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FF 12/9/88

STATE OF MICHIGAN
MICHIGAN EMPLOYMENT RELATIONS COMMISSION

IN RE:

MT. CLEMENS COMMUNITY SCHOOLS

- and -

CASE NO. D88 F-1523

MT. CLEMENS ASSOCIATION OF EDUCATIONAL
OFFICE EMPLOYEES MEA/NEA

REPORT OF
FACT FINDER

LABOR AND INDUSTRIAL
RELATIONS COLLECTION
Michigan State University

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STATE OF MICHIGAN
EMPLOYMENT RELATIONS COMMISSION
BELLICHI OFFICE

Mr. Clemens Community Schools

DATED: December 9, 1988

John B. Swainson
Fact Finder
10301 Hogan Road
Manchester, Michigan 48158

REPORT OF FACT FINDER

A hearing was scheduled for 10:00 a.m. on December 13, 1988, at the Public Library in Mt. Clemens, and both parties were present and prepared to proceed with the hearing. The Mt. Clemens Community Schools were represented by Mr. Sherman Cottingham, Executive Director of Personnel and Mr. John Archibald, Business Manager. The bargaining unit was represented by Mr. John Melchor, MEA Director, Fred Whitman, MESA, Jo Krauss and Donna Goulette, both members of the bargaining unit.

The petitioner and respondent proceeded to present the Fact Finder with a number of exhibits indicating the prior proceedings in this matter together with a copy of the Master Contract between the parties. The contract expired on June 30, 1988, but was extended by mutual agreement.

During the course of seven (7) bargaining sessions, agreement was reached on most issues in dispute, and there has been one mediation session on October 12, 1988, but agreement was not reached by the parties on matters still unresolved.

In its opening statement, the bargaining unit indicated the sole issue between the parties was whether the school board has the sole right to name the hospitalization insurance carrier and that everything else proposed by the school board is acceptable. In a counter opening statement, the respondent school board said

there remained two issues to be resolved. The one percent (1%) improvement in the longevity schedule and the right to name the hospitalization insurance carrier in the contract.

There followed a discussion of both of these issues, and after a significant period of time, the Fact Finder suggested that each party submit a last best offer to the Fact Finder by December 22, 1988. Both of these documents are attached hereto for reference.

The Fact Finder reviewed both last best offers and concludes that the decision rendered by the Michigan Court of Appeals in Houghton Lake Education Association v. Houghton Lake Community Schools Board of Education is depositive of the issue presented here. This case, which was denied Leave to Appeal by the Michigan Supreme Court, holds that requiring the Board of Education to bargain on the identity of the policyholder does not impinge upon the Board's right to manage the school district and is a mandatory subject for bargaining. The case further holds that any change in administrator and policyholder has a material and significant effect upon the conditions of employment.

RECOMMENDATION OF FACT FINDER

1. A one percent (1%) longevity increase for each school year effective July 1, 1988.
2. The Union's contractual language requesting the implementation of MESSA PAK. (See Union's last best offer.)
3. MESSA shall be named in the contract as the carrier.

4. The language submitted by the Union which allows either party to reopen the contract for purposes of negotiating new insurance carriers.

JOHN B. SWAINSON
Fact Finder

DATED: January 9, 1989

Michigan Education Association



mea

MEA/NEA Local 1

37 Crocker Boulevard, Mt. Clemens, Michigan 48043
313/469-7632

December 19, 1988

Mr. John B. Swainson
10301 Hogan Road
Manchester, MI 48158

Dear Mr. Swainson:

RE: Mt. Clemens Community Schools -and- Mt. Clemens
Association of Educational Office Employees MEA/NEA
MERC Fact Finding Case No.: D88 F-1523

Per your instructions, the Mt. Clemens Association of Educational Office Employees, MEA/NEA is hereby submitting the last best offer (copy enclosed).

This proposal is identical to the Association's current package proposal with one addition.

The Association is submitting a written proposal to allow either the Board or the Association the right to reopen the contract in order to negotiate changes in fringe benefits and/or Insurance Carrier(s), provided that no changes occur except by mutual agreement. (See Section XVII, I., Insurance - New Language.)

Please feel free to call my office if you have any questions.

Sincerely,

John Melchor
Uniserv Director
MEA-NEA Local 1, Mt. Clemens Association
of Educational Office Employees

sb

Enclosure

cc: Dr. Sherman Cottingham

ASSOCIATION LAST BEST OFFER

**MCAEOE/MEA/NEA
1988-1990 NEGOTIATIONS**

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Section XI - Compensation

D. Longevity will be paid effective July 1 of each year, as follows:

- 1. At the rate of ~~four percent (4%)~~ FIVE PERCENT (5%) of base salary in the employee's classification upon completion of ten (10) years of service in the school system.**
- 2. At an additional ~~four percent (4%)~~ FIVE PERCENT (5%) of base salary in the employee's classification upon completion of fifteen (15) years of service in the school system.**

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LONGEVITY - APPENDIX B

4% 5% of base salary in employee's classification, upon completion of ten (10) years in this school system.

An additional 4% 5% of base salary in employee's classification upon completion of fifteen (15) years in this school system.

Pages 23-24

Section XVII - Insurance

(THESE PROPOSALS REPLACE CURRENT SECTION XVII, SECTIONS A, B, C, D, AND E)

- A. The Board shall provide all insurance benefits listed in Section A for a full-twelve month period of each school year for all bargaining unit members except for those bargaining unit members electing benefits under Section B below. Such benefits shall be provided, without cost to the bargaining unit members, to each bargaining unit member and his/her dependents, as defined by MESSA.**
 - 1. MESSA Super Med I/C (Super Care I) Health Insurance: when appropriate MESSA Super Med I or MESSA Limited Medicare Supplement and Medicare, Part B, premiums shall be paid on behalf of the bargaining unit member, his/her spouse and/or dependents eligible for Medicare.**

2. a. MESSA/Delta Dental Plan E, including the orthodontic rider with \$1,000 maximum, with no coordination of benefits, or

b. MESSA/Delta Dental Plan C, including the orthodontic rider, with internal and external coordination of benefits.
 3. MESSA Term Life Insurance in the amount of fifteen thousand dollars (\$15,000) for the bargaining unit member only. Such insurance protection shall be paid to the bargaining unit member's designated beneficiary. In the event of accidental death, the insurance will pay double the specified amount; in the event of accidental dismemberment, the insurance will pay according to the schedule.
 4. MESSA Vision Service Plan II Vision Insurance including internal and external coordination of benefits.
- B. Bargaining unit members not electing insurance benefits as described in Section A above shall be provided by the Board with the following insurance benefits, for a full twelve month period of each school year. The benefits listed below shall be provided, without cost to the bargaining unit member, to each bargaining unit member not enrolled in benefits under Section A above, and his/her eligible dependents, as defined by MESSA.
1. a. MESSA/Delta Dental Plan E, including the orthodontic rider with \$1,000 maximum with no coordination of benefits, or

b. MESSA/Delta Dental Plan C, including the orthodontic rider with internal and external coordination of benefits.
 2. MESSA Term Life Insurance in the amount of twenty thousand dollars (\$20,000) for the bargaining unit member only. Such insurance protection shall be paid to the bargaining unit member's designated beneficiary. In the event of accidental death, the insurance will pay double the specified amount; in the event of accidental dismemberment, the insurance will pay according to the schedule.
 3. MESSA Vision Service Plan II Vision Insurance including internal and external coordination of benefits.

4. Employees opting not to take the Board paid health insurance shall also receive the amount of \$750.00 \$1,000 effective in 1986-87 1988-89 and 1987-88 1989-90, paid into a tax-sheltered annuity of the employee's choice, subject to Board approval. This annuity shall be paid in equal amounts semi-annually in January and June.

C. The Board shall provide, without cost to the bargaining unit members, MESSA Plan II Long-Term Disability Insurance for each bargaining unit member. Benefits shall be paid at sixty-six and two-thirds percent (66 2/3%) of salary to a monthly maximum of two-thousand dollars (\$2,000) and shall begin after expiration of ninety (90) calendar days. Benefits shall continue to age seventy (70), at no cost to the bargaining unit member, in the event of permanent disability.

D. The Board shall establish an open enrollment of thirty (30) days, commencing the first day in each school year of this contract. The Board in cooperation with the insurance carrier(s) shall be responsible for providing all necessary enrollment application and claims materials.

E. The Board agrees to apply the provisions of the Consolidated Omnibus Budget Reconciliation Act of 1985.

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Section XVII, F. - Insurance

DELETE AND MOVE TO SECTION XVII, B. 4, Page 24

RELETTER: XVII, G. TO F.; RELETTER: XVII, H. TO G.

Page 24

Section XVII, I. - Insurance

I. DELETE CURRENT LANGUAGE

Page 24

Section XVII, I. - Insurance (ADD NEW LANGUAGE)

The Association and the Board shall reopen this contract upon written request by either party, for the sole purpose of negotiating new Insurance Carrier(s), provided the new coverage is comparable to the current coverage, and provided that no changes be made in Insurance Carrier(s) and/or coverages, except by mutual agreement of the parties.



Dr. Sherman Cottingham, Executive Director of Personnel, (313) 469-7815

December 21, 1988

John B. Swainson
10301 Hogan Road
Manchester, MI 48158

RE: Mount Clemens Schools and
Mount Clemens Association of Educational Office Employees
MEA/NEA
MERC Fact Finding Case No: D88-F1523

Dear Mr. Swainson:

In our just concluded Fact Finding Hearing, held December 13, 1988, the issues before the Fact Finder were presented as follows:

1. Whether or not the Board, by contract language, reserves the right to change insurance carriers provided insurance coverage is comparable.
2. Whether to grant a one percent (1%) improvement in the longevity schedule, providing the Board is given language to name the health carrier.

The Board's team presented six exhibits, which established our position and rationale for taking a concerted effort toward containment of health insurance cost for the Mount Clemens School District. The point was made that the Board exhibits a sincere effort to provide it's employees with quality health coverage. In fact, our position in this matter is not to reduce benefits, but to maintain comparable coverage if the Board should change health carrier.

The Union's position remains the same. John Melchor, for the Union, stated, "We won't give them (the Board) the right to unilaterally change the health carrier". I suggested to the Fact Finder a plan which could list two or three health carriers in the contract. The Board, however, would choose the carrier offering the lowest premium.

A magnitude of suggested proposals were discussed with the Union to no avail. It is therefore, before us that our last best offer is hereby presented.

Section XVII Insurance

Such benefits shall be provided without cost to the bargaining unit member and his/her dependents. THE BOARD RESERVES THE RIGHT TO CHANGE INSURANCE CARRIERS PROVIDED INSURANCE COVERAGE IS COMPARABLE

The Board may solicit quotes for comparable coverage from Blue Cross and M.E.S.S.A. If total cost savings between packages exceeds five percent (5%) the least expensive bid will be accepted. Bids may be solicited annually.

(See attached MESSA Pak)

SECTION XVII, Insurance

- F. Employees opting not to take the Board paid health insurance shall also receive the amount of \$1,000 effective in 1988-89 and 1989-90, paid into a tax sheltered annuity of the employee's choice, subject to Board approval. This annuity shall be paid in equal amounts semi-annually in January and June.

SECTION XI, Compensation

The Board will grant a one percent (1%) improvement in the longevity schedule, at the tenth and fifteenth years of service, provided the Board is given language to name the health carrier.

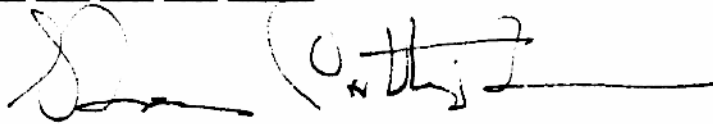
CONCLUSION

Through our efforts to reach a settlement on the issues before the Fact Finder, we feel that all reasonable positions have been taken. It is true, the issue of naming a health carrier is negotiable, that requirement has been fulfilled. We are knowledgeable of the Houghton Lake Ruling. In all instances we have continued to negotiate. As a matter of record, our original proposal position has changed more than once, seeking language which was agreeable to both sides. Unfortunately, we have been unable to unify our positions on this issue.

Mr. Swainson
December 21, 1988
Page Three

Mr. Fact Finder, as you review and seek out the substance of the Last Best Offers, we pray you will find support for the Board's position and render a recommendation for settlement, incorporating the Board's Last Best Offer.

By and For the Board

A handwritten signature in dark ink, appearing to read 'S. Cottingham', written over a horizontal line.

Sherman Cottingham, Executive Director of Personnel
Mount Clemens Community School District
167 Cass Avenue
Mount Clemens, MI 48043
313/469-7815

sc/ja

cc: John Melchor, Uniserv Director
Michigan Education Association
37 Crocker Blvd.
Mount Clemens, MI 48043
313/469-7632