

STATE OF MICHIGAN  
DEPARTMENT OF LABOR  
MICHIGAN EMPLOYMENT RELATIONS COMMISSION

In the Matter of the Fact Finding  
between:

OSCODA AREA PUBLIC SCHOOLS,

Employer,

-and-

LOCAL 1545, CHAPTER A, COUNCIL  
25, AFSCME,

Union.

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MERC Fact Finding Case No.  
L83 J-89

REPORT AND RECOMMENDATIONS OF FACT FINDER

Appearances:

For the Oscoda Area Public Schools (Employer):

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For Local 1545, Chapter A, Council 25, AFSCME (Union):

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Submitted by:

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DATED: May 2nd, 1984

*Donald L. Reisig*

Oscoda Area Public Schools Board of Education

The Michigan Employment Relations Commission, upon the petition of AFSCME, Council 25, Local 1545 (hereafter the Union), on behalf of the Union, requested the undersigned Fact Finder to serve in that capacity on the 22nd day of February, 1984. After a prehearing conference on the 28th day of March, 1984, a hearing was scheduled in Oscoda for the 24th and 25th days of April, 1984.

All parties appeared for the hearing on the 24th day of April, and the testimony of three witnesses and 25 exhibits were submitted for consideration by the Fact Finder.

#### INTRODUCTION AND OVERVIEW

The employees involved in Local 1545 include approximately 111 employees employed in two broad categories:

- (1) Full-time custodian employees, maintenance employees and mechanics; and
- (2) "Part-time" (school year employees) working generally less than 40 hours per week), including cooks, cooks' helpers, school aides and a bus driver.

The Oscoda Area Public Schools is a large rural school district providing a high amount of public transportation to the schools. Forty-one percent of the area students are from military families associated with Wurthsmith Air Force Base located north of the City of Oscoda. The school has approximately 3,491 students, with an average S.E.V. of \$53,579.00 per pupil (1983-1984).

The issues before the Fact Finder arise due to a wage and fringe benefit "reopener clause" in Article XXII of the existing contract covering the final year (from October 1, 1983 until September 30, 1984) of a two-year contract.

After extensive negotiations, and the use of the mediation services of the Michigan Employment Relations Commission, the parties were at impasse, and fact finding was invoked.

#### THE ISSUES

The Union has presented the following open and unresolved issues:

- (1) A requested eight-percent increase in wages.
- (2) A requested increase in the base salary of teachers' aides--comparable to the present salary for head cooks.
- (3) An "upgrading" of food service helpers by 18 cents per hour.
- (4) An increase in the "waiting time rate" for bus drivers.
- (5) A \$5.00 payment per bus for bus washing.
- (6) Agreement only for the current final year of the contract, with all benefits retroactive to October 1, 1983.

The School District has responded by offering a six-percent across-the-board wage increase, but requested a reduction in dental benefits from the present payment schedule of 75 percent employer-paid, 25 percent employee-paid, to a 50-50 payment formula, which the School District asserts will save \$4,463.00. In addition, the School District had requested that negotiations be "opened" for future contract years, which request has been resisted by the employee association. It should be noted that the employer is not presenting an "ability to pay" argument in the present fact finding.

#### FINDINGS OF FACT AND REASONS

##### A) Discussion

Each party submitted comparables (Union Exhibits 1 and 2, and School District Exhibits A-R). The Union's comparables, contained primarily within Exhibit 1, consisted of school districts of "comparable" student population and "comparable" overall budgets to the Oscoda District. These comparables were located at various locations throughout the State. The School District, in turn, submitted comparables from school districts located within the four surrounding counties (Exhibits A-J), and school districts of a similar S.E.V. per student (Exhibits K-R).

The Union also contends that other employees within the school district (professional employees--teachers and administrators) received an eight-percent increase for this year (see Exhibit 2). The School District counters by saying that other

"nonprofessional employees," i.e., secretaries, received a six-percent increase, and that since 1978, the AFSCME employees have received a total of 47.9 percent in pay increases, while the professional employees have only received 40.4 percent total increases.

In reviewing the various comparables submitted, without having the benefit of a great deal of additional information concerning the various "comparable" school districts so as to ascertain whether or not they are truly comparable in all facets of support for public education, educational programming, comparability of the general wage markets, and other relevant factors, the Fact Finder determines that all comparables should be reviewed and taken into consideration, giving greater weight, however, to similarly sized school districts with similar S.E.V.s, and located in geographic areas of the State similar to the general economic conditions of the Oscoda School District. Thus, none of the submitted comparables are considered to be totally in-opposite, and not worthy of consideration.

There is no question that some wage disparity exists within some categories within the bargaining unit, which will be discussed hereafter. At the same time, however, taken as a whole, the employees in question compare extremely favorably to employees within all the comparable school districts submitted by both parties. For example, in the categories of custodial workers, maintenance workers and mechanics, Oscoda Area employees were

either the first or second best paid (see Exhibits D-F), or were significantly comparable (Exhibits L-N). In the area of food service workers also, Oscoda's range of from 5.11 (helper) to 5.71 (cook) after the addition of a proposed six percent to existing wages, exceeds all but two of the area schools (Exhibit H), is almost identical to the comparables submitted by AFSCME (Exhibit 1), and is "in the middle" of comparables submitted by other comparably sized schools (Exhibit P).

Only in the area of teachers' aides does the Oscoda Area proposed wage scale not compare favorably [it was generally agreed that because of the myriad of formulas, it is impossible to intelligently compare bus drivers' basic wages (see Exhibits I and Q)].

The Fact Finder was struck by a number of general factors impacting upon wages. First, there seemed to generally be a high stability in the present employees within the work force. For example, Exhibit S demonstrates that all of the present custodians and education aides have reached the third step pay level, indicating at least three years of service. In turn, the area "suffers" from a relatively high unemployment rate. The area has no "major industry" (unless Wurthsmith Air Force Base can be considered such an "industry").

In turn, few of the comparables submitted indicate that other employers have, for the current contract year, been awarded pay increases in excess of six percent, and where there are such

indications, they are usually to employees at the "low end" of the wage scale.

The Fact Finder also takes note that State of Michigan employees for the current fiscal year (October 1 through September 30) received in most instances an effective 7.1 percent increase, after having received no increase for fiscal 1982-1983 (the Oscoda employees received eight percent in 1982-1983). Finally, the Fact Finder takes note that the national trend in contracts during the current year is in the range of five to six percent.

B) General Wage Increases

Though obviously wage increases to State employees and "national trends" would not be totally determinative of the wage increases awarded to the employees herein involved, particularly if there was no general comparability with wages of employees similarly situated, the Fact Finder cannot ascertain that generally, the wages of the Oscoda employees are "out of line." Thus, except for the individual instances referred to above and specifically outlined hereafter, the Fact Finder would recommend that the six percent offer which has been made by the School District be accepted by the Union (retroactive to October 1, 1983).

C) Teachers' Aides

However, with reference to the individual category of teachers' aides, the Fact Finder believes that the comparables support an adjustment necessary to establish a degree of parity

between such teachers' aide positions and other positions within the bargaining unit, as well as parity with comparable positions in other communities. Aides, who now have a beginning salary of \$3.60 per hour (and if the management proposal and Fact Finder's recommendation of six percent is agreed to, would be earning \$3.83), and ranges up to a maximum of \$5.05 (\$5.35 if the Fact Finder's recommendation is accepted), neither reflects the skills of the employees as understood by the Fact Finder, nor the comparative wage market. Even on an "internal" basis, the aides are paid less than the "helpers" in the cafeteria. In turn, the comparables demonstrate that such teachers' aides in other communities range up to a maximum of \$6.83; that in all but one of the comparables, the aides' starting rate exceeds Oscoda's; and that in at least 11 of the comparables submitted, aides presently earn more than the \$5.35 that the top aide would receive if the management proposal is accepted by the parties. For all of these reasons, it is the recommendation of the Fact Finder that the parties accept and agree to a wage structure for the aides as follows:

	<u>Probationary</u>	<u>Step 1</u>	<u>Step 2</u>	<u>Step 3</u>	<u>Sub</u>
35-cent per hour increase	3.95	4.45	4.95	5.40	3.75
Six-percent general increase	4.19	4.72	5.25	5.72	3.97

D) Food Service Helpers

However, with reference to the Union's proposal of an additional 18-cent per hour increase for the food service helpers,



the Fact Finder can find no justification for this proposal, either in the comparables, or in economic realities. As indicated, supra, the employer's proposal (six percent) makes the Oscoda food service helpers' wages extremely competitive. Without in any way downgrading either the quality of performance or the dedication of the Oscoda employees, it is to be noted that food service and food handling positions are not generally well-rewarded in the labor market, with many of such positions being of a "minimum wage" variety. I cannot recommend any additional compensation other than the six-percent general increase.

E) Dental Benefits

Turning now to the issue of dental benefits, the School District has suggested that it can effectuate a cost savings of some \$4,463.00 by reducing the dental benefits co-pay provisions from the present 75 percent (employer)-25 percent (employee) payment, to a 50 percent co-pay benefit. Though this Fact Finder is well aware of the rising cost of health care programs to the employer (a national concern), and the growing trend for participatory payment on the part of employees to ensure that employees are aware of the cost of health care programs, the proposal of the School District in this instance does not necessarily address that concern; rather, it requires a "concession" (averaging approximately \$40.00 per employee) from the employees within this bargaining unit not heretofore asked of other employees working for the Oscoda Schools. (The Fact Finder notes that professional employees receive a 100-percent dental benefit, and the secretarial employees--Exhibits U-1 and U-2--receive the broader benefit but make a monthly contribution ranging from \$4.00 to \$9.00 for that coverage.)

Thus, the problems that would be created with reference to requiring this "concession" of the employees at this time when equated to the ultimate "cost savings" to the School District would not appear to be either an intelligent choice or "cost efficient." If the topic of ways and means of effectuating savings in health care programs is to be discussed, it might better be discussed in the context of all of the issues confronting the parties, and discussed in conjunction with other bargaining units within the Oscoda Area Schools.

F) Bus Drivers

Finally, we turn our attention to the issues affecting the bus drivers. Particularly, these issues are "waiting time" and "extra compensation" for washing buses. With reference to the "waiting time" issue, the uniqueness of the various wage payment programs for bus drivers makes the comparables of little real assistance. Obviously, it can be said that "the waiting time" by bus drivers while transporting school children on a field trip is not as "demanding" as driving a school bus on icy, slippery roads with 60 rambunctious children located behind the driver; at the same time, a strong argument can be made that it is not the bus driver's "fault" that the driver is not using his or her skills and talents as a "driver," rather than waiting in a parking lot someplace! According to the information provided on this topic, payment for waiting time is an infinitesimally small amount. A "happy compromise" upon this issue, in the Fact Finder's view,

would be to provide that the waiting time rate would only go into effect for waiting time in excess of two hours. Under this "compromise," the bus driver would not be compensated (except for costs of lodging and meals) for "waiting time" when released for rest and/or sleep purposes.

The washing of the buses issue is one that causes the Fact Finder some concern. Recognizing that it is the School District's position that the compensation for washing buses is "built in" to the present compensation schedule, and fully understanding and accepting the School District's position that the cleaning of the interiors of the buses might be the responsibility of the individual driver, I am bothered by the fact that there would seem to be a better way to ensure the proper outside cleanliness of buses. However, to address this issue out of context with all other issues that may impact upon the bus drivers would seem to be beyond the scope of the limited reopener provisions governing this fact finding. Because of the importance of transportation to the Oscoda School District, I would urge that the parties consider all aspects of this issue during their next "bargaining round," and recommend that no additional compensation be award for the current year.

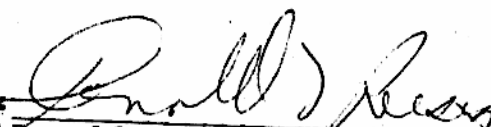
#### RECOMMENDATIONS

Based upon the findings of fact and reasons stated, supra, the Fact Finder would summarize his recommendations as follows:

- (1) That the parties enter into a contract for the current fiscal year providing (retroactive to October 1, 1983 through September 30, 1984) for an "across-the-board" pay increase of six percent.
- (2) That the parties enter into a contract for the current fiscal year providing (retroactive to October 1, 1983) for an additional wage increase of 35 cents per hour for all categories of teachers' aides.
- (3) That no additional wage increases be granted to food service helpers (other than the general six-percent wage increase).
- (4) That no reduction be effectuated in the amount of employer "co-pay" for dental benefits (i.e., that the status quo be maintained).
- (5) That the "waiting time" rate for bus drivers be modified only to provide for the imposition of the waiting time rate for periods in excess of two hours with no provision for compensation when the driver is released for rest and/or sleep.
- (6) That no modification be made in the present contract with reference to bus washing or cleaning.

This Fact Finder presents this Report and Recommendations with the desire to assist the parties in maintaining labor-management harmony, and in effectuating an ultimate agreement, which I believe is in the best interests of the school children of the Oscoda area, the citizens of the Oscoda area, and the affected employees and the Board of Education of the Oscoda Area Public Schools.

Respectfully submitted this 2nd day of May, 1984.

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