

23A9

STATE OF MICHIGAN

MICHIGAN EMPLOYMENT RELATIONS COMMISSION

IN THE MATTER OF THE FACT FINDING BETWEEN:

WHITE CLOUD PUBLIC SCHOOLS,

EMPLOYER,

and

MERC Case No. 108 D-4026

WHITE CLOUD EDUCATION ASSOCIATION,
MEA, NEA

UNION.

FACT FINDER'S REPORT AND RECOMMENDATIONS

Hearing Location: 555 E. Wilcox
White Cloud, Michigan

Hearing Date: February 5, 2011

Appearances:

For the Employer:

Robert G. Huber, Attorney

Barry Seabrook - Superintendent

Jodi DeKuiper, CPA - Business Manager

For the Union:

William Kuiper - MEA Uniserv Director

Arch Lewis - Financial Analyst

Grace Romzick - MESSA Field Representative

Andrea Atwood - Teacher

INTRODUCTION

The White Cloud Education Association MEA/NEA is the exclusive bargaining agent for approximately 64 teachers¹ who are employed by the White Cloud Public Schools in its one high school, one junior high school and two elementary schools. According to the parties, numerous Collective Bargaining Agreements have been negotiated over the years.

The most recent contract between the parties was negotiated for a term beginning July 1, 2005 through June 30, 2008. That contract, pursuant to Schedule A, called for a “wage re-opener” for the last year of the contract, if the school student count fell below a certain number, 1215, which it did by one student. Negotiations then began concerning the re-opener, which were never resolved, and once the term of the contract expired, negotiations began on a new contract in 2008. Negotiations continued over a several year period of time, without resolution and beginning in the spring of 2010, Mediator James Spaulding scheduled the first of a number of mediation sessions, over the ensuing months, including after a petition for Fact Finding was filed and the Fact Finding Hearing was actually scheduled. On June 3, 2010, the Association petitioned for Fact Finding.

PRE HEARING CONFERENCE

On September 16, 2010, a very lengthy Pre-Hearing Conference was held via telephone with the representatives of the parties to discuss the issues to be addressed at the Fact Finding Hearing, including the proposed comparables to be considered under the statute. After considerable back and

¹

The exact number of “teachers” in the School District was disputed by the parties with the Union asserting that there were 64 teachers and the District asserting that there were 63. For collective bargaining purposes, it is undisputed that the classification of “teacher” includes 2 social workers and 1 counselor.

forth discussion, as there was an attempt to narrow the issues, which was unsuccessful at the time, the following issues were identified:

1. Wages
 - 07-08 - Re-open based on Student Cost
 - 08-09 - Basic Wage
 - 09-10 - Basic Wage
 - 10-11 - Basic Wage

 - Step Issues
 - a. Increase/Freeze
 - b. Longevity
2. Insurance (Schedule A)
 - Employer/Employee Contributions
 - Dental coverage, Life Insurance and Cash in Lieu
 - Retirement Incentive
3. Article IV - Teaching Hours. IEP
 - Requirements and Elementary Specials
4. Article V - Teaching Conditions
 - Team Teaching
 - Class size
 - Special Needs Student Distribution
5. Leave Days
6. Article XII
 - Tuition Reimbursement
 - Employee Liability
7. Article XIII - Layoff and Recall
 - In the event of a District Reorganization
8. Article XIV - Professional Conferences
 - Fund allocations
9. Article XVII - Duration of Agreement
10. Schedule B - Kindergarten Roundup

11. Other Language

- Adequate yearly progress
- 403B - Third Party Administrator
- No Child Left Behind/Letter of Agreement
- Common Calendar Language
- Single Report Card
- Extra Duty Opportunity/Letter of Opportunity²

Both the School District and the Association submitted Pre-Hearing Briefs, outlining their positions and identifying and discussing in depth data supporting their respective positions and comparables. These Pre-Hearing Briefs were reviewed by the Fact Finder in preparation for the Fact Finding, which ultimately took place on February 5, 2011 in the library of one of the schools.³ At the Fact Finding Hearing, both parties, through their advocates, elaborated on the positions as set forth in their pre-hearing submissions and offered testimony in support of their positions and in opposition to the positions taken by the other party. Based upon a review of all of the Pre-Hearing documents, the testimony and arguments at the Fact Finding Hearing itself, the Fact Finder makes the following analysis, discussion and recommendations as follows:

2

Because of the number of issues involved, the Fact Finder encouraged the parties to continue to negotiate and narrow the issues to a manageable number for a meaningful Fact Finding to take place. The parties did so and involved Mediator Spaulding in additional mediation sessions. Based upon the conscientious efforts of the parties, the parties were able to resolve a significant number of the issues between them and at the hearing executed a written document identifying the issues that were so resolved. That document was put in formal form, was signed by the parties, and is attached to this Fact Finding Report and Recommendations as Exhibit A. The issues that were addressed at the Fact Finding Hearing that took place on February 5, were, obviously, wages and insurance, IEP Requirements, Class Size, Personal Leave, Duration of the Contract and the Retirement Incentive Plan.

3

The Fact Finder notes that the Fact Finding was well attended by School Board Members, teachers and members of the public. Perhaps so many people showed because of the day of the week involved, Saturday, but whatever the reason this Fact Finding was the most well attended of any that the Fact Finder has participated in and is a credit to the School Board, Teachers and the community as a whole to actively engage themselves in such an important process.

WAGES

WAGE, STEPS AND DURATION OF CONTRACT

For reasons that make logical sense, the Fact Finder, for purposes of the issues related to this Fact Finding, has combined the issue of Wages and the issue of Duration of the new contract into one for resolution purposes. As might be expected in our current economic times, the issue of wages was the issue, along with health care, upon which the parties spent most of their time at the hearing and in their briefing. For analytical purposes, the Fact Finder will set forth the positions of the parties separately, followed by a discussion and analysis of the differing position, followed by recommendations.

SCHOOL DISTRICT POSITION:

The school district throughout its written and oral presentation outlined why not only should there be no pay increases for teachers, but also why it would be necessary for the teachers to take a five (5%) percent decrease in wages from their 2007-2008 levels. The reason simply put is lack of money and a proposed deficit reduction plan. The school district representative in his opening remarks at the hearing outlined what all Michigan residents know, that while the nation as a whole may be calling the economic downturn a “recession,” for Michigan the economic downturn is nothing short of a “depression.” From this generalized concept, the district pointed out that since contract negotiations began during the 2007-08 school year, that the student count for the district has incrementally declined. Since student count and the per-pupil foundation allowance are inextricably tied together, the amount of overall funding for the district has decreased. Further, while the school district had a positive fund balance amount when the negotiations for the new contract began, that fund balance has become completely depleted so much so that there is a negative fund equity,

making the school district functionally bankrupt. For this reason and based upon state requirements, the district filed a deficit reduction plan with the state, two critical components of which are a five (5%) percent reduction in teacher's salary combined with a cap on school district health care contributions, which will be discussed in greater length in the next section of this report.

The school accountant testified as to the savings that would be engendered by the deficit "elimination plan." With a wage reduction of five (5%) percent for teachers, \$238,000 per school year would be realized. With a freeze on "steps," in excess of \$50,000 would be saved and with the cap on insurance there would be a \$300,000 savings, which over a two year period would lead to a zero deficit.

The School Superintendent testified at the hearing concerning the steps that the school district has taken over the years to save money. (See Exhibit 10 of the District's Brief). He also discussed certain ongoing litigation which has cost the school district in the neighborhood of \$300,000 in attorney's fees and expert costs. He explained that the roof on one of the school buildings was found to be defective and the cost to fix the roof was in excess of \$1 million dollars. He further indicated that initially the district was able to obtain some temporary "fixes" for the roof, but when the district sued the contractors involved, any additional fixes ceased. With litigation costs, as outlined above, the Superintendent indicated, in the litigation process, the most that the defendant parties have offered to settle the case has been \$150,000.

UNION POSITION:

The union began its discussion by noting that negotiations for a new contract have gone on for almost three (3) years. During that time, step increases were given, but other than a ½% increase in the 2008-2009 year, the teachers have received no increases whatsoever, while other employees

of the school district have received increases during the same time period. Addressing some of the district's arguments regarding monetary issues, the union pointed out that while there was a net loss of dollars under the allowance fund because there was a loss of students, there was actually an increase in allowance funds per student, which to the union means that the per capita amount per student has gone up so that the funding amount for the educational needs of the students was being met.

Focusing on an element that was virtually lacking in the district's arguments, the union pointed to in-county and out-county comparables. Looking at the in-county specifically, on all scales of the employment ladder, the White Cloud Faculty were at or near the bottom in relationship to pay. If the five (5%) percent wage decrease were adopted, the base teacher's salary at the low end of the pay scale would be over \$5,000 less than its county comparables and over \$10,000 less at the top end. (See Exhibit A - # 1/09 - 1). Based upon comparables alone, a wage decrease would be wholly unjustified.

The union then focused on what it believes is the ultimate problem with the finances of the school district as a whole. Noting that over the years when there has been no contract that the amount that has been paid in teacher salaries has declined, the union noted that the current "deficit" of \$200,000 was directly related to the district's choice to initiate litigation, with its concomitant costs, against the contractors regarding the roof issue. Thus the "deficit" is not in any way related to the teachers or anything that the teachers have done, but rather to choices that the school board and administration have made and based upon these choices, the district wants to put the onus on the teachers. But more than this, the union focuses on what the school district "can" do to save costs, employing cost saving measures that reduce expenditures without further injuring the teachers

financially. First and foremost, the union asserts that the district needs to “right size,” i.e., reduce the number of staff, including teachers (and therefore union members) to create pupil/teachers ratios more in line with what other school districts in the county are doing. Further as testified to by one of the teachers in conjunction with an exhibit by means of which the union analyzed school budget expenditures, the union pointed to a number of programs that could be cut or reduced, e.g., closing one of the two elementary schools, which could lead to even larger savings than would be generated by the teachers taking a pay cut. As the union asserted, where there are other means to accomplish the same end, the district’s deficit should “not be resolved on the backs of the teachers.”

DISCUSSION:

The facile approach to a fact-finding such as the present is to focus on the dire economics of this State and this district in particular, as the school district would have this Fact Finder do, and conclude that drastic cuts are in order to eliminate a deficit and one way to do that is as the union asserts differently is “on the backs of the teachers.” Indeed, as the district points out, Fact Finder Long in the West Bloomfield School District Fact Finding Case No. D09-I-0974, recommended that the teachers in that district take a ten (10%) percent reduction in pay to offset a \$3 million dollar budget shortfall. However, this Fact Finder believes that the factual backdrop in the West Bloomfield case is very different from what this Fact Finder is asked to address in White Cloud, which leads this Fact Finder to a very different recommendation.

After reading the briefs and documents that were provided to this Fact Finder, pre-hearing, a very big question stood out. Why is the White Cloud School District in the position it is in? Indeed, in one of the few comparables which the school district provided the Fact Finder, i.e., the financial status of the other school districts in Newaygo County, it was evident that all of the other

school districts in the county, with reductions in students and the need to spend more monies, all had positive fund balances. Why then should this one district out of the six in the county be filing a deficit reduction plan with the State? There was no obvious answer and when the Fact Finder asked the Superintendent to explain how White Cloud differed from its comparables, no satisfactory answer could be provided.

Indeed, as the union suggests and this Fact Finder finds support on this record, despite its claims to the contrary, there is evidence that this district has not taken measures to make its delivery of services more efficient without having to further cut the salaries of the teachers. The union first points out that the budget deficit, is directly attributable to the district's decision to initiate litigation against its contractors, with direct costs in excess of \$300,000. Whatever the wisdom of this choice, as the school district attorney noted, and this Fact Finder/lawyer is very aware, there are no guarantees whatsoever in the litigation process. But more important than this, as this Fact Finder sees it, this union has not just sat back and insisted upon unreasonable pay increases in the face of a declining enrollment and reduction in overall allowance funds; rather, it has offered unique and creative proposals to accomplish the same end that the district seeks to accomplish, i.e., elimination of the deficit. The central linchpin of the union's position is its concept of "right-sizing," i.e., elimination of staff, including teachers, to assist in the deficit reduction process. Although there were equivocal arguments on both sides, it appears that a reduction in teaching staff, which in effect means a reduction in union membership, coupled with an increased student/teacher ratio, would lead to the same or a similar amount of savings as the District's five (5%) percent decrease in pay proposal would provide. Noting that the other school districts in the county have higher student teacher ratios and also are not in the same fiscal quagmire as White Cloud, this Fact Finder

determines that the better way to accomplish what the district says it wants, is to reduce staff, along with some of the other cost saving measures as offered by the union, e.g., closing of an elementary school, to right size and at the same time eliminate the deficit.

There is additional support for the union's position in the other in-county comparables, besides the overall financial health of these districts. White Cloud is at the bottom end of in every aspect of the wage scale as compared to the other county school districts. White Cloud may, as the Superintendent suggests, be the poorest of the school districts, but if its five (5%) percent reduction would be accepted, as the union notes, coupled with the district's health care proposal, there would be a drastic decrease in the amount of take home pay for those teachers, in comparison to the other districts, which this Fact Finder finds would be unjustified when there are less onerous alternatives that can accomplish the same end.

RECOMMENDATION:

First of all, before addressing the substance of the recommendations as to wages, the Fact Finder finds and recommends that this contract be a four (4) year contract, covering the contract years, 2008-09, 2009-10, 2010-11 and 2011-12. The reasons for this recommendation are or should be obvious. For whatever reasons, these parties after almost three (3) years of negotiations have not been able to arrive at a new collective bargaining agreement. If this Fact Finder were to recommend a three (3) year contract, i.e., 2008 through 2011, he would be sending these parties back to the bargaining table again in June or July, which could lead to more protracted negotiations. Whatever the ultimate outcome, there needs to be some labor peace in this school district, and this Fact Finder recommends that any contract that is entered into be a four (4) year contract, covering the school years beginning in 2008 through the end of the school term for the 2011-12 year.

Secondly, this Fact Finder urges and recommends that the school district make serious changes in how it does business. Consistent with the recommendations and cooperative attitude as demonstrated by this local union, it is recommended that the school district right size, using the best methods possible to reduce faculty with the ultimate increase in student faculty ratios, consistent with what other school districts in the county are doing. In addition, the school district needs to explore and take additional action to reduce costs and expenditures consistent with union Exhibit A - # 1/09-E, including but not limited to evaluation of the closure of JDJ, cutting 1 voc bus run, etc.

Third, the Fact Finder recommends that as to wages, the White Cloud Educational Proposal of January 24, 2011, Exhibit A # 1 1152 be adopted with the following modifications:

- | | |
|---------|---|
| 2007-08 | (wage re-opener): No additional increase in wages for 2007-08 school year. |
| 2008-09 | Freeze wages at the June 30, 2008 wage schedule for the 2008-09 school year, full step increase as paid in 2008-09. |
| 2009-10 | Freeze wages at the 2008-09 wage level for 2009-10 school year, full step increase as paid in 2009-10. |
| 2010-11 | Freeze wages at 2008-09 wage level for 2010-2011 school year. Adjust the 2010-11 step increase to grant step as of January 2011. There should be no, one-year "longevity" payment as recommended for step 25 and above. |
| 2011-12 | Wage freeze as of September 2011 at 2008-09 wage level but an increase of ½ in January 2012 (mid-year) with the 2011-12 step increase to take place mid-year January 2012. |

The modification of the union proposal is made because at the time of writing this Opinion it is February 2011 and the school district needs time to implement the changes as recommended above, with the cost savings that should result so that the very modest increases can be made in the 2011-12 school term.

HEALTH CARE

The economic arguments as set forth by the school district on wages permeated the argument concerning health care. The positions of the parties are as follows:

SCHOOL DISTRICT'S POSITION:

For all of the reasons why the school district is in a deficit position, the school district took the position that the only way that the deficit could be effectively eliminated is by putting a cap on what is paid for a full family, two person and singles. The caps would be as follows: Full family \$15,500 cap; Two person \$14,200 cap; Single \$7,500 cap. The board's CPA testified that the savings that could be generated by the imposition of the caps would be around \$300,000. The district further indicated that health care costs keep increasing exponentially and that the only way that costs can be contained is by implementation of a hard and fixed cap to save money and to present future expenditures by the district.

UNION'S POSITION:

The union noted that there were no internal nor were there any external comparables that support the district's proposal of a hard and fixed cap. Further, the union asserted that it has tried to be flexible, recognizing that indeed health care costs do continue to rise, but pointing out that while there has been increases, that the amount that the school district has had to pay for health care has actually decreased over the years by the cuts and attrition that have taken place and if the district

continues to right size, there will be additional overall cuts in health care spending. The union offered a proposal by which its members would increase their deductible and co-pays with an overall savings of \$150,000/year, but noted that despite these proposed savings, the district remained rigid in its position that only a fixed cap would be acceptable.

DISCUSSION:

The union is quite correct that the school district did not offer “any” comparables to justify its position of hard and fixed caps. No internal comparables have such a cap and no other districts within the county or outside were shown to have adopted the district’s suggested plan. While there is a reality that health care costs do continue to rise, a Fact Finder in making recommendations cannot ignore the comparables that exist as that is part of the statutory mandate that governs such fact finding. Further, this union, as it had done in relationship to wages is not, as it would argue that the district is being, intransigent in its position. Instead, recognizing reality, it has offered a proposal which would put in place incremental cost sharing increases by its members concerning the overall health care cost burden. The CPA for the district verified that the savings that the union was proposing would generate overall savings to the district. This proposed plan, as modified and taken in conjunction with the other cost cutting measures as recommended in the Wages related discussion in this report, should lead to the elimination of the district’s deficit while retaining a viable benefits plan for the union membership.

RECOMMENDATION:

For the 2010-11 school year, the current Health Care Plan should be modified as follows:

CHOICES II

1. Increase deductible to 100/200 (in network) and 250/500 (out of network)
2. Increase office co-pay to \$10
3. Change prescription co-pay to \$10 Rx
4. Implement employee monthly contribution = 4% of employee's premium costs

For the 2011-12 school year, the Choices II should continue with the plan as in 2010-11 with the ratios to be adjusted as follows:

If Choices II rate increase is 8% or more, the co-pay for prescription should be adjusted from \$10 Rx to \$10/20 Rx.

If Choices II rate increases exceeds 10%, the employees contribution should be adjusted from 4% to 6% to absorb the additional amount in premium. This latter modification is recommended in light of the Fact Finders modification of the union's suggested wage increase proposal and so that the other cost saving issues as recommended in this Fact Finding Opinion are given a full opportunity to be effectuated.

ARTICLE IV - TEACHING HOURS (IEP REQUIREMENTS)

As the parties have noted, for various reasons the White Cloud School District has a larger number of special needs students than other districts including other districts within the county. As the district notes in its pre-hearing brief, a Federal statute mandates that for each of these students an Individual Education Plan (IEP) must be prepared and implemented. In the current language of the Collective Bargaining Agreement, tenured teachers can voluntarily opt out of preparing the IEP's, with no consequences, leaving the IEP to be prepared by administrators or other faculty. While there is compensation to pay for the time in preparing the reports, the teacher can choose to prepare the IEPs, or not. The district wants to change the language of the Collective Bargaining Agreement to

make the reports mandatory with no extra compensation. The district's position as to this issue seems to be the superior one. As the district noted, without any rebuttal from the union, all other school districts in the county make the development of the IEPs mandatory. Further, simple logic would dictate that the best person to implement and develop such a plan for a student would be the teacher with direct responsibility for that student, as who else understands the student's capabilities in order to prepare a meaningful plan. Lastly, while this Fact Finder is aware that preparing such paper work as part of the Federal program creates an additional burden on the teacher's time, in light of the importance of such a program and in light of the fact that it is mandatory in the other school districts, it seems that the White Cloud School District's position that no extra compensation be offered is the better position. The Fact Finder recommends that the contract language be changed to make IEPs mandatory at no extra compensation to the teacher.

CLASS SIZE:

The issue of class size seems fairly easily resolved. The current contract provides that a teacher is paid a stipend of \$7.50 per day if the maximum number of students in a classroom exceeds 31. The union would modify the contract to increase the stipend for the overage in excess of 31 to \$7.50 per half day. There is irony in the union proposal. For the most part the union proposals have sought to cut costs but in this instance the union proposal seeks to increase costs. Further, and more importantly, the linchpin of the union's overall economic strategy is the elimination of teacher positions, with an increase in student/teacher ratios. While the Fact Finder has endorsed such proposal, the Fact Finder cannot endorse this proposal for the increase in the daily stipend, because what the Association sees as a major cost saver may ultimately result in increased student numbers in individual classrooms. The union cannot propose cuts in one area and benefit from the cuts in

another area. On the issue of the class size stipends, the district has the better view and it is the recommendation of this Fact Finder that the contract language remain as it is in the current contract.

SICK LEAVE AND PERSONAL LEAVE

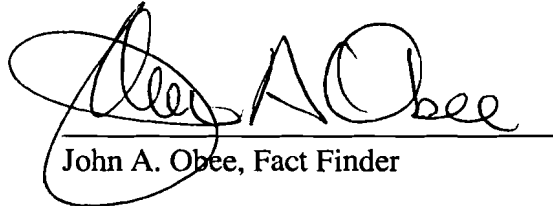
The sick leave and personal leave issues as proposed by the union differ in nature. Under the current sick leave program, a teacher can bank up to 60 days of sick leave and any time accumulated over that number are paid for by the district at the end of the year by a formula that is set forth in the contract. The union proposes raising the cap to 78 days, which would mean that a greater amount could be accumulated, with no pay out in the short run. As to personal leave, the union proposes that the number of personal days be increased from 3-4. The school district's response, echoing its prior response, is that either in the short run or the long run, the school district will face greater economic exposure. The district has the better argument.

While there may indeed be a short term benefit to raising the cap on the number of sick days, there is certainly no long term benefit and over the long haul the district would have greater economic exposure to the teachers with the higher cap. This Fact Finder is generally opposed to short term solutions that result in longer term exposures, as it is putting off a problem today but creating a problem tomorrow or in the future. This is exactly what would occur in this instance if the cap were raised and the Fact Finder recommends that the status quo remain. The same holds true for personal days. Adding a personal day adds additional economic exposure for the district when there is no benefit to the district that would result. The Fact Finder recommends that personal days remain as they have been.

RETIREMENT INCENTIVE PLAN

The essence of the retirement incentive plan is set forth in Schedule A(B)(3) of the Collective Bargaining Agreement provides for a retirement benefit for teachers who resign by March 1 of the year in which she or he will retire. As with other economic arguments, the district's position was that the district cannot afford such an incentive. However, the district's own Superintendent noted that the incentive was instrumental in staff reductions over the last two school years and this is one instance where an up front cost has a long term benefit. Since one of the recommendations in this Fact Finding Opinion is staff reduction, such reduction may be facilitated by the continuation of the retirement benefit. It is the recommendation of the Fact Finder that the Retirement Incentive Plan remain as it currently is in the Collective Bargaining Agreement.

Respectfully Submitted,



John A. Obee, Fact Finder

Dated: February 28, 2011

EXHIBIT A

In the Matter of the Fact Finding Between:

White Cloud Public Schools

-and-

White Cloud Education Association, MEA/NEA

Fact Finder: John Obee

Case No. L08 D-4026

Hearing Date: 2/05/11

William Kuiper, Jr.
UniServ Representative
MICHIGAN EDUCATION ASSOCIATION
17200 Van Wagoner Road
Spring Lake, Michigan 49456
(616) 846-5600

Robert G. Huber (p36092)
THRUN LAW FIRM, P.C.
Attorneys for the Board
2900 West Road, Suite 400
P.O. Box 2575
East Lansing, Michigan 48826-2575
(517) 374-8842

Stipulation

Settlement of issues previously submitted for

Fact-Finder's consideration

Stipulation of the Parties

In the matter of the White Cloud Public Schools Fact Finding hearing, the parties hereby stipulate that they have reached a Tentative Agreement between the White Cloud Board of Education and the White Cloud Education Association on the issues and matters as outlined below. The issues cited here are considered tentatively agreed pending the outcome of the negotiations of remaining outstanding issues and ratification of the parties.

The parties hereby advise the fact-finder, Mr. Obee, of the parties' agreement on these issues and do hereby thank him for his attention to these matters and agree that all issues listed here will be removed from his consideration in this current fact-finding.

Issue # 3 – Article IV. Teaching Hours

Seniority Factor –Board withdraws this proposal and continue current language – all parties AGREE

Issue #4 - Article V Teaching Conditions

Team Teaching agreed as outlined below.

- Overload pay continue current language \$7.50/day
- The teacher whose class list is over the limit is eligible for overload and that teacher receives the full overload pay provided the total team taught class is below the contractual cap for the team teaching situation.
- If the team taught class exceeds the total student count allowed for a team taught class then the teachers split the overage of \$7.50/day for all students over the maximum. (no double dipping) – no student will result in more than \$7.50 / day overload payment in a teaming situation.
- (Note for clarification: it is the parties understanding and agreement that overage pay can be granted to general ed or special education. Special education has had overload compensation in

the past, the district has sought waivers and then opted to pay the teacher rather than hire additional teacher)

Issue # 4 – Article V. Teaching Conditions

Special Needs student distribution – AGREED Board counter 1-28-11 add to current contract language: ADD “upon consultation with the teacher’s administrator reasonable efforts will be made to remedy the situation”.

Issue # 6 - Article XII. Miscellaneous

Paragraph H. Employee liability –AGREED -- Brd withdraws proposal continue current language

Issue # 6 - Article XII. Miscellaneous

Tuition Reimbursement – AGREED: ADD Letter of Agreement

Freeze tuition reimbursement for the remainder of this year and next (applies to all course work begun after Feb 1 or any course work not already approved), subject to administrative approval in hardship or extenuating circumstances. Sunset and return to current contract language at the end of the 2011-12 school year unless the parties mutually agree to an extension of the Letter.

Issue # 7 – Article XIII Lay-off

AGREED with Board proposal to add the following: “*in the event of reorganization (as in annexation, consolidation, etc.)*” to the current opening sentence for lay-off.

Issue #8 - Article XIII

Professional Conferences – AGREED add Letter of Agreement freezing these prof. development funds for the remainder of the current school year and next, include the same provisions here that are found in Tuition Reimbursement above.

Issue #11 - Single Report Card

AGREED to refer to Technology Committee with charge to look for ways to streamline elementary teacher data entry and reduce the elementary record keeping while maintaining all necessary data bases and information.

Issue # 11 - AYP LOA –

AGREED - WCEA withdraws proposal for new language

Issue # 11 - NCLB LOA –

Brd withdraws proposal to delete LOA – AGREED continue current LOA letter as written

Issue # 11 - Common Calendar –

AGREED Brd. 1-28-11 proposal as follows:

Add new contract language - “Prior to participation in any common calendar meetings involving the state mandated common area calendar under NCRESA, the parties shall meet and share input regarding each party’s position on the proposed calendar.

To the extent possible the superintendent will provide the Union chief negotiator with timely notice of the next common calendar area wide meeting so that the parties can meet prior to that area calendar meeting.”

Issue #11 – Extra Duty pay –

AGREED Board 1-28-11 to withdraw proposed deletion and continue current Letter of Agreement language. (Note: parties understand and agree that the district's current economic situation meets the requirements in the letter to limit the annual number of postings to six and doing so complies with the contract requirements.)

Issue # 10 – Schedule B**Kindergarten Round-up:**

AGREED - WCEA withdraws this proposed provision from the Fact Finder's consideration

Issue #11 - Breakfast in Classroom -

AGREED – withdrawn from Fact-Finder's consideration. *No new language to be added to contract, WCEA still open to negotiate in classroom breakfast. WCEA presented this as revenue stream, other districts have generated more than \$50,000 a year for their general fund from this accounting. Understanding that we already have some breakfast – but in the classroom could enhance the participation and in so doing increase revenue.*

Issue # 3 Article IV. Teaching Hours

Elementary Specials – AGREED continue the current language as written and the continuation of the present elementary teacher preparation time daily allocation. With the following understandings -

- No decrease in elementary prep time from the 2011-12 school year schedule (*currently set at 55 minutes a day in blocks 40 minutes and 15 minutes each day*)

- Elementary teacher preparation time will continue to be provided in blocks similar 2010-11 school year
- The elementary schedule no longer requires joint (WCEA/Administrative) approval and
- The district has the right to determine what “specials assignments” (example: foreign language, technology, music, art, etc.) will be provided.

Issue: # 11 -- Schedule A

403b Third Party Administrator

AGREED to ADD the following new language to the contract:

Add to Schedule A. section I.

Third Party Administrator for Employee 403b Plans

The WCEA leadership shall be timely notified of Third Party Administered (TPA) plan amendments or renewals in order to have an opportunity for consultation and input to the plan and plan provisions prior to adoption of such by the District.

Teachers will not incur any charges for TPA services, this does not apply to vendor charges, administrative and other charges that occur through the vendor(s) for the accounts selected by the teacher(s). It is understood this provision is effective following ratification of this agreement.

Issues Not on Fact Finding list but addressed here and agreed as follows:

Evaluation and Pay for Performance – parties are agreed that a letter of agreement needs to address the development of contract language to bring the contract in compliance with current statutory requirements. The parties are not agreed on

the implication of that letter of agreement and subsequent bargaining on the status of any new contract that may be agreed and ratified by the parties.

Mentoring -- as part of a settlement, WCEA can agree to the Board's 1-28-11 counter proposal "upon request, subject to administrative approval" to be added to mentoring reference for those who change assignments.

The remainder of this page is intentionally left blank.