

1444

FF 10/22/90

STATE OF MICHIGAN
DEPARTMENT OF LABOR
EMPLOYMENT RELATIONS COMMISSION

MASON COUNTY EASTERN SCHOOL DISTRICT

-and-

Case No. C89 B-1024

MASON COUNTY EASTERN EDUCATION ASSOCIATION

FACT FINDER'S REPORT

LABOR AND INDUSTRIAL
RELATIONS COLLECTION
Michigan State University

STATE OF MICHIGAN
EMPLOYMENT RELATIONS
COMMISSION
DETROIT OFFICE
OCT 24 AM 9 15

Mason County Eastern School District

APPEARANCES

For the Employer:

James R. Spalding, Labor Relations Consultant

For the Association:

Bradley A. Richards, UniServ Director
MEA/Mason County Eastern Education Association

MARK J. GLAZER

MARK J. GLAZER, ARBITRATOR • 3705 W. MAPLE ROAD • BIRMINGHAM, MICHIGAN 48010 • (313) 642-2013 • FAX (313) 644-6637

BACKGROUND

On April 6, 1990 Fact Finding was requested, because, "publicizing the facts and recommendations may create an atmosphere more conducive to settlement".¹ The association represents thirty-three members. The contract expired on August 31, 1989. At issue are a seven period work day, health insurance, and wages. Either a two or a three year contract is sought.

A fact finding hearing was held on August 28, 1990 in Mason County. Arguments and extensive exhibits and testimony were presented. Further, post-hearing briefs and exhibits were submitted by the parties.

Findings of Fact and Conclusions

On January 24, 1990 a Tentative Agreement was reached. Included were base salary increases for 1989-1990 to \$18,025.00 and for 1990-1991 to \$19,025.00. Health insurance was listed as the MESSA PAK 4, with the employer paying the full premium. This was rejected by the association on February 1, 1990.

Thereafter, on August 16, 1990, the school district proposed the following language on Article VI - Teaching Conditions. It wrote:

- D. Normal teaching load in the Junior High/High School consists of not more than six (6) classes with four (4) preparations as assigned by the administration and will include a preparation. Five (5) preps will be by written consent of the teacher involved. Study Hall is not considered to be a preparation or a preparation period. (Based on the practice by the parties during 1989-1990 school year)

The school district also proposed base wages at \$18,025.00 for 1989-1990 and \$19,025.00 for 1990-1991. This was not accepted.

¹ See Fact Finding Petition

Subsequent to the hearing, the association proposed on September 28, 1990 the same language as the employer had previously offered in August on teaching conditions. Regarding health care coverage, the association offered a switch to Super Care I in the second and third years of the contract with MESSA PAK 4 continuing for the first year. The board would pay the full premium deductibles under this proposal.

Concerning wages, the association sought an increase to \$18,025.00 for the first year of the contract, \$19,150.00 for the second year and 6% or \$20,300.00 for a base in the third year.

The proposals at the hearing were somewhat different. Regarding Article IV on the seven period day, the employer sought flexibility to arrange the teaching day as either a six or seven period day. Currently, the parties are operating on a seven period day based upon earlier negotiations.

On health care, the association sought a plan comprised of three MESSA PAK plans. The employer sought a cap on the MESSA insurance coverage.

Relative to wages, the association at the hearing proposed a two year package of 7.6% and 7.3% with retroactivity. The board proposed 6.75% and 5.6% without retroactivity. It also proposed 5.65% for a potential third year of the contract.

Conclusions

Notwithstanding their stated positions for purposes of fact-finding, and the difficulties that the parties have experienced in collective bargaining, the association and the employer are extremely close to a settlement. In the fact finding petition, I was asked to create an atmosphere conducive to settlement by publicizing the facts.

The facts are that the employer and the association are so close, that a settlement should be reached in accordance with the bargaining to date. A theoretical analysis of the evidence by the fact finder is inappropriate: this has already occurred by the parties during collective bargaining. A conclusion and recommendation, however well reasoned, will be irrelevant to these parties if it fails to consider their intentions as reflected in bargaining to date. The public has an interest in the parties achieving a settlement, and to that end, the fact finder has reached the following conclusions and recommendations.

Teaching Conditions **Article VI**

The 1990-1991 school year began based upon an agreed upon seven period day. The board's pre-fact finding proposal continued that practice of a seven period day.

It hasn't been demonstrated why a change in the bargained for position should occur at this time. Absent a compelling reason to change the current practice, the current practice should continue. Any other approach would result in a roadblock to a settlement, without a commensurate gain for the employer.

Health Care

The 1989-1990 school year has ended. The 1990-1991 school year will be half over by the time of this report. Obviously, health care language will be predominately prospective in effect, and there is no need to change the current contract language for the 1989-1990 school year, which is already ended.

The association offers the Super Care I plan for the second, and for potentially the third year of the contract. This is a cheap-

er plan than the current health coverage and obviously should be adopted. The plan as proposed by the association will result in considerable savings now, and in the future, for the school district.

A key issue concerns the payment of the \$100.00 deductible for a family, and the \$50.00 deductible for an individual, under the Super Care I plan. In its January 1990 proposal, the board offered to pay the deductible. That offer, however, was based upon a \$19,100.00 salary proposal. The association now asks for a \$19,150.00 salary, a \$50.00 increase over the board's previous proposal. As a result, the employer asks the association members to pay the deductible.

The salary increase and the deductible are linked. At first, it would appear that an additional \$50.00 in salary is at best equal to, or at worst, \$50.00 behind an employee's deductible payment. However, the deductibles on Super Care I will not become due in the 1990-1991 school year until that year is at least one-half completed, if at all. During the interim, the employees will have the benefit of the superior coverage under their prior plan, while they potentially receive the higher, \$19,150.00 base salary.

More importantly, at the higher salary levels where most of the employees are present, the deductibles will have less of an impact: the higher salary rate under the association's proposal becomes more significant than a flat fee of \$50.00 or \$100.00 dollars. Also, a flat fee is less relevant than a salary increase, that becomes folded into the salary schedule.

The deductible issue is potentially a deal breaker, but it should not be. At issue is at most \$3,300.00 for the entire unit, and more likely, a figure less than that. To achieve a settlement, the par-

ties should split the deductible, with the employer paying one-half and the employee paying one-half.

Regarding option payments under MESSA PAK 4 Plan B, payments should remain at \$50.00 as under the current contract. This is consistent with the goal of increasing wages, while holding down health care costs.

Wages

The board and the association agreed during bargaining upon a 6.75% increase or \$18,025.00 for the 1989-1990 school year. This figure should be instituted with retroactivity; without retroactivity, the increase will be lost to the association. Accordingly, a \$18,025.00 base salary is appropriate for the 1989-1990 school year based upon the results of collective bargaining.

The 1990-1991 school year is the point where the Super Care I program begins, and savings are created for the school district under that plan. As a trade-off for the Super Care I plan, the association's proposal in 1990-1991 should be adopted and the base wages should be increased 6.25% to \$19,150.00.

The board offers 5.65% for the 1991-1992, third year. The association offers 6%.

Based upon an overall review of the evidence, there is nothing compelling that requires the adoption of either offer. To achieve a settlement, particularly because they are so close, a 5.83% increase is appropriate. This figure represents a de minimis difference between the two offers. The parties should note that a six percent increase on the prior year's base results in a \$20,300.00 salary. A 5.83% increase results in a \$20,266.00 increase. This is not enough

to prevent a contract settlement.

Retroactivity

To achieve the full value of the wage figures, there must be retroactivity to the appropriate year.

Length of Contract

A three year contract is a necessity, to avoid the need to re-open negotiations so soon after this contract, and more importantly, to give effect to the linkage between the salary increases and the switch to the lower cost Super Care I program.

SUMMARY

The public has a distinct interest in a contract settlement between the association and the school district. This report utilizes the framework established by the parties. Within this framework, a settlement should be readily obtainable. Recriminations and posturing are inappropriate at this late stage. The parties are close to a settlement, and the public deserves no less than one. Most importantly, this contract represents a win-win situation: the employer receives cost containment through Super Care I; the association receives higher wages and a continuation of its seven period day.

RECOMMENDATIONS

1. Article VI - Teaching Conditions. Article VI on teaching conditions should read:

- D. Normal teaching load in the Junior High/High School consists of not more than six (6) classes with four (4) preparations as assigned by the administration and will include a preparation. Five (5) preps will be by written consent of the teacher involved. Study Hall is not considered to be a preparation or a preparation period. (Based on the practice by the

parties during 1989-1990 school year)

2. Health Care. Current contract for 1989-1990. For 1990-1991 and 1991-1992 the Super Care I program should be adopted. The deductibles for the Super Care I program should be split by the employer and the affected employees.

Option payments under MESSA's PAK 4 Plan B should remain at \$50.00.

3. Wages. The salary increases should be as follows:

a. 1989-1990 6.75% increase on the base.

b. 1990-1991 6.25% increase on the base.

c. 1991-1992 5.83% increase on the base.

4. Retroactivity. Wages shall be retroactive to their appropriate year.

5. Length of Contract. The contract shall be for three years.



Mark J. Glazer, Fact Finder

Dated: October 22, 1990