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In The Matter of A Dispute        )  
                                   Between                        )  
 Whitehall District Schools        )  
                                   and                                )  
 Whitehall Education Association    )

Robert S. Bowers 9-2-67

Michigan State University  
 LABOR AND INDUSTRIAL  
 RELATIONS LIBRARY

### FACT FINDING REPORT AND RECOMMENDATIONS

The undersigned was appointed Hearings Officer pursuant to Section 25 of Act 176 of Public Acts of 1939, as amended, in a dispute between the Whitehall District Schools and the Whitehall Education Association. The appointment was made by Philip Weiss, Member of the State Labor Mediation Board in a letter dated August 25, 1967.

Hearings with the parties began at 10 a.m. Monday, August 28, 1967 at Whitehall High School. Meetings were held daily through Thursday evening, August 31, 1967.

### ISSUES

At the beginning of the hearings there were three issues on which the parties could not agree: the salary schedule; arbitration as the final step in the grievance procedure; and sick leave policy. The latter issue on sick leaves was resolved during the hearings.

### BACKGROUND FACTS

The Whitehall District Schools have an estimated enrollment of 2,052 students for 1967-68 and 80 teachers (including 3 special education teachers). Information on property valuation for the District is presented in Table 1.

Whitehall District Schools

TABLE 1

SHORT HISTORY OF PROPERTY VALUATIONWHITEHALL SCHOOL DISTRICT

<u>School Year</u>	<u>State Equalized Valuation</u>	<u>Number of Students</u>	<u>Valuation Per Student</u>	<u>Operating Millage</u>		
				<u>Alocat.</u>	<u>Voted</u>	<u>Levied</u>
1962-63	\$15,013,823	1905	7,890	8.50	4.00	12.5
1963-64	17,670,704	1979	8,920	8.55	4.00	12.55
1964-65	17,765,950	1985	8,950	8.53	4.00	12.53
1965-66	18,074,011	1995	9,050	8.44	4.00	12.44
1966-67	19,064,551	2024	9,450	8.44	9.25	17.69
1967-68	20,942,337	2052(Est.)	10,050	8.35	8.25	16.60
1965-66: State Median	—		13,746	8.63	6.13	14.38

In 1962, the Whitehall Schools were \$60,000 in debt. This deficit increased to over \$100,000 from 1962 to 1965. In August 1965 a vote for increased millage was defeated. In addition to the 4.00 mills voted in 1962, the Board requested in August 1965 more millage. This was defeated.

In March 1966, the Board requested an additional millage of 5.25, or a total of 9.25. This lost but was passed in an election in April 1966. Two mills of this new millage of 5.25 were allocated for paying off the operating deficit and 2 mills for salary adjustments. As the result of an austerity program started in 1966, the entire operating deficit was eliminated in 1966-67. The Board felt it necessary to keep faith with the voters and thus it reduced the millage for 1967-68 from 9.25 to 8.25. The millage is to continue at this level for 1968-69. After that year the Board plans to request more millage.

The two mills for salary adjustment over the three year period were to guarantee a \$200 increment per teacher. In the budget for 1967-68, the Board allocated an additional \$348 per teacher because of increased revenue or a total of \$41,781 was set aside for salary increases.

The total cost of the last salary offer (Table 2) made by the Board was \$575,225 which included extra duty compensation amounting to \$7,800 but no insurance payments for the teachers. This amounted to about 60% of the total budget of \$961,231. The total cost of the last offer by the Association (Table 2) is estimated to be around \$623,000 including extra duty pay totalling \$9,390 plus \$108 per year per teacher for insurance. There is thus a difference of about \$48,000 in compensation costs between the two offers.

TABLE 2

## SALARY PROPOSALS FOR 1967-68

<u>STEPS</u>	<u>1966-67 B.A.</u>	<u>1967-68 Board Proposal</u>	<u>1967-68 Association Proposal</u>
1	\$5,350	\$5,800	\$5,950
2	5,510	6,070	
3	5,725	6,340	
4	5,935	6,610	
5	6,175	6,880	
6	6,415	7,150	(Increments not provided)
7	6,650	7,420	
8	6,915	7,600	
9	7,180	7,960	
10	7,475	8,230	
11	7,790	8,500	\$8,925
	B.A. + 15: \$150 above each step	B.A. + 15: +\$200	B.A. + 15: +\$200
	M.A. \$350 above each step	M.A: +\$400	M.A: +\$500
	\$68 insurance per year per teacher	no insurance included	\$108 insurance per teacher per year

## POSITION OF THE BOARD

### Salary Schedule

The Board's position is that salaries should be as competitive as possible within the budget. The Board is opposed to deficit financing and any salary increases above the \$41,781 allocated in the budget for 1967-68 must be at the expense of other parts of the program. Salary comparisons with schools similar to Whitehall are not always relevant because of the fact that Whitehall may have more teachers on the top steps than have other schools. A third of Whitehall's teachers are on the top step. Faith must be kept with the voters on the millage program and the millage should be reduced as planned.

### Arbitration

The Board opposes the continuation in the new agreement of the provision including arbitration as the final step in the grievance procedure. Its objections are based on legality and principle. The Board feels that the statement of the Attorney General in opinion No. 4578, May 26, 1967, does not give boards of education authority to include in their master contracts with employees a clause providing for compulsory arbitration. The Board also feels that it cannot give its power to interpret the agreement to another party. In an agreement with the non-instructional staff arbitration was omitted, and the Board maintains it should be consistent on this matter in both contracts.

## POSITION OF THE ASSOCIATION

### Salary Schedule

The Association states the salary schedule in the Whitehall system must remain competitive if the system is to attract and keep qualified instructors.

To support its salary proposal the Association presented several exhibits. Its case was chiefly based on salary comparisons with those schools in central western Michigan which have completed contracts for 1967-68. (Tables 3 and 4) These schools have similar enrollments or state equalized valuation per pupil to that of the Whitehall District Schools. These figures are to be compared with the Whitehall Board's final proposal of \$5,800-\$8,500 and that of the Association at \$5,950-\$8,925.

The Association also points out that the proposed salary increases for the non-instructional and non-professional staffs of the Whitehall District are a larger percentage increase over last year than the proposed increases for the teachers.

Since the operating deficit has been retired the Association questions the logic of the Board's cancelling only one mill for 1967-68 when two mills were to be applied toward reducing the deficit.

Finally, the Association maintains that the extra duty schedule must be revised upward simply to keep pace with other schools in the Seaway Conference with respect to athletic salaries, and with nearby systems in non-athletic areas.

#### Arbitration

The Association is fully aware that no specific legislative or judicial action has been taken with respect to the inclusion of binding arbitration of grievances in the contracts of public employees. It is also aware that several education associations and boards of education in the state of Michigan, including the Whitehall Education Association and local Board of Education, included binding arbitration in their 1966-67 contracts.

Boards of Education across the state have, in recent weeks, agreed upon contracts for the coming school year which have included arbitration.

If during the coming year, either the state legislature or the Michigan Supreme Court should rule that binding arbitration in the contracts of public employees is not legal, such an arbitration clause in the Whitehall contract would immediately be stricken from the contract under the terms of an article tentatively agreed upon by the Board of Education and the Association which deals with matters contrary to law.

TABLE 3

## SALARY AGREEMENTS FOR 1967-68

School Districts in the Counties of Ottawa, Kent, and  
Newago with Student Enrollment of 1,500 - 2,600 (9 of 15 schools)

	<u>SEV</u>	<u>SALARY</u>	<u>ENROLLMENT</u>	<u>SEV--per student</u>
<u>OTTAWA COUNTY</u>				
Coopersville	\$15,000,000	B.A. \$6,100-8,900 M.A. 6,527-9,333	2,000 <sup>1</sup>	\$ 7,500
Hudsonville	21,000,000	5,900-8,850 6,470-9,420	2,130	10,000
Jenison	20,000,000	6,000-8,400 6,400-9,152	1,625	12,500
Spring Lake	21,000,000	6,050-8,954 6,450-9,354	2,000	10,500
<u>KENT COUNTY</u>				
Cedar Springs	13,500,000	6,000-9,150 6,480-9,882	1,930	7,000
Kellogsville	14,000,000	6,000-9,000 6,600-9,600	2,450	5,600
Lowell	20,000,000	5,800-8,700 6,148-9,600	2,280	8,700
<u>MUSKEGON COUNTY</u>				
Oak Ridge	7,500,000	6,000-8,910 6,300-9,355	2,170	3,400
<u>NEWAGO COUNTY</u>				
Fremont	35,500,000	5,800-8,500 6,200-9,300	2,600	13,700
Whitehall	20,900,000		2,052	10,500
	Average	Median		
B. A. Min.	\$5,961	\$6,000		
B. A. Max.	8,818	8,906		
M. A. Min.	6,399	6,490		
M. A. Max.	9,444	9,355		

<sup>1</sup>SEV and enrollment figures are for the school year 1966-67.

Source: Michigan Education Association, Grand Rapids Office.



TABLE 4

MINIMUM AND MAXIMUM SALARIES FOR SELECTED SCHOOLS  
(SEV PER PUPIL OF \$8,000 - 11,000) IN THE COUNTIES OF KENT,  
OTTAWA, AND MUSKEGON COUNTIES<sup>1</sup>

		SEV Per Pupil
<u>KENT COUNTY</u>		
<u>Lowell</u>		
B. A.	\$5,800 - 8,700	\$ 8,694
M. A.	6,148 - 8,700	
<u>North View</u>		
B. A.	5,900 - 8,776	\$ 8,243
M. A.	6,084 - 9,776	
<u>Rockford</u>		
B. A.	5,900 - 8,900	\$ 9,951
M. A.	6,400 - 9,660	
<u>Sparta</u>		
B. A.	5,900 - 8,850	\$ 8,197
M. A.	6,300 - 9,450	
<u>OTTAWA COUNTY</u>		
<u>Spring Lake</u>		
B. A.	6,050 - 8,954	\$10,527
M. A.	6,450 - 9,354	
<u>MUSKEGON COUNTY</u>		
<u>Muskegon Heights</u>		
B. A.	6,000 - 9,120	\$ 9,375
M. A.	6,400 - 9,728	
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	Average	Median
B. A. MIN.	\$5,925	\$5,900
B. A. MAX.	8,700	8,875
M. A. MIN.	6,297	6,350
M. A. MAX.	9,444	9,555

<sup>1</sup>Eleven school systems within these counties have a SEV per pupil of \$8,000 - 11,000. Six of these eleven systems have completed negotiations as of 8/30/67.

## RECOMMENDATIONS

### Salary and other Compensation

The Hearings Officer recommends the following salary schedule for 1967-68.

B. A. Minimum	\$5,850
B. A. Maximum	8,775
B. A. + 15 Minimum	6,050
B. A. + 15 Maximum	8,975
M. A. Minimum	6,350
M. A. Maximum	9,275

This is a schedule of 11 steps with 10 equal increments. Insurance of \$84 per year per teacher is recommended. The Board's proposed extra duty schedule amounting to a total of \$7,800 is recommended.

The Hearings Officer is aware that the implementation of this schedule will place severe strain on the proposed budget for 1967-68. He believes, however, that adjustments can be made in several of the allocations. The Board has indicated where some of these adjustments may be made particularly with the employment of new teachers.

While this recommended schedule places Whitehall in the lower half of comparable schools it still represents (including insurance payments) an increase of over 9% for the minimum and over 13% for the M. A. maximum as compared with last year.

### Arbitration

Because of the Attorney General's opinion and also because there is a decision pending before the Labor Mediation Board on arbitration the Hearings Officer recommends that the parties reconsider the arbitration clause after the Board has handed down its decision.

APR 2, 1967  
DATE

Robert S. Bowers  
Robert S. Bowers, Hearings Officer