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Before Harry T. Edwards, Fact Finder  
Appointed by the Michigan Employment Relations Commission

In the Matter of Fact Finding  
Between:

ROSEVILLE COMMUNITY SCHOOLS

-- and --

ROSEVILLE PRINCIPALS' ASSOCIA-  
TION

MERC Case No.  
D73 A-79

Harry Edwards  
6-6-73

INTRODUCTION

A fact-finding hearing was held between the parties on June 6, 1973, at the Administrative Offices of the Roseville Community Schools, Roseville, Michigan.

APPEARANCES

For the Roseville Community Schools:

L. P. Zatkoff, Esq., Attorney for Roseville Community Schools  
Jack W. Lees, Assistant Superintendent of Personnel, Roseville Community Schools

For the Roseville Principals Association:

Gordon A. Gregory, Esq., Gregory, Van Lopik & Higle, Attorneys  
for the Association  
Horace R. Hannan, Chairman, Roseville Principals' Association

Roseville Community Schools

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### BACKGROUND

On March 26, 1973, the Roseville Community Schools (hereinafter referred to as the School) and the Roseville Principals' Association (hereinafter referred to as the Association) mutually agreed to submit this dispute to the Michigan Employment Relations Commission for fact-finding.

The most recent collective bargaining agreement between the parties covered a one year period and expired on June 30, 1972. The parties commenced negotiations for a new agreement, covering the 1972-73 school year, in April of 1972. During the period between April 1972 and March 1973, the parties met on approximately twenty separate occasions in an effort to negotiate the appropriate salaries and conditions of employment for the principals and assistant principals represented by the Association. A mediator was called in to aid the parties on several occasions and, as a consequence, numerous issues were apparently resolved by the parties. However, notwithstanding the efforts of the parties and the mediator, nine issues remained unresolved on March 26, 1973, the date when the parties jointly requested fact-finding.

On April 9, 1973, the Michigan Employment Relations Commission, acting pursuant to Section 25 of Act 176 of Public Acts of 1939, as amended, appointed Professor Harry T. Edwards to serve as the Fact-Finder and to issue a report with recommendations with respect to the matters still in dispute. A fact-finding hearing was subsequently held on June 6, 1973, and a transcript of the proceedings was made. At the conclusion of the hearing, pursuant to the request of the Fact-Finder, the School agreed to submit some current financial data with respect to the School district budget for the 1972-73 school year; information was later received by the Fact-Finder in a letter dated June 26, 1973, a copy of which was sent to the Association representatives. No other post-hearing submissions were made by the parties.

In considering the instant dispute, the Fact-Finder has reviewed with care the transcript of testimony given at the fact-finding hearing and all of the documents offered in evidence. The parties have agreed that the recommendations here offered shall apply only to the 1972-73 school year.

### THE ISSUES IN DISPUTE

During the course of the hearing in this matter, the parties stipulated nine separate issues for consideration by the Fact-Finder. These issues are as follows:

- Issue No. 1 - Administrative tenure
- Issue No. 2 - "M.A. plus 30" differential
- Issue No. 3 - Definition of "M.A. plus 30"
- Issue No. 4 - Longevity pay
- Issue No. 5 - Building size factor
- Issue No. 6 - Extra buildings factor
- Issue No. 7 - Life insurance
- Issue No. 8 - Staff reductions
- Issue No. 9 - Salary schedule

At the hearing before the Fact-Finder, the Association advanced the following possible solutions to the existing impasse:

(1) Administrative Tenure - the Association proposed that the provision in Article VI, Section 3 of the 1971-72 contract, covering administrative tenure, be retained without modification. In the alternative, the Association proposed that the language be modified to indicate "that a member covered by this section who advances to a new position shall serve a two year probationary period before being issued a tenure contract" (Assoc. Ex. 8).

(2) "M.A. plus 30" differential - under the 1971-72 contract, administrators holding a M.A. plus 30 additional hours of graduate credit were paid a \$700 salary differential over the salary paid to administrators with a M.A. degree. The Association proposed that this differential be increased by \$300 to \$1,000.

(3) Definition of "M.A. plus 30" - the Association proposed that if Article X, Section 1 is amended, pursuant to the request of the School, then the new language should read as follows:

"It is understood by both parties that the term 'MA + 30' indicates that the affected principal has completed thirty semester hours of graduate work applicable to his role as principal after the date of completion of his Master's Degree."

(4) Longevity pay - the Association proposed that a new section be added to Article X, to provide for longevity payments of \$200.00 per calendar year after ten years of service and \$250.00 per calendar year after fifteen years of service.

(5) Building size factor - the Association proposed that Article X, Section 3, providing for compensation for building

size, should be changed to provide for a flat payment of \$1,200 per year for any principal who is assigned to a building where no assistant principal is assigned and where the student enrollment is 800 or more. (The parties have already agreed to modify Article X, Section 3 to provide for a building size factor of \$200.00 where the student enrollment is 500-599; \$500 where the enrollment is 600-699; and \$750 where the enrollment is 700-799.

(6) Extra buildings factor - the Association proposed that the provisions of Article X, Section 2 be amended by the addition of a provision providing for extra compensation for principals who must supervise two buildings. This amount should be \$400 per year, plus reimbursement, at 10 cents per mile, for all trips between buildings in excess of two trips per day.

(7) Life insurance - the Association proposed that the provisions of Article X, Section 7 be amended to provide for group life insurance for Association members in the amount of \$20,000, including accidental death and dismemberment benefits.

(8) Staff reductions - the School proposed the addition of the following language to Article XII, Section 1:

"Should it be necessary because of declining enrollment, closing of a building, financial limitations, or other reasons to decrease the administrative staff, the Board shall, individual contracts notwithstanding, have the authority to layoff, demote, or reassign principals to achieve the necessary reduction in staff."

The Association objected to the inclusion of the words "or other reasons" in the proposed clause. The Association thus proposed that the language of Article XII, Section 1 be accepted only if the phrase "other reasons" is removed from the provision, or replaced with a clear statement of the scope of the provision.

(9) Salary schedule - the Association proposed an 11% across the board salary increase.

The School, on the other hand, suggested the following alternative positions as the basis for a reasonable resolution of the instant dispute:

(1) Administrative tenure - the language in Article VI, Section 3 should be modified to read as follows:

"All principals under administrative tenure at the adoption of the 1967-68 contract will retain their right to administrative tenure in that position regardless of their assignment."

(2) "M.A. plus 30" differential - the present "M.A. plus

30" differential should be retained, unless any proposed increase is deducted from the principals' salary increase.

(3) Definition of "M.A. plus 30" - Article X, Section 1 should be amended as follows:

"It is understood by both parties that the term 'M.A. + 30' indicates that the affected principal has completed thirty semester hours of graduate work considered applicable to his role as principal after the date of completion of his Master's Degree."

(4) Longevity pay - longevity pay is unacceptable. However, if such payments are adopted, the amounts granted should be deducted from the principals' salary increase.

(5) Building size factor - any principal who is assigned to a building where no assistant principal is assigned and where the student enrollment is 800 or more should receive a flat payment of \$1,000 per year.

(6) Extra buildings factor - a payment for extra buildings factor, including compensation for travel between buildings, is unacceptable. However, if such payments are adopted, the amounts granted should be deducted from the principals' salary increase.

(7) Life insurance - group life insurance coverage should be increased from \$7,000 to \$10,000.

(8) Staff reductions - Article XII, Section 1 should be amended to allow the School Board to layoff, demote or reassign principals because of "declining enrollment, closing of a building, financial limitations, or other reasons."

(9) Salary schedule - the salary schedule for the principals should be increased across the board by 4.5%.<sup>1/</sup>

#### ARGUMENTS

(1) Administrative tenure - the Association claimed that there has been no dispute between the parties since 1968 with respect to the meaning of the existing contract language. Therefore, the Association contended that no reason was shown to justify the proposal offered by the School. The Association further contended that its proposed alternative language change

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<sup>1/</sup>The School Board apparently offered a 5.5% salary increase during negotiations, but withdrew this offer after it was rejected by the Association.

(to provide tenure for all administrators at their present positions) would be particularly attractive to Association members. On this last point, it was claimed that the Association's proposal would not necessarily add to the number of tenured administrators, but would only act to adjust the tenure of the present administrators to correspond to the jobs they now hold. The Association stated it was particularly concerned at this point about job security because it feels the upcoming election, filling a majority of school board seats, plus the arrival of the new superintendent, leaves the future unduly unsettled.

The School, on the other hand, claimed that the parties' practices with respect to administrative tenure have been consistent since 1966-67. In particular, the School contended that, notwithstanding the present language in Article VI, Section 3, administrators who have been promoted in rank or reassigned to a new type of school (e.g. from elementary to high school) have not been allowed to retain their administrative tenure in their new positions. This practice has caused no major disputes between the parties and no grievances have been filed to challenge it; however, several principals have, upon occasion, questioned the application and meaning of Article VI, Section 3. Consequently, the proposal advanced by the School seeks only to conform the contract language to existing practices so as to avoid disputes in the future.

(2) M.A. plus 30 differential - The Association justified this proposal by pointing to the increased cost of graduate education. In addition, it was claimed that the School Board encouraged administrators to take advanced degree work and, therefore, the school system should bear a greater portion of the cost involved.

The School, on the other hand, contended that the existing differential was adequate extra compensation for the work involved.

(3) Definition of "M.A. plus 30" - the primary issue here centers around the meaning of "M.A. + 30" for the purpose of qualifying for the M.A. plus 30 salary differential. The Association indicated a willingness to accept the language proposed by the School, but only if individual administrators were allowed to decide what courses to take to satisfy the 30 extra hours of credit qualification. In this regard, the Association claimed that there was no evidence to indicate that principals had abused the "M.A. plus 30" qualification in the past by taking courses unrelated to their work; therefore, it was argued that the discretion to decide what courses to take should remain with each individual administrator.

The School claimed that it should have a right to review courses taken by administrators in qualifying for "M.A. + 30." Some concern was expressed that, even though there was no evidence

of past abuse, there was always a possibility that some administrator might enroll in courses unrelated to his or her work in an effort to qualify for the "M.A. plus 30" differential. The School argued further that, if a particular course were rejected for purposes of qualification under the M.A. plus 30 plan, the person adversely affected could always seek review through the grievance procedure.

(4) Longevity pay - In support of the request for longevity pay, the Association claimed that such a benefit was granted to the teachers' unit of the Roseville School System in their new contract, and that such a benefit properly compensates the members for their increasing on-the-job expertise.

The School, on the other hand, contended that even though longevity pay had been granted to the teachers for the 1972-73 school year, it was nevertheless deemed inappropriate for professional staff persons. On this point, the School pointed to the fact that central administrators do not receive longevity pay.

(5) and (6) Building size and extra buildings factors - the Association supported its proposal for a \$1,200 pay premium for principals supervising a building with a student enrollment of 800 or more by contending that disciplinary and administrative responsibilities increase geometrically with building size. It was also pointed out that the proposed \$1,000 payment, offered by the School, would result in a loss of benefit to some members of the unit who supervise such a school and hold a M.A. plus 30 hours of credit. Similar points were made in support of the request for an extra buildings factor allowance: i.e., that as a principal takes on the second building, the added task of coordinating two buildings is more difficult than supervising the same number of students in one building. The Association here not only requested payment for its members who take this added responsibility, but noted that the effect of using a dual principalship is a substantial wage savings to the school system and thus further justifies some added compensation.

Finally, the Association justified the request for a mileage allowance by pointing out that other district employees, such as Art, Music and Physical Education teachers, are paid an allowance for travel between schools within the district.

The School claimed that there is no justification for paying more than the old M.A. level rate for a school of 800 and over. It claimed that there is no relationship between an administrator's educational level and the added responsibilities of a school of this size, and that the old M.A. figure is sufficient compensation. Mr. Lees also indicated that the decision to increase the differential at the lower levels was motivated by a desire to provide the Association with the greatest benefit from available dollars. He explained that as there are no schools presently operating with this enrollment or projected at this

size for the next year, an increase within this classification would provide no actual benefit for Association members.

As to the proposal for an extra buildings factor, the School contended that, except for emergency situations when a principal is not present, there is little added responsibility in managing two buildings. It was further claimed that dual principalships were a common practice in small school systems and that extra payment is not typically paid for this responsibility. The School also pointed out that a mileage allowance is not usually paid to district employees for in-district travel and, therefore, there was no justification for such a payment to be made to the principals.

(7) Life insurance - the Association claimed that central administrators in the Roseville School district were recently given a \$20,000 group life insurance policy and, therefore, principals and assistant principals should receive a like benefit. In addition, the Association claimed that the request was further supported by the practices followed in neighboring school districts.

The School, on the other hand, argued that only four individuals, the Superintendent, Assistant Superintendents and Administrative Assistant for Business receive a \$20,000 life insurance benefit in the Roseville School System. However, Directors currently receive only \$15,000 in life insurance and teachers receive only a \$10,000 benefit. It was further pointed out there are at least six school districts in the county which do not pay any life insurance benefit to principals.

(8) Staff reductions - the Association expressed great concern over the proposed inclusion of the phrase "other reason" in Article XII, Section 1, covering staff reductions. It was argued that the provision proposed by the School does not adequately delimit the circumstances when staff reductions may occur and, therefore, the job security of principals and assistant principals could be seriously threatened by the administration of such an open-ended clause.

At the hearing before the Fact-Finder, the position of the School was somewhat ambiguous. Initially, it was suggested that the words "or other reasons" were intended only to cover layoffs prompted by significant and adverse economic or legal circumstances; however, Mr. Lees subsequently suggested by his testimony that the clause might also be used to justify a demotion or lay-off of an administrator for disciplinary reasons.

(9) Salary schedule - in support of the request for an 11% salary increase, the Association pointed to recent salary increases received by the teachers and central administrators in the Roseville School district. In addition, the Association presented comparative salary data from other school districts

in an effort to demonstrate that the 11% figure was fair and reasonable. It was also contended that the salary differential which has been traditionally maintained between teachers and principals would be seriously eroded unless the principals received an increase comparable to that received by the teachers.

The School contended, contrarily, that the economic settlement should not in any event exceed 5.5%. It was claimed that the 5.5% figure was fair in light of existing federal guidelines. It was further claimed that other district employees, including Custodians, Central Administrators, Administrative Clerical and Lunch Room Supervisors, have all recently received economic increases amounting to 5.5% or less. Finally, it was contended that since the School district is presently required to reduce an existing budget deficit, it cannot afford to settle with the principals and assistant principals at an amount in excess of 5.5%.

### FINDINGS OF FACT

#### I. Financial Capacity of the School System

The record reflects no serious claim by the School that it would be unable to meet the monetary demands made by the Association. The only argument affirmatively presented by the School was that the stable fiscal stature of the district might be endangered by meeting these demands. The Association, however, contended that there were sufficient funds available and that the size of past settlements with other bargaining units demonstrates the availability of these funds.

Some of the pertinent facts relevant to this point are as follows:

(1) The School system has had a history of cash flow operation. However, during the 1970-71 school year, the School district faced an operating deficit caused by rising costs coupled with a failure of the local population to vote any additional millage support plus the loss of six mills. As a consequence, in 1970-71 the School district was forced to borrow money in order to keep operating and to reduce the existing deficit. However, since 1970-71, the School district has not only been able to operate on a cash flow basis, but it has also been able to take appropriate measures to reduce the existing deficit by reserve account.

(2) In a letter from Mr. Lees to the Fact-Finder, dated June 26, 1973, the School district presented the latest estimated financial figures for the 1972-73 school year. These figures indicate an estimated operating surplus of \$199,687 for fiscal 1972-73, excluding allowance for the reserve account established

to reduce the pre-existing deficit. Mr. Lees reported the figures as follows:

"Instructional accounts [in the 1972-73 Budget], not including the salary accounts, contained \$1,992,880. Included in this was a reserve account for \$170,000 to reduce our deficit from \$689,244 . . . of the \$1,992,880 budgeted for non-salary instructional purposes, present figures show expenditures of \$1,793,193 leaving an amount of \$199,687. This is \$29,687 above the amount scheduled for reduction of the deficit in the 1972-73 budget as adopted."

The Fact-Finder also requested information regarding expenditures on instructional salaries during fiscal 1972-73, but no information was received on this point.

## II. Local Support of Educational Programs

The School system presented evidence to demonstrate the nature of the local support received from the community in recent years. The record indicated ten elections were held over the past three years, in an effort to gain support for thirteen separate millage requests and three bond issues. The School district was successful in only two of its attempts to gain support for millage renewals; however, the local population has repeatedly rejected requests for millage increases and it has only supported one small bond issue over the past three years.

The exact nature and effect of this millage election record is made clear by reference to the following facts:

(1) The Assistant Superintendent of Personnel stated that of the present 25.58 millage figure, only approximately 8.58 mills are voted.

(2) The current millage level is the same now as it was on March 24, 1970, when the School Board's request for an additional 6 mills for four years was rejected by the citizens of Roseville.

(3) The operating millage figure for Roseville is below the median figure for the county, with many neighboring communities being supported by 29-32 mills. This is particularly significant considering the fact that the SEV of Roseville is not among the high figures for the surrounding area.

## III. Salary Data

Both parties to the instant dispute presented a wealth of evidence to support their respective positions on the issue of

salary increase. Much of the evidence offered was in the form of salary comparisons with neighboring school districts. Unfortunately, the use of comparative data, while sometimes helpful, is made difficult by the many variable factors involved in each setting. For example, it must be recalled that salary comparisons may be skewed by the length of the contract term, the number of contract days, the range between minimum and maximum salaries, the number of years required to progress from minimum to maximum salary positions, relative state equalized valuations, fringe benefits and differing administrative duties. Nevertheless, some of the following facts may be pertinent here in reviewing the salary issue:

(1) The Roseville teachers received an aggregate increase of 10.4% in 1972-73.

(2) The top six members of central administration, excluding the former superintendent, received a total of about \$8,700 in salary increases in 1972-73 (Assoc. Ex.17). This is the equivalent of an aggregate salary increase of about 7.2% for the top six administrators, excluding the former superintendent who was retained as a "consultant" with no salary adjustment in 1972-73. If the former superintendent is included in this calculation, and the salary figures listed in Assoc. Ex. 17 are used, then the aggregate salary increase for the top seven administrators would be about 5.8%.

(3) Other bargaining units within the school system have settled at figures close to 5.5% for their contracts for the 1972-73 school year.

(4) Until 1970, the principals' salary rates were set according to a differential factor of 1.3 times the salary of teachers at the same educational level (i.e. elementary principals with Master's degrees would be paid 130% of the salary of Master's level elementary teachers. In 1970, a decision was apparently made to abandon the fixed ratio method of salary determination, partly in an effort to make the principals a more significant segment of the "management team" of the school district; however, the principals were assured that they would suffer no financial losses as a result of this change. During the 1971-72 school year, the ratio between the Master's level teachers and elementary principals with a Master's degree was 1.286. However, if the principals were to receive a 5.5% increase for 1972-73, this ratio would drop to 1.215. In absolute dollar figures, the differential in 1971-72 was \$4,300; however, this differential would be reduced to \$3,608 in 1972-73 if the principals were limited to a 5.5% salary increase.

(5) During his testimony at the fact-finding hearing, Assistant Superintendent Lees admitted that (Tr. 167):

"In terms of actual salary comparisons, our salaries are certainly in the lower half in the county and those that we exceed are primarily in the northern part of the county."

Mr. Lees also indicated that principals and assistant principals are not organized in many of the school districts in the northern part of the county.

### RECOMMENDATIONS

The Fact-Finder has carefully reviewed the record of testimony, documents and other evidence in this matter and after much deliberation, he respectfully recommends the following settlement for adoption by the parties:

(1) Administrative Tenure - the School's proposal to revise Article VI, Section 3 to conform the contract language to existing practices with respect to administrative tenure should be adopted. Since the Association raised no serious objections to the existing practices, the new language will merely give contractual support to existing district policy. In addition, the new language should clarify the problem of administrative tenure and help to avoid future misunderstandings between the parties.

(2) "M.A. plus 30" differential - the Association's proposal to increase the pay differential for "M.A. plus 30" should be rejected. Since course work beyond a Master's degree is not a mandatory condition of employment for school administrators, the cost of such course work should not be a binding consideration, and the premium should be seen as added compensation for increased service skills. There is no justification in the record for providing a greater premium differential than that presently existing between teachers and administrators.

(3) Definition of "M.A. plus 30" - Article X, Section 1 should be amended by the addition of the following language:

"It is understood by both parties that the term 'M.A. + 30' indicates that the affected principal has completed thirty semester hours of graduate work applicable to his role as principal after the date of completion of his Master's degree. In the event that any dispute arises concerning the application of this clause, the affected administrator may process a grievance pursuant to the applicable contractual grievance procedure; if necessary, the matter may be appealed to final and binding arbitration for an impartial determination of the matter in dispute."

The parties have heretofore had little difficulty with the administration of the "M.A. plus 30" program and the language hereinabove proposed should prevent future problems. Under this language, the School Board will appropriately retain the right to question the relevancy of post-Master's degree course work; however, any administrator who is adversely affected by

Board action may still seek impartial review of the matter pursuant to the grievance and arbitration procedures.

(4) Longevity pay - the Association proposal for a longevity pay provision should be rejected. School administrators should be viewed as members of the "management team" of the school district and should be paid accordingly. None of the central administrators in the school district receive longevity pay and there is no apparent reason to support the request for such a payment for school administrators. While it is true that the district teachers were recently granted a longevity pay benefit, the Fact-Finder finds this to be an insufficient reason to grant precisely the same type of benefit to school administrators. Generally, the purpose of longevity pay is to provide some extra compensation for fixed service. Unlike teachers, school administrators are frequently moved from position to position, school to school and through several increasing salary grades as their positions change. In addition, they are sometimes required to "manage" two schools. These multiple responsibilities and salary levels clearly distinguish the administrator from the teacher who is given longevity pay to compensate for many years of service at the same task and salary range, and sometimes at the same school.

(5) Building size factor - the School proposal of \$1,000 for compensation for any principal who is assigned to a building where no assistant principal is assigned and where the student enrollment is 800 or more should be adopted. It should be noted that this issue raises a moot question, since no principal apparently qualified for the payment in 1972-73. Furthermore, it should be noted that the record here does not support the contention that the responsibility of a school administrator increases geometrically as enrollment grows. The proposed arithmetic progression should accurately compensate the principal for the added duties. The fact that a principal with a MA + 30 will not be paid as much under this provision is irrelevant, once it is conceded that the added duties in no way correlate with educational levels. If the \$1,000 compensation proves to be inadequate in the future, it can be appropriately adjusted by the parties. For now, however, the matter is not a significant issue of concern.

(6) Extra buildings factor - Article X, Section 2 should be amended by the addition of a provision providing for extra compensation of \$300 per year for any principal who must supervise two separate school buildings. However, the Association proposal for a mileage allowance should be rejected. There are recognizable added difficulties that accompany the control of two facilities that are not equalled by one building with the same total enrollment. Taking into account the savings to the system in creating these dual rolls, it is fair to provide some measure of compensation related directly to the multiple building situation.

(7) Life Insurance - Article X, Section 7 should be amended to increase the group life insurance (including accidental death and dismemberment benefits) to \$15,000. This amount is in line with the benefit paid to school administrators in neighboring school districts and, in addition, the \$15,000 figure will keep the principals and assistant principals on a par with central administrators in the Roseville school district.

(8) Staff reductions - Article XII, Section 1 should be amended by the addition of the following language:

"Should it be necessary because of declining enrollment, closing of a building, financial limitations or other serious and legitimate business or legal reasons, or because of a serious natural disaster, to decrease the administrative staff, the Board shall, individual contracts notwithstanding, have the authority to layoff, demote, or reassign principals to achieve the necessary reduction in staff."

With the adoption of this clause, both parties should be benefited by language clearly defining their powers and liabilities and leaving no room for prejudicial conduct. Such language provides for the possible legitimate reasons for management action and also provides the Association with a reasonable standard to judge action taken.

(9) Salary Schedule - the 1971-72 principal and assistant principal salaries should be increased by an amount equal to 7.0% for the 1972-73 school year. This increase will maintain a reasonable differential between principals and teachers. In addition, a 7.0% increase should achieve a desirable relative position between the two primary supervisory and administrative arms of the school district and also achieve a more realistic salary position for Roseville school administrators vis-a-vis other school administrators in neighboring districts.

### CONCLUSION

In considering these recommendations the Fact-Finder was primarily concerned with maintaining a desirable relative position for the Association members within the system. Of primary importance was an understanding of the normal responsibilities of school administrators. Principals and assistant principals are clearly members of the district administrative and management team; they are in effect the local agents of the School Board and they are called upon to participate in most areas of management policy.

This finding is consistent with the position of the Michigan Employment Relations Commission in Public Education unit determinations. The Commission has consistently stated that Principals

and Assistant Principals may not become members of a unit comprised of teaching personnel. The Commission reasons that these persons are typically charged with duties that are supervisory in nature, requiring the exercise of discretionary management prerogatives. As such, inclusion in a bargaining unit with teachers would create severe conflicts in interest. Clearly, the principal's function is tied closely to that of the central staff in the unified task of controlling and coordinating an effective educational program.

After considering all the testimony by both parties and the above noted policy position, it is the conclusion of the Fact-Finder that the members of the Association should be seen as primarily concerned with supervisory activities, in concert with the central staff. As such, the equity of their demands should be evaluated principally by comparison with central staff benefits and arguments should be found more persuasive when they advocate that relative equity.

In considering the salary recommendation the Fact-Finder put great weight on the fact that the central administrators who received wage increases in 1972-73 were given an aggregate increase of 7.2%. This figure is found to be more exemplary than the total aggregate figure (i.e. including the consultant) as it represents the increase given to those in the direct line of management control and responsibility. The Fact-Finder also took note of the past practice of establishing principals' salaries based upon a multiple of the teacher salary rate at the same educational level. While this practice was discarded in 1970, the ratio has been maintained without formal sanction. The Fact-Finder does not suggest that the use of a ratio is here proper. What is suggested is that the underlying reason for the standard and the long standing practice of ratio maintenance demonstrates the notion that a reasonable and fair differential should be maintained, appropriate to the relative responsibilities of the jobs.

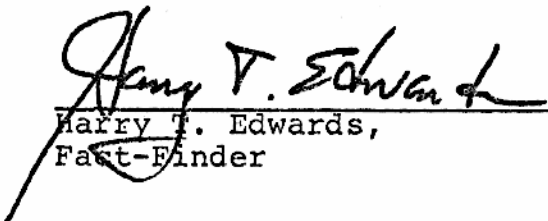
The Fact-Finder has found no serious claim or evidence in the record to indicate that the School is unable to pay the proposed 7.0% increase. The facts here reveal that, although an existing deficit remains, the School district is presently operating on a sound cash flow basis with substantial reserve funds at hand. Furthermore, the record reveals that all of the other employees in the district were paid their salary increases in 1972-73 without difficulty.

It should be here mentioned that were the School not in such a sound financial position, the Fact-Finder might still be constrained to recommend the proposed settlement. The record of local support of the School system has been less than enthusiastic. Roseville has not only a relatively low voted millage, but also a below average operating millage and a relatively low SEV. Given this, the School Board simply may be required to look to the local citizenry for financial assistance to support reasonable costs associated with the

community's educational program.

On the basis of the facts and arguments here presented, the Fact-Finder believes that the recommendations offered provide the parties with a fair and reasonable basis for settlement. The recommendations do not reflect absolute insight, but simply reflect the Fact-Finder's attempt to balance the competing equities of both parties positions and the objective data available in an effort to find an equitable solution to the bargaining impasse.

It is my sincere hope that the recommendations will become the basis for a settlement satisfactory to both parties, and provide the basis for an effective bargaining relationship in the future.

  
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Harry T. Edwards,  
Fact-Finder

Dated: July 17, 1973