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STATE OF MICHIGAN

EMPLOYMENT RELATIONS COMMISSION

IN THE MATTER OF THE ARBITRATION BETWEEN:

ST. CLAIR COUNTY INTERMEDIATE EDUCATION  
ASSOCIATION/MEA/NEA

MERC CASE NO. D88 H-1818

AND

ST. CLAIR COUNTY INTERMEDIATE SCHOOL  
DISTRICT

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FACT FINDING RECOMMENDATIONS

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February 14, 1989

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### FACT FINDING RECOMMENDATIONS

The Fact Finding Hearing in the above captioned matter took place on November 7, 1988 at the Library Building on the campus of St. Clair Community College. The Association was represented by Ms. Pat Richey, 6F Uniserv Director, Michigan Education Association. The School District (ISD) was represented by Mr. Douglas S. Touma, Attorney. Pursuant to the presentations of both representatives, the testimony of Superintendent John Mader and the submittal of Post-Hearing Briefs, these Fact Finding Recommendations are hereby issued.

### FACTS AND BACKGROUND

On or about September 12, 1988, the undersigned Fact Finder was selected under the auspices of the Michigan Employment Relations Commission to conduct a Fact Finding Hearing in the above captioned

matter and to thereafter issue Recommendations. The dispositions here cover the seven (7) issues remaining as the result of bargaining for a successor Agreement to the 1985/88 collective bargaining Agreement which expired on June 30, 1988. The parties, having participated in a number of negotiation sessions up through late August, 1988, at the latter stages with the assistance of a State mediator, jointly petitioned for Fact Finding on or about August 31, 1988.

The St. Clair County Intermediate School District is situated near Marysville in St. Clair County, Michigan. The ISD provides consultive and direct services to the entire County, including services in the areas of special education and vocational technical training. There are two (2) facilities, Woodland School and the Skill Center. Although the ISD does not actually have its own students, it is comprised of seven (7) high school districts: Algonac, Capac, East China, Marysville, Memphis, Port Huron and Yale. There are no school districts in St. Clair County that are not a part of the Intermediate School District. The student population in each of the component high school districts are recipients of the educational services from the ISD on a selected basis.

In pertinent part, the bargaining unit as defined in the recently expired collective bargaining Agreement, is as follows (Joint Exhibit #1):

...professional teaching personnel with regular, special education and/or vocational certification employed by the District; including, but not limited to social workers, psychologists, math, reading, placement and assess-

ment consultants, counselors, physically impaired, emotionally impaired and curriculum consultants, speech therapists, language, occupational therapist and physical therapists, media specialists, curriculum resource consultants, and vocational education specialists....

The outstanding issues for recommended resolution are:

Association Leave Days, Health Insurance Premiums, Health Insurance Options, Compensation for Extended Year Programs, Hourly Rates, Hours Beyond Degrees and Salary. Findings in these areas will in large part be derived from a study of provisions in place in the collective bargaining Agreements within the seven (7) school districts in St. Clair County serviced by the Intermediate School District - again: Algonac, Capac, East China, Marysville, Memphis, Port Huron and Yale. The ISD contends that the comparison should stop there since the following common factors prevail: shared students, programs, tax base, finances and organizations. On the other hand, the Association offers that in addition to the seven (7) school districts serviced by the ISD, a more complete and balanced picture evolves upon the inclusion of the six (6) Intermediate School Districts in the thumb area. The Association asserts that these additions to the array of "comparables" are based upon commonalities within the geographical area, similarity of duties and organizational structures akin to the St. Clair Intermediate School District, to wit: Genesee Intermediate School District, Huron Intermediate School District, Lapeer County Intermediate School District (two (2) bargaining units), Macomb Intermediate School District, Sanilac Intermediate School District and Tuscola Intermediate School District (see map - Union Exhi-

bit #1a). It is initially determined that a consideration of Contract language on the common issues at hand, gleaned from a review of the six (6) identified Intermediate School Districts in addition to those districts serviced by the St. Clair Intermediate School District, is reasonable and appropriate.

# I. ASSOCIATION LEAVE DAYS

## CURRENT CONTRACT LANGUAGE

### ARTICLE II

#### Section 3 - Association Rights

(I) The President of the IEA, and/or his designee, shall be granted up to a total of 90 hours of release time each year, to carry out the affairs of the Association. Such time is to be taken without pay and scheduled with the approval of the President's immediate supervisor, and or in the case of a designee, with the designee's supervisor.

#### UNION POSITION:

Annually, the Association shall have ten (10) membership days. Provided a substitute is available, an employee will be released from regular duties without loss of salary for the purpose of participating in regional, state or national meetings of the MEA or NEA. The Association agrees to pay the substitute rate for each day used for this purpose. The Association President or his designee shall arrange for each leave through the Superintendent's office. The Association will provide the Superintendent's office with notice of the need for such leaves at least forty-eight (48) hours prior to the utilization of leave days as provided in this section, if possible. The notice shall specify the employees affected, the reason(s) for the leave and the duration of the leave.

\* "Current Contract Language" refers to the 1985/88 collective bargaining Agreement, expired as of June 30, 1988.

In support of the language as suggested above, the Association cites the fact that school districts serviced by the ISD as well as other Intermediate School Districts, address Association Leave in terms of days, not hours (Union Exhibit #2b). This is also true with respect to the Employer's proposal on this issue (Board Exhibit #1). Ninety (90) hours translates into 13.84 days and only the IEA suffers a loss of compensation in hours or days when Association time is utilized. The Association denotes here also that it is asking for ten (10) days released time with the cost of substitutes to be absorbed by the Association. According to the Association, the request is reasonably consistent with the average number of Association Days, eight (8) within the array of fifteen (15) available comparables.

BOARD PROPOSAL:

"Offering two (2) association days annually, non-cumulative, to be used by IEA President or his/her designee. Sub rate to be paid to the District when days are utilized. One week prior notice of intent to use. Use cannot in any manner support union activities as related to any bargaining unit outside of the I.S.D."

In support of its position, the Employer has indicated that since this is a "new benefit", its initial incorporation into the Contract should be reasonably modest. The Board contends that the Association should not "jump in at the top" when it more than likely took bargaining units in other school districts considerable time to bargain a more liberal number of "Association Leave" days into their Contracts.

## FACT FINDING RECOMMENDATION ON ASSOCIATION LEAVE DAYS

It is noted that within the seven (7) school districts serviced by the ISD, not one provides for less than four (4) days, with Algonac at ten (10), Marysville at sixteen (16) and Port Huron at fifty (50) days (see Union Exhibit #2c). In the remainder of these districts, four (4) or (5) days are provided. In most but not all, the Union pays for the substitute service. The average of the full array of Association comparables (other Intermediate School Districts included), is eight (8) leave days for Union business. Clearly, the IEA falls way short by comparison with ninety (90) hours (13.84 days) available without pay. This current provision axiomatically finds that the subject of Association Leave Days would not be a new benefit to the IEA.

It is recommended that the Association's proposed language be adopted except that the ten (10) days demanded be reduced to seven (7) days, a reasonable number in view of the wide variance among the comparable school districts (zero to fifty (50)) on this item. This would bring the ISD just below the array average of eight (8) Union leave days.

## II HEALTH INSURANCE

### CURRENT LANGUAGE

#### ARTICLE IX

##### Section 2 - Insurance Coverage

###### (A) Health Insurance

The District agrees to provide health insurance for each teacher through a carrier to be determined by the Board. For the 3 year period 1985-88 the carrier will be Messa Super Med II underwritten by the Blue Cross/Blue Shield.

Total health insurance payments for any teacher will not exceed the actual cost of the Messa plan outlined herein. There will be no supplemental payments by the Board. In 1985-88, the Board will continue MESSA health insurance at the current level of coverage at no cost to the IEA member. The 1985-88 caps will be the full premium amounts for the MESSA plan outlined herein for single, two persons, or full family coverage.

###### UNION POSITION:

The District agrees to provide the following insurance benefits for each teacher and his/her entire family:

1. MESSA Super Care II underwritten by Blue Cross/Blue Shield.

The Association recognizes that health insurance costs have increased substantially. Notwithstanding, the Association points to the common practice among comparable Employers (Union Exhibits #3b and 3c) to provide full health insurance coverage for its employees. Only in situations where dual choice exists is there

any employee participation in financial responsibility. Here, the IEA is not asking for dual alternatives. Further, the Association indicates that the record evidence finds no Employer data in support of its position that fairness and reasonableness undergirds the proposition that employees should pay part of the increase in premium costs.

BOARD PROPOSAL:

1988-89 Super Care II, full premium less \$12.00/mo.  
(\$120.00/yr.)  
1989-90 Board absorbs 60% of increased premium costs over  
1988-89  
1990-91 Board absorbs 60% of increased premium costs over  
1989-90

In support of its position, the Board has stressed that health insurance premiums have increased heavily (Employer Exhibits #7, 8 and 9). Moreover, the Board points to the expired Contract as providing for the assumption of health insurance benefits by the Association over and above "the actual cost of the MESSA Plan outlined herein". The Board asserts that between 1980 and 1989, rates have gone up an average of 18.65 percent per year; that the current year increase is over thirty (30) percent. For example, the Board projects that the increase in health insurance for the full subscriber will be about \$265.00 per month for the 1988/89 school year, an increase of \$63.00 per month over the 1987/88 school year (\$202.00 in the 1987/88 school year). The Board suggests that its proposed sharing plan is fair and reasonable.

## FACT FINDING RECOMMENDATION ON HEALTH INSURANCE

It is not in dispute that health insurance premiums have skyrocketed. In this connection, it is observed that the expired Contract contains language that confines the Board's health insurance payments to the actual cost of the insurance plan outlined therein. In other words, the Board has maintained a buffer against premium increases by virtue of a cap identified in Article IX, Section 2. It proposes that it pay the Super Care II premium in full less \$12.00 per month or \$120.00 per year for 1988/89. Then, in 1989/90 and 1990/91, it offers to pay sixty (60) percent of the premium costs over the previous year. A study of fourteen (14) Association comparables indicates that full coverage is provided by all districts except Capac, Lapeer ISD (SE) and Lapeer ISD (VT) where caps prevail. Notwithstanding, it is again noted that a cap already exists in the St. Clair Agreement, previously inculcated into the Contract by the parties. In addition, it is recognized that all of the items under consideration in this Fact Finding are economic in nature with proposed increases of substantial proportions made by the Association. Under these circumstances, some degree of sharing of premium increases is not an unreasonable suggestion. Therefore, the following modified Board proposal is recommended:

1988-89 Super Care II, full premium less \$10.00 per month.

1989-90 Board absorbs 70% of increased premium costs over 1988-89.

1990-91 Board absorbs 80% of increased premium costs over 1989-90.

### III INSURANCE OPTIONS

#### CURRENT LANGUAGE

#### ARTICLE IX

#### Section 2 - Insurance Coverage

(F) For 1985-86 any member not selecting Health Insurance Coverage will be granted an allowance of up to \$60.00 each month for investment in a tax sheltered annuity and/or toward other optional insurance programs offered by a carrier approved by the Board of Education. In no case shall this sum be invested with more than two companies. This amount shall be increased to \$65.00 per month in 1986-87, and \$70.00 per month in 1987-88.

#### UNION POSITION:

For 1988-89 any member not selecting Health Insurance Coverage will be granted an allowance of up to \$80.00 each month for investment in a tax sheltered annuity and/or toward other optional insurance programs offered by a carrier approved by the Board of Education. In no case shall this sum be invested with more than two companies. This amount shall be increased to \$90.00 per month in 1989-90, and \$100.00 per month in 1990-91.

An Association review of eight (8) of its comparables finds that four (4) districts have monthly allocations in lieu of health insurance higher than ISD's and four (4) are lower (Union Exhibit #4c). According to the Association, the difference between its proposal and that of the Board equals an annual total of sixty dollars (\$60) per employee as an option for 1988-89. The Association claims that the monthly average for all districts is \$113.11. The Association concedes that this benefit cannot be divorced from the cost of the overall increases attendant to the health insurance package.

### BOARD PROPOSAL:

Board offers \$75.00 in 1988-89, \$80.00 in 1989-90, and \$85.00 in 1990-91.

The Board makes reference to the current teacher option providing for the receipt of seventy dollars (\$70.00) per month towards a tax sheltered annuity or other approved optional insurance program, in lieu of health insurance. The Board cites its offer as being an increase of seven percent (7%) each year or twenty-one percent (21%) over three (3) years as opposed to the Association's demand - thirteen percent (13%) per year or forty percent (40%) over three (3) years (Employer Exhibit #10). The Board charges also that the Association's data lacks substance and/or is difficult to decipher with no figures presented beyond the 1988-89 school year. Of the seven (7) component school districts, the Employer asserts that Port Huron does not allow any amount of money per month, Algonac allows \$138.00, Capac \$50.00, East China \$68.00, Marysville \$125.00, Memphis \$42.00 and Yale allows \$58.00 per month. The Board urges that its offer is reasonable pursuant to a review of the above cited data on component school districts.

### FACT FINDING RECOMMENDATIONS ON INSURANCE OPTIONS

Based upon the information at hand, the following compromise is recommended:

1988-89 - Eighty dollars (\$80) per month  
1989-90 - Eighty-five dollars (\$85) per month  
1990-91 - Ninety dollars (\$90) per month

#### IV EXTENDED YEAR

#### CURRENT LANGUAGE

#### ARTICLE IX

#### Section 3 - Financial Remunerations

(D) Hourly rate when applicable herein shall be \$14.50 per hour for the 1985-86 school year, \$15.00 per hour for the 1986-87 school year, and \$15.50 for the 1987-88 school year. The hourly rate set forth shall also be applied to all summer hours worked for the summer preceding the school year.

#### UNION LANGUAGE:

#### Article (new) H.

1. Any IEA member employed in an SMI or SXI position during the summer shall receive compensation on a 185 day per diem rate of his/her annual salary.

The Association avers as follows: The prevalent practice is to compensate individuals in a manner that corrolates to their teaching salary - per diem or hourly depending upon the school district. Only one (1) district in the array uses a flat hourly rate similar to the Employer's proposal. Because the services in extended year programs are the same during the regular school year, the compensation rate should be equal. The responsibilities, qualifications and tasks do not diminish. The current practice significantly reduces compensation for identical duties, in some cases nearly fifty percent (50%) - Union Exhibit #5d. The Association's proposal prevents a reduction in pay for unit members working in mandatory programs. The Board's rationale of always having "done it this way" is no justification for continuing the practice.

### BOARD PROPOSAL:

Hourly rate when applicable herein shall be \$16.56 per hour for the 1988-89 school year, \$17.49 per hour for the 1989-90 school year, and \$18.37 for the 1990-91 school year. The hourly rate set forth shall also be applied to all summer hours worked for the summer preceding the school year.

The Board argues that its proposal be accepted for the following reasons: While the SMI and SXI are state mandated programs, it is the teacher's election to work in these programs. Consistent with other summer programs, teachers are paid at an hourly rate. Pursuant to the compilations in Board Exhibit #2, it has been determined that in the mandated programs in the summer of 1988, 3,368.02 hours were taught. If those hours were taught by full-time staff, it would have taken twelve (12) full-time teachers to provide such service. According to the Board's calculations, transition from the hourly rate system to a per diem rate on a 185 day basis, would result in almost a fifty percent (50%) increase. In short, the ISD cannot afford to meet such a demand. Further, the Board asserts that six (6) of the seven (7) component school districts pay at an hourly rate in similar programs (Board Exhibit #6).

### FACT FINDING RECOMMENDATION ON EXTENDED YEAR

The payment of teachers working in summer programs, including SMI and SXI, is on an hourly rated basis - 1985/86 - \$14.50; 1986/87 - \$15.00 and 1987/88 - \$15.50. Frankly, the Association is here seeking a dramatic change. The Association is not only asking

for a heavy increase but is also demanding a major alteration in the payment formula away from the utilization of the hourly rate. In order to grant such a bargaining proposal, exceedingly strong rationale and supporting data would be required. Such evidence does not abide in this record. Indeed, most of the comparables cited by the Association in support of a per diem system, were other Intermediate School Districts and not those districts serviced by St. Clair ISD. In the 1987/88 school year, teachers in SMI and SXI programs were paid \$15.50 per hour. The following recommendation is made:

1988-89 \$17.00 per hour

1989-90 \$18.00 per hour

1990-91 \$19.00 per hour

## V HOURLY RATES

### CURRENT LANGUAGE

#### ARTICLE IX

#### Section 3 - Financial Remunerations

(D) Hourly rate when applicable herein shall be \$14.50 per hour for the 1985-86 school year, \$15.00 per hour for the 1986-87 school year, and \$15.50 for the 1987-88 school year. The hourly rate set forth shall also be applied to all summer hours worked for the summer preceding the school year.

#### UNION LANGUAGE:

#### Article (new) H.

2. Compensation for programs other than mandatory SMI & SXI programs shall be at the following hourly rates:

1988-1989  
\$17.05

1989-1990  
\$18.75

1990-1991  
\$20.65

The Association contends that the majority of school districts in the array provide compensation based upon the salary schedule rate (Union Exhibits 6b, c and d) and when prorated, the Association proposal is below the norm.

BOARD PROPOSAL:

Hourly rate when applicable herein shall be \$16.56 per hour for the 1988-89 school year, \$17.49 per hour for the 1989-90 school year, and \$18.37 for the 1990-91 school year. The hourly rate set forth shall also be applied to all summer hours worked for the summer preceding the school year.

The Board denotes that the IEA's proposal constitutes a ten percent (10%) per year increase, a cumulative total of thirty-three percent (33%) over three years. The same measurement for the Board's offer is 18.5 percent. There is no justification for the Union's demand. The Board also alleges that the Association's proposal far exceeds current cost-of-living increases.

FACT FINDING RECOMMENDATIONS ON HOURLY RATES

It is recommended that the hourly rate increase for non-mandatory summer programs be consistent with the hourly rate recommended for the SMI and SXI programs, to wit:

1988-89	\$17.00 per hour
1989-90	\$18.00 per hour
1990-91	\$19.00 per hour

## VI HOURS EARNED BEYOND DEGREE

### CURRENT LANGUAGE

#### APPENDIX A

Compensation for 30 hours beyond MA as a part of the salary schedule

#### UNION PROPOSAL:

Rate of Compensation for additional credit:

B.A. + 18	\$500.00 additional each year
B.A. + 30	\$700.00 additional each year
B.A. + 15	\$500.00 additional each year

The Association argues that this demand is predicated upon the fairness and appropriateness of compensating employees for professional growth; that educational progress has value.

#### BOARD PROPOSAL:

No additional compensation for hours.

The Board emphasizes the following points in opposition to the Association's proposal on Hours Earned Beyond Degrees. The

ISD currently has three (3) steps in its salary schedule - B.A., M.A. and M.A. plus 30 hours. The Union is asking that three (3) additional steps be placed into the salary schedule with \$500.00, \$700.00 and \$500.00 to be paid at the "new" identified steps. This proposal is unreasonable, unnecessary and unjustified. The Association has totally failed to provide rationale for this demand. The comparables speak for themselves: Algonac has a B.A. and M.A. step only; East China and Yale have the same three (3) steps as ISD; Port Huron also has the same step arrangement plus a doctorate level. There is no justification for doubling the number of steps in the salary schedule.

#### FACT FINDING RECOMMENDATION ON HOURS BEYOND DEGREE

The vast majority of component and outside school districts in the array have the same three (3) salary steps as the ISD - B.A., M.A. and M.A. plus 30. The undersigned Fact Finder has discovered no substantive evidence in support of increasing an employee's salary at numerous intermediate demarcation points between the B.A. and M.A. degree and after the M.A. but before thirty (30) hours are reached.

FACT FINDING RECOMMENDATION ON HOURS BEYOND DEGREE

RECOMMENDATION: No additional compensation for academic credit hours.

VII SALARY

CURRENT LANGUAGE

APPENDIX A

Salary Schedule

Salary Schedule 1987-88

Step	BA	MA	MA+30
0	\$18,022	\$19,728	\$20,643
1	\$19,494	\$21,332	\$22,321
2	\$21,965	\$22,939	\$24,003
3	\$22,437	\$24,542	\$25,683
4	\$23,909	\$26,148	\$27,362
5	\$25,377	\$27,754	\$29,040
6	\$26,850	\$29,360	\$30,723
7	\$28,317	\$30,962	\$32,400
8	\$29,791	\$32,570	\$34,080
9	\$31,261	\$34,174	\$35,761
10	\$32,729	\$35,783	\$37,441

UNION PROPOSAL

1988-89	8% Over existing schedule
1989-90	7% Over 1988-89 schedule
1990-91	6.5% Over 1989-90 schedule

The rationale for the Association's salary demand is as follows:

Close review of the comparison of the BA Minimum salary in Union Exhibit 8f, shows that the Union proposal will place the unit rank at both the average and the median of the array for 1988-89.

At the BA Maximum and the MA Minimum, the ranking is a restoration to the positions held within the array for 1986-87. At the MA Maximum step, the Union proposal does advance the unit by one position, but also places this step in an equal ranking with the BA Maximum.

Employer Exhibits 13 and 14 and Union Exhibits 8f, 8g, and 8i reflect a loss of status when the Employer's proposal is used as the comparison. This trend is further reflected in Employer Exhibit 14. There is a definite pattern of regression toward the county average when the DIFFERENCE column is reviewed. Union Exhibit 8f shows that the in-county districts dominate the bottom half of the array. The conclusion can then be drawn that this regressive trend would intensify if only other ISD's were used as a comparison. The Union's salary proposals are not excessive.

BOARD PROPOSAL

1988-89	5.5% Over existing schedule
1989-90	5.5% Over 1988-89 schedule
1990-91	5% Over 1989-90 schedule

The Board's position on Salary has been presented in the following pertinent terms:

This is the area where the EA's addition of the other districts, outside of the seven (7) component districts, substantially distorts the picture. They played a shell game in ranking and showing how the ISD teaching staff would be substantially lowered in rank-

ing under the Board proposal and why it is necessary to pay the amounts that the EA is demanding.

When one compares compensation, it is common to compare salaries at the MA Max step in the schedule, as that is where a majority of the teachers would fall, and therefore is the most reasonable to look to for comparison. Few of any districts hire anyone at a BA minimum. Using the MA Max, ISD Exhibit 14 shows that for the previous two years, 1986-87 and 1987-88, the ISD was second in the County, East China being the highest district and all the others being below the Intermediate District. With the Board's proposal for the 1988-89 school year, the ISD would remain second; for the 1989-90 year, the ISD would remain second; and for the 1990-91 year, the ISD would remain second. Some of the districts do not have negotiated contracts for those future years, but as to the ones that are known, the ISD's position would not change.

Obviously, the seven (7) districts vary and therefore the Intermediate District will not be the same as all. In St. Clair County the Intermediate District has basically been second to the East China School District. The ISD proposals would keep it second. The dollar differences between the amounts being paid by the ISD to its teachers would likewise remain about the same. At the MA max, the ISD has paid generally around \$3,100 more than the average of the districts and the ISD proposal would leave them about \$3,100 more than the average at the end of the contract.

It is known in St. Clair County that the cost-of-living for 1988 is projected at 3.9%. The Board's offer is 5.5%. It is the Board's understanding that the cost-of-living projected for 1989 is approximately 4% and the Board's offer is 5.5%.

This Board cannot justify salary increases beyond these amounts.

#### FACT FINDING RECOMMENDATION ON SALARY

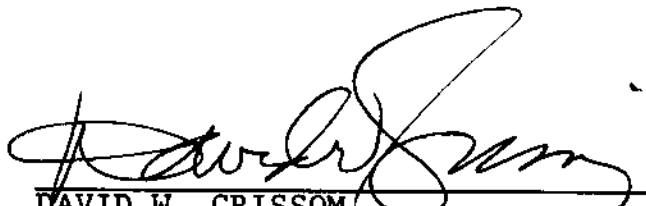
The undersigned Fact Finder has carefully reviewed all Exhibits on the Salary issue. It is recommended that the following settlement would enable the Association to maintain a reasonably comparable salary posture within the array of school districts cited. This recommendation also takes into account the entire cost of the economic package here being considered. This Salary recommendation is also determined not to be excessively burdensome to the Board in terms of fiscal outlay.

#### RECOMMENDATION

- 1988-89 - Seven percent (7%) increase over the existing schedule
- 1989-90 - 6.5 percent increase over the 1988-89 schedule
- 1990-91 - Six percent (6%) increase over the 1989-90 schedule.

CONCLUSION

Pursuant to the oral arguments of the parties, documentary evidence and Post-Hearing Briefs, the Recommendations on the seven (7) issues at hand, are hereby rendered.



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February 14, 1989