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In re:

WOODHAVEN BOARD OF EDUCATION
-and-
WOODHAVEN EDUCATION ASSOCIATION

FACT FINDING OPINION AND RECOMMENDATIONS

George T. Roumell, Jr., Fact Finder

APPEARANCES:

WOODHAVEN BOARD OF EDUCATION

Mark Wegrenka, Superintendent, Woodhaven
Alexander J. Janice, Assistant Superintendent, Woodhaven
Frank Kay, Business Manager
Richard A. Geiser, C.P.A. (Hungerford, Cooper, Luxon & Co.,
C.P.A.'s
C. Melvin Bunley, Jr., Attorney
Esther Kurtzhals Parr
Edward M. Sedloch
James Stewart
Irene Ritter
Jeremiah Oyer

WOODHAVEN EDUCATION ASSOCIATION

Richard Croll, M.E.A.
Bill Parker, M.E.A.
Jim Carlson, M.E.A.
Rose Kortier, W.E.A.
Liza McCray, W.E.A.
Rosemary Bunyea, W.E.A.
Esther Woodruff, W.E.A.
Frank Ticknor, W.E.A.
Vard Townsend, W.E.A.

On Petition filed by the Woodhaven Education Association,
the undersigned was appointed Fact Finder in the dispute between the
Woodhaven Board of Education (hereinafter called "Board") and the

Woodhaven Board of Education

Woodhaven Education Association (hereinafter sometimes called "Association").

Obviously, the basic issue between the parties is the salary schedule. Because of certain unique circumstances applicable to the Woodhaven School District, I am approaching this fact finding in a somewhat different vein than normally. My recommendation will appear at a later point in this opinion. However, I advise the parties now that after considering the respective presentations with care, I have come to the conclusion that the salary schedule should not be that proposed by the Board or by the Association but should be somewhere between the two. With this in mind, I have recommend a schedule which will add approximately twelve to fifteen thousand dollars more to the last offer of the Board of Education. I advise the parties at this point in my opinion of my recommendations as an aid to them in understanding my reasoning at arriving at my recommendations which I will now explain. I may also point out that at the latter part of this opinion I will deal with the other issues presented.

As I previously mentioned there are certain unique factors applicable to the Woodhaven School District. There was no Woodhaven School District prior to July, 1968. It came as a result of a merger between North Brownstown No. 10, the Hand School District, the Maple Grove School District, and the Carsons School District. Each of the districts operated an elementary school. They sent their Junior High and High School students to other school districts.

Obviously, the reason for the merger was to merge three school districts, Carsons, Hand, and Maple Grove which had relatively

low State equalization values behind each child in their respective districts, with Brownstown No. 10 which by far had the highest State equalization value behind each child. For example, based on the 1966 State equalized valuation Brownstown No. 10 had \$342,927.00 valuation behind each child, whereas, Hand had \$6,787.00. In fact, Carsons, Maple Grove and Hand had valuations that were below the Wayne County median for 1966. In other words, the idea was to merge a wealthy school district with poor school districts.

This merger had meant a change in the tax structures. For instance, this current year was the first time Brownstown No. 10 residents taxed themselves an operational millage. There has been a change downward in the voted operational millage of Carsons, Maple Grove and Hand. It has meant that the District must undertake a substantial building program, building a Junior High School and eventually a High School. It means that the citizens of the Woodhaven School District will be asked to vote millage for a building program. They no doubt will eventually be asked to vote additional operational millage as the district develops and as the financial needs become more predictable.

A merged district inheriting the different experiences between the four predecessor districts also presents administrative problems and budgetary problems. There is no budget experience in the district as a whole. Even though the districts have had the benefit of expert advice from a certified public accounting firm, there is no question in the mind of the Fact Finder that the budget cannot be precise because of what is sometimes called in business and obviously applicable to education "start up" expenses. The district has to get experience under its belt so to speak in order to accurately predict its income and expenditures.

Likewise, the Fact Finder cannot willy-nilly grant raises and suggest that the district go to the voters because the district will have to go to the voters in the future on more than one proposition and one must be careful in terms of public relations, not to ask the public at this time for extraordinary millage because there is public educational process needed to assure passage of any millage, particularly in an area that is building up and is changing its complexity.

The mergers have also brought some very unique teacher problems. Based upon the relevant salary schedule standings of the 42 school districts in Wayne County and the salary schedules in the four Woodhaven Districts in the 1967-68 school year, there is an interesting contrast. Three of the districts, for example, at the beginning B. A., Hand, Maple Grove and Carsons, were at the bottom of the scale in Wayne County with Carsons paying \$300.00 less than any other Wayne County school district and Hand and Maple Grove being tied for next to last place with several other school districts. On the other hand, North Brownstown No. 10 for the B. A. minimum ranked seventh in Wayne County. The same comparison relatively speaking can be made for the rest of the salary schedule. So Woodhaven is not only a merger of a wealthy district with very poor districts, but it is a merger of relatively high-paid teachers with relatively low-paid teachers. This calls for some adjustments. From the teachers' standpoint, as a result of the merger, the teachers in the lower paying districts want to be equated and treated equal with the teachers in the higher paid district. There is also the problem of equating the various benefits in the four districts.

It is with this background and understanding of the unique

problems of this district that I am making the recommendations that I eluded to earlier in this opinion.

In other words, I must recognize the "start up" expenses and problems. I must recognize that the Board is going to be going back to the public for building millage and operational millage. I must recognize that some teachers in the district are going to get substantial raises because they were very low to begin with. I must try to balance out interests to attempt to come up with an equitable settlement.

One of the factors that both the Board and the Association should recognize is that they both are addressing themselves to a one-year contract. It may be, and it is my opinion, that many of the demands that the Association is now making can be best put off for a year in order to allow the Board to obtain one year operational experience. If any teacher feels that the recommendations which will be made here are unfair, the Fact Finder calls attention to the fact that in another year the matter will again be up for negotiation and with the experience of the year, the parties will be better able to appraise their positions. I believe that a one-year experience is necessary to finalize some of the relationships and some of the concepts and ideas which the Association is proposing in this situation.

This now brings up the matter of the budget and the money available. I have been advised by the parties that the difference in costs as far as the salary proposal between the Board and the Association is about \$25,000. The Board has maintained that even with its present offer it will be \$295,000.00 in deficit financing. The Association questions this figure pointing out that the Board, in fact, is

not including in the moneys available \$241,000.00 cash, and another additional anticipated \$55,000.00 in State aid.

As to the cash, the Board argues that it needs this money for operating cash. I appreciate this because of my concern about the "start up" costs of organizing a new district. Nevertheless, there is no reason why this cash cannot be used at least to some extent for teachers' salaries and if used would reduce the alleged deficit of \$295,000.00 to roughly \$54,000.00.

The next item was the question of whether the district would be entitled to State aid and how much? The problem arises because the district as merged is still the wealthiest district from an S.E.V. standpoint in this State. However, the Statute seems clear that when two or more districts merge or are reorganized into a single district, the district will receive State aid for at least two years. This apparently is verified by a letter signed by Paul M. DeRose, Chief Financial Aid to School Business Section, Department of Education Service Division, where he verified that not only will the district receive State aid, but it will receive \$255,000.00 as contrasted to the \$200,000.00 estimated by the District. Also, I have examined the so-called "B" Forms of the four districts. I find that there are some funded equities that will be carried over into the new district.

I believe that if my recommendations as set forth herein which will add between \$12,000.00 to \$15,000.00 costs are followed the District will have no fear of entering into deficit financing at this time. I also believe that if the entire Association proposal was recommended which would amount to about \$25,000.00 plus benefit cost, the District might be put in deficit financing or be hard pressed to

find funds that it may need as a result of the reorganization. I have tempered my views recognizing the budgetary problems and recognizing that despite the careful thought put into the budget, there is always a problem of understanding in a new venture. I consider this reorganization a new venture. However, I do not and will not penalize the teachers for being part of a new venture. I believe that the salary proposals that I will make will be eminently fair to the teachers in the District and also fair to the Board.

In considering my proposed recommendations for salaries I have taken in the factors that I have mentioned above. I also point this out, that the salary increases over the previous year that I am recommending are substantial. The percentage may not be as high in the Bates School which was the old Brownstown No. 10 District, but as compared to Hand, Maple Grove and Carsons, the percentages are far above the average. I have been told that the average wage increase in Wayne County at the B. A. minimum varied between \$600.00 to \$800.00. As I proposed it Brownstown No. 10 will meet this average. Carsons on the other hand and Maple Grove and Hand will far exceed this average. I am told that the M. A. maximum increases of Wayne County vary around \$1,200.00 depending on the given district's previous schedule. The proposals I make may put North Brownstown No. 10 slightly less than this amount but on the other hand, the increase at the M. A. maximum that I am proposing in the case of Carsons, Hand and Maple Grove would give increases ranging up to \$2,300.00 and \$2,400.00. In other words, as I have indicated before, I must balance the interest in the Woodhaven District of bringing the low-paid teacher districts up to that of the high-paid district.

In examining the schedule that I am proposing, the parties will find that the recommended schedule will put Woodhaven School District among the top ten in Wayne County in all categories. This is consistent with where North Brownstown No. 10 stood in 1967-1968 school year. It is an extraordinary big improvement for Carsons, Maple Grove and Hand which stood at the end of the scale.

No fact finder can ask to do more. To do more would put the entire matter out of balance. Furthermore, to do more may harm the effort to raise more moneys for further future negotiations and future contracts and to get moneys for needed building programs. The schedule that this Fact Finder is recommending will make the Woodhaven School District teachers among the best paid in Wayne County.

I have also gone over the magical mark of \$7,000 at the B. A. minimum, simply because I think there are indications that the Board expected through the actions of their administrators that the Board expected to pay the beginning B. A. candidates more than \$7,000. Now, I recognize that some of the testimony presented by the Association is not the kind that would be permitted to be admitted in Court. It was based upon testimonial letters written by teachers about statements by an administrator who has since passed away. Under the Dead Man's Statute in Michigan this is inadmissible evidence. I, therefore, cannot and have not considered said testimony.

However, there are statements made though hearsay that even some present administrators made such statements. There is also the ad that appeared in the local newspapers. However, the Board points out that it did not authorize such an ad. Nevertheless, I do believe that there was some indication that the Board was willing to pay somewhat more than \$7,000.00.

Because I believe that I cannot in good conscience suggest that the Board meet the entire salary schedule of the Association, I have devised and hereby recommend the schedule I am attaching as Schedule A. It will be noted that the emphasis I have put on the schedule is at the maximums, because it is there that I thought the Board was weak in its proposal. It is further noted that not only does this schedule place the Woodhaven School District in the top ten in Wayne County and gives substantial advances to the teachers in Carsons, Hand and Maple Grove as well as providing the teachers at Brownstown No. 10 an average increase, it puts the school district teachers ahead of Southgate and Flat Rock and very much on par with Trenton, the districts to which the Woodhaven School District components districts had previously sent their Junior High and High School students. As I have indicated above, if the teachers in Woodhaven would be made the leaders in Wayne County, it would, in effect, be giving raises that are far in excess of any raises given anywhere else and would cause the voters in the District at a future date to perhaps vote against operational millage which will be needed.

What I am actually saying is that when a district is created from a consolidation of four districts, there must be some give and take. There is going to be other negotiations a year from now. At that time the parties can review their situation. As I view it, the schedule that I am recommending is fair under the circumstances.

I have also recommended a schedule as to the non-degree and non-certified teachers. I have followed basically the pattern of the districts that had such a schedule prior to the consolidation. I appreciate the Association's position encouraging the hiring of

certified personnel, but I am also aware that everybody agrees that the life certificate teacher is an eminent classroom teacher and that there has been no criticism toward the two non-degree teachers, one of whom is very near a degree and who have been teaching in one of the predecessor districts for some time. I do not feel that a \$2,000.00 difference between these teachers and the B. A. schedule is justified. As a matter of fact, I think it is rank discrimination. Now on the other hand, I would say to the Board if I were invited back again to be a fact finder and I found that the Board had hired more non-degree or non-certified teachers, I would have a different view than expressed here and by the schedule that I am attaching hereto.

As to the other issues raised by the parties, I have the following comments and recommendations. As to credit for outside the District teaching experience, it is my recommendation that the School Board give full credit. Many districts are now giving credit for six and more years of experience. Woodhaven is a district that will need more teachers. Its Junior High School will expand. Furthermore, it will organize a High School. Certainly, in order to organize an efficient high school that will compete with the high schools in the area, the District must get experienced teachers. The District will not be able to get experienced teachers without giving full credit. The Board argues that they wish to evaluate the credits. I say that if the Board feels that a teacher does not have sufficient experience for which he is seeking credit, then the Board should not hire the teacher. I feel this is a fair approach and it will give this District ability to obtain top-flight teachers for the various vacancies that it will have in the future. Furthermore, this apparently has been the

practice of the District this current year.

The Board and the Association have agreed on medical and hospitalization insurance benefits. The only thing that separates the parties is that in the event a teacher is not married and therefore does not obtain the full family coverage, the difference between full family coverage and single family coverage, according to the Association, should be applied toward other insurance. I have been involved in labor management matters for some time, and I have never heard of such a proposal. The idea of this fringe benefit is to provide all employees and their families with medical and hospitalization insurance. If an employee happens not to have a family he is still provided for. If he has a family he is also provided for. It would cause insurance chaos to have any different approach. Therefore, I refuse to recommend the Association's position in this matter.

The component districts with the exception of one have not had a retirement program and/or longevity program. There is a request from the Association for a retirement and longevity program. I feel that the District does have financial problems primarily caused by setting up a new district and by establishing a new bargaining relationship with a new unit of teachers. The matter of retirement and longevity can wait until next year. I particularly feel this in view of the fact that there are many views as to how a retirement program should be constituted. The one district that had a retirement program had a very minor program which tied in with sick days. Some districts feel that sick days are for sickness and that the retirement should be an entirely different concept. Because of this I feel that both the matter of longevity and retirement can be taken up in a year if the

parties so desire, but at the present time I shall not recommend any retirement or longevity pay for the reasons just stated, plus the fact that the recommended salary provides substantial salary increases.

The teachers have asked for extra duty or substitute pay when called upon to take a class during their free periods because of the absence of another teacher. As I understand it, only one district, Maple Grove, follows this policy and last year paid their teachers \$5.00 an hour. I think that there is merit to this position. However, I think the Board is entitled to certain consideration in emergency versus non-emergency situations. Because I have raised the salary scale, I am recommending that a teacher should receive \$5.50 per class period when he substitutes during his free period and recommend the following clause for the contract to cover this point.

"Teachers shall not be assigned as substitutes without extra compensation except in cases of emergency. If a teacher is assigned as a substitute in a non-emergency situation, he shall be paid at a rate of \$5.50 per class.

An emergency situation shall exist when a teacher must leave the classroom due to sudden illness or sudden family emergencies or other unforeseen sudden contingencies.

A state of emergency shall exist until the District can obtain a regular substitute teacher. Should the District be unsuccessful in obtaining said substitute within two full class periods, the District shall pay teacher who substitutes thereafter at the rate of \$5.50 per class.

All other teacher absences shall be considered non-emergency situations."

The substitute teacher rate is also at issue primarily because

the various districts paid various rates, with Brownstown No. 10 paying the highest, namely, \$28.00 a day. With an expanding district that will be in need of qualified substitutes, I think the substitute pay should be on the high side.

I recommend that a substitute teacher should receive \$28.00 a day.

George T. Roumell, Jr.
Fact Finder

Dated: October 11, 1968

SCHEDULE A

SALARY SCHEDULE

	<u>Non-Degree</u>	<u>B. A.</u>	<u>B. A. + 15</u>	<u>M. A.</u>	<u>M. A. + 15</u>	<u>2nd M. A. M. A. + 30 Ed/Spec.</u>
1	\$6,525	\$7,075	\$7,375	\$7,700	\$7,950	\$8,225
2	\$6,925	\$7,475	\$7,775	\$8,125	\$8,375	\$8,650
3	\$7,325	\$7,875	\$8,175	\$8,550	\$8,600	\$9,075
4	\$7,725	\$8,275	\$8,575	\$8,975	\$9,225	\$9,500
5	\$8,125	\$8,675	\$8,975	\$9,400	\$9,650	\$9,925
6	\$8,525	\$9,075	\$9,370	\$9,825	\$10,075	\$10,350
7	\$9,025	\$9,575	\$9,870	\$10,300	\$10,550	\$10,825
8	\$9,525	\$10,075	\$10,375	\$10,825	\$11,075	\$11,350
9	\$10,025	\$10,575	\$10,875	\$11,325	\$11,575	\$11,875
10	\$10,525	\$11,075	\$11,375	\$11,825	\$12,075	\$12,300
11				\$12,325	\$12,575	\$12,750
12						\$13,000