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STATE OF MICHIGAN
EMPLOYMENT RELATIONS COMMISSION
DEPARTMENT OF LABOR

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RECEIVED

IN RE: FACT FINDING
LITCHFIELD COMMUNITY SCHOOLS

-and-

LITCHFIELD EDUCATION ASSOCIATION

LABOR AND INDUSTRIAL

RELATIONS LIBRARY

Case No.
L-75 E-409

Michigan State University

Don Elkin

FACT FINDERS REPORT AND RECOMMENDATIONS

Appearances:

For the Litchfield Board of Education

C. George Johnson
Gary J. Collins
Clyde L. Wonders
Gordon Van Kampen
Robert R. Swartz

Michigan Assoc. of School Boards
Michigan Assoc. of School Boards
Litchfield Board of Education
Litchfield Board of Education
Superintendent

For the Litchfield Education Association

Jean Cusick
Kirk L. Curtis
James Avery
Mildred Clark
Thomas C. Mohr
Paul Birdsall

Executive Director, Hillsdale MEA
Michigan Education Association
President, Litchfield Education Assoc.
Negotiator, LEA
Negotiator, LEA
Negotiator, LEA

Litchfield Community Schools, located in Hillsdale County in south-central Michigan, enrolls approximately 840 pupils and employs about 44 teachers.

Having reached an impasse in negotiations for the 1975-76 agreement and following unsuccessful mediation, the Association petitioned the

Michigan Employment Relations Commission for fact finding on October 7, 1975, pursuant to Section 25 of Act 176 of the Public Acts of 1939, as amended.

Accordingly, the Commission appointed the undersigned as fact finder and a hearing was held on December 9, 1975.

THE ISSUES

The Board and the Association have failed to reach agreement on the basic salary schedule, including retention of a Masters plus 15-hour lane, and on the duration of the contract.

For 1975-76, for the B.A. degree, the Board offers an 11-step schedule with a starting salary of \$9,213 to a maximum of \$13,710. The Association seeks a range of from \$9,135 to \$15,585 in 11 steps.

For holders of the Masters degree the Board offers a starting salary of \$9,887 to a maximum of \$14,381. The Association seeks a range of from \$9,807 to \$17,467.

The Association wishes to continue a Masters plus 15-hour lane as in previous agreements, even though no teacher is currently eligible. It proposes a minimum of \$10,070 to a maximum of \$17,810. The Board wishes to eliminate it from the new agreement.

Comparisons between last years salary, the Board's offer and the Association's proposal for each step of the salary scale, are set forth in Table I.

For the second year of the agreement, the Board offers to add \$200 to each of the 11 steps in its offer for 1975-76 and to pay the 5 percent retirement contribution. The Association makes no proposal for 1976-77, urging instead a one year agreement. Table II shows the Board offer for each step of the salary schedule for 1976-77.

TABLE I
COMPARISON OF 1975-76 BOARD OFFER AND ASSOCIATION PROPOSAL
WITH 1974-75 SALARY SCHEDULE

Step	B.A. 1974-75	B.A. 1975-76 Board Offer	B.A. 1975-76 Assoc. Proposal	M.A. 1974-75	M.A. 1975-76 Board Offer	M.A. 1975-76 Assoc. Proposal	M.A.+15 1974-75	M.A.+15 1975-76 Assoc. Proposal
1	8,610	9,213	9,135	9,240	9,887	9,807	9,490	10,070
2	9,030	9,662	9,780	9,660	10,336	10,573	9,910	10,884
3	9,450	10,112	10,425	10,080	10,786	11,339	10,330	11,618
4	9,870	10,561	11,070	10,500	11,235	12,105	10,750	12,392
5	10,290	11,010	11,715	10,920	11,684	12,871	11,170	13,166
6	10,710	11,460	12,360	11,340	12,134	13,637	11,590	13,940
7	11,130	11,909	13,005	11,760	12,583	14,403	12,010	14,714
8	11,550	12,359	13,650	12,180	13,033	15,169	12,430	15,488
9	11,970	12,808	14,295	12,600	13,482	15,935	12,850	16,262
10	12,390	13,257	14,940	13,020	13,931	16,701	13,270	17,036
11	12,810	13,710	15,585	13,440	14,381	17,467	13,690	17,810
*	13,110			*13,740				
**	13,410			**14,040				
***	13,710			***14,340				

* For those who were at Step 11 in 1973-74
 ** For those who were at Step 12 in 1973-74
 *** For those who were at Step 13 in 1973-74

Note: In 1973-74 the salary schedule contained 13 steps. Both parties wished to reduce the number of steps to 11. They accepted a fact finder's recommendation to reduce the regular steps to 11 and to add three "super steps" with increments of \$300 instead of the \$420 increments separating the regular steps.

TABLE II
BOARD OFFER FOR 1976-77

Step	B.A.	B.A. Adjusted for Board Paid Retirement	M.A.	M.A. Adjusted for Board Paid Retirement
1	9,413	9,883	10,087	10,591
2	9,862	10,355	10,536	11,062
3	10,312	10,827	10,986	11,535
4	10,761	11,299	11,435	12,006
5	11,210	11,770	11,884	12,478
6	11,660	12,243	12,334	12,950
7	12,109	12,714	12,783	13,422
8	12,559	13,186	13,233	13,894
9	13,008	13,658	13,682	14,366
10	13,457	14,129	14,131	14,837
11	13,910	14,605	14,581	15,310

For 1975-76 the cost of the Board's offer for basic salaries, not including longevity benefits, is \$502,964; the comparable cost of the Association's proposal is \$556,719. Thus the parties are separated by \$53,755 on this issue.

RECOMMENDATIONS AND DISCUSSION

As the 1975-76 school year is half over at this writing, the fact finder recommends that a two-year agreement be concluded. The signing of a one-year contract would be followed almost immediately by another round of negotiations.

The fact finder also recommends continuation of the M.A. plus 15 hours lane, as an incentive for professional improvement.

After careful review of all the exhibits submitted by the parties relating to salary comparisons with nearby districts, the Board's financial condition, the cost of living, and similar data, the fact finder recommends the salary schedules as set forth in Tables III and IV.

TABLE III
RECOMMENDED SALARY SCHEDULE FOR 1975-76

Step	B.A.	M.A.	M.A.+15
1	9,213	9,887	10,137
2	9,662	10,336	10,586
3	10,112	10,786	11,036
4	10,561	11,235	11,485
5	11,010	11,684	11,934
6	11,460	12,134	12,384
7	11,909	12,583	12,833
8	12,359	13,033	13,283
9	12,808	13,482	13,732
10	13,257	13,931	14,181
11	13,707	14,381	14,631
12	14,157	14,831	15,081

TABLE IV
RECOMMENDED SALARY SCHEDULE FOR 1976-77
(BOARD PAID RETIREMENT ADDED TO BASIC SCHEDULE)

Step	B.A.		M.A.		M.A.+15	
	Basic Salary	Adjusted for Board Paid Retirement	Basic Salary	Adjusted for Board Paid Retirement	Basic Salary	Adjusted for Board Paid Retirement
1	9,413	9,883	10,087	10,591	10,337	10,854
2	9,908	10,403	10,581	11,110	10,831	11,373
3	10,402	10,922	11,076	11,630	11,326	11,892
4	10,897	11,442	11,570	12,148	11,820	12,411
5	11,391	11,961	12,065	12,668	12,315	12,931
6	11,886	12,480	12,559	13,187	12,809	13,449
7	12,379	12,998	13,054	13,707	13,304	13,969
8	12,874	13,518	13,548	14,225	13,798	14,488
9	13,368	14,036	14,043	14,745	14,293	15,008
10	13,863	14,556	14,537	15,264	14,787	15,526
11	14,357	15,075	15,031	15,783	15,281	16,045

For 1975-76, the cost of the recommended salary schedule is \$507,005. This compares with a cost of \$502,965 for the Board's final offer, and \$556,719 for the Association's proposal.

For 1976-77, assuming the same teacher placement as in the preceding year, the cost of the recommended salary schedule would be \$548,001. This compares with the Board's final offer which would cost \$536,995.

In recommending a salary schedule considerably less than the Association's proposal for 1975-76, the fact finder is mindful of the Board's fiscal condition. The general operating fund budget adopted in October, 1975, on the basis of the Board's final offer shows that the fiscal year began with a net balance of \$52,773 and is projected to end with a deficit of \$6,160. An important factor in the financial picture is the unanticipated 1.7 percent reduction in State aid for the current year.

The recommended schedule for 1975-76 is essentially the same as the Board's offer except that it includes a twelfth step, thereby raising the maximum from \$13,710 to \$14,157. For the second year of the agreement, the recommended schedule is compressed into 11 steps. As in the Board's offer, \$200 is added to each step, plus the five percent Board paid retirement contribution.

It is the fact finder's opinion that the maximum for 1975-76 must be raised in order to provide an increase for teachers who were at the top of the schedule last year. The Board's offer, with the same maximum as last year, on the B.A. schedule, would provide no increase at all.

Both parties prefer an 11-step schedule. There was a 13-step schedule in 1973-74 and the parties proposed a reduction to 11 for the following year. Instead, for 1974-75 they ultimately accepted a fact finder's recommendation which, in effect, added a fourteenth step. For the current

year both the Board and the Association again propose an 11-step schedule and the fact finder believes this point of agreement should be acted upon. The addition of the twelfth step for 1975-76 serves as a transition from the 14-step 1974-75 schedule to the recommended 11-step 1976-77 schedule.

Table V shows Litchfield's rank compared to 17 nearby school districts. It indicates that the Board's offer at the maximum levels would have an unfavorable effect on Litchfield's relative position, while the fact finder's recommended maximums would cause Litchfield's rank to improve slightly on the B.A. schedule and drop somewhat on the M.A. schedule, compared to last year.

TABLE V

RANK OF LITCHFIELD SALARY SCHEDULE
RELATIVE TO AREA SCHOOL DISTRICTS*

	1971-72	1972-73	1973-74	1974-75	Assoc. Propos. 1975-76	Board Offer 1975-76	Fact Finder's Recommend- ation
B.A. Min.	6	11	9	7	4	5	5
B.A. Max.	10	9	11	9	3	11	8
M.A. Min.	6	11	11	9	6	9	9
M.A. Max.	10	12	15	12	2	14	13

*Districts used for comparison are Hanover-Horton, Coldwater, Albion, Western, Marshall, Tekonsha, Concord, Hillsdale, Quincy, Homer, Pittsford, Union City, Mar Lee, Camden-Frontier, Jonesville, North Adams, and Reading.

For 1975-76, the total expenditure for basic salaries under the recommended schedule would be \$507,005, compared to \$477,843 for the same teacher placement under the 1974-75 schedule, an increase of 6.10 percent. For teachers on the first 11 steps last year, the increase, excluding

TABLE VI

B.A. SALARY SCHEDULE FOR 1975-76

Comparison of 1974-75 Schedule with Fact Finder's Recommendation for 1975-76, showing amount and percent of increase, including increments.

Step	1974-75	1975-76 Fact Finder's Recommendation	Amount of Increase (Including increment)	Percent of Increase
1	8,610	9,213		
2	9,030	9,662	1,052	12.22
3	9,450	10,112	1,082	11.98
4	9,870	10,561	1,111	11.76
5	10,290	11,010	1,140	11.55
6	10,710	11,460	1,170	11.37
7	11,130	11,909	1,199	11.20
8	11,550	12,359	1,229	11.04
9	11,970	12,808	1,258	10.89
10	12,390	13,257	1,287	10.75
11	12,810	13,707	1,317	10.63
Super 1 (12)	13,110	14,157	1,347	10.52
Super 2 (13)	13,410		1,047	7.99
Super 3 (14)	13,710		747	5.57
			447	3.26

TABLE VII

M.A. SALARY SCHEDULE FOR 1975-76

Comparison of 1974-75 Schedule with Fact Finder's Recommendation for 1975-76, showing amount and percent of increase, including increments.

Step	1974-75	1975-76 Fact Finder's Recommendation	Amount of Increase (Including increment)	Percent of Increase
1	9,240	9,887		
2	9,660	10,336	1,096	11.86
3	10,080	10,786	1,126	11.66
4	10,500	11,235	1,155	11.46
5	10,920	11,684	1,184	11.28
6	11,340	12,134	1,214	11.12
7	11,760	12,583	1,243	10.96
8	12,180	13,033	1,273	10.82
9	12,600	13,482	1,302	10.69
10	13,020	13,931	1,331	10.56
11	13,440	14,381	1,361	10.45
Super 1 (12)	13,740	14,831	1,391	10.35
Super 2 (13)	14,040		1,091	7.94
Super 3 (14)	14,340		791	5.63
			491	3.42

TABLE VIII

B.A. SALARY SCHEDULE FOR 1976-77

Comparison of 1975-76 with 1976-77 Salary Schedule, as recommended by Fact Finder, showing amount and percent of increases, including increments.

Step	1975-76 Fact Finder's Recommendation	1976-77 Fact Finder's Recommendation	1976-77 Adjusted for Board Paid Retirement	1976-77 Salary Increase	Percent of Increase
1	9,213	9,413	9,883		
2	9,662	9,908	10,403	1,190	12.92
3	10,112	10,402	10,922	1,260	13.04
4	10,561	10,897	11,442	1,330	13.15
5	11,010	11,391	11,961	1,400	13.26
6	11,460	11,886	12,480	1,470	13.35
7	11,909	12,379	12,998	1,538	13.42
8	12,359	12,874	13,518	1,609	13.51
9	12,808	13,368	14,036	1,677	13.57
10	13,257	13,863	14,556	1,748	13.65
11	13,707	14,357	15,075	1,818	13.71
12	14,157			1,368	9.98
				918	6.48

TABLE IX

M.A. SALARY SCHEDULE FOR 1976-77

Comparison of 1975-76 with 1976-77 Salary Schedule, as recommended by Fact Finder, showing amount and percent of increases, including increment.

Step	1975-76 Fact Finder's Recommendation	1976-77 Fact Finder's Recommendation	1976-77 Adjusted for Board Paid Retirement	1976-77 Salary Increase	Percent of Increase
1	9,887	10,087	10,591		
2	10,336	10,581	11,110	1,223	12.37
3	10,786	11,076	11,630	1,294	12.52
4	11,235	11,570	12,148	1,362	12.63
5	11,684	12,065	12,668	1,433	12.75
6	12,134	12,559	13,187	1,503	12.86
7	12,583	13,054	13,707	1,573	12.96
8	13,033	13,548	14,225	1,642	13.05
9	13,482	14,043	14,745	1,712	13.14
10	13,931	14,537	15,264	1,782	13.22
11	14,381	15,031	15,783	1,852	13.29
12	14,831			1,402	9.75
				952	6.42

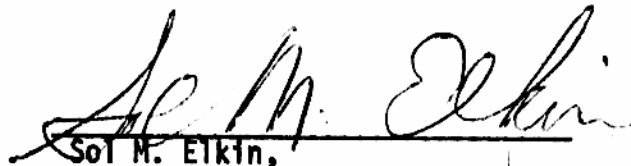
increments, is 7 percent. For those on the "super steps" it is progressively lower.

Including increments, the amount and percent of increase for each step of the recommended salary schedule is shown in Tables VI and VII.

For the second year of the agreement, 1976-77, the total expenditure for basic salaries under the recommended schedule would be \$548,001, compared to \$507,005 for 1975-76 for the same teacher placement, an increase of 8.08 percent. However, the increase is not uniform at each step. It should also be noted that as teachers will not pay income tax on the Board retirement contribution, there will be an additional small increase in take home pay.

Including increments, the amount and percent of increases are shown in Tables VIII and IX.

The Board and the Association differ in their use and interpretation of cost of living statistics. The Board calculates the increase from August, 1974 to August, 1975 at 6.89 percent. The Association calculates the increase for fiscal 1974-75 to be 9.91 percent. Considering all the circumstances, the fact finder believes the recommended salary schedule is an equitable resolution of the dispute.


Sol M. Elkin,
Fact Finder

Albion, Michigan
December 31, 1975