

STATE OF MICHIGAN
DEPARTMENT OF LABOR
EMPLOYMENT RELATIONS COMMISSION

IN THE MATTER OF FACT FINDING BETWEEN:

MONROE BOARD OF EDUCATION

CASE NO. D75-J-2068

-and-

MONROE EDUCATIONAL OFFICE EMPLOYEES ASSOCIATION

LABOR AND INDUSTRIAL
RELATIONS LIBRARY
Michigan State University

INTRODUCTION

Pursuant to Section 25 of Act 176 of Public Acts of 1939, as amended, and the Commission's regulations, a Fact Finding hearing was held regarding matters in dispute between the above parties. Pursuant to adequate notice, the hearing was commenced at 10:00 in the forenoon at the Public Schools Administration Building, 1275 N. Macomb Street, Monroe, Michigan, on February 4, 1976. The undersigned, Mario Chiesa, is the Fact Finder herein.

The Monroe Board of Education shall hereinafter be referred to as the Board and the Monroe Educational Office Employees Association shall hereinafter be referred to as the Union.

APPEARANCES

Monroe Board of Education

Vernon A. Stehman, Jr.

Clayton J. Charron

Norm Bouche

Mario Chiesa

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Monroe Educational Office Employees Association

Pat Duby

Barbara Turner

Deborah Dorazio

Donald A. Sellers, Sr.

Nancy M. Feick

HISTORY

The unit consists of approximately 53 employees and is defined in the prior agreement as follows:

" . . . for all educational secretaries and all office personnel (except those exempt from the Association, as listed: secretaries to the superintendent, secretary to the associate superintendent, secretary to the director of personnel and employee relations and the head payroll clerk; or those mutually agreed upon) engaged in secretarial and clerical work."

On May 8, 1975, the Association sent its first proposal to the Board. Negotiations proceeded with mediation being employed on two occasions. Impasse was reached in certain areas and the Association filed an application for Fact Finding on December 4, 1975.

ISSUES

The paramount area of dispute involves the salary increase for both the first and second year of the proposed two-year agreement. At the hearing the Association's spokesperson indicated that the Association was under the impression that a contract was agreed to some time ago. The Association maintains that in the first year of the agreement its members were to receive a 25 cent raise across the board, plus the increment increase. Further, the Association stated that in the second

year its members were to receive an increase of seven percent, to-wit: two percent plus increments and five percent paid retirement.

However, the Board has stated that its offer is and always has been a 25 cent increase including increments for the first year of the agreement and seven percent for the second year, to-wit: five percent paid retirement plus two percent salary increase including increments.

The Association maintained that potential issues; namely, agency shop, snow days, term insurance and separate longevity check were settled, contingent upon its understanding of the wage package being adopted.

The Board maintained that it never had an agreement in the areas mentioned by the Association.

Thus, the Fact Finder was presented with a very turbulent situation. A great amount of consideration was given to remanding this matter for further negotiation and mediation; however, in the final analysis it was concluded that it would be best to issue an opinion based on the evidence introduced at the hearing.

THE EVIDENCE

Aside from the demands presented by the parties, the following documents were introduced:

- A. Association Exhibit 1 - An interpretation involving the Board's salary offer; the Association's 12/18/75 offer; and the 1974-1975 salary schedule.
- B. Association Exhibit 2 - A clause regarding increments and the policy concerning same, apparently signed by both bargaining teams on 7/14/75.

- C. Association Exhibit 3 - The prior agreement between the parties for the period of 7/1/73 to 6/30/75.
- D. Association Exhibit 4 - The last salary proposal made by the Association (table position).
- E. Association Exhibit 5 - Proposal for second year salary provision.
- F. Association Exhibit 6 - Comparison of pay scales of nearby school districts.
- G. Association Exhibit 7 - Total cost of secretarial and clerical salaries for 1975-1976 with annual step increase plus 25 cents across the board, present classifications and with re-classifications.
- H. Association Exhibit 9 - (Note: Number 8 was inadvertently skipped, however, all exhibits appear herein.) Comparative analysis of allocations from the General Funds for Salaries 1971-1976.
- I. Board Exhibit 1 - Same as Association Exhibit 3.
- J. Board Exhibit 2 - Re-write of contract given to Association and rejected by it.
- K. Board Exhibit 3 - Subsequent re-write of contract which was rejected by Association.
- L. Board Exhibit 4 - Subsequent re-write of contract which was rejected by Association.
- M. Board Exhibit 5 - Subsequent re-write of contract which was rejected by Association.

- N. Board Exhibit 6 - Subsequent language changes in contract.
- O. Board Exhibit 7 - Subsequent language changes in contract.
- P. Board Exhibit 8 - Subsequent language changes in contract.
- Q. Board Exhibit 9 - Union proposal dated November 5, 1975, with salary schedule same as was presented to the Board Committee at start of negotiations.
- R. Board Exhibit 10 - Union's salary schedule dated 8/18/75.
- S. Board Exhibit 11 - Copy of 1974-1975 contract for non-certified school employees; e.g., bus drivers, custodians, cafeteria workers:

Article X: Working Conditions

- Section 6 - pay rates for custodial maintenance
- Section 12 - pay rates for bus drivers
- Section 17 - pay rates for cafeteria workers

- T. Board Exhibit 12 - Copy of 1975-1978 contract for non-certified school employees-bus drivers.

Article X - Working conditions - bus drivers.

- Section 9 - wage increases of 25 cents per hour.

- U. Board Exhibit 13 - Copy of 1975-1978 contract for non-certified school employees - cafeteria workers.

Article X - Working Conditions.

- Section 7 - wage increase of 16 cents.

- V. Board Exhibit 14 - Copy of 1975-1978 contract for non-certified school employees - custodians, maintenance.

Article X - Working Conditions

- Section 6 - wage increase of 25 cents.

DISCUSSION

At the hearing both parties were making comments concerning the good faith bargaining or lack of it exhibited by the other party. This Fact Finder made it abundantly clear that the area of good faith bargaining is not encompassed by the powers possessed by a Fact Finder. Fact Finding is a process whereby one Fact Finder, or a panel of more than one Fact Finder, receives evidence regarding the factual environment of the dispute. The evidence is analyzed and recommendations are issued. The process cannot be used to pass on accusations involving bad faith bargaining. Any comments or accusations regarding bad faith bargaining should, and by this Fact Finder, will be ignored.

Unfortunately, there is little or no evidence in the record concerning the issues of agency shop, snow days, term insurance or separate longevity check. There was discussion on these points, with each party stating their various positions; however, there was no evidence to guide the Fact Finder in constructing recommendations. To be more specific, the record doesn't contain cost studies, comparison studies, benefit studies, or any type of direct evidence aimed at proving the acceptability of the various proposals for each issue. Because such evidence is not in the record, the Fact Finder cannot formulate any recommendations regarding these issues.

The salary issue presents a different situation. In this area there was some evidence available in the record.

Union Exhibit 1 shows, inter alia, the 1974-1975 salary schedule.

That schedule appears as such:

(1974-1975)

	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	<u>11</u>
Head-Bookkeeper	\$3.49	3.56	3.62	3.75	3.85	4.01	4.16	4.33	4.52	4.77	
Sec'y to High School Principal	3.34	3.40	3.47	3.59	3.75	3.86	4.02	4.21	4.40	4.69	
Sec'y to Directors Sec'y to Jr. High School Principal	3.22	3.27	3.33	3.46	3.58	3.72	3.86	4.04	4.22	4.46	
Sec'y to Elementary Principal, etc.	2.99	3.04	3.11	3.24	3.35	3.51	3.66	3.85	4.04	4.30	
PBX Operators etc.	2.85	2.93	3.00	3.10	3.24	3.38	3.52	3.71	3.89	4.14	

When the Union's last proposal, or what it claims was agreed to, is displayed, it appears as follows:

Head-Bookkeeper	\$3.74	3.81	3.87	4.00	4.10	4.26	4.41	4.58	4.77	5.02	5.12
Sec'y to High School Principal	3.59	3.65	3.72	3.84	3.97	4.11	4.27	4.46	4.65	4.89	4.98
Sec'y to Directors Sec'y to Jr. High School Principal	3.45	3.52	3.58	3.71	3.83	3.97	4.12	4.29	4.47	4.71	4.80
Sec'y to Elem. Principal, etc.	3.24	3.29	3.36	3.49	3.60	3.76	3.91	4.10	4.29	4.55	4.64
PBX Operators, etc.	3.10	3.18	3.25	3.35	3.49	3.63	3.77	3.96	4.14	4.39	4.47

The Board maintains that if its proposal were adopted, each unit member would be receiving 25 cents per hour more in 1975-1976 than that same unit member received in 1974-1975. Thus, the Board's 1975-1976 proposed salary schedule should appear as follows:

	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	<u>11</u>
Head- Bookkeeper, etc.	\$3.49	3.74	3.81	3.87	4.00	4.10	4.26	4.41	4.58	4.77	5.02
Sec'y to High School Principal	3.34	3.59	3.65	3.72	3.84	3.97	4.11	4.27	4.46	4.65	4.94
Sec'y to Director Sec'y to Jr. High Principal	3.22	3.47	3.52	3.58	3.71	3.83	3.97	4.12	4.29	4.47	4.71
Sec'y to Elementary Principal, etc.	2.99	3.24	3.29	3.36	3.49	3.60	3.76	3.91	4.10	4.29	4.55
PBX Operators etc.	2.85	3.10	3.18	3.25	3.35	3.49	3.63	3.77	3.96	4.14	4.39

The above is in contrast to the Board's illustrated offer as stated by the Association in Appendix 1. However, because of the Board's verbal description of its proposal, the above is the only logical way to graphically present it.

Association Exhibit 6 purports to illustrate the range of starting salaries in districts that the Association maintains are comparable to Monroe. The exhibit appears as such:

<u>District</u>	<u>Salary Range</u>	
Milan	\$3.83*	\$4.15*
Flat Rock	3.73*	4.56*
Huron	3.50	5.50*
Gibraltar	3.40	4.20
Jefferson	3.39	4.12
Bedford	3.27	3.99
Belleville	3.12	4.26
Dundee	2.89*	5.45*
Monroe	2.85	3.49
Airport	2.41	3.01

*Includes paid retirement

The Association also stated that the salaries listed represent the range of starting salaries that are available in the various districts for job classifications that are comparable to those now under consideration. Further, the Association maintains that the districts were chosen because of their geographical proximity to Monroe. No evidence was introduced regarding the comparability of the districts in the areas of number of members, SEV, SEV/member, operating millage, number of employees, etc.

The Board failed to introduce any comparative data. It stated that because of the various differences between job classifications, it was impossible to compile a meaningful study. Apparently it also chose not to approach the problem by the use of job clusters.

The Board further stated that the Association's exhibit was meaningless because it included districts in Wayne County. The Board maintains that the industrial nature of Wayne County as opposed to the agrarian nature of Monroe County negates the possibility of any true comparisons.

In Exhibit 7, the Association has calculated the cost of its proposal. If the unit, using the present classifications, is given a 25 cent per hour increase, plus the increment, the total cost to the Board would be \$382,346.00. The Board challenges this figure by contending that it is just a figure that has been placed on paper. It is true that no supporting data is presented; however, the Board did not introduce any cost analysis of its own and as lacking as the Association's exhibit may be, it still is the only item of evidence addressing this point.

In Exhibit 9, the Association illustrates what it contends to be a comparative analysis of allocations from general funds for salaries - 1971-1976. The Secretarial and Clerical Column appears as follows:

<u>Year</u>	<u>General Fund</u>	<u>Secretarial & Clerical</u>
1971	\$7,877,854	\$295,532 .0375%
1972	9,024,861 up 14.5%	326,856 .0362%
1973	9,729,897 up 7.81%	326,679 .0335%
1974	9,746,682 up .17%	423,019 .0434%
1975	11,225,919 up 15.17%	405,507 .0361%
1976	12,678,792 up 13%	457,704 .0361%

The Association contends that the information that appears on the exhibit was formulated from data that was presented on the Form B for the various years.

The Board states that the places to look for accurate figures are the various audit reports. Neither party introduced the audit reports. The Board did agree, however, that the \$12,678,792.00 figure that appeared as the 1976 General Fund was "reasonably correct."

The Board's first ten exhibits consisted of the various re-writes and language changes that were pursued during the course of negotiations. While these exhibits are interesting, nevertheless, they do not provide any meaningful factual data that may be considered during the process of trying to reach a resolution within the parameters of a Fact Finding hearing. The Board also introduced four exhibits showing the pay increases received by bus drivers, custodial-maintenance and cafeteria employees.

In 1974-1975 the bus drivers received \$4.38 per hour. The new contract, or at least the Board's proposal, provides a 1975-1976 rate of \$4.63 per hour and a 1976-1978 rate of \$4.85 per hour. This amounts to 25 cents per hour for the first year and 25 cents per hour for the last two years of the contract. The cafeteria workers settled on, or at least were offered, a 16 cent per hour increase for the first year of their new agreement and 15 cents per hour for the last two years. The custodial and maintenance workers settled on a 25 cent per hour increase for the first year of their new agreement with a 20 cent per hour increase for the last two years.

The foregoing shows that the Board has settled agreements with other units and has made offers to other units that basically fall within the parameters offered the herein unit. However, it is highly questionable whether the agreements concerning other units should be used as a comparative basis for examining the present situation. None of the foregoing units have an increment schedule, neither are they comparable from the standpoint of basic work environment. The cafeteria workers, bus drivers and maintenance people are unrelated to each other and more important, they are unrelated to the herein unit. Perhaps that is why custom dictates that comparisons be based on similar work groups in surrounding areas^{that} are employed by different but comparable employers. Comparisons between different units employed by the same employer are not universally accepted, except in areas where historically it has taken place, i.e., police and fire.

The area of ability to pay was only briefly touched upon by the parties. The Board has indicated that its proposal would increase first year costs by about \$25,000.00 and that this amount was acceptable. Further, the Board stated that it will be suffering revenue cuts. The Board did state that it had a fund equity from 1975 of about \$190,000.00. It further stated that the 1976 budget is balanced. The Association maintains that the district is wealthy and that if their proposal were adopted, there would be little if any financial strain incurred by the Board. Neither party introduced budgets, either past or current, millage history, SEV studies, SEV/pupil studies, audit reports or any other type of relevant data concerning the Board's ability to pay.

RESOLUTION

The Association has argued that the proposal made by the Board is, in fact, a roll-back when compared to the 1974-1975 salary schedule. When using the graphic illustration of the Board's proposal, there may be room for argument. If the 1974-1975 salary schedule is compared to the Board's proposal as illustrated in Appendix 1, it seems that the employees would have received more compensation if they received only the increment increases stated in the 1974-1975 schedule. However, the Board's proposal, at least the one stated at the hearing, would increase each unit member's salary by 25 cents per hour for the first year. There would be an increase in compensation and in every case, except for the last step, the increase would be larger than the amount realized by the increment alone in the 1974-1975 schedule.

The Association has also argued that the Board's offer eliminates the increment increase. The Board, of course, contends that this is not true and that its offer recognizes the increment increase. However, the Board states that its offer includes increments.

In most negotiations, at least in the area of wages, the prior contract is the starting point. Thus, it would be logical to assume that a secretary to an elementary principal who was on the ninth step in 1974-1975, would receive a wage adjustment by reason of new negotiations that was greater than the normal increment increase incorporated in the 1974-1975 agreement. This is especially true when it is considered that the Board has not convinced the Fact Finder that it does not have the ability to pay a fair increase. The parties have previously agreed upon

the increment concept and there seems no reason to dilute its effect by eliminating an existing schedule when there has been no evidence to support such a deviation. In some instances the Board's proposal would grant a wage adjustment that was less than the amount that would have been realized if the employee had merely received the increment increase contained in the prior agreement. For these reasons the Board's proposal is rejected.

The question then becomes: what is a fair wage adjustment?

The Association's proposal, 25 cents per hour plus increments, ranges from a high of nine percent exclusive of increments to about six percent exclusive of increments. The nine percent increase is realized at the lower end of the tracks, while the six percent increase is realized at the higher ends. It should also be noted that the increment increases range from three percent in the lower tracks to six percent in the higher tracks. Thus, the increment steps are worth much more at the higher ranges of the schedule.

The comparative evidence left a lot to be desired; however, the only evidence that was available shows that Monroe ranks very poorly in starting salary range. The evidence also shows that if the Board would spend the same percentage of general fund monies for secretarial and clerical, that it did last year, the amounts spent would allow a much greater increase in salary than is reflected in its proposal, or for that matter, in the Association's proposal.

After analyzing the available evidence and carefully considering the arguments, the Fact Finder is compelled to recommend that each step on the 1974-1975 salary schedule be increased by 25 cents. In the second

year of the agreement, the Fact Finder recommends that each step be increased by two percent and that the Board pay the five percent retirement.

The recommendation is affordable. In fact, the evidence in the record indicates that the Board should have no problem absorbing the additional costs. Also, the increase would make this unit much more comparable to the other districts. If more evidence was available, perhaps the recommendation would have been different; however, the present record compels this recommendation.

CONCLUSION

The Fact Finder has based the above resolution on the evidence as it appears in the record. Both parties were given adequate notice and ample time to prepare their cases. The opportunity for filing post-hearing briefs was declined by both parties.

After carefully analyzing the available evidence, the Fact Finder has rendered the above recommendations with the firm belief that they can serve as a basis for reaching an agreement in this dispute.

MARIO CHIESA

Dated: March 9, 1976

APPENDIX 1

1975-76 SECRETARIAL & CLERICAL SALARY SCHEDULE

	1	2	3	4	5	6	7	8	9	10	11
Head Bookkeeper	3.49	3.56	3.62	3.75	3.85	4.01	4.16	4.33	4.52	4.77	4.87
Head Purchasing	3.49	3.56	3.65	3.69 3.75	3.83 3.85	3.92 4.01	4.09 4.16	4.24 4.33	4.41 4.52	4.63 4.77	5.12
Child Accounting	3.74	3.81	3.87	4.00	4.10	4.26	4.41	4.58	4.77	5.02	
Secretary to Admin. Asst.											
Sec'y to High School Prin.	3.34	3.40	3.47	3.59	3.72	3.86	4.02	4.21	4.40	4.69	4.73
	3.34	3.40	3.47	3.52 3.59	3.60 3.72	3.79 3.86	3.99 4.02	4.10 4.21	4.29 4.40	4.49 4.69	4.98
	3.59	3.65	3.72	3.84	3.97	4.11	4.27	4.46	4.65	4.89	
Sec'y to Directors	3.22	3.27	3.33	3.46	3.58	3.72	3.87	4.04	4.22	4.46	4.55
Sec'y to Jr. High Prin.	3.23	3.28	3.34 3.33	3.40 3.46	3.53 3.58	3.65 3.72	3.79 3.87	3.95 4.04	4.12 4.22	4.30 4.46	4.80
	3.45	3.52	3.58	3.71	3.83	3.97	4.12	4.29	4.47	4.71	
Sec'y to Elem. Prin.	2.99	3.04	3.11	3.24	3.35	3.51	3.66	3.85	4.04	4.30	4.39
Sec'y to Ass't. Prin.	3.09	3.05	3.10 3.11	3.17 3.24	3.30 3.35	3.43 3.51	3.58 3.66	3.73 3.85	3.93 4.04	4.12 4.30	4.64
High School Bookkeeper	3.24	3.29	3.36	3.49	3.60	3.76	3.91	4.10	4.29	4.55	
ENR Operator											
H.S. Book Clerk	2.85	2.93	3.00	3.10	3.24	3.38	3.52	3.71	3.89	4.14	4.22
Central Elem. Lib'r.	2.85	2.91 2.93	2.99 3.00	3.06 3.10	3.16 3.24	3.30 3.38	3.45 3.52	3.59 3.71	3.78 3.89	3.97 4.14	4.47
Secondary Rec. & Clerks	3.10	3.18	3.25	3.35	3.49	3.63	3.77	3.96	4.14	4.39	
Other 12 month Secretaries											
Special Services Clerk											
Atten. & Counsel Clerks											
Elementary Clerks											

First row of figures: Last year's salaries 1974-75
 Second row of figures: November 5th Board proposal
 Third row of figures: December 18 MEORA proposal (what we thought had been agreed to)

Red circled figures are negative offers.