

FACT FINDING REPORT & RECOMMENDATION

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In the Matter of the Contract Dispute between *
Summerfield Public Schools *
-and- *
Summerfield Education Association *

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STATE OF MICHIGAN
EMPLOYMENT RELATIONS COMMISSION
DETROIT OFFICE

OPINION EXPLAINING RECOMMENDATION By M. David Keefe.
Apptd. by State of Mich.

Appearances:

Summerfield Schools

C. Cresswell - Supt.
R. Wiess - Board Member
W. Aldrich - Board Member
C. Ford - Board Treas.

Summerfield Educ. Assoc.

B. Ambs - M.E.A. Rep.
K. Curtis - M.E.A. Rep.
P. Wahr - S.E.A. Vice Pres.
L. Polter - Committeeman
A. La Ree - Committeeman

Prefatory Hearing Record:

The hearing took place on August 29-30 in conference quarters of the school complex located in Petersberg, Michigan. The parties stipulated that all issues, except for the continuing dispute on the basic salary schedule, had been mutually settled. The parties were afforded a full opportunity to present their evidence and arguments and, at the conclusion of the hearing, the Fact Finder orally issued the Recommendations for settlement which, together with an analysis and discussion of the problem, are set forth in this Report. The parties were requested to accept the Fact Finder's Recommendation as the basis for settlement of the dispute between them and to affirmatively recommend ratification of said Findings to their respective constituencies. The Committee representing the Education Association did reluctantly agree to this earnest request but the Committee acting in behalf of the School Board rejected the proposal, out of hand.

Summerfield Educ Assoc

Background Circumstances of the Problem Area

In the expiring Agreement, the Teacher Salary Schedule for 1968-69 (Joint 4) consisted of a 10-step index starting with the minimum entry rate for B.A. at \$6,200.00 and a maximum of \$9,300.00. This index was constructed of progressively larger increments, starting at \$200.00 for one year's experience to \$400.00 for 10 year's experience. A similar range applied to M.A., beginning with \$6,500.00 at the bottom and moving, through increments of \$200.00 to \$500.00, to a ceiling of \$10,000.00 after 10 or more year's of service. Of the nine (9) districts listed in Monroe County, where the Summerfield District is situated, this schedule for the B.A. had, in common with the Whiteford District, the lowest entry rate of the comparative group (S.E.A. Ex. #6). However, Summerfield stood by itself as ninth, and lowest, at the B.A. maximum. Similarly, Summerfield and Whiteford tied for low at the M.A. minimum. At the M.A. maximum, Summerfield was 8th, with Whiteford in last place, \$168.00 below the \$10,000.00 Summerfield ceiling shown in Joint Ex. #4.

Among the nine (9) Monroe County districts, Summerfield had the lowest recorded Pupil Membership in 1968-69 but ranks 7th in State Equalized Valuation Per Pupil, \$2,058 per pupil above the Ida District, ranked 8th, and \$2,586 per pupil over the Bedford district, which is registered as 9th and last (S.E.A. Ex #4). Summerfield, in the '68-'69 Official reports (S.E.A. Ex. #5), had the 3rd highest operating millage position in the County. It had the 7th position. in Debt Retirement Ranking at three (3)

mills. (Note: the Association tabulation showed the accrual for Debt Retirement to be two (2) mills. This, the Board challenged and corrected to three (3) mills. After examination and opportunity to challenge, the Board conceded that all of the other figures submitted in the S.E.A. Exhibits were correct.) However, in total millage burden, that of Summerfield is 8th in ranking, with only the Airport district carrying a lighter burden.

Against this backdrop of factual circumstances, the current negotiations on the 1969-70 Salary Schedule were undertaken.

The Positions of the Parties

At the time of the Fact-Finding Hearing, five (5) of the nine (9) Monroe Country School Districts have achieved settlements (S.E.A. Ex. #8). The positions of the parties to the dispute herein under consideration, in comparison to these settlements, show the following distortions:

	<u>B.A. Min.</u>	<u>B.A. Max.</u>	<u>M.A. Min.</u>	<u>M.A. Max.</u>
Ida Settlement	\$7000.00	\$10,800.00	\$7,000.00	\$11,900.00
Airport Settlement	7050.00	10,950.00	7,550.00	12,150.00
Dundee Settlement	7000.00	10,550.00	7,500.00	12,000.00
Jefferson Settlement	7000.00	10,950.00	7,300.00	12,050.00
Whiteford Settlement	7000.00	10,558.00	7,600.00	11,158.00
S.E.A. Demand				
(Joint Ex. #2)	7000.00	11,275.00	7,500.00	12,138.00
Board Offer				
(Joint Ex. #1)	6,800.00	9,900.00	7,100.00	10,600.00

The M.E.A. Representatives asserted that, in negotiations currently progressing in the remaining unsettled Monroe County Districts, the Monroe and Bedford School Boards already had unaccepted offers on the table which fell well

within the settlement range outlined above. No one had a report on developments in the Mason District. There were no exhibits submitted to substantiate the extent of the alleged proposals advanced in the Monroe and Bedford Districts. The School Board did agree that the settlements which were reported to have been reached were accurately summarized.

Comments on the Parties Positions:

Even a cursory examination of the positions of the Summerfield School Board and the Association shows that, in one giant leap, the Association would rocket from the bottom to the top, proving, in fact that indeed "the last shall be first." On the other hand, the School Board, which had contentedly rested in the cellar, now sought to crawl down to the sub-cellar.

The Association, which indicated that it would much prefer to rest its case on arguments as to the inherent worth of teacher services, admitted that these views had to be tempered in the face of the Board's contention that it lacked ability to pay. The problem, as the Association viewed the impasse, was an enigma which defied solution because the School Board had, throughout the course of the negotiations, failed to reveal current budgetary figures or its Form "B" (the "Annual Financial Report required for submission to the State Department of Education at the end of each fiscal year: June 30). A single copy of Form "B" was finally displayed by the Board, but not entered as an exhibit on the grounds that no copy was extant nor could one be made available through duplication. Limited review of this document

established that the General Fund Equity was in excess of \$87,000.00 and that this did not include any inventory nor prepaid expenditures. Cash on hand was approximately \$59,000.00. In addition, the Board acknowledged that a further sum of \$16,000.00 (allegedly accumulated over the span of four (4) years) had been siphoned from the General Operating Fund into a Building & Site Fund project attributed to future re-installation of lights at the football field. This, the Board admitted, could be made available for the true Operational Expense represented by Salary Schedules but, in accordance with the Board vote which diverted these monies from that usage, the School District Committee affirmed that, under no circumstances would these funds be released to underwrite Operating Costs.

Skimming quickly through the voluminous statistics compressed into Form "B", the Association questioned the School Board Committee on its entries under the heading of "Capital Outlay" appearing on page 10. This showed a sum in excess of \$3,000.00 for "Furniture & Equipment." The School Superintendent insisted that this was, in truth, a sum in excess of \$15,000.00. Upon being reminded by the Association representatives that the report was the audited official record of the District's finances as allegedly submitted to the State, the Superintendent retorted that what the School Board needed was a new auditor because \$15,000.00 . . . not \$3,000.00 was the correct expenditure under Capital Outlay.

Laying Form "B" aside, with all of its confusions and contradictions, the Board explained its Budget projection (which, currently, is still not adopted) would leave only

certain sums available to the Teachers Salary Schedule. The grand total of this amount is \$391,693.00. Of this, the Board insisted that \$57,894.00 (or slightly over 17%) is "new" money for teacher increases. However, it came out that the Board is expanding the teaching staff by adding 3.6 (the fraction representing part-time employment) teachers. This move also provides for expansion in services so that, for example, vocal training, which had not heretofore been provided, is now included. Assessing this added salary burden at the lowest rate (which is conservative and unrealistic in as much as these teachers can command premium adjustment in accordance with the prevailing formula for recognizing outside experience) comes to a minimum of \$24,480.00--which is, indeed, a hefty slice of the \$57,894.00 total. Furthermore, built-in by the '68-'69 increment formula, an additional \$7,770 was automatically budgeted regardless of whether the '68-'69 salary increase was \$0 or \$1,000. Now, deducting these from the total in order to determine the true and accurate sum of "new" money to be added to the Salary Schedule, the result is a more modest \$25,644.00. This is less than half the total sum of "new" money which the Board would have had the Fact Finder believe. It is, when factored against the larger staff to which it really applies, assuredly less than 7% instead of over 17%.

On the other hand, viewing the Association's demands which converted the increment index to nine (9) steps, instead of ten (10), as has historically prevailed in this District and is the well-rooted policy in the county, it is equally certain that the increase demanded is no modest and deserved

"catch-up." The B.A. & M.A. maximums, on a step-to-step comparison would be boosted into about a 27%-increase orbit. With a little more thrust, this could soon get the Summerfield maximums on the moon.

Carefully following the arguments and analyzing the evidence presented for his consideration, the Fact-Finder reached the inevitable conclusion that the positions of both sides were self-oriented, unrealistic and unjustifiable. The Association, on its part, was understandably hindered from major alteration in its bargaining position by the "fact-gap" created by the absence of Form "B" and current budget information. The Board, however, was restrained to an inept presentation by its own mistrust of its official audit and the specious logic by which it sought to project values in its budget explanation.

The conclusion of the Fact-Finder is that the School Board has retreated into an arbitrary but unmeritorious position which is needlessly out-of-step with the normal pace of developing change. Instead of bringing up the rear, as has been its past position in the parade, it now would like to fall-out. . . and leave the parade, completely. This need not be. This School Board can. . . and should. . . at least stay in the parade. . . even if it is only as rear-guard. This School District is, by its own claims, expanding in personnel; it is broadening the scope of its educational programs; it is overhauling its athletic plant and planning erection of a new High School. These are not economic storm-signals calling for flight into a sub-cellar. The Fact-Finder can discover no more justification for the Board's obdurate

niggardliness than he can for the Association's space-program for boosting maximums. Convinced that the Summerfield rear guard can at least maintain a place safely in its customary niche at the tail-end of the parade, the parties were and are, again, urged to adopt the proposal which the Fact-Finder constructed as the basis for settlement.

RECOMMENDATION FOR SETTLEMENT

1. The Salary Schedule for Non-Degree teachers shall be as proposed by the School Board (Joint Ex. #1).
2. The Salary Schedule for both B.A. and M.A. shall consist of an index with ten (10) increments applying, as in the past, before the maximum is reached.
3. The Salary Schedule and increments shall be as follows:

<u>Step</u>	<u>B.A.</u>	<u>M.A.</u>
0	\$7,000.00	\$7,500.00
1	+275 increment = 7,275	+300 increment = 7,800
2	+300 " = 7,575	+325 " = 8,125
3	+300 " = 7,875	+325 " = 8,450
4	+300 " = 8,175	+325 " = 8,775
5	+325 " = 8,500	+350 " = 9,125
6	+375 " = 8,875	+375 " = 9,500
7	+400 " = 9,275	+375 " = 9,875
8	+400 " = 9,675	+400 " = 10,275
9	+425 " = 10,100	+425 " = 10,700
10	+450 " = 10,550	+450 " = 11,150


 M. David Keefe, Arbitrator
 (Appointed as Fact Finder by
 State of Michigan)

Date: August 31, 1969
 Roseville, Michigan