

LABOR AND INDUSTRIAL
RELATIONS
COMMISSION

Michigan State University

IN THE MATTER OF FACTFINDING
Between
ROSEVILLE COMMUNITY SCHOOL DISTRICT
And
ROSEVILLE FEDERATION OF TEACHERS

Case No. D78 D927

*Edward Dempkin*BACKGROUND

The undersigned was named as hearing officer and charged by the Michigan Employment Relations Commission with conducting a fact finding hearing between the Roseville Community School District and the Roseville Federation of Teachers on September 7, 1978 pursuant to Section 25 of Act 176, P. A. 1939. Six issues were submitted to the Fact Finder for resolution after several months of negotiations and efforts to arrive at a mediated settlement proved unsuccessful. Formal hearings were conducted on September 8 and 14 and on October 3 and 4. Briefs were submitted by the respective counsel on October 18.

RECOMMENDATIONS AND AGREEMENTS

The following report and recommendations, based on formal submissions and briefs, are intended to constitute a basis for settlement of the six outstanding issues which led to the dispute.

I. Salary

A. Board Proposal:

1.9% increase in year 1

2.8% increase in year 2

B. Union Proposal:

1.12% increase in year 1

2.12% increase in year 2

Roseville Community Schools

DISCUSSION: Summary of Board's Testimony and Exhibits

The Board acknowledges that it has an adequate balance in its Fund Equity to provide teachers with a salary increase of nine per cent (9%) in the first year of a successor agreement. It is also willing to commit itself to an eight per cent (8%) increase in the second year of a successor agreement. It has on hand a Fund Equity of \$1,133,240 which can be used to help achieve settlement in the first year. The Board would prefer that these monies be used to help the district offset predictable cash flow problems which frequently result in short term borrowing at high rates of interest to meet payroll and other expenses. When an adequate Fund Equity is available to the District, it uses these monies to meet known expenses in anticipation of the State aid and millage monies which will accrue to the District in the middle of the year. After State aid and millage monies are received the Fund Equity can be replenished thus eliminating the need to borrow from banks and to pay interest. Should the Fund Equity be depleted the District must then meet its immediate expenses by borrowing monies at interest and subsequently using millage and State Aid monies to repay the short term loans. Other risks which the District faces involve unanticipated revenue shortfalls. These may result from State Aid which is tied to enrollment. Aid may be reduced as enrollments decline or adjustments are made in the State aid formula. Potential liabilities also exist in the form of ongoing litigation. Presently, for example, there is a challenge to the Board's claim to \$875,000 in taxes already collected and expended. The litigation may result in the Board owing nearly a million dollars out of its current fund to various plaintiffs. Even if none of the above were to actually occur, which is highly unlikely, the decision to use the Fund Equity for salary compensation is a decision which eliminates a cash reserve

In the first year of the contract and eliminates future access to such monies. Further salary maintenance and increases in the second year of the contract will result from reallocating available monies or from raising new monies.

The Board estimates that the salary increase will cost \$800,000 in the first year. Increased costs of insurance, longevity, increments, and severance pay will also impact on the budget. They will add approximately \$280,000 in additional costs to the Board's fiscal obligations. Together these expenditures will use up the entire Fund Equity in the first year of the contract. In addition, the Board maintains, construction and energy saving costs will require an additional half million dollars for work which will be done at Brablec and Roseville High Schools and Kaiser and Wellington Elementary Schools. Roof repairs within the district will cost approximately \$916,000 over the proposed two year contract with the Roseville Federation of Teachers.

Hence, the Board argues that the 9% and 8% offers which it has made to the teachers is reasonable and should be recommended by the Fact Finder.

SUMMARY OF UNION'S TESTIMONY AND EXHIBITS

The Union maintains that Roseville teachers were in seventh position in Macomb at the B.A. maximum in 1969-70. They had dropped to fourteenth position by 1977-78 (p. 5 Union Brief). Today, Roseville, the Union argues, is approximately two per cent (2%) below the Macomb County average at B.A. maximum and about three per cent (3%) below the tri-county average (Union Brief, p. 6). Furthermore, it points out that the Board has not contended that it is without the resources to pay the 24% demanded by the Union over the proposed two year contract period.

The Union points out that such an increase would be equitable considering the fact that in 1976-77 teachers' salaries increased only three per cent (3%) and that in 1977-78 the salary schedule was not increased at all. (Union Brief, p. 5)

Over the past five (5) years, the Union contends, Roseville teachers held back on their demands in order to accommodate the District which admittedly faced serious financial problems. They watched the cost of living go up fifteen and eight-tenths per cent (15.8% in 1976-78 while their salary schedule rose only three per cent (3%). A twelve per cent (12%) increase for 1977-78 would result in an economic "stand still" for teachers for that year, the Union argues, while a twelve per cent (12%) increase in the second year of the contract would constitute a net increase of 9.35%. This increase would be reasonable and, hence, should be sustained in the Fact Finder's recommendation, the Union asserts.

OPINION

The Fact Finder notes that the Board's arguments are generally sound although its contentions in its brief (pp. 10-12) are inconsistent with the fiscal data it has provided. Although the Board contends that the Roseville teachers' salaries compare favorably with other public school districts in the metropolitan area, the examples which the Board has presented do not bear this out. For example in 1977-78 the Board's figures show that Roseville teachers at the B.A. minimum salary will be six-tenths of a per cent (.6%) above the median B.A. minimum in the metropolitan area. They will be twenty-one per cent (21%) above the lowest salary in the metropolitan area and nearly fourteen per cent (13.7%) below the maximum B.A. minimum salary. At the same time they fall nearly two and a half per cent (2.4%) below the median B.A. maximum salary and eighteen per cent (18%) below the highest B.A. maximum salary in the metropolitan area. Consistent with

the Board's claims, they are, in fact, nearly forty-seven per cent (46.8%) above the lowest B.A. maximum salary. At the Master's level and the M.A. + 30 level the situation worsens. Out of twelve comparisons the Roseville teacher's situation is unfavorable two-thirds of the time. The 1977-78 salary is twenty-five per cent (25%) below the highest M.A. minimum salary in the metropolitan area and nine-tenths of a per cent (.9%) below the median M.A. minimum salary. Similarly, Roseville teachers are sixteen per cent (16%) below the highest M.A. maximum salary and three per cent (3%) below the median M.A. maximum salary.

A similar situation is found with the M.A. + comparisons. The only favorable comparison is found, in fact, when Roseville teachers are compared with the lowest medians in the metropolitan area. In each lane Roseville teachers' median salaries can be shown to be consistently better only in comparison with the lowest starting salaries of the median B.A., M.A., and M.A. + 30 salaries in the metropolitan area. Over all, the Board's factual presentation fails to support its claim that Roseville teachers' salaries compare favorably with the salaries of other teachers in the metropolitan area when the median salary or highest salaries are the bases for comparison. The Board's own data show that they tend to compare less than favorably.

The factual data show marked improvement, however, when the Board's figures for Macomb County salary increases assuming increases of seven per cent (7%) are contrasted with the Board's proposed 1978-79 salary schedule for Roseville teachers. In seven out of twelve comparisons the Roseville teachers are projected to fare better than their counterparts in Macomb County. Median comparisons improve significantly over those of the current year. The major weakness in these data, however, are that they represent settlements based on only twelve known outcomes.

It is also noted that the Board's claim that Roseville teachers' salaries have stayed even with the cost of living is, again, not substantiated by the facts presented.

Those data presented represent a co-mingling of incremental increases (awarded for experience proficiency) with salary increases (awarded for economic equity or parity with the cost of living). From a reading of these data this Fact Finder is not persuaded that Roseville teachers' salaries have kept pace with the cost of living. It appears, in fact, that they have not and that the increase proposed by the Board is, though sizeable, not at all unreasonable, particularly given the relatively favorable fiscal circumstances in which the Board finds itself.

The Fact Finder notes that the Union has observed that an increase of twenty-four per cent (24%) over the next two years would yield a real gain to teachers of over nine per cent (9.35%). It appears to the Fact Finder that an increase of nine per cent (9%) in year one of a successor agreement and of eight per cent (8%) in year two will yield a total gain of seventeen per cent and a real gain of nearly seven per cent (6.8%) in terms of salary adjustments.

The Board has shown that although its fiscal situation is improved there are other demands which must be fitted within its priorities. In proposing a settlement of nine per cent (9%) and eight per cent (8%) it has moved toward promoting parity between income and cost of living for Roseville teachers. The Board has argued that a twenty-four per cent (24%) increase in salary would constitute an over commitment of resources based on a temporary bulge in its Fund Equity. The Fact Finder believes that this is a reasonable assumption. Therefore, the following is recommended:

1. The salary schedule shall be increased nine per cent (9%) in year one and eight per cent (8%) in year two of the contract.

2. Vocal Music

- A. Board Proposal: Elementary Auxiliary Services

Restoration of vocal music will be accomplished by dropping 1 of Article X, Section 2.

- B. Union Proposal

Same

DISCUSSION

There was extensive negotiation over restoration of the vocal music program. Both parties recognized the value of this important component of the school curriculum and concurred in the above language.

RECOMMENDATION

Section 1 of Article X, Section 2 shall be deleted from the successor agreement and vocal music programs shall be restored to the elementary school curriculum immediately upon the ratification and adoption of this Agreement.

3. Article VII, Assignment, Transfer, Reduction in Force and Recall

- A. Board Proposal

New Sub-Section 4. Qualifications for elementary art, physical education and music positions shall be a certificate with such endorsement. Exception for art and physical education positions: Same conditions as provided in Sub-Sections 3, but limited to teachers possessing an elementary certificate.

New Sub-Section 5. The District shall pay up to \$600 to those teachers obliged to take courses in order to retain their employment as provided in Sub-Sections 3 and 4 of this Article and Section. Reimbursement will be made upon proof of successful completion of all course work necessary for endorsement.

DISCUSSION

The parties are found to be in concurrence regarding the above change.

RECOMMENDATION

The above change shall be incorporated into the success agreement.

4. The School Day

A. Board Proposal:

Teachers shall report ten (10) minutes prior to the beginning of instruction. (The rest of this section remains the same.)

B. Union Proposal: Opposed

DISCUSSION

A modified proposal by the Board changed the "ten (10) minutes" provision to "five (5) minutes."

The Union argued that elementary teachers would be required to report at 8:20 a.m. rather than the present 8:25 a.m. and secondary teachers at 8:00 a.m. in the junior high school and 7:50 a.m. in the senior high school, rather than at 8:05 and 7:55 as they presently report.

This change in work time, the Union pointed out, is an increase of 1.4% of the total yearly work load over the full 184 day calendar which was agreed to between the parties. Despite this increase, the Board makes no proposal to pay any additional compensation.

Furthermore, the Union contends there are other methods to solve the problem suggested and raised by the employer. This problem, the Union suggests, is that students may enter the building and rooms at times when teachers are not present to supervise their activities. However, since the present language was adopted in the 1971 contract and during the entire seven years since that agreement, there has been no actual complaint by the administration to the Union or to any of the teachers concerning any problem which the present schedule creates.

There has been no reprimand of any teacher for failure to comply with the contract and be present at the proper times to handle the pupils, nor has there been a showing of any case in which a problem for a child has been caused by the fact that the teachers and students arrive in school at the same time. In fact, the record, the Union points out, is without any proof whatsoever of these issues.

The present schedule sets the end of the school day for all teachers at five minutes after the students leave. This extra five minutes during which teachers are to remain after the student day ends can be moved to the morning so as to solve the problem which the administration suggests is the reason for their request, without an increase in the length in the school day. Certainly no increase in the school day should occur without adequate compensation.

Under these circumstances, it would appear that the demand of the Board of Education should not be granted and the school day should remain as it has been for some seven years, or at most transfer the five minutes from the end of the day.

OPINION

The recommended modification proposed by the Union appears reasonable to the Fact Finder. However, these arguments, made in the Union's brief (pp. 2 and 3), were not offered prior to close of the hearing.

RECOMMENDATION

This matter is remanded to the parties for subsequent negotiations. No change is recommended for the successor agreement which will take immediate effect.

5. Appendix B - Mutually Recognized Past Practices

A. Board Proposal

Whenever ten per cent or more of the classroom teaching staff is absent and qualified substitutes are unavailable, special service and auxiliary teachers may be used to substitute so that students will not have to be sent home. Special service and auxiliary teachers shall be required to substitute no more than twice a year each; such duty shall be rotated insofar as possible. If applicable, they will be paid at the rate of \$9 per hour (pro rata) for lost preparation time.

B. Union Proposal: Opposed

DISCUSSION

The hearing revealed the parties to be relatively close to agreement on the above matter but apart on the specific language. To resolve the issue the Fact Finder recommends the following language for adoption in a successor agreement or implementation through a memorandum of understanding.

RECOMMENDATION

Where anticipated absences in excess of ten per cent (10%) of the classroom teachers occurs, auxiliary and special service teachers may be assigned to substitute to cover such absences in excess of ten per cent (10%). Auxiliary and special service teachers, however, may not be required to cover such absences more than two times a year and to the extent possible such mandatory substitute service shall be on a rotating basis.

6. Contract Duration

Recommendation: Two years

11/3/78

Date

Edward M. Miller

Fact Finder