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In the Matter of Fact Finding Between Wayne County MEA/NEA

and

Wyandotte Board of Education

MERC Case No. D82-I-3678

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Bernard Klein 1/31/85 Background

The Agreement between the parties in this case expired on August 31, 1982. Negotiations ensued but an impasse was reached especially on economic issues and a number of mediation sessions were held during July, 1984. These sessions were unsuccessful in resolving the matters and a Request for Factfinding was submitted by Mr. Robert J. Battista on behalf of the Wyandotte Board of Education on August 14, 1984. This Fact Finder was appointed by the Michigan Employment Relations Commission on September 7, 1984.

A pre-Hearing conference was held on September 26, 1984.

At this conference it was agreed that the recommendations should be for a three year period: 1982-83, 1983-84 and 1984-85. It was agreed that a Hearing would be held on November 2, 1984 at the MERC offices with the exhibits exchanged prior to that. The issues to be resolved were wages, dental insurance, life insurance, health insurance, vision care, extra curricular duties, and advanced degrees. At the time of the Hearing the Union dropped its request

for Legal Aid, Early Retirement Program and Retiree Fringes.

The Hearing was completed on that day and post-Hearing briefs were submitted on December 6, 1984.

Position of the Parties

In general the position of the Board is that Wyandotte and its school district have seen very poor economic times in recent years and is, in general, a high tax, financially strapped community with several plant closings and general erosion of the tax base. They pointed to other unions, both public and private, in the community that negotiated concession contracts. Indeed they pointed out that this same bargaining unit negotiated such agreements in six of the eleven districts it represents in Wayne County.

The Board further stated that it suffered a millage renewal defeat in 1983 and that it must go before the voters three times in the next five years for millage renewals. Implicit in this is the belief that too liberal a settlement with the bargaining unit would alienate the voters in these forthcoming millage elections.

In general, the Board claims that the Union's positions are excessive and far from any ability to compromise.

The Union considers its position reasonable. It admits to having previously negotiated some concession agreements with other districts but says that they would not do so again. The fact that Wyandotte is a poor district makes the teacher's job all the more difficult and therefore teachers in such districts

should be paid more and not less than in richer districts such as Trenton and Grosse Ile. The Union further points out that the costs of its requests are within the District's ability to pay.

Issues

Wages

This is the toughest of all the issues because of the wide differences in the position of the parties. The Board has proposed adjustments of 0% for 1982-83, 3% for 1983-84 and 3% for 1984-85. The Union has requested 8% for 1982-83, 7.6% for 1983-84 and 8.3% for 1984-85. In addition the Union is requesting a cost of living increase in the second and third years.

This Fact Finder is not in favor of adding the principle of COLA at this time for some of the reasons presented by the Board. However, the offer of the Board, in the light of Consumer Price Indices for these three years, is also inadequate. The Union's position in seeking improvements in its members' standard of living is readily understandable, but also must be tempered by overall economic factors and cannot be achieved all at once.

Neither can the Board's expressed desire to strengthen its General Equity Fund position be achieved all at once.

Therefore the recommendation in the area of wages is:

3% for 1982-83

4% for 1983-84

5% for 1984-85

This is less than a recommendation of the Fact Finder in the

case of Trenton and the settlement in Allen Park and does represent a definite compromise from the positions of the parties.

It is within keeping of the Board's ability to pay and does represent some improvement for teachers over the cost of living.

Health Insurance

The Board understandably is trying to contain its health care insurance costs while the Union seeks to improve coverage by adoption of its own MESSA-Super Med 2 instead of the Blue Cross now carried by the District. In addition, the Board seeks to eliminate double coverage where husband-wife teachers have individual coverage.

Increasing medical insurance premiums are not unique to this school district and constitutes, in fact, a tremendous national problem. Therefore the Board is correct in seeking solutions to cut or contain these skyrocketing costs.

Certainly the double coverage seems wasteful even if it is not a large amount. Therefore it is recommended that where a husband and wife are both teachers in the Distrct, only one carry the medical insurance coverage.

The choice of carrier should once again be left to the teacher to choose between Blue Cross and MESSA-Super 2 but without double coverage. This would afford the teacher and his/her family a choice in which coverage is more suitable for his/her needs. Future contract negotiations would have the benefit of comparisons in both costs, quality of coverage, etc.

This Fact Finder does not go along with requiring the teachers to pay future increases in premiums since this would

actually cause teachers to receive raises lower that the CPI since medical costs drive that index up disproportionately.

Dental Insurance

The Union seeks to improve the dental coverage of its members by adoption of Delta Dental/Auto Plan with Orthodontic Rider 08. They admit the increased costs but feel that the improvement in coverage is worth it. The Board opposes it on the grounds of increased costs and most other districts have coverage similar to that now being provided.

While this Fact Finder is sympathetic to the Union's request, it would appear that this improvement should be saved for a future contract and that Wyandotte should not be expected to lead most of the pack in this regard.

Life Insurance

The Wyandotte School Distrct is a self insurer in the area of life insurance and by admission of both sides has been able to save a considerable amount by this method. However the Union feels that because it is self insured, the District resists most strongly any improvements in coverage. The Union seeks coverage of \$40,000 in death benefit as well as in accidental death and dismemberment coverage. Currently the Board provides \$30,000 death benefit and \$10,000 accidental death and dismemberment coverage.

The Union has not complained about the administration of this program and the Board should be commended for using ways to cut costs and still provide coverage. However self insurance should not deprive members of improved coverage. The Board's position of trying to keep the ranked position of this benefit consistent with total tax burden doesn't make sense since they are not related. It would appear justifiable to improve life insurance coverage and in this contract increase the AD&D coverage to \$20,000. This would not increase the Board's costs very much and yet would improve the coverage to the teachers.

Vision Care

The "current" agreement provides vision care to members of this bargaining unit and is handled by the District being self insured similar to its handling of life insurance coverage. Union seeks upgrading of this coverage and adoption of MESSA Vision Care Plan II. Unfortunately the Union did not present data as to how present coverage is inadequate and how the changed coverage would improve the benefit. This Fact Finder recommends that the parties look into the possibility of improving the coverage while still allowing the District to remain self insured. One can understand the desire of this bargaining unit to see the District adopt the various MESSA plans for the different benefits, but as long as the District provides satisfactory coverage and is able to save money on premiums, it should not be forced to change. There may come the time when the District would be better off going to a commercial carrier and the District would do well to improve some of its benefits in which it is self insured to lessen the pressures to abandon self insurance while it continues to be advantageous for the District.

Extra Curricular Duties

The Board proposed that it be empowered to assign extra curricular duties to members of the bargaining unit when sufficient volunteers cannot be found. Needless to say, the Union is opposed to this proposal. Unfortunately very little data was presented by either side pointing to the need for this power or for the opposition to it.

This Fact Finder readily recognizes the desirability of extra curricular activities for the students and the goodwill these activities present to the community. They would probably also be helpful in building the community support for future millage renewal elections. Nevertheless this would be giving the Board a unilateral power that has evidently not existed heretofore and could result in abuses.

It is therefore recommended that where volunteers cannot be found for these extra curricular activities, there be established in each school a committee to contain both administrators and teachers including the Union representative at that school. These committees should establish ground rules for the assignments of extra curricular activities, methods of appeal, etc. In the meantime it would be wise for both sides to act more cooperatively in meeting this important function of any school system.

Advanced Degrees

The Union proposed additional payments for teachers receiving advanced degrees beyond the M.A. It proposes payment of \$1,000 for a specialist degree beyond the M.A., \$1,500 for the Ed.D. and \$2,000 for the Ph.D. The Board seeks rejection of this proposal in its entirety.

Since such a large proportion of the teachers in the Wyandotte School System are at the top of the M.A. scale, this would provide an incentive for teachers to upgrade their skills and improve their salary schedules. It is somewhat surprising, except on economic grounds, that the Board would be opposed to such a program since it embodies the principle of greater professionalism. The advanced degrees should, of course, be in areas that would represent an upgrading of skills and professionalism and not in irrelevant areas.

However because this Fact Finder does not wish to complicate unduly the District's financial problems, it is recommended that the Board provide for the 1984-85 school year a lesser figure such as:

\$500 yearly for a specialist degree \$750 for an Ed.D.

\$1,000 for a Ph.D.

The Union's proposal should then be upgraded and their figures adopted by negotiation in the next Agreement after the expiration of the 1984-85 school year.

Summary of Recommendations

I. Wages

1982-83 - 3%

1983-84 - 4%

1984-85 - 5%

II. Health Insurance

No double coverage for husband-wife teachers in the system but continue to provide the choice of either Blue Cross or MESSA-Super 2.

III. Dental Insurance

No change.

IV. Life Insurance

Continuation of self insurance by the Board but increasing the Accidental Death and Dismemberment provision by increasing it to \$20,000.

V. <u>Vision Care</u>

Continuation of self insurance by the Board but the Board should seek ways to improve the current coverage

VI. Extra Curricular Duties

A joint committee of administrators and teachers along with the Union representatives should work and adopt ground rules for the assignment of extra curricular duties at each school in the Distrct.

VII. Advanced Degrees

\$500 yearly for a specialist degree \$750 for an Ed.D. \$1,000 for a Ph.D.

Conclusions

This Fact Finder recognizes the sincere attempts of the Board to act in a fiscally responsible manner in operating the school district. It also recognizes the Union's desire to preserve and improve the standard of living of its members.

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The recommendations contained in this report will undoubtedly not be pleasing to either side, since it attempts to reconcile the conflicting goals of both sides. Nevertheless it is this Fact Finder's sincere belief that the recommendations contained herein are fair and equitable in recognizing the needs of each side.

While recommendations of a Fact Finder are only advisory, it is the belief of this Fact Finder that the recommendations do provide a framework for the parties to reach agreement and end the impasse that has existed for well over two years.

Further improvements can be negotiated in future contracts and it is hoped that a period of greater labor-management stability can be achieved so that both sides can proceed with their primary and crucial purpose, namely providing a good educational system for the School District of Wyandotte.

Respectfully submitted,

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Bernard Klein Fact Finder

Dated: January 31, 1985 Detroit, Michigan