENT RELATIONS COMMISSION

IN THE MATTER OF FACT FINDING

LANSING SCHOOL DISTRICT

-and-

LANSING ASSOCIATION OF EDUCATIONAL SECRETARIES

CASE NO. L79-D182

HEARINGS OFFICER'S FACT FINDING REPORT

APPEARANCES

For the Association

Shirley Rodgers Thelma Dunckle Ruth Galligan Luella Grenier Arlene Zerkle Mary Rice Alice Kent

President Vice President **Executive Secretary**

Harold W. Schmidt

President-Elect Labor Relations Consultant

For the Employer

David Smith Ronald Whitmore Gary Wegenke Barbara Marsh Harold Claggett Peter A. Patterson

Director, Employee Relations Attorney

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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.

Employment Relations Commission on October 19, 1979. On October 25, 1979 the Lansing School District, in a letter to the Michigan Employment Relations Commission, requested that the fact finding process not be implemented until Case No. UC 791-37 be resolved. On September 27, 1979 the Lansing Association of Educational Secretaries in a petition to the Employment Relations Commission had sought to add to its presently existing membership the positions of Unclassified Secretaries, Business and Records Specialists and Classified Specialist - Adult Education. The Association filed an Amended Petition on October 10, 1979. On November 9, 1979, the Association withdrew without prejudice its Petition for Unit Clarification (UC 79 I-37) in a letter from Karen Bush Schneider, Attorney for the Association, to the Employment Relations Commission in order that bargaining could proceed without delay.

Hearings were conducted on December 7, 1979, December 9, 1979, and December 28, 1979 at the Lansing Board of Education Building, 511 Kalamazoo Street, Lansing, Michigan. At the meeting of December 28, 1979, the parties indicated their intent to file post hearing briefs. The briefs were received by the Hearings Officer on January 31, 1980.

ISSUES AT IMPASSE

At the hearing on December 7, 1979, the parties identified the following issues to be at impasse:

- 1. Article I: Recognition
- 2. Article III: Hours of Work
- 3. Article VI: Compensable Leave
- 4. Article VII: Personal Leave
- 5. Article VIII: Vacations
- 6. Article IX: Holidays
- 7. Article XI: Insurance Protection
- 8. Article XIII: Longevity
- 9. Article XXI: Conferences and Workshops
- 10. Article XXXII: Duration of Agreement
- 11. Appendix A: Wage Proposal
- 12. Retroactivity

At the hearings on both December 9 and December 28, 1979, the parties were able to resolve the following issues:

- 1. Article I: Recognition
- 3. Article VI: Compensable Leave
- 4. Article VII: Personal Leave
- 6. Article IX: Holidays

There were eight (8) issues at impasse which were unresolved by the parties.

UNRESOLVED ISSUES AND RECOMMENDATIONS

ISSUE 1. Article III - Hours of Work

Article III - Hours of Work reads as follows in the expired contract:

- "3.01 The normal work day shall be eight (8) hours per day. The normal work week shall be forty (40) hours per week, Monday through Saturday.
- "3.02 The following work shifts shall be in effect:
 - a. Any shift that regularly begins on or after 5:00 A.M., but before 2:00 P.M., shall be described as the first shift.

3.02 (continued)

- "b. Any shift that regularly begins on or after 2:00 P.M., but before 10:00 P.M., shall be described as the second shift.
- "c. Any shift that regularly begins on or after 10:00 P.M., but before 5:00 A.M., shall be described as the third shift.
- "3.03 Secretaries working the second shift shall receive an additional ten cents (10¢) per hour premium pay. Secretaries working the third shift shall receive an additional fifteen cents (15¢) per hour premium pay.
- "3.04 The lunch period will normally be scheduled for one hour. However, beginning the first week after school closes to the first week before school opens in the fall, the lunch period will be scheduled for one-half hour unless mutually agreed otherwise by the secretary and immediate supervisor.
- "3.05 Lansing Public Library secretaries shall work a total of forty (40) hours per week to be scheduled between the hours of 8:00 A.M. to 9:00 P.M., Monday through Friday, from 8:00 A.M. until 5:00 P.M. on Saturdays, and from 1:00 P.M. until 5:00 P.M. on Sundays. No employee shall be scheduled to work more than two evenings in one week, two consecutive Saturdays or one Sunday per month without their consent."

Joint Exhibit #1, p. 2.

The Association has proposed the following modification of Article III - Hours of Work in the expired contract:

- "3.01 The normal work day shall be eight (8) hours per day. The normal work week shall be forty (40) hours per week, Monday through Saturday.
- "3.02 The following work shifts shall be in effect:
 - a. Any shift that begins on or after 4:00 A.M., but before 11:00 A.M. shall be described as the first shift.
 - b. Any shift that begins on or after 11:00 A.M., but before 7:00 P.M., shall be described as the second shift.
 - c. Any shift that begins on or after 7:00 P.M., but before 4:00 A.M., shall be described as the third shift.
- "3.03 Secretaries working the second shift shall receive an additional ten cents (10ϕ) per hour premium pay. Secretaries working the third shift shall receive an additional fifteen cents (15ϕ) per hour premium pay.
- "3.04 The lunch period will normally be scheduled for one hour. However, beginning the first week after school closes to the first week before school opens in the fall, the lunch period will be scheduled for one-half hour unless mutually agreed otherwise by the secretary and immediate supervisor.

"3.05 Lansing Public Library secretaries shall work a total of forty (40) hours per week to be scheduled between the hours of 8:00 A.M. to 9:00 P.M., Monday through Friday, from 8:00 A.M. until 5:00 P.M. on Saturdays, and from 1:00 P.M. until 5:00 P.M. on Sundays. No employee shall be scheduled to work more than two evenings in one week, two consecutive Saturdays or one Sunday per month without their consent."

Association Brief, p. 3

The parties have agreed to the change in shift hours, but they are in disagreement with respect to the application of the shift differential. The Employer seeks to retain the word "regularly" which is intended to mean five (5) days per week while the Association proposes that the word "regularly" should be deleted. Deletion of this term would indicate that an employee would be paid a shift differential when he/she worked a "regularly" scheduled shift and part of the shift embodied second or third shift hours.

It appears to this Fact Finder that the Employer's major argument with respect to the hours of work issue rests on the proposition that the scheduling of librarian hours is a well-established practice which has never been challenged under the grievance procedure negotiated by the parties (see Employer Brief, page 27).

The Association contends that shift overlap sometimes arises because of the unique library scheduling arrangements under which library employees must operate. Because of these unique contingencies, the Association feels that employees should be compensated for any "regularly" scheduled hours which embody second or third shift hours (see Association Brief, page 4).

Recommendation: The Hearings Officer recommends that the word "regularly" be removed from Article 3.02 (a), (b), and (c) of the expired agreement. The usage of a past practice rationale in the context of a contract negotiation process seems to be misplaced. The lack of a previous grievance or challenge does not necessarily provide evidence of the intent of the parties. In addition, disruption of interpretation continuity should not be the major focus of any

contractual negotiation process. The parties to a collective bargaining agreement periodically renegotiate the agreement in an attempt to resolve ambiguities surrounding certain contractual terms or other exigencies that have arisen out of their relationship since the previous negotiation. To encumber this process with a past practice or continuity argument would destroy the concept of a collective bargaining agreement being a "living" document subject to periodic review of the parties.

The Hearings Officer recommends that shift differentials be paid to all employees that experience shift overlap. Scheduling of library hours frequently engenders this overlap condition and the librarians should be compensated accordingly when this takes place.

It is estimated that the maximum cost to the Employer, if all employees were full time, would be approximately \$540.80 per year (see Association Brief, page 4).

Issue 2. Article VIII - Vacations

Article VIII - Vacations in the expired agreement reads as follows:

"8.01 All secretaries working on a twelve month basis shall receive an annual vacation with full pay based on the following schedule:

The first seven years 2 weeks Upon completion of 7 years 3 weeks Upon completion of 15 years 4 weeks

- "8.02 Secretaries working less than twelve months, or less than eight (8) hours per day, shall be entitled to a pro-rata share of the vacation allowance granted to full-time employees.
- "8.03 Vacations shall be computed from July 1 through June 30th. The vacation allowance to which an individual is entitled shall be determined by the number of years of service the secretary has completed by June 30th of a given year.
- "8.04 Vacation allowance shall be pro-rated during the first year of employment to the nearest half day. (Based on 5/6 of a day per month of service to June 30th.)

- "8.05 Vacation allowance may not be accumulated from one fiscal year to the next except on the basis of written request which must have the approval of both the immediate supervisor and the Assistant in Personnel Services.
- "8.06 Vacations shall be scheduled at a time when this will not unduly interfere with or hamper normal operations of the school system. Insofar as is possible within this limitation, vacations shall be scheduled at a time satisfactory to the secretary. Vacations during the summer months shall be limited to three weeks unless otherwise agreed.
- "8.07 Vacations shall be scheduled for a period of not less than one week at a time or not less than the number of days to which the employee is entitled, whichever is smaller, unless otherwise approved by the immediate supervisor and the Assistant in Personnel Services."

Joint Exhibit #1, pp. 5-6.

The Association has proposed the following changes in Article VIII -

Vacations:

"8.01 All secretaries shall receive an annual vacation with full pay based on the following schedule:

CONTINUOUS SERVICE	HOURS EARNED EACH PAYROLL PERIOD WORKED
First Year Through Second Year	3.077 Hours
Third Year Through Fourth Year Fifth Year Through Seventh Year	4.000 Hours 4.923 Hours
Eighth Year Through Tenth Year	5.231 Hours
Eleventh Year Through Fourteen Years	5.846 Hours
Fifteen Years and Over	6.480 Hours

- "8.02 Vacation hours not used may only be accumulated to a maximum of two Hundred Forty (240) hours.
- "8.03 Vacation allowance shall be pro-rated during the first year of employment to the nearest half day.
- "8.04 Vacations shall be scheduled at a time when this will not unduly interfere with or hamper normal operations of the school system. Insofar as is possible within this limitation, vacations shall be scheduled at a time satisfactory to the secretary. Vacations during the summer months shall be limited to three weeks unless otherwise agreed.
- "8.05 Vacations shall be scheduled for a period of not less than one week at a time or not less than the number of days to which the employee is entitled, whichever is smaller, unless otherwise approved by the immediate supervisor and the Assistant in Personnel Services.

Association Brief, p. 5.

The Employer desires to retain the language of Article VIII - Vacations in the expired agreement with one exception. It has proposed the following language change in Article VIII Paragraph 8.05:

8.05 Secretaries must use all accumulated vacation time except for a maximum of ten (10) days allowable carryover.

The Association in its proposal on vacation seeks to change both the method of accumulation as well as the amount of hours accumulated. Its proposal is based primarily on Ingham County (see Association Brief, pp. 5-6 and Association Exhibits #2 and #3, p. 42). The Association also presented vacation data for the City of Lansing (Association Exhibit #2).

The Association maintained that employees began to use payroll periods for calculating vacations when the Employer went to automated payroll system. It contended that this method of calculation enables the maintenance of continuous accurate records, ends disputes as to what constitutes a full-year employee or less than a full-year employee (Association Brief, p. 6).

The Association pointed out that few changes have been made in the vacation schedule since it was first negotiated. The major change it noted was that the eligibility for three (3) weeks of vacation was reduced from eight (8) years to seven (7) years in 1970. The Association further noted that its proposal is significantly below the Ingham County vacation schedule but its proposal does provide a modest increase for employees with seniority over two years. The Association requested the Hearings Officer to consider the Ingham County vacation schedule for 1981 in the second year of the agreement (see Association Exhibit, p. 44 and Association Brief, p. 6).

The Association did not provide cost data because data were not available as to replacements (see Association Brief, p. 6).

The Employer contended that its vacation schedule compares favorably with neighboring school districts of Waverly, Holt and East Lansing (Board Exhibit #12).

It further maintained that is vacation schedule compared favorably to Flint and Grand Rapids School Districts (Board Exhibit #11).

The Employer pointed out that the Association's comparisons with Ingham County and the City of Lansing and the Lansing School District were not appropriate. The Employer employs only fifty-five percent (55%) of its secretarial unit employees on a full-time basis whereas Ingham County and the City of Lansing employ for the most part full-time employees. The Employer maintained that since it employs approximately forty-five percent (45%) of its secretarial unit employees on a part-time basis, its vacation schedule places greater emphasis upon equity for its part-time employees (Employer Brief, p. 28). It noted that its vacation schedule reflects the composition of the bargaining unit, e.g., full-time and part-time (Employer Brief, pp 29-30).

The Employer questioned the method of vacation calculation in the Association's proposal as being unwieldy and cumbersome (Employer Brief, p. 30).

The Hearings Officer takes note that no data were presented by the Employer nor the Association on the vacation schedules of other bargaining units within the Lansing School District. The only agreement other than the teachers which was introduced was the Adult Education unit (Board Exhibit #39) and this agreement apparently does not include vacations as no reference was made to vacation in the table of contents. The absence of these data do not permit any analysis of internal comparisons.

The Hearings Officer furthermore must take exception with the Association's assertion that the formula used by Ingham County in calculating vacation benefits is an accepted practice. No evidence was introduced as to its widespread use.

Recommendation: The vacation schedule in the expired agreement compares favorably with the vacation schedules of the governmental units in the greater Lansing area introduced by the parties (Association Exhibit #2 and Board

Exhibit #12). Accordingly, the Hearings Officer recommends that the vacation schedule in the new agreement be the same as in the expired agreement (see Article VIII, page 6 of this Report).

Accumulation of Vacation Days.

As noted above the Association seeks to accumulate a maximum of two hundred forty (240) hours vacation days whereas the Employer has proposed a maximum accumulation of ten (10) days.

The Association relied primarily on the Ingham County agreement to support its proposal (see Association Exhibit #3, Ingham County Agreement, p. 42). In addition, the Association argued that such an accumulation of 240 hours would enable the bargaining unit members to take periodically longer vacations.

The Employer pointed out that its proposal of ten (10) days accumulated vacation days was equal to that provided in the Holt agreement (Board Exhibit #12) and exceeded the five (5) day accumulation provided for by the City of Lansing (Association Exhibit #2 - Benefit Comparison). The Flint and Grand Rapids Boards of Education do not authorize any vacation carryover (Board Exhibit #11).

The Employer noted that there are detrimental effects on employees not taking their vacations annually in order to accumulate vacation days for later use. More importantly the Employer called attention that extended vacations cause disruptions in staffing and would require the Employer to hire and pay replacements (Employer Exhibit, p. 32)

<u>Recommendation</u>: The Hearings Officer recommends that employees be permitted to accumulate unused vacations on the basis of the following schedule:

First Seven Years
Upon Completion of Seven Years
Upon Completion of Fifteen Years

Maximum of Five Days Maximum of Ten Days Maximum of Fifteen Days This recommendation is being made to permit employees with longer service the opportunity to take periodically longer vacations.

The parties will have to negotiate appropriate language requiring that the employee give sufficient advance notice of their intent to use these accumulated days so that adequate staffing patterns can be maintained. The Employer will make a good faith effort to accommodate the employee's request provided that minimal staffing patterns can be maintained.

It is not possible to place a cost on this recommendation.

Issue 3. Article XI - Insurance Protection

The expired agreement contains the following provision:

- "11.01 Health Insurance:

 The Board shall provide MEA Super Medical for all secretarial employees and family members whose hospitalization benefits are not paid for in full by their spouse's employer.
- "11.02 Short-Term Disability Income Insurance:
 The Board shall provide the MEA maximum program of Short-Term
 Disability Income Insurance beginning the 8th day (including
 \$5,000 Life Insurance with Accidental Death and Dismemberment)
 for all full-time secretaries.
- "1103 Part-time Secretarial Employees (4 or 5 hours):
 Part-time secretarial employees may enroll in health insurance or
 short-term disability income insurance plans. The Board will pay
 50% of the cost.
- "11.04 Dental Care Insurance Plan:
 - a. The Board shall provide Delta Dental Plan of Michigan (Plan B) for full-time secretarial employees.
 - b. Effective July 1, 1978, the Board shall provide Delta Dental Plan of Michigan (Plan D) for all full-time secretarial employees.
 - c. Employees must work thirty (30) or more hours per week to be eligible for Dental Insurance.
- "11.05 Should the Board wish to initiate a change in the program equivalent to or better than the above coverage they may do so only after review and endorsement of a joint committee composed of four members of the LAES and four members of the Administration."

The Association has proposed the following changes in Insurance Protection Article XI:

- 1. MEA Super Medical II for all secretarial employees and their families.
- 2. Delta Dental Plan E in the second year of the agreement.
- 3. Employees not covered by MEA Super Medical II shall receive \$25 per month to be applied to MESSA offered option.

Association Brief, p. 7

The Employer had proposed a \$15.00 per month payment to be applied to MESSA options effective July 1, 1981 (Association Exhibit #7). In addition, the Employer has proposed that each secretary execute a form effective June 1, 1981, stating that he or she has no other insurance coverage similar to Super Medical (Association Exhibit #7).

The Association in its proposal seeks to have members of the bargaining unit be given the opportunity to obtain the best possible health insurance coverage for themselves and their families. Under the expired agreement the Employer provides Super Medical coverage only to employees whose hospitalization benefits are not paid for in full by their spouses' employer (see Joint Exhibit 1, p.7). This language is currently the subject of a charge of discrimination to the Michigan Department of Civil Rights by Mr. Harold W. Schmidt (Board Exhibit #15).

The rationale of the language in the expired agreement according to the Employer is to prevent double coverage. The Employer, as noted, has proposed that each member of the bargaining unit execute a form stating that he/she has no other insurance coverage similar to Super Medical coverage. The Employer's position is that the execution of this form is reasonable and if clarification is needed by the employee, the Employer would provide it. If there is still disagreement as to what constitutes "similar coverage", the Employer indicated that the employee has access to the grievance procedure (see Employer Brief, pp. 37-40).

The Association believes that the execution of such a form is not justified and conceivably could place the employee's job in jeopardy given the wording of the proposed form. Moreover the Association stated that the phrase "similar coverage" could generate disagreement and grievances (see Association Brief, pp. 10-11).

The second issue in insurance protection is the change from Super Medical coverage to Super Medical II. The primary argument used by the Association in support of this proposal is that the teachers in the district have it and there is a strong affinity existing between teachers and secretaries (Association Brief, p. 11). The Association also presented data on health insurance coverage for Ingham County and the City of Lansing (Association Exhibit #2).

The Employer noted that the Super Medical coverage is comparable to that which the City of Lansing and Ingham County offers its employees. The Employer further indicated that the health insurance coverage for the Association is consistent with the coverage provided to other employees of the school district (Board Exhibit #38). Its coverage also compares favorably with other contiguous school districts, Waverly (Board Exhibit #29), East Lansing (Board Exhibit #30) and Holt (Board Exhibit #31).

The Employer also called attention that the cost of Super Medical II coverage is approximately twenty percent (20%) higher than Super Medical (Employer Brief, p. 33). The Association estimated that the cost of Super Medical II coverage would entail an additional expense to the Employer of \$2,602.11 (see Association Brief, p. 12).

The third issue in insurance protection is the Association's proposal to upgrade and improve the Delta Dental D to Delta Dental Plan E in the second year of the agreement. The Association noted that this modification is in conformity with the Lansing Teachers Agreement. The Association estimated the cost of upgrading the Dental plan to be approximately \$1,500 in the second year of the agreement.

The Employer stated that all other employees of the school district with the exception of the teachers have Delta Plan D. The Employer also noted that the estimated cost of Delta Plan E is \$25.35 per month as compared to \$15.42 per month for Plan D — an increase of sixty-four percent (64%). In addition, it pointed out that although the dental insurance provided by the Holt School District exceeds that of the Lansing School District, the dental coverage provided by the Employer exceeds that of both Waverly and East Lansing School Districts (Board Exhibit #17).

The Employer's data on the dental coverage of other Class II schools is not pertinent since the Employer does not compete for secretaries in either the Flint or Grand Rapids labor market.

The fourth issue is the monthly payment to those covered by other employers to buy approved options. The Association's proposal has a \$25.00 per month payment. At one time in the negotiations the Employer proposed a \$15.00 a month payment (Association Exhibit #7).

The Association pointed out that the Teachers have a \$25.00 per month payment to purchase approved options. It estimated the cost of the option for its members to be \$2,500 per year (Association Brief, p. 12).

The Employer stated that Ingham County and the City of Lansing agreements do not provide supplemental payments nor do the contiguous school districts provide such a supplemental payment (see Employer's Brief, p. 35 and Board Exhibit #17).

Recommendations: The Hearings Officer recommends the following:

1. The employees in the bargaining unit be given the opportunity to choose the best health insurance coverage available — either the Employer's coverage or the coverage of the spouse's employer. This recommendation is fair and equitable. The Employer repeatedly in its Brief indicated that the Association did not demonstrate a need for improvements in health insurance

or dental insurance. There is a demonstrated need to get the best possible health insurance coverage given the increased cost of health care. It is very difficult for the Employer to justify an employee accepting inferior coverage just because the spouse's employer is paying the entire cost. The only argument which the Employer can make is the cost saving, but this is being done at the expense of the employee.

In this Hearings Officer's view, this is not a fair approach to the issue of double coverage. Of course employees should not have double coverage, but denying an employee better coverage is not the appropriate manner in which to resolve this problem.

- 2. The Employer and the Association work together to resolve the problem of double coverage. A joint letter signed by the Employer and the Association should be sent to each employee stressing that double coverage wastes money. To help the employees understand the coverage provided by the Employer, the Employer should prepare a detailed chart of its coverage as well as the coverage provided by the spouses' employers.
- 3. The Employer will continue to provide Super Medical coverage since most other bargaining units in the district receive this type of coverage.

 The only bargaining group receiving Super Medical II is the teachers.
- 4. The Employer will continue to provide Delta Plan D for the duration of the new agreement. All other bargaining units with the exception of the teachers receive Delta Plan D.

The Employer and the Association should make a determined effort to inform the members of the bargaining unit about the waste of money from double dental coverage.

5. The Employer will make a monthly payment of \$20.00 to those employees not covered by the Employer's health insurance program for the purchase of approved options.

The Employer will make an additional monthly payment of \$5.00 to those employees who do not elect to be covered by Delta Plan D for the purchase of approved options.

The Hearings Officer mades this recommendation to encourage employees to develop an insurance program to meet their individual and family needs.

Issue 4. Article XIII - Longevity

Article XIII - Longevity reads as follows in the expired contract:

- "13.01 Longevity payments shall be paid in a lump sum on the first pay period in December of each year.
- "13.02 Longevity payments will be made on the first \$9,000 of a secretary's pay, according to the following schedule based on the years of service with the Employer.
 - a. After five years through nine years 2%
 - b. Beginning ten years through fourteen years 4%
 - c. Beginning fifteen years through nineteen years 6%
 - d. Beginning twenty years and over 8%"

Joint Exhibit #1, p. 10.

The Association has proposed the following modification of Article XII - Longevity in the expired contract:

- 13.01 Longevity payments shall be paid in a lump sum on the first pay period in December of each year.
- 13.02 Longevity payments will be made according to the following schedule based on the years of service with the Employer.

5 or more, but less than 10 years 4% of Annual Wage 10 or more, but less than 14 years 6% of Annual Wage 14 or more, but less than 17 years 8% of Annual Wage 17 or more years 10% of Annual Wage

While the Employer's Brief does not specify the Employer's proposed modification of Article XIII - Longevity, the Hearing Officer's notes indicate that the following proposal was made by the Employer"

- 13.01 (no change)
- 13.02 Longevity payments will be made in a flat sum according to the following schedule based on the years of service with the Employer.

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EMPLOYER PROPOSED LONGEVITY SCHEDULE

Number of Years of Service	Employed 52 Weeks Per Year	Employed Less Than 52 Weeks Per Year
5 - 9 Years	\$180	\$142
10 - 14 Years	\$360	\$284
15 - 19 Years	\$540	\$426
20 or More Years	\$720	\$588

Source: Hearing Officer's Notes

The Association based its proposed longevity modifications on the fact that the expired agreement as well as the Employer's suggested modifications of the longevity article place or choke the senior employees at the mid-range of their pay scale. The Association made this proposal even though it acknowledged that the proposal exceeded both internal and external comparisons (see Association Brief, p. 13). The Association's modifications would remove the \$9,000 cap and would result in total expected longevity expenditure of \$69,724. This expenditure exceeds the projected costs of the Employer's proposal by approximately \$26,346 (see Association Brief, p. 15).

The Employer has proposed three major modifications of the longevity article. First, the Employer has changed the definition of a compensable limit. Specifically, the expired agreement stated that the longevity payments will be made on the first \$9,000 of a secretary's pay (Joint Exhibit #1, p. 10), while the Employer's proposal sets a specific dollar amount which is determined by the employee's length of service and employment status (52 weeks vs. less than 52 weeks) (see Employer Proposed Longevity Schedule). The Employer supported the use of limits by presenting evidence that bargaining units internal and external to the district used the concept of maximum payment (see Employer Brief, pp. 39-40).

Second, the Employer proposes the use of a flat sum as opposed to the use of a percentage factor in determining longevity pay (see Employer Brief, p. 40). The Hearings Officer takes note that the Board introduced data suggesting that the following school districts use flat sum payments:

- 1. Flint School District
- 2. Grand Rapids School District
- Holt School District
- Waverly School District

In addition the Board supported its contention by presenting data showing that flat sum payment procedures are used by the majority of the bargaining units within the district (see Board Exhibit #24).

Finally, the Employer's proposal differentiates longevity payments between those employees who work fifty-two (52) weeks a year and those who work less than fifty-two weeks a year. The Employer justified this change on the grounds that approximately forty-five percent (45%) of the bargaining unit works less than fifty-two weeks a year. The Employer stated that paying this group a longevity allowance equal to the payment given persons working fifty-two weeks would be inequitable. Moreover, the Employer contended that reduction of longevity pay for those not working a full work year would make this article congruent with other provisions (such as vacations and insurance) which make such differentiations (see Employer Brief, p. 41).

<u>Recommendation</u>: The Hearings Officer is faced with three possible alternatives:

- 1. Maintian the present article without modifications.
- Modify the article in terms of the Association's suggestions.
- Modify the article in terms of the Employer's suggestions.

It is the recommendation of this Hearings Officer that the third alternative be adopted by the parties. The Association did not adequately substantiate its reasoning for its suggested modifications. In fact, the Association stated that its modifications exceeded both internal and external comparisons.

This Hearings Officer is cognizant that the present wage schedule may be too narrow but longevity payments should not be used to stretch or create a greater variance in wage schedules. Longevity payments should represent additional income which accrues independently of job duties or performance. Finally, the Hearings Officer takes note that a distinction between employees who work fifty-two weeks a year and those who work less than fifty-two weeks a year is supported by other relevant contractual provisions. Specifically, vacations (Article VIII, 8.02, Joint Exhibit #1, p. 5), and insurance (Article XI, 11.03, Joint Exhibit #1, p. 7) make similar distinctions. This recommendation thus gives consistency to the handling of the less than full-time employees.

Issue 5. Article XXI - Conferences and Workshops

The expired agreement contained the following provisions:

- "21.01 Secretaries will be granted released time with pay for attending the following:
 - a. Michigan Association of Educational Office Personnel meetings. One meeting each year. There shall be ten (10) representatives which shall include the President and immediate Past President of the LAES.
 - b. Michigan Library Association meetings. One meeting per year. No more than three (3) representatives eligible in any one year.
 - c. Educational Secretarial Summer Workshop, for which expenses will be paid for five (5) representatives by the Board.
- "21.02 A secretary to be eligible to attend any of the above conferences or workshops must have the approval of the immediate supervisor prior to submitting a written request to the officers of the LAES. Final approval rests with the Assistant in Personnel Services."

 Joint Exhibit #1, pp. 12-13.

The Association has proposed the following language for Article XXI:

- 21.01 Secretaries will be granted released time with pay for attending the following:
 - a. Michigan Association of Educational Office Personnel meetings.

 One meeting each year. There shall be ten (10) representatives

- a. (continued) which shall include the President and immediate Past President of the LAES.
- Michigan Library Association meetings. One meeting per year.
 No more than three (3) representatives eligible in any one year.
- c. Two educational secretarial workshops for which a maximum of \$750.00 will be paid for by the Board, five representatives of the LAES may attend each workshop.
- A secretary to be eligible to attend any of the above conferences or workshops must have the approval of the immediate supervisor prior to submitting a written request to the officers of the LAES. Final approval rests with the Assistant in Personnel Services.

Association Brief, p. 16.

The Employer has proposed a maximum payment of \$325 for two (2) workshops each of which may be attended by five (5) representatives of the Association.

There are two issues relating to conferences and workshops. One is the amount of financial support for the workshops and the second is whether workshops pertaining to collective bargaining should be financed in any degree by the Employer.

The Association stated that the parties are in agreement as to the number of participants who may attend each workshop. The Association further noted that under the expired agreement the Employer paid the registration, lodging, meals and mileage for attendees at the workshop. The Association also pointed out that previously there was one summer workshop for secretaries and currently there are two, one in the spring and the second in the fall and the registration fee is \$65.00 (Association Brief, p. 17).

The Association stated that the restriction on the subject matter of the workshop sought by the Employer is not needed since Paragraph 21.02 gives the Employer the right to approve the employees' requests to attend these workshops.

The Employer's position is that the Association has not presented data to support its proposal of \$750. The Employer stated it has doubled the number of employees who can attend the two workshops. This Hearings Officer

has trouble with this assertion. Under the old agreement ten (10) Association representatives could attend the one summer workshop, now five (5) representatives can attend each workshop for a total of ten (10). The Employer also noted the cost of replacements while the employees are attending the workshops.

Recommendation: The Hearings Officer recommends that the Employer pay the registration fees of the ten (10) employees who are to attend the spring and fall workshops in each year of the new agreement. The Association indicated that the registration fee for the workshop was approximately \$65.00 per person.

This Hearings Officer is surprised at the arguments used by the Employer to justify its arguments to support its position especially in view of the fact that the Employer is an educational institution (see Employer Brief, pp. 41-42). Such an Employer should encourage its employees' self-development.

The Hearings Officer agrees that the Employer should not be required to finance attendance at workshops on the subject of collective bargaining. He takes note that the agreement gives the Employer the right of approval (Paragraph 21.02) and therefore he does not recommend language specifically restricting attendance at the workshop because of subject matter.

The estimated cost is \$650 per year of the agreement.

Issue 6. Article XXXII - Duration of Agreement

The expired agreement was effective from May 5, 1978 through June 30, 1979 (Joint Exhibit #1, p. 22).

The Association seeks a two-year agreement whereas the Employer desires a three-year agreement.

The Association based its proposal for a two-year agreement on the current high inflation rate with its consequences on marginal incomes. Moreover a longer agreement will errode the objectives of the new wage grid introduced (see Association Brief, p. 30).

The Employer bases its arguments for a three-year agreement on the following:

- There is a history of the three-year agreements between the parties with the exception of the expired agreement.
- 2. Most of the other agreements which the Employer has with other bargaining units are for three years.
- 3. The Employer will be negotiating eleven separate agreements in 1981 which will tax available time and staffing.

Employer Brief, pp. 43-44.

Recommendation: The Hearings Officer recommends a two-year agreement because of the uncertainty occasioned by the rate of inflation, declining enrollments, state aid all of which affect the budget of the school district.

<u>Issue 7</u>. Wage Proposal

The wage issue contains two major subcomponents: (1) the appropriateness of the grids prepared by the parties with specific attention to procedures and rationale used; and (2) the appropriateness of the various increases proposed by the parties once a determination of grid appropriateness is made.

The Association proposed that the wage grid below should be substituted for the current wage grid (see Joint Exhibit #1, Appendices A & B, pp. 23-24).

ASSOCIATION PROPOSED WAGE SCALE

	Base	Step 1	Step 2	Step 3	Step 4
Grade 1	\$4.33/hr. \$9,000/yr.	\$4.44/hr. \$9,225/yr.	\$4.54/hr. \$9,450/yr.	\$4.77/hr. \$9,923/yr.	
Grade 2	\$4.54/hr.	\$4.66/hr.	\$4.77/hr.	\$5.01/hr.	\$5.26/hr.
	\$9,450/yr.	\$9,686/yr.	\$9,923/yr.	\$10,419/yr.	\$10,940/yr.
Grade 3	\$4.77/hr.	\$4.89/hr.	\$5.01/hr.	\$5.26/hr.	\$5.52/hr.
	\$9,923/yr.	\$10,171/yr.	\$10,419/yr.	\$10,940/yr.	\$11,487/yr.

	<u>Base</u>	Step 1	Step 2	Step 3	Step 4
Grade 4	\$5.01/hr.	\$5.26/hr.	\$5.52/hr.	\$5.80/hr.	\$6.09/hr.
	\$10,419/yr.	\$10,940/yr.	\$11,487/yr.	\$12,061/yr.	\$12,665/yr.
<u>Grade 5</u>	\$5.26/hr.	\$5.26/hr.	\$5.80/hr.	\$6.09/hr.	\$6.39/hr.
	\$10,940/yr.	\$11,487/yr.	\$12,061/yr.	\$12,665/yr.	\$13,298/yr.

Association Exhibit #1, Appendix A.

The Association stated that valid labor market comparisons were necessary for the development of the above grid. It attempted to fulfill this objective by comparing and analyzing the wage rates of secretarial users in the relevant labor market. The Association identified the following employers of secretaries for comparison purposes.

- 1. Ingham County
- 2. Michigan State University
- State of Michigan
- 4. City of Lansing
- Oldsmobile

The Association was unable to gather the wage rates from the City of Lansing and Oldsmobile at the time that it formulated its proposed wage grid. All but the Oldsmobile data became available at the time of the hearing. Since these data were not available, the Association decided that a reasonable alternative strategy necessitated the use of the lowest known wage structure which was Ingham County. As a result, the Association's grid was developed in an attempt to gain parity with the Ingham County agreement (see Association Brief, p. 30). This parity argument was based on the fact that the Lansing School District and Ingham County shared the same labor market for secretarial employees, had the same or similar current classification descriptions, and had approximately the same number of employees in secretarial classifications (Association Brief, p. 18).

The Association used the following general considerations in developing its proposed wage grid:

- Retain qualified employees
- 2. Attract competent employees

3. Provide incentives for employee development

4. Maintain consistency by paying similar jobs similar rates

- Graduate pay rates in accordance to difficulty and importance of the job
- 5. Provide reasonable adjustments when an employee changes jobs
- Insure a compensation plan that adjusts wages to changes in the labor market
- 8. Design a simple pay system so it could be easily understood

Association Brief, p. 21.

The Association used the following specific considerations in developing its proposed wage grid:

1. That comparisons had to based on comparable job descriptions

- For the year 1979-80 Associations contract year Ingham County total wages were to be used in parity calculations including cost of living clauses; minimum and maximum rates were to be as closely alligned as possible
- 3. That the wage spread from the start of the lowest grade to the maximum of the highest grade be in increased proportions so as to provide promotional incentive
- 4. That employees in Level 4 (115 of 234 employees) who had reached their maximum under the current agreement earn at least the 1 year rate paid in Ingham County
- 5. That a consistent and sufficient percentage be used between steps and grades.

Association Brief, pp. 21-22.

The next step of the Association's grid development project involved the development of a minimum-maximum grid with consistent and sufficient percentages between steps and grades. After evaluating the effect of a number of different alternatives, the Association decided to use the Ingham County, January 1, 1979 rates including the 19¢ per hour C.O.L.A. as its base or lower limit in its wage grid. The Association then used a 5% x 5% formula which it applied to this base to develop consistent and sufficient percentages between steps and grades (see Association Brief, pp. 22-24). It should be noted, however, that the Association determined that the most reasonable starting place would be Level 2 of the Ingham County, January 1, 1979 rates (including 19¢ C.O.L.A.) because of the number of employees at this level rather than Level 1.

The Association contended that the procedure for establishing the grid was reasonable because it used market place comparability data and its selection of procedures was in compliance with basic compensation theory principlies (Association Brief, p. 27).

In addition to the development of the wage grid, the Association also proposed certain salary increases. It proposed that all employees will have their current salary increased by 8% and shall then be placed in the appropriate grade and step in the new grid in the next highest step. The Association also proposed that effective July 1, 1980 the base rate and all other steps in the grid will be increased by 4%. Moreover, the Association proposed that effective July 1, 1980 a cost of living formula of $1 \not= .03$ will be established and paid for increases over the previous quarter and will be further adjusted and paid each quarter thereafter (see Association Exhibit #1, Appendix A). These various adjustments would result in an approximate 12% wage increase the first year of the agreement.

The Association provided a number of wage comparisons to bolster its wage proposal:

- 1. Ingham County
- 2. City of Lansing
- Michigan State University
- 4. State of Michigan

Association Exhibits 9, 10, 11, 12.

The Association stated comparisons were made between occupational groups which had similar job domains. With respect to the cost of living adjustment, the Association contended that this provision would help employees with marginal incomes fight off the inflationary spiral (see Association Brief, p. 30).

The Association disagreed with the Board's wage grid. It felt that the grid's major deficiency concerned the establishment of a base (\$3.68) that was not related to any internal or external criteria (see Association Brief, p. 27), e.g., lack of comparability in the relevant labor market.

The Employer proposed that the following wage grid should be substituted for the current wage grid (see Joint Exhibit #1, Appendices A & B, pp. 23-24).

LANSING ASSOCIATION OF EDUCATIONAL SECRETARIES

	Step 1	Step 2	Step 3	Step 4	Step 5
Level V	\$4.69	\$4.88	\$5.08	\$5.28	\$5.49
	(2)	(1)	(8)	(6)	(3)
Level IV	\$4.51	\$4.69	\$4.88	\$5.08	\$5.28
	(26)	(17)	(14)	(36)	(2)
Level III	\$4.34	\$4.51	\$4.69	\$4.88	\$5.07
	(6)	(7)	(7)	(8)	(4)
Level II	\$4.17	\$4.34	\$4.51	\$4.69	\$4.88
	(19)	(13)	(22)	(6)	(1)
Level I	\$3.86 (3)	\$4.01 (3)	\$4.17	\$4.34	\$4.51

(Board Exhibit #22)

The Board used four basic criteria in developing its proposed wage grid:

- The change in grids must result in each individual being within the appropriate job classification as set forth in the classification description manual
- 2. The individual employee must not suffer a wage loss
- Because wage increases are considerations separate and distinct from the transfer from an old grid to a new grid, the transfer should minimize the change in wages
- 4. The transfer between grids should minimize the distortion in the financial relationship of the employees.

Board Brief, p. 21.

Although the Board specified the criteria, it never fully explained the procedures it followed to establish its \$3.86 base. Why it chose this

base in lieu of others is difficult for this Hearings Officer to determine. Once the base was established, the Board then developed a $4\% \times 4\%$ grid increment for step and grade increments.

The Board also proposed increases of 4.5%, 4%, and 3.5% in successive years in addition to a proposed 2.7% grid adjustment (see Board Exhibit #22). Several justifications for the above wage proposal were provided by the Board. The Board stated that the School District's financial posture limited its ability to pay the Association's wage demands. This inability to pay was allegedly caused by the loss of state equalized evaluation of the property within the District; voters refusal to increase the millage; and decreased State aid due to State budget custs and declining enrollment (see Board Brief, p. 5). These contingencies would decrease the District's revenue generating potential at the same time its expenditures may be expected to rise.

The Board also justified its wage proposal on the basis of comparability. It stated that these increases gave Lansing School District Association employees a slight monetary advantage vis-a-vis employees in the contiguous school idstircts and in other class 2 school districts, e.g., Flint and Grand Rapids (see Board Brief, p. 24). The Board selected these two comparison groups because it felt that overall organization and function of employer were the major considerations in any comparability analysis (see Board Brief, p. 18).

The Board criticized the Association's wage grid proposal on a number of grounds. First, the Board felt that the selection of Ingham County as the cornerstone of the wage grid was inappropriate because of the dissimilar nature of its operation. Second, no evidence was provided by the Association substantiating the Grade I base figure of \$4.33. Third,

the Association improperly applied Ingham County's cost of living allowance when it was determining its grid entries. Fourth, the Association produced no evidence that a five percent grade to grade matrix was a commonly accepted practice in the compensation area. Fifth, the placement of individuals within the grid was also inappropriate because it disrupted the conversion from the original wage grid to the new wage grid (see Board Brief, pp. 20-21).

The Board felt that the Association's wage increase proposal was inappropriate because it did not sufficiently document its rationale for this increase. This criticism was partially based on the fact that the employers selected by the Association for comparability purposes were not comparable to the Lansing School District (see Board Brief, p. 9). The Board claimed that even if these employers were comparable, the job descriptions compared were not identical (see Board Brief, p. 10). Moreover, the Board considered the cost of living adjustment proposed by the Association to be inappropriate because the School District has no direct means of increasing its revenue. None of the other contract provisions presented at this hearing contained such a provision (see Board Brief, p. 26).

Before this Hearings Officer discusses his recommendation concerning the wage issue, it is necessary for him to discuss the generally accepted principles of building compensation structures. The prime concern of a wage structure is to establish equity within the organization by determining what is thought to be equity outside of the organization. Four different phases are typically engaged in by organizations attempting to achieve internal equity. First, there is the initial step of job analysis and job description. Second, there is the job evaluation phase where an attempt

is made to array the jobs within the organization according to importance. Third, there is the question of pricing the structure and constructing it in such a way that congruence is attained between the internal pay structure to the external labor market. Finally, different control and feedback mechanisms need to be established so that the pay structure can be flexible enough to respond to changes in the organization's environment. It is the opinion of the Hearings Officer that the first two phases have been accomplished, as evidenced by the Classification Description Manual (Joint Exhibit #2). The third and fourth phases, however, are far from being complete. As a result, the parties are at impasse with respect to the composition of the wage grid and other compensation decisions associated with the structure.

Again the Hearings Officer emphasizes the point that two types of equity need to be considered. Organizations are interested in external equity in the sense that organizations try to compete with other organizations with respect to the acquisition of human resources in the relevant labor market. Organizations are also interested in internal equity in the sense that a pay structure should be built in a way that employees perceive as fair and composed of jobs that are properly placed in the structure.

Since the classification study took care of most of the parties internal equity issues, the concept of external equity needs to be reviewed. The data provided by an external equity analysis should have been used by the parties to develop the grid. When an organization focuses on external equity it is interested in determining the comparability of its wages. In trying to define external equity, the organization attempts to measure the worth of a job in the labor market. Typically, clerical employees, tend to belong to local community labor markets (my emphasis). The goal,

therefore, is to obtain a fix on the labor market and determine comparable wages for specific positions. It should be emphasized, however, that surveys of the labor market conducted in an attempt to fix the pay structure may not result in a single rate of pay or a single position title. Both of these may vary and it is the responsibility of the organization to develop close approximations for comparison purposes.

Once the labor market data are collected and analyzed, the actual building of a compensation structure takes place. In building a compensation structure, the structure is priced by making use of market rates as revealed by pay surveys. This involves a marrige of the survey information with the job evaluation data collected by the organization. It should be noted that compensation experts have suggested that differences between midpoints for pay grades for hourly rated jobs is commonly 5-7% (Patten, 1977, p. 275).

Based on the above description, both parties erred in the pricing of their wage structure. Specifically, these errors involved the determination of the external equity component of the system. Both parties had problems surveying the appropriate labor market to determine the wage base. This Hearings Officer does <u>not</u> agree with the Board's view that if any factor is to be preserved for comparability, it must be the overall organization and function of the employer (see Board Brief, p. 18). When gathering labor market information in an attempt to price one's compensation structure, one needs to focus on the other large employers in the labor market. This comparison may include like organizations but it should not be limited to this narrow definition. The breadth of the investigation often is determined by the commodity or job which we are pricing. If we are talking about teacher's wages, our focus might be narrowed to like employees (i.e., contiguous school

districts or all school districts). However, if we are talking about clerks or secretaries, the potential users of this commodity are much greater in scope and therefore our pricing strategies must be broader. When organizations compete for secretarial personnel, the diversity and number of competing employers is quite large. If only like employers are surveyed, the data will be biased by restricting the range of information provided.

The Board not only violated general compensation principles by restricting its comparisons to like employers, it also failed to provide adequate rationale for the selection of its base wage. The \$3.86 base wage seemed to be developed on the basis of some internal considerations rather than market information. In addition, the Board's criticism concerning the lack of compatability between the Association's job descriptions and those associated with other institutions (i.e., City of Lansing and Michigan State University) also seems inappropriate. It should be noted that rate of pay, position title, and job description might vary when compared to an organization's pay structure. Slight deviations should not result in the conclusion being rendered that the two systems lack comparability or compatability.

The Association's <u>initial</u> attempt to develop a wage grid only partially complied with the pricing procedures described above. The Association's <u>initial</u> comparability study was much broader than the Association's study but it failed to include like employers (i.e., contiguous school districts) in its sample. This problem was aggravated even further when the Association decided that a reasonable alternative strategy necessitated the use of the lowest known wage structure, Ingham County. Even though the Association's initial study had a

broader labor market scope than the Board's study, its use of Ingham County's data narrowed its scope as well.

This entire situation seems ironic. As noted above, both parties omitted relevant portions of the labor market in making their comparisons. Each party, however, used the portion omitted by their counterpart as a major determinant of its grid structure. An ideal pricing scheme should have included market data from like employers and other users of clerical help in the relevant labor market.

Recommendation:

It is indeed unfortunate that the parties are still encountering a great deal of difficulty in the development of this wage grid. This is especially the case in view of the emphasis placed on the classification system during the last fact finding, which this Fact Finder was involved (see Joint Exhibit #3).

The classification system was conducted and analyzed in an appropriate fashion and the parties have no reservations with respect to this document. This Fact Finder, however, does not feel that either pricing strategy can be superimposed upon the job classification plan because each strategy has various deficiencies. A wage grid needs to be developed which incorporates all the relevant labor market information. Neither party has complied with the requirements associated with this criteria. As a result, this Fact Finder cannot recommend the acceptance of either wage grid. He strongly recommends that a wage grid committee be established with both Association and Board membership to develop a grid that complies with accepted and recognized compensation procedures, some of which have been specified in this fact finding report. If this process continues to drag out, the parties should engage some professional assistance if necessary.

Although this Fact Finder feels that neither grid can be accepted in toto, the parties did provide the Fact Finder with sufficient evidence to develop a wage recommendation. From the exhibits and evidence presented, this Fact Finder recommends that a 10% wage increase be granted on the existing salary schedule in Joint Exhibit #1, p. 24 for the first year of the agreement. This recommendation was constructed with specific attention paid to the comparability of the present wages and those of like employers and other clerical users in the relevant labor market. Determination of subsequent increases for the second year will be held in abeyance until the wage grid committee develops a wage grid that meets the test of accepted criteria.

With respect to the cost of living adjustment proposal, this Fact
Finder <u>does not</u> recommend the inclusion of this provision in the agreement.
None of the evidence suggested that comparable employ rs provide for cost of living adjustments.

The Hearings Officer refrains from making a dollar recommendation for the second year of the agreement at this time. He urges the parties to complete the wage grid and submit it to him prior to May 1, 1980. At that time, he will then make a recommendation for the second year of the Agreement.

Issue 8. Retroactivity

The Association seeks retroactivity to July 1, 1979 because the 1978-79 agreement expired on June 30, 1979. The Employer has proposed that the agreement become effective the date the parties sign it.

Recommendation: The Hearings Officer recommends that wages be made retroactive to July 1, 1979 and that insurance, vacations, hours of work and longevity be effective the date the agreement is signed. He makes this recommendation because the Association followed the procedure prescribed by state law, i.e., when there is an impasse the parties are

to resort to mediation and if mediation fails, the parties can evoke fact finding. The Association obeyed the law, and should not be penalized. Secondly, it is fair and equitable for the wage increase to be made retroactive to the expiration date provided in the Agreement. Thirdly, the negotiations between the Association and the Employer were delayed by events over which the Association had no control, namely a long strike by the teachers in the School District. In addition, scheduling difficulties also added to the protraction of the hearings.

SUMMARY

The recommendations made in this Report, in the view of the Hearings Officer, are fair and equitable for both parties. They were developed after careful attention was given to the testimony, exhibits, and the two post-hearing briefs filed by the parties. It is indeed unfortunate that the wage grid issue could not be completely resolved. The data provided the Hearings Officer prevented a complete restructuring of the wage grid. Because of the importance of the wage grid to both the current impasse and to future negotiations, he could not accept either wage grid proposed by the parties. It is for this reason that he recommended a wage adjustment for the first year, and the establishment of a Joint Committee to develop a grid to report to him by May 1, 1980. At that time, the parties will present to him their positions on the wage increase for the second year. He is hopeful that the parties will resolve their own differences but he will retain jurisdiction of this case until negotiations have been completed and a new agreement signed. He respectfully urges the parties to keep him apprised of the progress so that he can, in turn, report to the Michigan Employment Relations Commission.

He strongly urges the parties to accept the recommendations included in this Report so that these protracted negotiations can be concluded with a signed agreement.

March 1, 1980

Daniel H. Kruger Hearings Officer