

1680  
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CERTIFIED PUBLIC ACCOUNTANT  
MEMBER OF:  
AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS  
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1/22/83  
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FF

January 22, 1983

Harold Whipple, Director  
Personnel & Labor Relations  
Swartz Creek Community Schools  
8354 Cappy Lane  
Swartz Creek, MI 48473

Gary E. Vandemark, UniServ  
Director  
Swartz Creek Education  
Association  
5095 Exchange Drive  
Flint, MI 48507

RE: Swartz Creek Community Schools -and- Swartz  
Creek Education Association: MERC Case No.  
D82-E-2658

Gentlemen:

When we had the fact-finding hearing on the 5th of  
January, 1983 I indicated I may return to Flint to  
meet with the two of you relative to my report.

I have thought about it and concluded that perhaps  
it may be better if the report were first sent to  
you and give the two of you one week before it is  
released.

This one week period may work to your mutual  
advantage wherein, using my report as a guide,  
you could undoubtedly work your way into a contract.  
At least, I would like to believe so.

I have enjoyed meeting you and your associates  
and if there remain any questions, please call.

Meanwhile, I wish you well.

Sincerely,

*Herbert L. Swartz*

Michigan State University  
LABOR AND INDUSTRIAL  
RELATIONS LIBRARY

*Swartz Creek Community Schools*

FACT FINDING  
OF  
SWARTZ CREEK COMMUNITY SCHOOLS  
AND  
SWARTZ CREEK EDUCATION ASSOCIATION  
JANUARY 5, 1983

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*Herbert L. Grasberg P. C.*

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RE: Swartz Creek Community Schools -and- Swartz  
Creek Education Association: MERC Case No.  
D82 E-2658

Greetings:

The undersigned has been appointed fact-finder  
for the matters in disagreement between the above  
identified parties.

The appointment was made on the 15th day of Nov-  
ember, 1982 and my acceptance was acknowledged by  
letter dated November 17, 1982.

An informal prehearing was held at the Swartz  
Creek Community School offices on December 7, 1982  
between Dr. Whipple, Mr. Vandemark and the under-  
signed. At that meeting, whatever issues which  
could be set aside, were, and the ground rules  
were established for the fact-finding hearing to  
be held on January 5, 1983. The place of the  
meeting was set for the offices of the Association.

Henceforth in this report, the Swartz Creek Community  
Schools will be referred to as the Board and the  
Swartz Creek Education Association will be referred  
to as the Association.

Sincerely

*Herbert L. Grasberg*

## HISTORY OF NEGOTIATIONS

The present master contract between the Board and the Association is for the school years 1980/81 and 1981/82.

Both sides have been negotiating since January of 1982 and many sessions have followed with minimal progress. The basic and bottom line differences were, and are, economic.

There were two mediation meetings held with the Michigan Department of Labor - Employment Relations Commission, also known as MERC.

One meeting was held on the 7th of October, 1982 and lasted for four (4) hours and the other on the 17th of October, 1982 for a duration of ten (10) hours. The mediator was a Mr. Richard Terepin.

The Association on the 22nd of October, 1982 petitioned for fact-finding.

The matters brought to fact-finding are those issues which constitute the final offers made by both sides.

WITNESSES

For the Association:

Mr. Gary E. Vandemark, UniServ Director SCEA  
Witness and spokesperson.

For the Board:

Dr. Harold Whipple, Director of Personnel and Employee  
Relations, SCCS  
Witness and spokesperson

Mr. Patrick D. Donahue, Assistant Superintendent - Business  
Dr. William Shaw, Assistant Superintendent - Instruction  
Mr. Richard Wallace, Account Executive, Dupuis & Ryden,  
Certified Public Accountants.

Mr. Ted Mansour, Director of State and Federal Relations  
for Genesee Intermediate School District.

## THE ISSUES

Issue No. -1-

Salary Increments

1982/83

Association Position:

First semester a salary freeze.

Second semester - horizontal and vertical increments.

Board Position:

Salary freeze.

1983/84

Association Position:

A 6% improvement for the first semester and an added  
6% salary improvement for the second semester.

Board Position:

Salary freeze.



Issue No. -2-

Arbitration Restrictions:

Page 8, Article IV, 3-B-3 presently reads  
as follows:

3. Fourth Step - Arbitration

B. It shall be the function of the arbitrator, and he shall be empowered, except as his powers are limited below, after due investigation, to make a decision in cases of alleged violation, misapplication, or mis interpretation of the specific articles and sections of this agreement.

3. He shall have no power to rule on any of the following:

The termination of services or failure to re-employ any teacher to a position on the extra-curricular schedule.

Association Position:

Delete the above.

Board Position:

Leave as is.

Association President Released Time

Presently Article V - Section C reads as follows:

" The Association President shall be released for the purpose of administering this agreement as follows:

(subsections 1,2 and 3 are not to be discussed.)

Association Position:

Add subsection which is to read as follows:

"The Board will assume the payment of any retirement contributions required to maintain full retirement credits for the released time President or; if said payment is not allowed the Board will remit a like amount to the Association. (Like amount included both employer and State contributions.)

Board Position:

Let Article V remain as is.

Long Term Disability Insurance (LTD)

Article VI, 4-D presently reads as follows:

4. FRINGE BENEFITS

D. Long Term Disability

All teachers shall be provided Long Term Disability with the following specifications:

1. 60% of basic monthly wages to a maximum of \$2,000 per month.  
Basic monthly wages to be annual contract salary divided by 12.

Association Position:

Change to 66 2/3%

Board Position:

Leave as is

Issue No. -5-

Driver Education Pay Rate

Association Position:

For the summer of 1983 raise from the present \$8. per hour to \$11. per hour.

Board Position:

No change from the present \$8. per hour

Issue No. -6-

Longevity Pay

The present language of Schedule C-5 reads as follows:

"1% of the top step of a teacher's appropriate salary column shall be paid over schedule to each teacher starting with the completion of 15 years at Swartz Creek. An additional 1% will be paid for each additional 5 years of service at Swartz Creek."

Association Position:

Revise the present language to read:

"2% of the top step of a teacher's appropriate salary column shall be paid over schedule to each teacher starting with the completion of 12 years at Swartz Creek. An additional 2% will be paid for each additional 3 years service at Swartz Creek."

Board Position:

No change from present contract.

Outside Experience Credit

Article VI Section 2 reads as follows:

- A. All teachers employed by the Board shall be placed on the salary schedule at the level of verified experience at the time of employment for full semesters of outside teaching experience except that during the first year, outside credit shall be limited to seven years experience.

Association Position:

No change

Board Position:

Reduce from 7 years to 2 years.

Issue No. -8-

Duration of Leaves

Association Position:

No change from the present.

Board Position:

Limit to three years.

Issue No. -9-

Reduction in Staff

Article X, E-3 reads as follows:

The fact that a teacher is placed on leave of absence for the purpose of staff reduction shall not result in the loss of status or credit for previous years of service. Upon return to the Swartz Creek District he shall assume the step position on the salary schedule which he would have held had he been actively employed in the Swartz Creek district for the same period.

Association Position:

No change.

Board Position:

Eliminate the salary schedule credit for staff reduction leaves.



Issue No. -10-

Temporary Employment Contracts

Board Position:

Change from 20 days to 40 days.

Association Position:

No change

**FINDINGS  
AND  
PROPOSALS**

Salary Increments

This issue caused the greatest concern. More time was spent, more schedules and statistics presented and more testimony given to support the time than for any other issue. Newspaper articles and quotes were even submitted.

Here we have a group of teachers wanting a salary increase from a School Board claiming a struggle to maintain a balanced budget in an area that has the highest unemployment in the State of Michigan, which in itself has the highest in the Nation.

The Association is not unaware of these facts. In testimony the Association has emphatically stated they would bite the bullet for 1982/83 but they want the Board to bite the bullet for 1983/84 and thus make a commitment for 1983/84.

The Board wants a freeze for 1982/83 and refuses a commitment for 1983/84. In fact, the Board wants only a one year contract.

The Association wants a 6% increment for the first semester 1983/84 and an added 6% for the second semester. As stated, the Board will not discuss 1983/84.

Swartz Creek, of 21 districts in Genesee County ranked 6th in 1982 in total operation millage whereas they ranked 4th in 1981. In total millage levy they were 10th both years.

In Genesee County salary rankings Swartz Creek 2nd in the category of highest schedule salary for 1981/82 and 7th for 1982/83. This lower ranking was due to no salary increment. However, if the Association were to prevail in their demand of 6% and 6% for 1983/84, they would rank 1st in those districts which have already settled their contracts for that period. The increase would jump from \$29,864 to \$33,556, an amount of \$3,692 or 12.36%.

The Board has indicated there would be no layoffs if salaries were frozen and the Association countered that layoffs are a way of life in today's society. Then layoffs there must be. They further stated that Swartz Creek is one of 4 remaining districts that yet have a fully funded athletic program. The other 3 are Flint, Carman-Ainsworth and Mt. Morris. This was authenticated by a newspaper article.

The Board's witnesses (per page 3) testified in their capacity as to the precarious position of the Board. The account executive from the firm of C.P.A.'s testified that albeit there was a surplus for 1981/82 (June Fiscal) such surplus was created by investments and not operations. Mr. Donahue confirmed this condition and added that the woes of the State of Michigan make it impossible to budget an amount expected to be received for Education. The Board is preparing to approach the voters for additional operations millage. Statistics were presented to show that many prior attempts for millage

were unsuccessful.

Mr. Mansour testified the State will play give and take with Boards and Districts in that they will not receive what is due them and if they should, those amounts could be delayed. Districts should not depend on any material help from the State. Education will suffer.

Mr. Donahue presented a statistic which showed that in the school year of 1979/80 the State's share of the total aid allowance per pupil was 34%, the local share 66%. For 1980/81 State 25%, local 75%, in 1981/82 20% versus 80% and in 1982/83 14% and 86%. Over the same period the dollar aid went from \$1,454 to \$2,073. For 1982/83 the local share of total aid is approximately \$9.6 million whereas in 1979/80 it was \$5.4 million. State aid went in reverse, but to a lesser percentage.

The Association did not disagree with the Board. They acknowledged the economy and did not protest presentations and schedules. They questioned policy as to class size, empty rooms and the funded athletic programs. Nor do they agree on a one year contract.

Depending on viewpoint and where one is sitting, both sides could be right -- or wrong. One only has to read the daily paper, listen to the radio, watch the news on TV or just listen to the next door neighbor to know that things are very bad. No one knows if it is yet dark at the end of the tunnel. Or perhaps there is a bit of light. Time will tell. We may not like the answer - but it will be there.

Employers and employees both have the problem of survival -- some work together. Some pull apart as in a tug-of-war. Some show concern. Some dislike.

Genesee County is hardhit and undoubtedly becoming punchy from the knocks. Looking through rose colored glasses only makes the viewer uninformed. The facts remain the same.

The Board has the problem of getting dollars and seeing that everyone is happy or as happy as can be under a given set of circumstances. Some Boards have bad money management. Others good. Swartz Creek has excellent money management. They invest well and are prudent in their spending.

#### PROPOSAL

Each side presented many documents and "exhibits" during their presentation. I have nothing that each side doesn't already possess. Ergo, it would serve no purpose to copy documents for this fact-finding report.

This fact-finder is in a position where testimony and presentations must be weighed knowing full well that the economy of the Nation, State and County are dreadful.

This fact finder after listening to both sides, weighing the arguments, comparing documents and considering possible ramifications, does propose the following:

1. The contract should be for two years, 1982/83 and 1983/84.
2. There should not be any wage increment for any level for 1982/83 - in otherwords, an absolute wage freeze.
3. For 1983/84 there shall be one 6% increase effective the first semester.

It is the thinking of the fact-finder that a two year contract puts stability into the system. The teachers will know what they are to receive, the Board will know their burden, what they seek from the voters and how they must budget with or without summer collections.

If there are layoffs. So be it. A memo from Dr. Whipple to Dr. Fitzgerald dated April 30, 1982 stated that Flint had 103 teachers on layoff, Grand Blanc 46 and Lapeer 45.

Obviously some programs may suffer. Perhaps they may be addressed with fresh thought.

## Arbitration Restrictions

This issue was created by a grievance between the Board and the Association which was taken to arbitration and on September 3, 1982 the arbitrator ruled "The grievance is denied for lack of jurisdiction." The issue was that the Board awarded the position of High School Marching Band Director to an applicant who is not a member of the teachers' bargaining unit.

There is little argument to dispute the fact that managerial rights and policy would rest anywhere except with the Board. The bargaining agreement is the contract by which both sides live and conduct their activities. Disputes can arise.

The contract has a specific grievance procedure with steps leading to arbitration if disagreement continues. This contract does have an escape clause. I am not here to judge whether the Board and/or the Association are right or wrong.

The Board stated "had the Association not lost the arbitration case, this article would not have been a subject for negotiation." I agree. Laws and interpretations have been and will continue to be challenged -- the laws through the courts and contract disagreements through arbitration.

## PROPOSAL

~~This fact finder hereby proposes that the Association's position prevail~~ and that the following verbiage on page 8,



Article IV be deleted as of now:

"3. ~~He shall have no power to rule on any of the following:~~

~~The termination of services or failure to re-employ any teacher to a position on the extra-curricular schedule."~~

Association President's Released Time

This is basically an economic issue in that it will result in an added cost to the Board of over \$600 per annum. More in the future as salaries rise. This fact-finder has in issue number -1- expressed his opinion on the economic side of this contract and sees no sense or reason to repeat what has once been said.

PROPOSAL

This fact-finder proposes that the position of the Board prevail and that Article V remain as is for 1982/83 and 1983/84.

LTD

Presently, when a person becomes disabled they receive 60% of their salary and such amount remains frozen - with a proviso the amount is not to exceed \$2,000. per month. In effect, inflation has no bearing upon it.

The Association is asking for the percentage to be increased to 66 2/3% with the same \$2,000 maximum.

The second issue within this category is the interpretation of the qualifying period. Currently, it is fixed at 45 days or the exhaustion of a teacher's accumulated sick days, whichever is greater. In this instance the problem lies with the carrier and its interpretation. The Association stated "if the Board's present carrier can meet the MESSA policy, the SCEA would not object to continuing with this carrier."

#### PROPOSAL

This fact-finder does agree with the Association's contention that the percentage for disability be increased from 60% to 66 2/3% with the monthly maximum to remain at \$2,000. However, it is understood this would have no bearing whatever for those already on disability. Those amounts remain as is. Further, I propose this change to take place effective 1983/84 and that 1982/83 remain as is.

The second issue must be taken up with the carrier -- not a matter for fact finding.

Issue No. -5-

#### Driver Education Pay Rate

There is a wide area between the Board and the Association. The Board wants a freeze at \$8. per hour whereas the Association wants an increase to \$11, an increase of 37½%. The current rate has been in effect since 1980 and at the time Swartz Creek compared favorably with its neighbors. For the summer of 1982 this rate compared poorly and for the contracts thus far settled for the summer of 1983, their rank is even lower.

There was a memo dated August 5, 1982 from D. Kittell to the Central Office and earmarked RE: Driver Education Preliminary Report and it showed that 528 students participated in this program and the State paid, or was to have paid, \$45. per student for a total of \$23,760. Expenses ran, or were to run, \$20,150. No one knows for 1983.

#### PROPOSAL

Albeit there has been no pay increment for almost 3 years, the thought of a complete make-up in one year is unreasonable. Considering past inflation, cost of living and the present place Swartz Creek has with its neighbors compared to where they were, this ~~fact-finder~~ ~~proposes a 15% increase for the summer of 1983.~~ The new rate will be \$9.20 per hour.

This issue has nothing to do with issue -1- and it is to be considered separately.

Longevity Pay

The issue of Longevity Pay is costly and expensive, even by the admission of the Association.

The Board has stated, statistics were presented and testimony given to show that the increase requested by the Association would have serious impact upon the finances of the Swartz Creek Community Schools.

Swartz Creek does compare very favorably with its neighbors.

PROPOSAL

~~This fact-finder proposes this issue remain as is. No increase from present levels either for 1982/83 or 1983/84.~~

Outside Experience Credit

Article VI-2-A reads, "All teachers employed by the Board shall be placed on the salary schedule at the level of verified experience at the time of employment for full semesters of outside teaching experience, except that during the first year, outside credit shall be limited to seven years experience."

The Board proposes a change from the seven years to two years claiming (1) there will be a savings to the Board and (2) it will have no effect upon anyone presently employed. The Association wishes no change.

PROPOSAL

In view of the economic havoc that is a plague to our society, this fact-finder proposes the following:

1. ~~For 1982/83 the contract remain as is.~~
2. ~~For 1983/84 the outside credit experience shall be reduced to two years.~~
3. ~~For 1984/85 it shall be increased to four years.~~
4. ~~For 1985/86 it shall return to seven years.~~

Duration of Leaves

In the opinion of this fact-finder, this is not an issue.

The Board wishes to limit leaves for three (3) years. They possess the power to do it under the present language of the contract.

Each year the person on leave must re-apply and Article IX, 7-G clearly states, "a leave of absence granted to a teacher shall normally not be extended beyond a period of three consecutive years. Each consecutive annual leave shall require approval by the Board."

~~The Board must exercise its rights.~~

**Reduction in Staff**

This issue, to an extent, goes hand in hand with issue 8 - Duration of Leaves.

It is common practice that when a person is on leave and in the midst of that leave there is a pay raise, then such person upon ~~return from leave~~ will receive that pay raise.

I stated in prior issue number 8, the ~~Board~~ can limit the extent and length of leaves.

**PROPOSAL**

~~This fact-finder proposes no change in the contract regarding this issue.~~



Temporary Employment Contracts

Article VI-3-8 presently reads: "Substitute teachers teaching more than twenty (20) consecutive school days in the same assignment shall be advanced to the regular scale for their training and experience prorated for the balance of the assignment and made retroactive to the first day of the assignment, provided they remain in the assignment as long as needed. Said teachers will be provided an individual contract which is attached as Schedule E."

The Board has offered changing this provision to read 40 days in lieu of the 20 days days but without having any effect on those already employed.

The Association wishes everything as is.

The Board claims a savings of about \$48.72 per day. The Association did not protest this amount.

PROPOSAL

~~Again, in this economic havoc that penetrates our society, this fact finder does propose the following:~~

- ~~1. For 1982/83, the contract remains as is.~~
- ~~2. For 1983/84 the contract should be changed to read 40 days in lieu of 20 days.~~
- ~~3. For 1984/85 the contract should be changed from 40 days to 30 days.~~
- ~~4. For 1985/86 the contract should be changed from 30 days to 20 days, the provision presently existing.~~