

7/14/77

STATE OF MICHIGAN
EMPLOYMENT RELATIONS COMMISSION

In the matter of:

SOUTH LYON EDUCATION ASSOCIATION

-and-

SOUTH LYON BOARD OF EDUCATION

Case No.: D76 D-1496

LABOR AND INDUSTRIAL

RELATIONS DIVISION

Daniel K. George

HEARINGS OFFICER'S FACT FINDING REPORT

APPEARANCES

For the South Lyon Education Association

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Professional Negotiating Team
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For the South Lyon Board of Education

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INTRODUCTION

This is a fact finding report under the provisions of Section 25 of Act 176 of the Public Acts of 1939, as amended, which provides in part as follows:

"Whenever in the course of mediation under Section 7 of Act No. 336 of the Public Acts of 1947, being Section 423, 207 of the Compiled Laws of 1948, it shall become apparent to the Board that matters in disagreement between the parties might be more readily settled if the facts involved in the disagreement were determined and publicly known, the Board may make written findings, with respect to the matters in disagreement. Such findings shall not be binding upon the parties but shall be made public..."

In accordance with the Commission's Rules and Regulations relating to fact finding, the undersigned Hearings Officer was designated to conduct a hearing in the matter and to issue a report in accordance with Employment Relations Commission General Rules and Regulations 35. Briefly, this Rule states that the Hearings Officer will issue a report with recommendations with respect to the issues in dispute.

The Fact Finder was appointed on October 21, 1976. The hearings were held at the Board of Education Building in South Lyon, Michigan, on November 22, December 6 and December 9, 1976.

ISSUES IN IMPASSE

The following are the unresolved issues in this case:

- (1) Agency Shop
- (2) Board Rights and Responsibilities
- (3) Number of years credit on salary schedule
- (4) Effective date of increment
- (5) Per Diem Rate for work beyond the established school calendar
- (6) Fringe benefits
 - (a) health insurance
 - (b) life insurance
 - (c) dental insurance
- (7) Teaching hours

- (8) Elementary teachers preparation time
- (9) Reimbursement for teaching a class during a conference/
planning period
- (10) Class size
- (11) Sick Leave
- (12) Personal Leave
- (13) Sabbatical Leave
- (14) Maternity and Parental Leave
- (15) Reduction in Personnel
- (16) Teacher Evaluation
- (17) Protection of Teachers
- (18) Grievance Procedure
- (19) Strikes and Sanctions
- (20) Salary Schedule
- (21) Extra-Curricular Pay
- (22) Duration and Retroactivity

HISTORY OF NEGOTIATIONS

According to information supplied by the parties, bargaining sessions in 1976 were held:

June	10, 14, 18, 22, 23
July	2, 7, 13, 14, 15, 16, 26, 28, 30
August	2, 9, 11*, 19*, 20, 23, 30
September	2, 7*, 17*
October	5*, 12*, 21*

Twenty-seven (27) bargaining sessions had been held as of October 21, 1976.

Seven of these sessions were held with the State Mediator and they are

indicated by an asterisk. The parties could not reach agreement and petitioned for fact finding.

DISCUSSION OF ISSUES AND HEARINGS OFFICER'S RECOMMENDATIONS

Issue No. 1: Agency Shop

The Education Association is seeking to include in the new Agreement the identical language which appears in Article II Teacher Rights Section C of the Master Agreement for 1974-76 which deals with the Agency Shop (Association Exhibit #9). At the time the Fact Finder requested that the parties indicate what the issues in impasse were, the Board maintained that it would not include an Agency Shop clause until a satisfactory agreement was reached. It also wanted a save harmless provision under which the Education Association would reimburse the School District for unemployment insurance should a teacher be laid off pursuant to the Agency Shop provision. At the hearing on December 9, 1976, the Board dropped its objections to the Agency Shop.

In the view of the Fact Finder, Article II, Section C, paragraphs 5 and 6 (Joint Exhibit #1, page 5) provides a save harmless protection for the Board of Education in matters pursuant to the Agency Shop.

Recommendation: The Fact Finder strongly recommends that the parties include in the new Agreement Article 11, Teacher Rights, Section C, Professional Dues, Fees and Payroll Deductions Master Agreement for 1974-76, Joint Exhibit #1, pages 3-5.

Issue No. 2. Board Rights and Responsibilities

The Education Association introduced as Exhibit #1, Article IV Board Rights and Responsibilities which is the identical language which appears in the 1974-76 Master Agreement (Joint Exhibit #1). The Board of Education did not offer any objection to this exhibit. Thus there appears to be tentative agreement on this issue.

Recommendation: The Fact Finder strongly recommends that the parties include in the new Agreement the same language which appears in the Master Agreement 1974-76, Article IV Board Rights and Responsibilities, pages 7-8, Joint Exhibit #1.

Issue No. 3. Number of Years Credit on the Salary Schedule

Article V Professional Compensation, Section C (Joint Exhibit #1, page 9) deals with number of years credit on the salary schedule. The Education Association is seeking the same language as contained in the Master Agreement for 1974-76 with one exception:

Section C. 2. (Joint Exhibit #1, page 9) reads "Any period of one (1) semester or ninety (90) consecutive days of full-time teaching shall be equivalent to one (1) year of teaching experience. Teachers can only receive credit once for a half-year experience.

The Education Association wants to change the above section to read:

B. 2. For purposes of this article, forty-six (46) or more consecutive days of full-time teaching employment shall constitute one (1) semester of service credit.
Association Exhibit #2, pages 1-2.)

The Education Association in its written closing remarks to the Fact Finder dated December 13, 1976, stated that the parties should

tentatively agree to and sign the 1974-76 contract language dealing with number of years credit on the salary schedule. There was no objection to this item in Board's Exhibit #6.

Recommendation: The Fact Finder strongly recommends that the parties include in the new Agreement the appropriate language from the Master Agreement for 1974-76 Article V. Professional Compensation, Section C, page 9, Joint Exhibit #1.

Issue No. 4. Effective Date of Increment

In its Exhibit 2, the Education Association stated that the "effective date of increments shall be the first school day of a new semester for any teacher who has previous experience as per B. 2. above" (see page 5) for wording of B. 2.). The Board is willing to grant the one-half year credit to teachers on its staff who have gained the experience in the South Lyon School District providing these teachers have not been granted a whole year for a half-year of experience previously (Board Exhibit #6, page 1). The Education Association agrees with the Board's position that this credit should be granted only if it has not been already granted.

Recommendation: The Fact Finder strongly recommends that the parties develop the appropriate language on this issue for inclusion in the new Agreement. They are both in agreement on the substantive features of such a provision.

Issue No. 5. Per Diem Rate for Work Beyond the Established School Calendar

Both parties are in agreement that teachers employed beyond the established school year shall receive an additional per diem payment based

on 186 working days. (See Association Exhibit #2, page 2 and Board Exhibit #6, page 2.)

Recommendation: The Fact Finder strongly recommends that teachers employed beyond the established school year shall receive an additional per diem payment based on 186 working days.

Issue No. 6. Fringe Benefits

This issue will be discussed later in The Award along with salaries.

Issue No. 7. Teaching Hours

The 1974-76 Master Agreement, Article VI. Working Conditions, Section B. 1., covers teaching hours (Joint Exhibit #1, pages 10-11). This Section requires that teachers report for duty at least twenty-five (25) minutes before the opening of the pupil's regular school day in the morning and they are expected to remain at least twenty-five minutes after final bell of dismissal.

The Education Association seeks to change the twenty-five (25) minutes to twenty (20) minutes (Education Association Exhibit #12A). The Board of Education wants to retain the current language in the 1974-76 Master Agreement, Article VI. Working Conditions, Section B. 1. calling for twenty-five (25) minutes.

No compelling reasons were given by the Education Association as to why the twenty-five (25) minute requirement should be changed to twenty (20) minutes.

Recommendation No. 1.: The Fact Finder strongly recommends that the parties agree to the language of the Master Agreement for 1974-76 Article VI. Section B., Paragraph 1. (Joint Exhibit #1) i.e., 25 minutes.

Another issue relative to teaching hours is the length of the teacher work day. Article VI, Section B or Section C does not specify the length of the work day. The Board of Education stated that the lack of a specific length of work day for teachers gives it flexibility.

Article VI, Section C does state that the "teaching load of the senior and junior high schools shall generally not exceed thirty teaching periods per week. Assignments to a supervised study period and/or lunch period on a permanent basis shall be considered a teaching period for purposes of this Article. The weekly teaching load in the elementary school shall not exceed thirty (30) hours of classroom teaching."
(Joint Exhibit #1, page 11.)

The Education Association is seeking an instructional day for the secondary school which shall not exceed six (6) hours and forty-five (45) minutes including a thirty (30) minute duty-free lunch period. It further seeks the same length of instructional day for the middle school teaching staff, namely, six (6) hours and forty-five (45) minutes including a thirty (30) minute duty-free lunch period. For the elementary school teaching staffs it seeks an instructional day of six (6) hours and thirty (30) minutes including a thirty (30) minute duty-free lunch period.

(Education Association Exhibit #12A)

The Education Association introduced data to show that twenty-three (23) School Districts provide for length of teacher work day specified in the contract (Education Association Exhibit #12B).

Recommendation No. 2.: The Fact Finder strongly recommends that the parties negotiate a provision in the new agreement which spells out the length of the instructional day for teaching staffs in the high school, middle school and elementary schools. He refrains from recommending the

hours proposed by the Education Association because he is unfamiliar with the schedules of the schools in the School District. The parties, however, should spell out the length of the instructional days. If the Board of Education needs flexibility in event of an emergency, the provision could read that in event of a well defined emergency, the length of the work day can be modified for the duration of the emergency without penalty to the Board.

The Fact Finder recommends that a provision spelling out the length of the instructional day be included because it is good personnel practice to do so. Most employers do spell out length of work day, breaks, lunch periods, starting times, and quitting times.

Issue No. 8. Elementary Teacher Preparation Time

Article VI, Section B Teaching Hours, Paragraph 5 of the Master Agreement for 1974-76 reads:

"Elementary teachers shall have as preparation and/or conferences the time during which their classes are receiving special instruction at the library and in music, art, and physical education. All time when elementary teachers are not assigned recess duty will be considered preparation and conference time." (Joint Exhibit #1, page 11.)

The Education Association seeks to have the elementary school teachers receive one hour per day for preparation time (Education Association Exhibit #12A, page 1). It did not provide data to show how many school districts in Oakland County provide planning time for elementary teachers. It did provide an exhibit (12C) which shows that Hazel Park and Troy School Districts do provide planning time for elementary teachers.

The Board wants to retain current language in the Master Agreement, Article VI, Section 8, Paragraph 5, quoted above. It maintains that the elementary teachers already have preparation time when special instruction activities such as library, music, art and physical education takes place (see Board Exhibit #12). In addition, the teachers in the lower grades also have time off during recess periods. This preparation time, however, is not guaranteed and could be eliminated if priorities change or financial problems intervene (Board Exhibit #6, page 3).

Neither party presented data to show the costs if all elementary teachers received one hour of preparation time each day. There is a cost factor involved because someone must cover the classes if the teachers are to have a preparation time when the special instructional activities noted above are not taking place.

Recommendation: Because of the unknown cost factor, the Fact Finder is reluctant to recommend that elementary teachers be guaranteed one hour preparation time per day. As noted, they already have some preparation time when special instruction is taking place but it is not guaranteed. If funds can be found, the parties should negotiate a provision in the new agreement that guarantees some preparation time for elementary teachers during the week. This new provision could be met as long as the special instruction activities are taking place. A preparation time, it could be argued, would be beneficial to both the teachers and the students.

Issue No. 9. Reimbursement for Teaching a Class During a Conference/Planning Period

The current practice of the Board is to pay a teacher five (\$5.00) dollars for teaching a class during a conference/planning period. The

Education Association is seeking a rate of fifteen (\$15.00) dollars per class. The contract is silent on the pay rate for teachers teaching a class during a conference/planning period on an irregular basis. The Board has accepted the principle suggested by Fact Finder that the teacher teaching a class during a conference planning period be paid at one-sixth of the daily rate based on the B.A. minimum. The Board contends that the absent teacher for whom the teacher is substituting for that period pay this amount to the teacher doing the teaching. The Fact Finder cannot agree with the Board position of having the absent teacher pay the "substitute".

Recommendation: The Fact Finder strongly recommends that the parties agree to language for inclusion in the new Agreement that will pay a teacher who teaches a class during his/her conference/planning period at one-sixth of the daily rate at the B.A. minimum. This recommendation provides a rational basis for compensation to cover emergencies.

Moreover, the Fact Finder strongly suggests that the parties maintain accurate and complete records as to which teachers are absent. Moreover, he strongly suggest that the Board develop an absenteeism control program to minimize unauthorized absences of all personnel employed by the School District. Such data should be reported to the Education Association on a regular basis.

Issue No. 10. Class Size

Article VI Working Conditions, Section C Teaching Loads and Assignments, Paragraph 2, of the Master Agreement deals with class size. It reads as follows:

"The Board and the administration will make every effort to keep class sizes at 30 students or less. In the event that problems occur in regard to class size, a committee composed of two administrators selected by the Superintendent and two teachers selected by the Association will meet with the teacher involved within five (5) days to reach an agreement on resolution of the matter. If the class size in any class exceeds thirty-three (33) students for any reason, an aide shall be assigned to the teacher involved to assist with that class. The use of the aide will be on a pro-rata basis at the secondary level. The provision does not apply to traditionally large size classes (ie; physical education, vocal music, instrumental music, etc.)." Joint Exhibit #1, page 12.

The Board of Education wants to retain the language quoted above because in its view the "current contract is limiting enough" (Board Exhibit #6). It contends that such action to reduce by contractual language class size would not enhance the quality of education offered in the School District (Board Exhibit #14). This exhibit summarizes research on class size and indicates the following:

- "1. Alteration of class size is not a significant factor in improved quality of education
2. In some instances there is an inverse relationship through class size reduction
3. General research is often inconclusive in this area
4. There is little evidence on uniform agreement on the effect of class size on educational quality."

Board Exhibit #14, page 1.

The Board cited evidence from Teacher Negotiations by Miller and Newbury on class size (Board Exhibit #14).

The Education Association has made the following proposal with respect to class size:

*Article VI, B, 6. and 7.

6. The Board and Association agree that it is their goal to lower class size. In this regard, the maximum classroom size shall be 28 students per classroom.

At no time shall a class exceed the reasonable physical limits of the classroom, lab facility, or number of work stations available and equipped for students.

It is understood that large group instruction, differential staffing and other such experimental or innovative programs may be exceptions to the ratios established above with the agreement of the Association and the Board.

If the stated class size limit is exceeded and a solution other than reduction is deemed feasible from an educational need viewpoint, then within 5 work days the teacher involved shall meet with an Association Representative, the principal, and the Superintendent or his designee for the purpose of providing a remedy to the situation. The recommendation of this 4 member committee shall be based upon educational principles and shall be implemented if there is unanimous agreement. If unanimous agreement cannot be reached within 5 working days of the meeting, then said teacher shall be reimbursed at the rate of ten (\$10.00) per day per student over the stated ratio until the situation is resolved.

7. Teachers shall be given notice of their classes for the forthcoming year, no later than June 15th."

Education Association Exhibit 13A.

In support of its position the Education Association entered exhibits with contract language on class size from Agreements of a selected number of school districts in Oakland County (Association Exhibits 13C and 13C-1.)

It also introduced a survey on class size for the school year 1976-77, South Lyon School District which showed the following:

CLASS SIZE SURVEY

HIGH SCHOOL

40 teachers responding

<u>Class Size</u>	<u># Classes</u>
over 30	20
at 30	12
at 29	17
at 28	16

The figures above do not include physical education or music classes.

CENTENNIAL MIDDLE SCHOOL

19 teachers responding

<u>Class Size</u>	<u># Classes</u>
over 30	0
at 30	11
at 29	15
at 28	18

SOUTH LYON MIDDLE SCHOOL

14 teachers responding

<u>Class Size</u>	<u># Classes</u>
over 30	2
at 30	14
at 29	7
at 28	3

ELEMENTARY SCHOOLS (Sayre, Salem, South Lyon and New Hudson Elementaries)

57 teachers responding

<u>Class Size</u>	<u># Classes</u>
over 30	1
at 30	5
at 29	5
at 28	8

Education Association Exhibit # 13B

It is not clear to the Fact Finder as to why the Education Association chose to limit the number of students in a class to twenty-eight (28). No evidence was given as to why this figure was selected.

At the High School out of a possible 200 classes twenty (20) have more than thirty (30) students. The figure of 200 classes was determined by multiplying forty (40) (the number of teachers reporting) times five (5) (the number of classes taught by each teacher). (Education Association Exhibit 13 B.)

At the two middle schools out of 165 classes, two classes are over 30 students and at the four elementary schools only one class had over 30 students (Education Association Exhibit 13 B.).

Recommendation: The Fact Finder cannot recommend limiting the size of classes to twenty-eight (28) as proposed by the Education Association. No solid evidence was presented that a class of twenty-eight (28) does better academically than a class of twenty-nine (29) or thirty (30). It would appear to the Fact Finder that the parties should approach the class size problem from a different perspective. The subject matter itself is a factor. Math, physics, chemistry and the sciences usually require more teacher/student contact than a class in social sciences. Another variable at the elementary school level is the composition of the student body. Socio-economic status of parents appears to make a difference in learning. The size of the class in the early grades may be of more importance than in the high school or middle schools especially as these students are learning to write, spell, read and communicate.

Another factor which impacts on size of class in the early grades is the weather. In winter someone has to help the youngsters put on coats, boots, caps and gloves and this can tax a teacher's energy level.

The Fact Finder recommends that the current language of Article VI, Section C, Paragraph 2, Master Agreement 1974-76 be included in the new agreement with the following additions:

- (1) Both parties should give special consideration to class size in subject matter areas requiring more individualized teacher/student contact.
- (2) Both parties should give special consideration to class size in the early elementary years when students are beginning to develop cognitive skills.
- (3) Both parties should give special attention to providing teacher aides in grades 1 and 2 during the winter months to assist the teachers in handling winter clothing.
- (4) Both parties should continue to review programs of all students so that teaching resources can be utilized effectively.

Issue No. 11. Sick Leave

The 1974-76 Master Agreement, Article VII, A. Sick Leave, provides for twelve (12) days of sick leave per year which may be accumulated up to a total of 105 days. (see Joint Exhibit #1, page 15).

The Education Association is proposing an increase in the sick leave days from twelve (12) to fifteen (15) per year. In addition, it seeks to increase the days of total accumulation from 105 to 135 (Education

Exhibit #14A). Its rationale for these increases in both the number of sick days per year and in total accumulation is that the District has neither long-term disability nor sick bank programs.

The Board of Education seeks to retain the present language in the Master Agreement for 1974-76, Article VII, i.e., twelve (12) days per year and accumulation of 105 days.

The Education Association presented data on the annual sick leave allowance for twenty-seven (27) school districts in Oakland County. Below is a table summarizing the data. (Association Exhibit #14B)

<u>Number of Districts</u>	<u>Annual Sick Leave Allowance</u>
1	5
12	10
2	11
1	11.5
6	12
2	13
1	14
2	15
<u>27 Districts</u>	

The Education Association also presented data on total accumulation of sick leave (Education Association Exhibit #14B). Of the twenty-seven (27) School Districts twenty-four (24) provide for more accumulation than South Lyon.

Recommendation: The Fact Finder strongly recommends that the parties agree to the twelve (12) days as provided in the Master Agreement for 1974-76, Article VII. He makes this recommendation because there are only five (5) out of twenty-seven (27) school districts in Oakland County which have more than twelve (12) days.

With respect to increasing the total accumulation from 105 to 135 days, the Fact Finder recommends that the parties agree to establishing a Sick Day Bank. The Board, under this recommendation, would place five (5) sick days per teacher per year into a Sick Day Bank. This would amount to 970 days for the first year for 194 teachers. Any teacher who exhausts his/her 105 days of accumulation would then draw on the Sick Day Bank.

This arrangement would underscore the purpose of sick leave, namely to provide income replacement when the teacher is sick or incapacitated. Moreover, it provides a pooling arrangement which is a kind of insurance, i.e., pooling of risks.

Since the School District does not have a long-term disability program, the Sick Day Bank would enable teachers who have exhausted their 105 days accumulation to draw on additional sick leave days as needed.

Issue No. 12. Personal Leave

The 1974-76 Master Agreement, Article VII. Leave Policy, Section B. provides that two (2) days per year of sick leave may be used for personal business. One (1) of the days can be taken without a reason being given by the teacher and for the second day application with reasons for the leave must be given (See Article VII. Leave Policy, Section B.1.,a., B. 1. b., B. 2., B. 3., and B. 4. Joint Exhibit #1, page 16). The Education Association is seeking to have the two (2) days personal leave without reasons having to be given by the teachers. The Board of Education wants to retain the existing language in the Master Agreement for 1974-76, Article VII, Section B.

This section contains a provision, B.2. which reads:

"Personal Business means an activity which requires the teacher's presence during the school day and is of such a nature that it cannot be attended to at a time when school is not in session." (Joint Exhibit #1, page 16)

It appears to the Fact Finder that this provision can be subject to many interpretations by the 194 teachers of the South Lyon School District. In any population of 194 or even less or more there will be teachers who will give the broadest interpretation to what constitutes Personal Business. At least having the teacher give a reason for taking one of the business days does provide for some monitoring.

The Education Association's Exhibit #14A, page 2, contains the same language as does B. 2. paragraph quoted above. If the Education Association wants two days off without reasons and still seeks to include the B. 2. provision, someone must do the monitoring. Despite the observation made by the Education Association that teachers are mature adults, there are numerous examples of teachers in Michigan and elsewhere of abusing sick leave and personal days. The Board of Education did not present any data on abuse but it does not want to change the existing language.

The Education Association presented data which showed that fourteen (14) of twenty-seven (27) school districts in Oakland County require a reason for personal business, nine (9) do not require a reason, and four (4) require a reason for some days and no reasons for other days (Association Exhibit #14E).

The Education Association did not offer to monitor paragraph B. 2. but did add a paragraph B. 4. in its Exhibit which states that "teachers may not use personal days for recreational purposes" (Association Exhibit 14A, page 2). No mention is made in its Exhibit as to how this will be monitored.

Recommendation: The Fact Finder recommends that the two (2) days leave for personal business be given without reasons having to be submitted

for a trial basis of one year. He further recommends that the Association join with the Board of Education in developing an absenteeism control program. Absenteeism is costly and takes away dollars that could be used to finance benefits and salary improvements sought by the Education Association.

For example, if 100 teachers take two (2) personal business leaves, this means 200 substitute teaching days. If the rate of pay for a substitute teacher is \$35.00, this is a cost of \$7,000 to the Board of Education.

The Fact Finder strongly suggests that the Board of Education maintain accurate and complete records of absenteeism and to share this information with the Education Association. This information could reveal whether teachers are mature adults as maintained by the Education Association. If the trial period reveals that teachers are abusing the personal leave, the contract language in the current contract, i.e., one (1) day without reason and one (1) day with reason shall be reinstituted. (My italics)

Issue No. 13. Sabbatical Leave

The Education Association introduced as Exhibit #3 proposed language on Sabbatical Leave which is identical language which appears in the Master Agreement for 1974-76, Article VII. Leave Policy, Section C. Sabbatical Leave. The Board contends that a sabbatical provision should not be in the new contract because the District is having a constant financial struggle to maintain its educational program. In its view, it would be "embarrassing to grant sabbatical leave at one-half pay to teachers who have off one-fourth of a year." (Board Exhibit #6) The

Board did not indicate if any teachers were currently on sabbatical leave. The Fact Finder assumes that if the District experiences a financial exigency which would result in teachers being laid off, the Education Association would work with the Board to find dollars which would protect the teachers' jobs. At that time, the parties could reexamine the sabbatical leave policy.

Recommendation: The Fact Finder strongly recommends that the parties include in the new agreement the same language which appears in the Master Agreement for 1974-76, Article VII, Section C. Sabbatical Leave, page 17, Joint Exhibit #1.

Issue No. 14. Maternity or Parental Leave

Article VII. Leave Policy, Section E. Parental Leave of the Master Agreement for 1974-76 deals with maternity leave (Joint Exhibit #1, pages 17-18). The current language does provide for a leave up to one (1) year but can be extended at the discretion of the Board. Although the contract is silent on the matter of paid maternity leave, the District provides unpaid maternity leave.

The Education Association seeks to add a provision to the new agreement which reads as follows:

"Physical disabilities related to maternity shall not be treated differently than any other disabilities of similar duration." (Education Association Exhibit #15A)

To support its position on treating maternity like any other disability, the Education Association cited various court decisions e.g., Liberty Mutual which was a U. S. Supreme Court decision; Satty v. Nashville Gas Co., a U. S. District Court decision and Farkas v.

South Western City School District et al, a 6th Circuit Court of Appeals case (Association Exhibit #15B).

While the Fact Finding hearing was being held, the U. S. Supreme Court in Gilbert v. General Electric ruled that denial of paid maternity leave did not violate the Civil Rights Act. Previous court decisions on this issue stated that refusal of the employer to treat maternity leave like other disabilities violated the Civil Rights Act of 1964 as amended.

Since the General Electric decision, various women's groups are seeking federal legislative action to overturn this decision. Several congressmen have been reported in the press that they will introduce a bill specifically on treating maternity as a disability when the new congress convenes in January, 1977.

The Education Association is correct in its observation that the court decision did not exclude the parties to a collective bargaining agreement from negotiating a provision treating maternity like any other disability.

Recommendation: Because of the uncertainty of federal legislation following the General Electric decision, the Fact Finder is reluctant to recommend the inclusion of language sought by the Education Association in the new agreement. Because the General Electric case was before the U. S. Supreme Court, the parties did not fully discuss this issue in terms of costs nor did they discuss experience with maternity leaves in the School District.

There is merit to the argument that during delivery of a baby the mother is disabled in that she cannot obviously perform the duties of her job, nor can she perform her job duties in the hospital. These brief

comments are made to suggest that the parties may want to negotiate a limited type of paid maternity leave which specifies a limit or a cap to the number of paid days a mother may receive, e.g., days in hospital. A step in this direction would be to analyze maternity leaves in the district for the last three (3) to five (5) years to learn what has been the experiences.

Issue No. 15. Reductions in Personnel

Article XVI. Lay Off and Recall of the Master Agreement deals with the procedure to be followed if the Board has to reduce the number of teachers through lay off (Joint Exhibit #1, page 30). The Board seeks to retain the language in this article.

The Education Association has proposed a new article dealing with Reductions in Personnel which reads as follows:

- A. No teacher shall be discharged or laid-off pursuant to a necessary reduction in personnel unless there is a substantial decrease in students enrolled in the school district, there is a substantial decrease in the revenues of the school district, or a substantial increase in the operating costs of the Board provided that such increase cannot be offset by the Board's taxing or other fiscal powers or offset by reductions in expenses other than personnel.
- B. No teacher shall be laid-off pursuant to a necessary reduction in personnel for any school year or portion thereof unless said teacher shall have been notified at least 60 days prior to the last day of the previous school year.
- C. Before official action on a reduction of teachers is taken by the Board of Education, it will give notice to the

Association of contemplated reductions and afford the Association an opportunity to discuss it with the employer. As soon as the names of the teachers to be laid-off are known, a list of such names shall be given to the Association.

- D. In cases requiring a reduction of the teacher work force, the order of reduction shall be:
1. Temporary teachers.
 2. Probationary teachers, according to seniority and certification. If a position cannot be filled with a certified teacher, in accordance with seniority, a teacher with lower seniority may be retained.
 3. Tenure or continuing contract teachers according to seniority and certification. Certification shall mean certification majors and minors as defined by the Michigan State Board of Education and North Central requirements.
- E. Any teacher whose services are terminated because of a necessary reduction in personnel, shall be appointed to the first vacancy in the school district, according to seniority, for which he/she is certified.
- F. As used in this article, seniority shall mean the total length of service with the employer, including health and military leaves, but deducting any other unpaid leaves of absence. In the event that two teachers have the same length of service in South Lyon, the additional determining factors regarding lay-off and recall will be, in rank order:

1. Total years of teaching service.
 2. Highest earned degree.
 3. Hours beyond highest earned degree.
- G. Each teacher being recalled shall be notified by certified mail (or other provable means of delivery) at his/her last known address, of all vacancies for which the teacher is certified. Each teacher being recalled shall have ten (10) calendar days from the date of delivery of such recall notice to notify the Board of Education of his/her intentions. Failure to respond within this time limit shall result in termination of all employment rights. In addition a teacher's ability for recall shall terminate if he/she accepts a teaching position elsewhere which would prevent him/her from accepting a recall or if he/she resigns. The Board shall notify the association in writing of all recalls.
- H. Consistent with Section D, teachers on lay-off shall be recalled to the first vacancy for which they are certified, in the reverse order of lay-off.
- I. Upon return to service with the South Lyon Community Schools, tenure teachers who have been laid-off because of a necessary reduction in staff shall receive salary credit as though they had been continuously employed, except that credit on the salary schedule shall not exceed one year.
- J. For the duration of this agreement, the Board shall enter into no performance or subcontract which will result in reduction of present staff or otherwise adversely affect

the wages, hours and conditions of employment of teachers in contravention of this agreement.

Association Exhibit #16A

The Education Association introduced provisions from other agreements in Oakland County which dealt with lay off and recall procedures (Association Exhibit #16B).

This issue is of paramount importance to the Education Association, the Board of Education, the students and their parents.

The Fact Finder is of the opinion that the educational program is not enhanced if lay offs are based on seniority and certification. Seniority is not always equated with qualified. He does agree with the Education Association that the order of lay off should be temporary teachers, probationary teachers and then tenure teachers.

Recommendation: This recommendation is in two parts.

1. If there is need to reduce teaching staff during the 1976-77 school year, the order of lay off will be temporary teachers, probationary teachers, then tenure teachers. If it is necessary to lay off tenure teachers, educational attainment, seniority and certification will be considered. If tenure teachers are laid off, they shall have first preference as substitute teachers.

2. Because of the importance of reduction in staff, the Fact Finder strongly recommends that the parties establish, during the school year, a committee to develop an appropriate procedure for staff reduction. This committee must first assess the qualifications of the existing staff in terms of certification, majors and minors. It must analyze retirement

patterns of teachers for the next five (5) years. It must examine the current educational programs and consider what kind of educational programs will be offered two, three, four and five years hence. It must consider existing faculty resources needed to carry out the kind of educational programs to be offered. It must determine what kinds of additional faculty resources will be needed, giving consideration to double majors. It should encourage younger faculty members to take courses leading to multiple certification, especially those teachers with a long-term commitment to a career in education.

By encouraging additional training, staff members can become more effective teachers and more flexible in teaching assignments.

Once the manpower planning phase has been examined, the second phase would be to develop a staff reduction procedure incorporating what I call a "head and shoulders" concept. There is a critical need to retain the better teachers. This means developing criteria for determining ability, merit and capacity which would be used for purposes of lay off. Surely an occupation which likes to call itself a profession and likes to refer to its members as being mature adults can come forward with performance standards. The vitality of teacher groups depends on developing a more creative way of handling staff reductions than utilizing a mechanistic approach of who has been around the longest. It is becoming more evident that tenure will come increasingly under public attack because of the protection it gives to incompetent teachers.

The committee should be charged with developing the two phases discussed above within one year. The South Lyon Board of Education and

the South Lyon Education Association could indeed become a model for the rest of the state in manpower or human resources planning and utilization.

Issue 16: Teacher Evaluation

The Education Association seeks to retain the identical language of Article IX Teacher Evaluation, Master Agreement for 1974-76 in the new Agreement (Association Exhibit #4). The Board sought to include a new provision in this Article dealing with informal evaluations (Board Exhibit #6). There was no discussion at the hearing as to how informal evaluations would be handled or what constitutes an informal evaluation. It would appear to the Fact Finder that Article IX is sufficiently broad in scope to include informal evaluations as long as the teacher can discuss an informal evaluation which is positive or negative. The Board of Education noted in its proposal of October 12, 1976, to the Education Association that there was tentative agreement on Article IX Teacher Evaluation if the total package is accepted (Education Association #22).

Recommendation: The Fact Finder strongly recommends that the parties include in the new Agreement the same language which appears in the Master Agreement for 1974-76 Article IX Teacher Evaluation, pages 21-22, Joint Exhibit #1.

Issue 17: Protection of Teachers

The Education Association seeks to retain the identical language on Article X Protection of Teachers, Master Agreement for 1974-76 in the new Agreement (Association Exhibit #5). The Board in its Exhibit #6 noted that it had proposed nine changes, one of which had been agreed to by the Education Association. These changes were not discussed at the hearing. The Board did note in its proposal of October 12, 1976, to the Association that there was tentative agreement to Article X Protection of Teachers if total package is accepted by the Education Association (Association Exhibit #22).

Recommendation: The Fact Finder strongly recommends that the parties include in the new Agreement the same language which appears in the Master Agreement for 1974-76 Article X Protection of Teachers, pages 22-24, Joint Exhibit #1.

Issue 18: Grievance Procedure

The Education seeks to retain in the new Agreement the identical language of Article XII Grievance Procedure which appears in the Master Agreement for 1974-76 (Association Exhibit #6). The Board in its Exhibit #6 stated that three items be excluded from the grievance procedure:

- "(1) the matter of extracurricular assignments
- (2) any matter dealing with the context of teach evaluation
- (3) any matter for which there is another remedy or if the grievance procedure is used, it be the sole remedy."

Item 3 for example, would include those matters such as teacher discharge which falls within the scope of jurisdiction of the Tenure Commission. The Board noted, however, in its proposal of October 12, 1976, to the Education Association that there was tentative agreement on Article XII Grievance Procedure if the total package is accepted by the Education Association.

Recommendation: The Fact Finder strongly recommends that the parties include in the new Agreement the same language which appears in the Master Agreement for 1974-76 Article XII Grievance Procedure, pages 25-28, Joint Exhibit #1. He does, however, strongly suggests that when the parties negotiate a new agreement for 1977-78 or for 1978-79, if this Fact Finder's Report serves the basis for the parties agreeing to a two year Agreement, that they give serious attention to modify the Grievance Procedure to exclude those items which fall within the jurisdiction of the Tenure Commission. There is much to be said for exclusion of these items because if a teacher uses the grievance procedure and is not satisfied with the remedy produced by the grievance procedure that teacher can then utilize the machinery provided for by the Tenure Act. This is costly both to the Education Association and the Board of Education.

Issue 19: Strikes and Sanctions

The Education Association seeks to limit Article XV Strikes and Sanctions, Master Agreement for 1974-76, pages 29-30 to the first sentence of the Article which reads:

"Both parties recognize that the cessation or interruption of professional services by teachers is contrary to law and public policy", (Association Exhibit #17).

The remainder of the Article XV would be eliminated. Its rationale for this change in language is that it is repressive. In its view the teachers may be relinquishing their rights under PERA (PA379) as per the Holland and more recently, the Crestwood decisions, especially as the language relates to unfair labor practice strikes. (Associations closing comments dated December 9, 1976, p. 4).

The Board's position is that the language in Article XV Strikes and Sanctions, 1974-76 Master Agreement, is necessary and therefore does not want to change it. This has been the position of the Board on June 22, 1976, (Association Exhibit #21, p. 5), and again on October 12, 1976, (Association Exhibit #22, p. 3).

The Fact Finder takes note of the concerns of the Education Association but Paragraph E of Article XV quoted below appears to address itself specifically to these concerns. Article XV Strikes and Sanctions, Paragraph E:

"Nothing contained in this article will be construed as a waiver of any rights (my italics) the Association or its members may have under Act 379 of the Michigan Public Acts of 1965 or which are otherwise provided by law." Joint Exhibit #1, page 30.

Recommendation: The Fact Finder strongly recommends that the parties include in the new Agreement the language which appears in Article XV Strikes and Sanctions, Master Agreement for 1974-76, pages 29-30, Joint Exhibit #1.

Issue No. 20. Salary

The Board of Education's salary proposal for 1976-77 is to pay the salary step increment of the teachers based on the 1975-76 Salary Schedule plus five (5) percent contribution for retirement. Table II-A shows the B.A. salary schedule for 1975-76, the step increase, the dollar value of the five (5) percent retirement contribution and the total new money provided to each teacher under the Board's proposal. The range of the dollar value of the step increase is from zero for teachers at the top of the B.A. schedule to \$975 for teachers moving from step 10 to Step 11. Percentage-wise the range is from zero at Step 12 to 9.17 percent for teachers moving from Step 1 to Step 2.

The range of the five percent retirement contribution is from \$524 for teachers moving from Step 1 to Step 2 and the maximum is \$800 for teachers at Step 12 or moving to Step 12.

The dollar value of the total new money which teachers will be receiving is from \$800 for teachers at Step 12 to \$1,775 for teachers moving from Step 10 to Step 11 in 1976-77. The percent increase of total new money is from five (5) percent for teachers at Step 11 to 146 percent for teachers moving from Step 1 to Step 2. By new money the Fact Finder means any dollars in salary and fringe benefits received by teachers in a given school year over the number of dollars received in salary and fringe benefits in a previous school year.

Table II-B shows the M.A. proposal of the Board for 1976-77 and provides the same type of data for the M.A. schedule as for the B.A. schedule discussed above. The range of new money is from \$897.50 for teachers at the top of the M.A. schedule to \$2,007 for teachers moving from Step 11 to Step 12 in 1976-77. Percentage-wise the range is from five (5) percent for teachers at Step 12 to 14.1 percent for teachers moving from Step 1 to Step 2.

In support of its position, the Board reviewed the history of millage elections held in 1976 as follows:

"A millage issue was presented to the residents of the school district asking for a renewal of 7-1/2 mills and an addition 3 mills for a total proposal of 10-1/2 mills.

This election was held January 12, 1976 with 1,744 people voting.

There were 694 YES votes
and 1,050 NO votes

Another special election was held April 12, 1976 separating the renewal and addition.

For the renewal of 7-1/2 mills there were:

2,053 YES votes
680 NO votes

For the additional 3 mills:

1,373 YES votes
1,360 NO votes

A total of 2,733 people voting.

During the campaign electors were told that estimated increases in the budget would be 7%."

Board Exhibit #18

The Board repeatedly emphasized that the voters in the last millage election were told that estimated increases in the budget would be seven (7) percent.

Table II-A

1975-76 B.A. Salary Schedule, Board Proposal B.A. for 1976-77, Step Increase for 1976-77, Five-Percent Retirement Contribution and Total New Money at each Step.

STEP	1975-76 B.A.	BOARD PROPOSAL B.A. 1976-77	STEP INCREASE 1976-77		RETIREMENT 5% CONTRIBUTION	TOTAL NEW MONEY AT EACH STEP	
			Dollars	Percent		Dollars	Percent
1	9,600	9,600					
2	10,480	10,480	880	9.17	524	1,404	14.6
3	10,850	10,850	370	3.53	543	913	8.7
4	11,290	11,290	440	4.06	565	1,005	9.3
5	11,715	11,715	425	3.76	586	1,011	8.9
6	12,200	12,200	485	4.14	610	1,095	9.3
7	12,750	12,750	550	4.51	638	1,188	9.7
8	13,400	13,400	650	5.10	670	1,320	10.4
9	14,150	14,150	750	5.60	708	1,458	10.9
10	15,025	15,025	875	6.18	751	1,626	11.5
11	16,000	16,000	975	6.49	800	1,775	11.8
		16,000	0	0	800	800	5.0

SOURCE: Education Association Exhibit 20 D and 20 E
and Fact Finder's Calculations

Table II-B

1975-76 M.A. Salary Schedule, Board M.A. Proposal for 1976-77, Step Increase for 1976-77 and Total New Money at Each Step

STEP	1975-76 M.A.	BOARD PROPOSAL M.A. 1976-77	STEP INCREASE 1976-77		RETIREMENT 5% CONTRIBUTION	TOTAL NEW MONEY AT EACH STEP	
			Dollars	Percent		Dollars	Percent
1	10,250	10,250					
2	11,140	11,140	890	8.68	557	1,447	14.1
3	11,520	11,520	380	3.41	576	956	8.6
4	11,860	11,860	340	2.95	593	933	8.1
5	12,440	12,440	580	4.89	622	1,202	10.1
6	12,985	12,985	545	4.38	649	1,194	9.6
7	13,580	13,580	595	4.58	679	1,274	9.8
8	14,230	14,230	650	4.79	712	1,362	10.0
9	14,990	14,990	760	5.34	750	1,510	10.6
10	15,860	15,860	870	5.80	793	1,663	11.1
11	16,840	16,840	980	6.18	842	1,822	11.5
12	17,950	17,950	1,110	6.59	898	2,008	11.9
		17,950	0	0	898	898	5.0

SOURCE: Education Association Exhibit 20 F and 20 G
and Fact Finder's Calculations

The Board introduced Exhibit #19 to show that the salary ranking of teachers in South Lyon have shown consistent improvement in the school years 1970-71 to 1974-75 as reflected in the chart below.

<u>YEAR</u>	<u>South Lyon Ranking in Salary</u>
1970-71	446
1971-72	421
1972-73	403
1973-74	320
1974-75	300

Source: Board Exhibit #19

It also presented data to show that the salaries of teachers in South Lyon compared favorably with school districts in the state with comparable enrollments (Board Exhibit #20).

There are currently 4,206 students in the South Lyon School District which represents an increase of 112 or 2.7 percent over 1975-76 enrollment of 4,094. In 1966-67, there were 2,555 students. The District has been experiencing steady growth but the rate of growth has slowed down in recent years. (See Education Association Exhibit #13-D for enrollment data for the years 1966-67 to 1976-77.)

ANALYSES OF THE BOARD'S SALARY PROPOSAL FOR 1976-77

There were 194 teachers employed in South Lyon School District in 1975-76. The salary data appearing below was taken from Board Exhibit #25.

Total salaries of 194 teachers in 1975-76 \$ 2,662,018

The salaries of 24 teachers who apparently
left the employment of the District at the
end of 1975-76 school year - 319,612

Salaries of 175 teachers in 1975-76 who
returned in 1976-77 \$ 2,342,406

New money for step increases and educational
achievement of 137 teachers for 1976-77 \$ 104,425

(NOTE: Thirty-three (33) teachers returning
in 1976-77 did not receive any increment
because they are at the top of their
respective salary schedules.)

New money for step increases and educational
achievement for 1976-77 as a percent of total
salaries for 170 teachers in 1975-76

$\$104,425 \div \$2,342,406$ 4.46 percent

Percent Increase for Retirement Contribution
by Board on 1976-77 salary costs 5.00 percent

Salaries of 170 returning teachers for 1976-77
based on Board's Salary Proposal \$ 2,413,931

Dollar value of five (5) percent Retirement
contribution based on salaries of 170 returning
teachers for 1976-77

$\$2,413,931 \times .05$ \$ 120,696

Total new money for 170 returning teachers
for 1976-77

Retirement	\$120,696	
Increment and		
Education Achievement	<u>104,425</u>	
Total		\$ 225,121

Percent increase represented by new money for
170 returning teachers (new money for increment
and educational achievement plus retirement
contribution)

$$\text{\$ } 225,121 \div \text{\$ } 2,342,406$$

9.61 percent

NOTE: The retirement calculation is based on
1976-77 total salaries of 170 teachers
who returned in 1976-77 which amounted
to \$2,413,931

Average step increase for 137 teachers for 1976-77

$$\text{\$ } 104,425 \div 137$$

\$762

Average retirement contribution for each of the
170 returning teachers

$$\text{\$ } 120,696 \div 170$$

\$710

Average new money received per returning (170)
teachers

$$\text{\$ } 225,121 \div 170$$

\$1,324

EDUCATION ASSOCIATION'S SALARY PROPOSAL FOR 1976-77

The Education Association's salary proposal for the B.A. appears in Table III-A. It seeks a B.A. minimum of \$9,900 and a B.A. maximum of \$16,400 for 1976-77 as compared to a B.A. minimum of \$9,600 and a B.A. maximum of \$16,000 in 1975-76 (See also Association Exhibit #19-A). In addition, it wants the Board to pay the five (5) percent retirement contribution.

The step increases on the 1976-77 B.A. schedule range from \$400 for teachers at Step 11 to \$1,375 for teachers moving from Step 10 to Step 11. Percentage-wise the range is 2.5 (Step 12) to 9.38 percent for teachers moving from Step 1 to Step 2.

The range of the retirement contributions based on the proposed B.A. schedule is from \$525 to \$820.

Total new money based on the new schedule, the step increment and the retirement contribution ranges from \$965 for teachers moving from Step 2 to Step 3 and \$2,195 for teachers moving from Step 10 to Step 11. The range of percent increases in new money is from 7.6 percent (Step 12) to 15 percent for teachers moving from Step 9 to Step 10.

Table III-B presents similar data on the M.A. proposal. The M.A. minimum is \$10,600 and the M.A. maximum is \$18,400 as compared to a M.A. minimum of \$10,350 and a M.A. maximum of \$17,950 in 1975-76. (See also Association Exhibit #19A)

Step increases on the proposed M.A. schedule range from \$450 for teachers at Step 12 to \$1,560 for teachers moving from Step 11 to Step 12 in 1976-77. Their percent increases represented by the step increases range from 2.5 per cent for teachers at Step 12 to 9.27 percent for teachers moving from Step 1 to Step 2.

Table III-A

Education Association B.A. Proposal for 1976-77, The B.A. Schedule for 1975-76, Step Increases, Retirement Contribution and Total New Money at Each Step of the 1976-77 Schedule.

STEP	1975-76 B.A.	EDUCATION ASSOCIATION 1976-77	STEP INCREASE 1976-77		RETIREMENT 5% CONTRIBUTION	TOTAL NEW MONEY AT EACH STEP	
			Dollars	Percent		Dollars	Percent
1	9,600	9,900					
2	10,480	10,500	900	9.38	525	1,425	14.8
3	10,850	10,900	420	4.61	545	965	9.2
4	11,290	11,400	550	5.07	570	1,120	10.3
5	11,715	11,900	610	5.40	595	1,205	10.7
6	12,200	12,500	785	6.70	625	1,410	12.0
7	12,750	13,100	900	7.38	655	1,555	12.7
8	13,400	13,800	1,050	8.24	690	1,740	13.6
9	14,150	14,600	1,200	8.96	720	1,920	14.3
10	15,025	15,500	1,350	9.54	775	2,125	15.6
11	16,000	16,400	1,375	9.15	820	2,195	14.6
12		16,400	400	2.50	820	1,220	7.6

SOURCE: Education Association Exhibit 20 E and 20 F
and Fact Finder's Calculations

Table III-B

Education Association M.A. Proposal for 1976-77, M.A. Schedule for 1975-76, Step Increases, Retirement Contribution and Total New Money at Each Step of the 1976-77 Schedule

STEP	1975-76 M.A.	EDUCATION ASSOCIATION 1976-77	STEP INCREASE 1976-77		RETIREMENT 5% CONTRIBUTION	TOTAL NEW MONEY AT EACH STEP	
			Dollars	Percent		Dollars	Percent
1	10,250	10,600					
2	11,140	11,200	950	9.27	560	1,510	14.7
3	11,520	11,600	460	4.13	580	1,040	9.3
4	11,860	12,100	580	5.03	605	1,185	10.2
5	12,440	12,600	740	6.24	630	1,370	11.6
6	12,985	13,200	760	6.11	660	1,420	11.4
7	13,580	13,800	815	6.28	690	1,705	13.1
8	14,230	14,500	920	6.77	725	1,645	12.1
9	14,990	15,300	1,070	7.52	765	1,835	12.9
10	15,860	16,200	1,210	8.07	810	2,020	13.5
11	16,840	17,100	1,240	7.82	855	2,095	13.2
12	17,950	18,400	1,560	9.26	920	2,480	14.7
		18,400	450	2.51	920	1,370	7.6

SOURCE: Education Association Exhibit 20 B and 20 G
and Fact Finder's Calculations

Retirement contributions range from \$560 for teachers moving from Step 1 to Step 2 and \$920 for teachers at Step 12 or moving from Step 11 to Step 12.

Total new money at each step of the schedule ranges from \$1,040 to \$2,480. The percentage range is from 7.6 percent (Step 12) to 14.7 percent for teachers moving from Step 1 to Step 2.

The Association cited awards of Fact Finders in a selected number of cases in which these Fact Finders stated that an increment on the salary schedule is not considered to be a raise or an increase (See Association Exhibits 18-S-1, 18-S-2, 18-S-3, 18-S-4 and 18-S-5). This Fact Finder considers a step increase as "new money" which was defined earlier in this Award (see page 32 of this Award). It is "new money" because the teachers receive more dollars in salary in a given school year than they received in the previous school year. Though the step increase is built into the salary schedule, it is new money. The Board has to find more dollars to finance the step increase over the previous year for a particular teacher and the teacher receives more dollars in a given school year than he or she received in the previous year.

The Education Association presented many exhibits in support of its salary proposal. It gave data to show that South Lyon ranked 27 out of 28 school districts in Oakland County in operating tax rates in 1975-76 with a total tax rate of 24.03 (Association Exhibit #18-A). In 1976-77 it had a total tax rate of 27.03 and ranked 24 (Association Exhibit #18-B). S.E.V. per pupil in South Lyon in 1975-76 was \$27,790 up from \$23,082 in 1974-75 (Association Exhibit #18-C). South Lyon ranked 14th in the

county in per pupil valuation in 1975 (Association Exhibit #18-D) and 12th in Oakland County in 1976 (Association Exhibit #18E).

Data were presented on the general Fund Equity for the following years:

<u>Years</u>	<u>Fund Equity</u>
1972	\$ 313,513
1973	431,456
1974	655,303
1975	301,710
1976	91,470

Source: Association Exhibit #18-K

The Education Association estimated total revenue for the school district at \$5,361,101 for school year 1976-77 (Association Exhibit #18-M). The Board estimated its total revenue for 1976-77 to be \$5,356,850 (Board Exhibit #3).

The Education Association called attention to the impact of a rising Consumer Price Index on teacher salaries (See Association Exhibits 18-N, 18-O, 18-P, 18-Q, and 18-R).

The Consumer Price Index increased 5.4 percent from July 1975 to July 1976. (Source: U. S. Department of Labor Consumer Price Index)

Data were presented by the Association comparing South Lyon teacher salaries with salaries in other districts in Oakland County. Including the five (5) percent retirement, the Association's proposed B. A. minimum for 1976-77 ranks ninth and the Board's proposal ranks fourteenth out of 25 districts (Association Exhibit #19-P). The Association's proposed B.A. maximum ranks 22nd and the Board's proposed B.A. maximum ranked 23rd in the County (Association Exhibit 19-Q).

The Association's proposed M.A. minimum ranked 13th and the Board's proposal ranked 20th in the county (Association Exhibit 19-R). At the M.A. maximum the Association's proposal ranked 23rd and the Board's proposal 25th among the districts in the county.

According to Association Exhibit #19-T, South Lyon teacher salaries compare favorably with salaries in contiguous school districts. The salaries in the school district compared favorably with salaries in similar size districts in 1975-76 (Association Exhibit 19-V). For 1976-77 the district's salaries as proposed are somewhat below the average of similar size districts (Association Exhibit 19-V).

The Association presented additional data on salary comparisons for 1974-75, 1975-76 and 1976-77 for school districts in Oakland County (See Association Exhibits 20-G, 20-H, 20-I, 20-J, 20-K, 20-L, 20-M, 20-N, 20-O, 20-P, 20-Q, 20-R, 20-S, 20-T). In some of these exhibits South Lyon teachers compare favorably or in others not so favorably.

ANALYSES OF THE EDUCATION ASSOCIATION'S SALARY PROPOSAL

Total Salaries of 194 teachers in 1975-76 \$ 2,662,018

The salaries of 24 teachers who apparently left the employment of the District at the end of the 1975-76 school year - 319,612

Salaries of 170 teachers in 1976-76 who returned in 1976-77 \$ 2,342,406

New money for step increases and educational achievement:

The Fact Finder has calculated the amount of new money for step increases for the 170 returning teachers. Association Exhibit #19B states that the increment cost is \$98,902. Revised Association Exhibit #19B states that the increment cost is \$42,733. The dollar difference between these two exhibits for the increment is \$56,169. The Fact Finder, using Board Exhibit #25, made the additions of the increments and educational attainment for 137 returning teachers and the total amount for increment and educational achievement was \$104,425/ Under the Association's salary proposal all teachers will receive new money. Thirty-three returning teachers under the Board's salary proposal will not receive any new money for salary improvement except the five percent retirement contribution. Thus the Fact Finder cannot accept the Association's estimate that the increment under its salary proposal is only \$42,733 unless detail information is supplied as to how this calculation was made. He calculated the new money under the Association's salary proposal as follows:

Estimated cost of Education Association's salary proposal \$ 2,745,700
(Association Exhibit Revised # 19 B)

Less salaries of 23 new teachers using Association's salary proposal and individual teachers from Board Exhibit #25 - 260,850

Salaries of 170 returning teachers in 1976-77 based on Association's estimate \$ 2,484,850

New money for increase and increment and educational attainment

\$2,484,850 - \$2,342,406 \$ 142,444

New money for step increases and educational achievement for 1976-77 as a percent of total salaries of 170 teachers in 1975-76

$$142,444 \div 2,342,406 \quad 6.08 \text{ percent}$$

Dollar value of five (5) percent retirement contribution based on salaries of 170 returning teachers in 1976-77

$$\$2,484,850 \times .05 \quad \$ 124,243$$

Total new money for 170 teachers under Association's salary proposal

Retirement	\$124,243	
Increase, Increment and Educational Achievement	<u>142,444</u>	
		\$ 266,687

Percent increase of new money for 170 returning teachers for increase, increment and educational achievement (based on salaries of 170 returning teachers in 1975-76)

$$\$ 266,687 \div \$ 2,342,406 \quad 11.39 \text{ percent}$$

Average new money per teacher for increase, increment and educational achievement for 170 returning teachers

$$\$ 142,444 \div 170 \quad \$ 838.00$$

Average new money per teacher for five (5) percent retirement contribution for 170 returning teachers

$$\$ 124,243 \div 170 \quad \$ 731.00$$

Average new money per teacher for 170 returning teachers

$$\$ 266,687 \div 170 \quad \$ 1,569.00$$

COMPARISON OF THE TWO SALARY PROPOSALS

Under the Board salary proposal the average step increase for the 137 returning teachers is \$762. Thirty-three (33) teachers under the Board's proposal will not receive a step increase because they are at the maximum of the salary schedule. The average retirement contribution of the 170 returning teachers is \$710. The average new money to be received per teacher of the 170 returning teachers is \$1,324. The total new money which the 170 returning teachers will receive in 1976-77 represents a 9.61 percent increase over their total salaries for 1975-76.

By comparison under the Association's proposal, the total new money which the 170 returning teachers will receive in 1976-77 represents a 11.39 percent increase over their total salaries in 1975-76. The average new money per teacher for increase, step and educational attainment will be \$838. The average retirement contribution will be \$731. The average new money per teacher (170 returning teachers) will be \$1,569.

Table IV

Analyses of Costs of Board of Education and Education Association Salary Proposals for 1976-77

PROPOSALS	BOARD OF EDUCATION	EDUCATION ASSOCIATION	DIFFERENCE
Salary Proposal for 193 teachers	\$ 2,669,701 (Bd. Exhibit #25)	\$ 2,745,700 (Assoc. Exhibit Revised #19-B)	\$ 75,999
Retirement	133,485	137,285	3,800
Total Salary	\$ 2,803,186	\$ 2,882,985	\$ 79,799
Supplementary Compensation	\$ 31,200	\$ 32,175*	
Five Percent Retirement	1,560	1,609	
Middle School Five Percent Retirement	5,760	8,910**	
	288	446	
Total	\$ 38,808 (Bd. Exhibit #24)	\$ 43,140 (Assoc. Exhibits #19-B-1 and #19-B-2)	\$ 4,332
Total Salary Proposals	\$ 2,841,994	\$ 2,926,125	\$ 84,131

In Table IV the Board's salary proposal for 1976-77 for 193 teachers is estimated to cost \$2,669,701. The five (5) percent retirement contribution based on this salary estimate will be \$133,485. The salary costs including increment and the retirement contribution total \$2,803,186. Under the Board's proposal, the extra-curricular activities at the high school and middle schools will cost \$38,808 for 1976-77. Thus the total salary proposal including the costs of the extra-curricular activities for 1976-77 is estimated to be \$2,841,994.

By comparison, the Education Association's salary proposal for 193 teachers is estimated to be \$2,745,700. The five (5) percent retirement contribution based on the cost of the salary proposal is \$137,285. The cost of the salary proposal and the retirement contribution totals \$2,882,985. The Association estimated the cost of the extra-curricular activities at both the high school and middle schools to be \$43,140. Thus the costs of the total salary proposal including the salary increases, retirement and extra-curricular activities total \$2,926,125.

The dollar difference between the Board's salary proposal based on the increment and the Association's proposal for an increase plus the step increment is \$75,999. The dollar difference in the retirement contribution is \$3,800. The difference between the salary costs in the two proposals is \$79,799, and the differences in the costs of the extra-curricular activities is \$4,332. Thus the difference in dollar value of the two proposals including the salary increase, retirement and the extra-curricular activities is \$84,131.

Recommendations on Salary:

The Fact Finder strongly recommends that the parties agree on the following salary proposals for 1976-77.

- 1-A. The Board of Education will pay the step increase based on the 1975-76 Salary Schedule to the 137 teachers who were employed in the South Lyon School District in 1975-76 and who returned in 1976-77. (Board Exhibit #25 has a list of such teachers.)
- 1-B. The Board of Education will pay the increase to those teachers among the 137 who have obtained educational credits or advanced degrees which placed them on a higher track within the salary schedule for 1975-76. According to Board Exhibit #25 there are seven such teachers who are returning to the District in 1976-77.

The dollar value of the increments for both the step increases and educational attainment is \$104,425. (Board Exhibit #25)

- 2. According to Board Exhibit #25 there are thirty-three (33) teachers who will not receive step increases because they are at the top of their respective salary schedules.

Their distribution is as follows:

14 teachers are at the top of the B.A. Schedule
which is \$16,000

18 teachers are at the top of the M.A. Schedule
which is \$17,950

1 teacher is at the top of the E.S. Schedule
which is \$19,105

- 2-A. The Board of Education will pay an additional amount of \$650 to each teacher at the top of the B.A. Salary Schedule

who will not receive a step increase in 1976-77. Each will receive a salary of \$16,000 plus \$650. The additional payment represents a 4.06 percent increase in salary.

2-B. The Board of Education will pay an additional amount of \$750 to each teacher at the top of the M.A. Salary Schedule who will not receive a step increase in 1976-77. Each will receive a salary of \$17,950 plus \$750. The additional payment represents a 4.2 percent increase in salary.

2-C. The Board of Education will pay an additional amount of \$800 to the one teacher at the top of the E.S. Salary Schedule who will not receive a step increase in 1976-77. This teacher will receive a salary of \$19,105 plus \$800. The additional payment represents a 4.2 percent increase in salary.

These additional payments amount to \$23,400 calculated as follows:

14 teachers	x	\$650	=	\$ 9,100
18 teachers	x	\$750	=	13,500
1 teacher	x	\$800	=	<u>800</u>
				\$ 23,400

The Fact Finder makes this recommendation for additional payments to those teachers not receiving an increment in order to provide some protection against the erosion of the purchasing power of their salaries brought about by inflation. Moreover, such an additional payment is fair and equitable. They should receive some kind of increase in salary.

This additional payment is not to be folded into the salary schedules.

3. The Board of Education will pay the five (5) percent retirement contribution based on the salaries to be paid in 1976-77. The retirement contribution amounts to \$134,655 which is calculated as follows:

$$\$ 2,669,701 \times .05 = \$ 133,485$$

$$\$ 23,400 \times .05 = \underline{\$ 1,170}$$

$$\text{Total} \quad \$ 134,655$$

Fact Finder's analyses of his salary recommendations:

1. New money for both step and educational attainment increases for 137 returning teachers \$ 104,425
2. New money for additional payments to thirty-three (33) returning teachers \$ 23,400
3. New money for retirement contribution for 170 returning teachers, calculated as follows: \$ 121,867

$$\begin{aligned} & \$ 2,431,931 \times .05 = \$ 120,697 \\ & \text{(Salaries based on Board Proposal)} \end{aligned}$$

$$\$ 23,400 \times .05 = \underline{\$ 1,170}$$

$$\text{Total} \quad \$ 121,867$$

4. Total new money for 170 returning teachers \$ 249,692
5. Average new money per 170 returning teachers \$ 1,469
6. New money for retirement contribution for 193 teachers \$ 134,655
7. Average new money for retirement contribution per teacher (193 teachers) \$ 698
8. Average new money for retirement contribution for twenty-three (23) teachers \$ 556

Each of the 170 returning teachers will receive, on the average, new money in the amount of \$1,469 in 1976-77 over that which he or she received in 1975-76. The twenty-three (33) new teachers in addition to obtaining employment will receive an average increase in new money of \$556.

Issue No. 6. Fringe Benefits

Life Insurance

Currently all teachers are covered by \$10,000 term insurance with Accidental Death and Dismemberment. The Board has proposed increasing the coverage to \$12,500. This proposal was made at the Fact Finding hearing on December 6, 1976 (Board Exhibit #6, page 2). The Education Association is seeking \$15,000 term life insurance.(Education Association Exhibit 10-Q).

The Education Association introduced data to show the insurance coverage provided by twenty-eight (28) school districts in Oakland County for both 1975-76 and 1976-77 (Association Exhibits 10-R and 10-S).

In 1976-77 the twenty-seven (27) districts excluding South Lyon, provided the following insurance coverage:

<u>Number of Districts</u>	<u>Amount of Life Insurance</u>
9	10,000
3	12,000
1	12,500
8	15,000
5	20,000
1	25,000
<u>27</u>	

Source: Association Exhibit 10-S

It should, however, be noted that according to this exhibit (10-S) twenty (20) of the districts provide A. D. & D. insurance. The parties in South Lyon are discussing term life which is considered by insurance agents to be a more desirable benefit than A. D. & D. insurance.

Recommendation on Life Insurance: The Fact Finder recommends that the parties raise the insurance coverage from \$10,000 to \$12,500 for all teachers. This represents a \$2,500 increase in coverage from the previous year and this recommendation includes all teachers. In 1975-76 the teachers with health insurance were covered by a \$5,000 term insurance and teachers without health insurance had a \$10,000 coverage. It is not clear to the Fact Finder the reasons for the differential in coverage.

The cost of \$12,500 term insurance is:

\$0.17 per \$1,000 coverage per month x 12.5 x 12 months x
194 teachers equals \$4,947.00

In 1975-76 the cost of \$10,000 term insurance for 194 teachers was:

$\$0.17 \times 10 \times 12 \times 194 = \$3,957.60$

New cost for insurance	\$4,947.00
Old cost for insurance	<u>3,957.60</u>
New money for 1976-77	\$ 989.40

The new money for life insurance is \$989.40.

Health Insurance

Some background material will be presented on this important issue in order to put it into perspective. The Board stated that two years ago there was a disruptive and "somewhat bitter strike" primarily over the issue of insurance carrier. The Board eventually agreed to allow the teachers to name the carrier which was the Michigan Education Special Services Association known as MESSA.

During the 1974-76 Agreement, the Board of Education fully funded the MESSA Super Med plan. for twelve months each year. Although the Agreement expired on July 1, 1976 the health insurance benefits were

paid for the teachers until September 1, 1976 pursuant to a special memorandum. The Board continued to pay the full cost of Super Med during September and October 1976. In the words of the Board "This was done despite the fact that beginning July 1, 1976, MESSA "unilaterally and astonishingly" increased their rates by 45 percent. The District's cost on a yearly basis would have jumped from \$87,000 to \$126,000. The teachers had been demanding that the Board not only continue with the MESSA program but adopt the Super Med II program which would cost \$156,000 for 1976-77. (Source: List of Issues prepared by the Superintendent at the request of the Fact Finder prior to the hearing on November 22, 1976.)

During the negotiations the Board offered a "comparable Blue Cross plan" which was rejected by the Education Association. The Board then advised the teachers that the health insurance premiums would be paid through October 1976 (Association Exhibit #10-L). The Education Association went to the Michigan Employment Relations Commission (MERC) and requested it to go into the Circuit Court to force the Board to continue to pay the premiums for health insurance. The Commission refused the Association's request. The Association then went to the Circuit Court of Oakland County to get a restraining order.

Judge Richard D. Kuhn on October 25, 1976, ordered the Board of Education to purchase "health and life insurance comparable to that set forth in the expired contract of July 1, 1974 (the Master Agreement 1974-76, Joint Exhibit #1). The Judge further ordered that the Board shall purchase health and life insurance from such insurance carriers as it shall desire and need not purchase said insurance benefits from the same carriers as set forth in the Master Agreement for 1974-76.

The Court stated that it shall maintain jurisdiction in this matter until such time as a collective bargaining agreement is reached between the parties or until further order of this Court. (Board Exhibit #8)

It is important to note that (1) the Court stated that the Board could purchase health and life insurance from any carrier it desired, (2) the Court stated that the health insurance shall be comparable to that set forth in the 1974-76 Agreement, (3) the Court was retaining jurisdiction until a collective bargaining agreement had been consummated by the parties.

The Board, following the Court Order dated October 25, 1976, purchased Blue Cross/Blue Shield Health Insurance which it seeks to continue (Board Exhibit #6). The Education Association wants to reintroduce Super Med insurance (Association Exhibit #10 and #10-K).

The Education Association called attention that the Michigan Employment Relations Commission had recently ruled that the issue of health insurance carrier is negotiable (Taylor School District and Taylor Federation of Labor #75 H-269 dated September 15, 1976). The Commission ruled that the substitution of carriers in this case entailed a substantive alteration of benefit levels and plan administration. (See Association Exhibit #10-M for the complete case cited.)

The Education Association maintains that the Blue Cross/Blue Shield coverage is not comparable to Super Med health insurance. (See Association Exhibit #10, 10-F and attachment to written closing comments to Fact Finders dated December 9, 1976.) The Board maintains that the Blue Cross/Blue Shield MVF 1, MM 4, \$1.00 PDR and Riders is comparable (See Board Exhibit #7).

The Board does not propose any options to health insurance (Board Exhibit #6, page 2). It has expressed a willingness to make deductions from teacher salaries to cover options and is currently doing so for those teachers who wish certain options through School Employees Trust (SET). The Board noted that this was done because MESSA refused to continue these options once Blue Cross/Blue Shield became the carrier for the School District.

The Education Association presented data on the costs of Super Med for the years 1972-73 through 1976-77:

<u>SUPER MED RATES</u>					
Premium Per Month					
	<u>72-73</u>	<u>73-74</u>	<u>74-75</u>	<u>75-76</u>	<u>76-77</u>
SELF	\$18.96	\$18.96	\$18.96	\$28.08	\$40.54
SELF AND SPOUSE	\$43.86	\$43.86	\$43.86	\$63.74	\$92.92
SELF AND CHILD	\$35.66	\$35.66	\$35.66	\$63.74	\$92.92
FULL FAMILY	\$50.50	\$50.50	\$50.50	\$69.42	\$101.26

Attachment to Association's closing comments
dated December 9, 1976

Data were also presented showing the cost of the premiums of Blue Cross/Blue Shield MV1, MM 4, \$1.00 PDR + Riders for 1976-77 which is the type of health insurance coverage being provided by the Board of Education. The table below compares premiums per month for Blue Cross/Blue Shield and MESSA Super Med.

<u>Category</u>	<u>Premium Cost Blue Cross/Blue Shield Per Month</u>	<u>Premium Cost Super Med Per Month</u>
SELF	\$33.63	\$40.54
2 PERSON	\$78.30	\$92.92
FULL FAMILY	\$86.13	\$101.26

Source: Association Exhibit #10-E and
Table above (page of this Award

The rates for Super Med are higher than the Blue Cross/Blue Shield rates.

Below is a comparison of costs of health insurance for 1975-76 and the costs of health insurance for 1976-77 under both Blue Cross/Blue Shield and MESSA Super Med.

1975-76 Super Med \$ 86,342.16 for 140 teachers
 1975-76 MASB-SET 3,270.60 for 5 teachers
 Total Cost \$ 89,612.76 for 145 teachers
 (Source: Association Exhibits #10-A and #10-B)

1976-77 Super Med \$138,876.48 for 149 teachers
 1976-77 MASB-SET 6,191.04 for 5 teachers
 Total Cost \$145,067.52 for 154 teachers
 (Source: Association Exhibits #10-C and #10-D)

1976-77 Blue Cross/
Blue Shield \$137,583.36 for 165 teachers
 1976-77 MASB-SET 6,191.04 for 5 teachers
 Total Cost \$143,674.40 for 170 teachers
 (Source: Association Exhibits #10-E and #10-D)

It was pointed out that the Blue Cross/Blue Shield rates are guaranteed to April 1977 (Association Exhibit #10-E). The MESSA Super Med rates are guaranteed to June 30, 1977. It is clear that the MESSA Super Med premium costs are higher than Blue Cross/Blue Shield premium costs. The Education Association has estimated the difference between its proposal and the Board's proposal to be \$4,501.16 (See Association Exhibit Revised #19-E).

Recommendation: In this issue of health insurance it seems to this Fact Finder that the Court Order (Board Exhibit #8) is a very relevant factor to his recommendation. The Court ordered that the Board of Education shall purchase comparable health insurance from such carriers as it shall desire and need not purchase health insurance from MESSA. The Education Association contends that Blue Cross/Blue Shield coverage is not comparable to MESSA Super Med. If the Association's contention is correct then it is the opinion of this Fact Finder that the Fact Finding hearing is not the appropriate forum to challenge the comparability question. That forum is Judge Kuhn's Court who has retained jurisdiction over this matter until the parties have reached a collective bargaining agreement.

The Fact Finder further takes note of the decision of the Michigan Employment Relations Commission decided on September 15, 1976, in Taylor School District and Taylor Federation of Teachers (Case Number C 75 H-269) (Association Exhibit #10-M). In this case the Commission ruled that the substitution of carriers for health insurance entailed a substantive alteration of benefit levels and plan administration and therefore constituted a unilateral change in working conditions in

violation of Section 10 (1) (e) of the Public Employee Relations Act, Public Acts 379. This case appears to impact on this issue if the Education Association's contention is correct that MESSA Super Med insurance is not comparable to Blue Cross/Blue Shield MVI plus riders coverage.

The Fact Finder recommends that the Board of Education continue to provide Blue Cross/Blue Shield Health Insurance MVI plus riders until the comparability issue is resolved. He makes this recommendation because Judge Kuhn in his Order has retained jurisdiction in this case.

The Fact Finder also recommends that the Board of Education make available to the teachers the option to purchase MESSA Super Med and to pay an amount equal to the Blue Cross/Blue Shield rate for the appropriate categories of MESSA Super Med coverage. Those teachers desiring MESSA Super Med would pay the difference in premiums between MESSA Super Med and the Blue Cross/Blue Shield MVI plus riders coverages.

The Fact Finder further recommends that the Board provide the teachers with the opportunity to purchase options for MESSA providing the teachers pay the necessary premiums.

Dental Insurance

The Education Association is proposing that the Board of Education provide each teacher with Delta Dental Plan F. The premium rate will be \$8.11 per month per teacher. The rate is guaranteed for two years. The cost for 193 teachers for 1976-77 will be \$18,782.76.

The calculation is:

$\$8.11 \times 12 \text{ months} = \$97.32 \text{ annual premium per teacher}$

$\$97.32 \times 193 = \$18,782.76$

See Education Association Exhibit #10-T.

The Board of Education has not proposed providing dental insurance for all of its employees. It is convinced that this type of insurance is "unwise" for the following reasons:

- "1. It is a fringe cost that will quickly escalate - witness what is happening to health insurance.
2. The concept of insurance is to provide for disasters. Dental problems are not of this nature.
3. Every service, such as credit cards or dental insurance, has an additional cost for the service.
4. It is common to charge those who are insured a higher rate. This is psychologically true because the individual who pays the bill no longer confronts those establishing the price."

(Board Exhibit #11.)

The Board further maintained that the majority of school districts in Michigan are not providing dental insurance to their employees.

(Board Exhibit #11.)

The Education Association presented data on the costs of dental insurance and the school districts having dental insurance in Oakland County (See Association Exhibits #10-U, #10-V, #10-W, #10-X, #10-Y). It noted that twenty-five (25) of the twenty-eight (28) school districts in Oakland County have agreements for 1976-77. Of the twenty-five (25), twenty (20) have True Group Dental Care, and one has two option Group Dental Care. Of the three (3) unsettled districts, two had True Group Dental Care in 1975-76. (See Association Exhibit #10-Z)

Dental care coverage must be fully paid by the Board of Education and must be provided for an entire definable group as defined in the plan description. (See Association Exhibit #10-V)

Recommendation: The Fact Finder does not recommend dental insurance which would cost \$18,872.76 for 193 teachers. In a year in which

financial resources are limited, available dollars should be used to improve teachers' salaries.

Table V

Comparison of Proposals on Salary and Fringe Benefits for 1976-77
(Issues 20 and 6)

PROPOSALS	BOARD OF EDUCATION	EDUCATION ASSOCIATION	DIFFERENCE
Salary	\$ 2,669,701	\$ 2,745,700	\$ 75,999
Retirement	133,485	137,285	3,800
Extra Curricular Activities	38,808	43,140	4,332
Life Insurance	4,947	5,936	989
Health Insurance	143,674	145,067	1,393*
Dental Insurance	0	18,782 (193 teachers)	18,782
TOTAL	\$ 2,990,615	\$ 3,095,910	\$105,295

*The Board's proposal covers 170 teachers and the Education Association 154 teachers. It is not clear to the Fact Finder as to the reasons for the difference in the number of teachers covered.

As indicated in Table V, the total Board package for salaries and fringe benefits for 1976-77 is \$2,990,615. The Association's total package for salaries and fringe benefits is \$3,095,910. The difference between the two total packages is \$105,295.

The total economic package for salary and fringe benefits recommended by the Fact Finder is as follows:

Salaries	\$ 2,693,101
Retirement	134,655
Health Insurance	143,674
Life Insurance	4,947
Extra Curricular Activities Pay	<u>38,808</u>
Total Compensation	\$ 3,015,185

Average total compensation per teacher:

$$\$3,015,185 \div 193 = \$15,623$$

The Education Association estimated that the average total cost per teacher which is average total compensation per teacher was \$14,085 in 1975-76 (Association Revised Exhibit #19-F). Thus the average total compensation per teacher will increase \$1,538 in 1976-77 over 1975-76 which is an increase of 10.84 percent.

Issue No. 21. Extra Curricular Pay

The parties are in agreement that the pay for extra curricular activities will be based on a percentage of the B.A. minimum. In addition, the parties are in agreement that there be a three-step schedule in Appendix C. Athletic and Supplementary Compensation. (See Association Exhibit #7 for Appendix C. Athletic and Supplementary Compensation)

Recommendation: Since the parties are in agreement on extra curricular pay, the Fact Finder strongly recommends that the schedule which the parties agreed to on August 2, 1976 be included in the new agreement. (See Association Exhibit #7, Appendix C. Athletic and Supplementary Compensation)

Issue 21 A: Pay for Intramural Coaches

The Education Association and the Board of Education are in agreement as to how the intramural coaches will be paid, namely a percentage of the B.A. minimum. They are not in agreement on the amount of pay for the intramural program in the Middle School. The Education Association seeks the following schedule:

Intramural Coaches	1st year	2nd year	3rd year
Per Sport	6%	7%	8%

(Education Association Whcibit #8)

The Association has further proposed that an intramural coach not be required to supervise more than 40 participants per assignment.

The Board of Education has proposed a one step pay but stated at the hearing on December 9, 1976, that it would not be opposed to a three step pay schedule similar to that negotiated for Schedule C Athletic and Supplementary Compensation (See Association Exhibit #7).

The Board proposal for intramural sports is as follows:

Fall

Boys Football	4 days per week - 8 weeks	4% of B.A. Base
Girls Basketball	4 days per week - 8 weeks	4% of B.A. Base

Winter

Boys Basketball	4 days per week - 10 weeks	5% of B.A. Base
Girls Volleyball	2 days per week - 10 weeks	3% of B.A. Base
Gymnastics-Coed	3 days per week - 10 weeks	4% of B.A. Base
Wrestling	3 days per week - 10 weeks	4% of B.A. Base

Late Winter

Undecided	4 days per week - 8 weeks	4% of B.A. Base
Undecided	4 days per week - 8 weeks	4% of B.A. Base

Spring

Boys Softball	4 days per week - 8 weeks	4% of B.A. Base
Girls Softball or Field Hockey	4 days per week - 8 weeks	4% of B.A. Base
Tennis - Coed	4 days per week - 8 weeks	4% of B.A. Base

Four Possible Assignments
for Sixth Grade

4 days per week - 8 weeks

4% of B.A. Base
for each assignment

(Board Exhibit #6, pages 1 and 2.)

The Board in framing this proposal stated that the pay rate is in proportion to the high school schedule previously negotiated, (Board Exhibit #6, page 1).

The Board's proposal related pay to effort, i.e., number of days per week and number of weeks involved. In addition, its proposal recognizes that each sport is a different activity. By comparison the Education Association's proposal provides only a stated amount for all sports. It does not differentiate either activity or effort.

The Board's proposal does not limit the number of participants per coach per assignment as does the proposal of the Education Association.

Recommendation: The Fact Finder strongly recommends that the Education Association accept the Board's proposal for intramural sports at the Middle Schools. He makes this recommendation because the proposal related pay to effort and to activity which are sound compensation principles.

Although the Board is not opposed to a three step pay schedule, the Fact Finder is reluctant to recommend a three step pay plan because this is a new program and the parties should review and evaluate it after it has been in operation for at least one school year.

The Fact Finder does not recommend that a limitation be placed on the number of participants to be handled by each intramural coach. Since this is a new program there is no past experience on which to base the limitation of forty (40) participants sought by the Education Association. No rationale was given by the Education Association as to why the limitation of forty (40) participants was selected. Moreover, it is not known what role the coordinator of the program will play. He may be able to supplement the duties of coaches.

Issue No. 21-A. Pay for Intramural Coaches

The Education Association and the Board of Education are in agreement as to how the intramural coaches will be paid, namely, a percentage of the B.A. minimum. They are not in agreement on the amount of pay for the intramural programs in the Middle School. The Education Association seeks the following schedule:

Intramural Coaches	1st year	2nd year	3rd year
Per Sport (Education Association Exhibit #8)	6%	7%	9%

The Association has further proposed that an intramural coach not be required to supervise more than 40 participants per assignment.

The Board of Education has proposed a one-step pay but stated at the hearing on December 9, 1976, that it would not be opposed to a three-step pay schedule similar to that negotiated for Schedule C. Athletic and Supplementary Compensation. (See Association Exhibit #7)

The Board proposal for intramural sports is as follows:

Fall

Boys Football	4 days per week - 8 weeks	4% of B.A. Base
Girls Basketball	4 days per week - 8 weeks	4% of B.A. Base

Winter

Boys Basketball	4 days per week - 10 weeks	5% of B.A. Base
Girls Volleyball	2 days per week - 10 weeks	3% of B.A. Base
Gymnastics Co-ed	3 days per week - 10 weeks	4% of B.A. Base
Wrestling	3 days per week - 10 weeks	4% of B.A. Base

Late Winter

Undecided-girls	4 days per week - 8 weeks	4% of B.A. Base
Undecided-boys	4 days per week - 8 weeks	4% of B.A. Base

Spring

Boys Softball	4 days per week - 8 weeks	4% of B.A. Base
Girls Softball or Field Hockey	4 days per week - 8 weeks	4% of B.A. Base
Tennis-Co-ed	4 days per week - 8 weeks	4% of B.A. Base
Four possible Assignments for Sixth Grade	4 days per week - 8 weeks	4% of B.A. Base for each assignment

(Board Exhibit #6, pages 1 and 2)

The Board in framing this proposal stated that the pay rate is in proportion to the high school schedule previously negotiated (Board Exhibit #6, page 1).

The Board's proposal relates pay to effort i.e. number of days per week and number of weeks involved. In addition, its proposal recognizes that each sport is a different activity. By comparison, the Education Association's proposal provides only a stated amount for all sports. It does not differentiate either activity or effort.

The Board's proposal does not limit the number of participants per coach per assignment as does the proposal of the Education Association.

Recommendation: The Fact Finder strongly recommends that the Education Association accept the Board's proposal for intramural sports at the Middle Schools. He makes this recommendation because the proposal relates pay to effort and to activity which are sound compensation principles.

Although the Board is not opposed to a three-step pay schedule, the Fact Finder is reluctant to recommend a three-step pay plan because

this is a new program and the parties should review and evaluate it after it has been in operation for at least one school year.

The Fact Finder does not recommend that a limitation be placed on the number of participants to be handled by each intramural coach. Since this is a new program, there is no past experience on which to base the limitation of forty (40) participants sought by the Education Association. No rationale was given by the Education Association as to why the limitation of forty (40) participants was selected. Moreover, it is not known what role the coordinator of the program will play. He may be able to supplement the duties of coaches.

Issue No. 22-A. Retroactivity

The Fact Finder very strongly recommends that the salary increases be retroactive to July 1, 1976. He further recommends that the retirement contribution be made retroactive to July 1, 1976 if this is legally possible. He further recommends that any adjustments in salary resulting from the Board paying the retirement contribution be made retroactive to July 1, 1976 if this is legally possible. He makes this recommendation because the Education Association followed the procedure for fact finding as prescribed by State law.

The recommendation on the increase in life insurance should become effective when the parties reach agreement for 1976-77.

Issue No. 22-B. Duration

The Board of Education has proposed a three-year contract. In the second year (1977-78) the Board has proposed the Association's 1976-77 salary schedule proposal and for the third year (1978-79) the Board has proposed a three (3) percent increase on the 1977-78 salary schedule.

The Education Association stated that a three-year agreement is unacceptable.

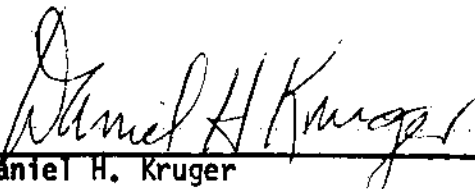
The Fact Finder strongly suggests that the parties negotiate a two-year agreement. The Education Association's salary proposal for 1976-77 could well be basis for some modifications (see Table III-A and B). Some kind of adjustment should be made for those teachers at the maximum of their respective salary schedules as was recommended by the Fact Finder for 1976-77. Some adjustments should be made in Step 3, Step 4 and Step 5 in the Education Association's salary proposal for 1976-77 to make them more equitable.

He strongly suggests that the parties negotiate a two-year agreement because of the time factor. There are five months remaining in the current school year. The parties have been bargaining for the 1976-77 agreement since June 10, 1976. A two-year agreement will give the parties an opportunity to devote their full energies and creativity to improving and strengthening the quality of education in the South Lyon School District.

CONCLUDING REMARKS

The Fact Finder has sought to make recommendations which are fair and equitable to both the teachers and the Board of Education. He urges the parties to accept them and to conclude their new agreement. The Fact Finder takes note that the District encountered difficulties in getting new millage passed by the voters. The parties must earn the goodwill of the voters if additional funds are to be forthcoming. The Governor in his recent message stated that there would be no new taxes

imposed in 1977. This suggests little increases in the state aid for the 1977-78 school year.


Daniel H. Kruger
Hearings Officer

January 14, 1977
East Lansing, Michigan