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IN THE MATTER OF FACTFINDING
Between
SCHOOL DISTRICT OF THE CITY OF DETROIT
and
DETROIT FEDERATION OF TEACHERS, LOCAL 231, AFL-CIO
Edward Simpson

Appearances

Board of Education

George Roumell, Esq.
Ray Ferrier
Thomas Howell
John Perentisis
Raymond Santangelo
Dennis Makulski
Lenora Thomas
Melvin Chapman
John L'Hote
James Darin
Fred Martin
Kenneth McAlpine
Clem Sutton

Federation

Theodore Sachs, Esq.
Mary Ellen Riordan
Henry Linne
Tom Cook
Dell Proctor
Margaret Touvilla
Margaret Quarles
Dan Pontpas

BACKGROUND

The School District of the City of Detroit and the Detroit Federation of Teachers have a contract that is currently in effect between them. Although the contract extends through July 30, 1979, there is a provision included within it which requires a wage and fringe benefit reopener. Pursuant to this requirement the parties were charged with negotiating a new Agreement on wages and fringes prior to September 4, 1978. In accord with this requirement efforts at negotiation have been under way since April, 1978. Both parties

Detroit School District

concluded after some four months that these efforts were yielding unsatisfactory results. Having so determined, petitions were filed with the Michigan Employment Relations Commission for formal factfinding. In compliance with the request by the parties the undersigned was appointed hearing officer and did conduct formal hearings on August 1 - 4 and on August 14. In accord with this proceeding, the School District submitted ninety-two exhibits and the Union submitted sixty-eight. There were two joint submissions by the parties. Twelve persons testified for the Board and three for the Union. The hearings were closed on Monday, August 14.

ISSUES

More than twenty issues relating to salary and fringes were shown to be in dispute. The School District argued that it was fiscally unable to meet the cost of the adjustments proposed by the Union. The Union argued that the Board was failing to provide salary and fringes on a par with salary and fringe benefits available to comparable classes of employees in surrounding school districts. The hearings and submissions revealed both parties to be correct within the general framework of their positions. It is clear to the factfinder that the Board's resources are finite and that the range of proposals on the table exceeds the Board's fiscal capacity. Likewise an analysis of the Union's Exhibits reveals that teachers in the State's major school district while facing some of the greatest challenges in the State are in the process of losing economic parity with their peers employed in other districts. The background arguments in support of the parties' general positions may be summarized as follows:

The Board argues that since 1976 it has been attempting to restore necessary programs which were cut after the voters failed to pass earlier millages. In addition, the Board pointed out, a number of quality educational components have been mandated by the courts and must be implemented in order to assist the schools in their

efforts to desegregate and to cope with the problem of improving pupil achievement in the schools. Recently voted millages, the Board notes, were tied to the restoration of cuts in certain elective programs, elimination of reduced periods in middle schools, and an increased capacity to purchase greater quantities of books. The restored millage monies did not allow for class size reduction or additional funds for purchasing additional time from staff. Work volume, the Board acknowledges, has increased as ESAA monies brought new programs and additional work requirements into the system. However, no funds were available for providing additional staff for the additional work. In fact, the Board argues, even the mandated matching monies are declining.

By way of example, Board witnesses testified that State law requires services to bi-lingual youngsters. Some monies for creating and maintaining bi-lingual programs are received from the State. Other monies for providing such services must be extracted from the schools' own fiscal resources. The School District of the City of Detroit, it was argued, has some six thousand five hundred Latino, Arabic and Chaldean youngsters involved in such bi-lingual programs. Resources have also been diverted to implementing alternative school models within the District. Among these models are: the new Renaissance High School, the Community High School, the Golightly program and the International School at the Burton. The mainstreaming of special education youngsters, also a necessary quality component of the schools' instructional programs, requires additional fiscal resources, the Board argued. It noted, for example, that additional teachers have not been provided through the State funding to allow for the formation of smaller classes in order to facilitate efforts at mainstreaming.

Through testimony the Board showed that it recently sustained an annual repair bill of one million dollars as a result of vandalism. Fuel and utility costs approximately doubled over the

past few years and other inflationary costs occurred in the area of fringes. As a result of the priorities established and insufficient resources and inflationary factors over which it has no control, the Board argues that it anticipates a deficit at the close of this fiscal year which must be carried over into the succeeding fiscal year. This being the case, it argues that it cannot meet the Union's demands for salary and fringe improvements. It does offer an increase in salary and fringes totaling three per cent.

ARGUMENTS

The Union argues that its members work under some of the most difficult teaching circumstances in the State. Their classes tend to have high enrollments. Twenty-nine per cent of the State's Title I eligibles are Detroit students. These youngsters are from low income families and tend to achieve below grade level. Sixty per cent are defined as poor by the ADFC. Because of shortages of materials, Union members must frequently purchase supplies which the Employer should provide them in the performance of their duties. Class size in Detroit is described as high in comparison with the surrounding school districts in the metropolitan area. The K-4 class maximum stands at 34 and the 5-12 maximum stands at 35. In addition there are fewer teachers per thousand in Detroit when compared with the metropolitan area. There are also fewer professionals per thousand. Social workers, diagnosticians, psychologists and school counselors work with disproportionately higher numbers of students than their counterparts in neighboring districts.

Schools and classes are characterized by a high transient and absentee rate which frequently invalidates teachers' record books. These factors increase the number of permanent records which must be kept by teachers for their classes. Innovative programs such as DORT require additional record keeping. Court ordered bussing has affected the flow of students, books, furniture and the ability of teachers to transfer from one school to another. These factors have had a deleterious effect on over-all staff morale, the Union argues.

A year ago teachers accepted a three per cent salary increase while awaiting millage renewal. They believed the increase to be inadequate but cooperated in a number of ways, including making money contributions to the millage campaign. Subsequently the millage passed and the teachers expected the contract reopener to yield sizable salary and fringe improvements to their bargaining unit. They brought salary and fringe benefit proposals to the table totaling approximately fifteen per cent, nine per cent of which was in the area of across-the-board salary increases. Given the rise in the cost of living which is now into double digits as well as the comparable wages and fringes enjoyed by peers in neighboring districts, the Union believes its demands to be just and proposes their full implementation.

FINDINGS AND RECOMMENDATIONS

Salary

The record shows that the facts are essentially not disputed insofar as the over-all working conditions and compensation comparisons between Detroit and other Districts are concerned. Testimony by the Deputy Superintendent of Schools and the Union's President tend to corroborate more than they contradict each other. This factfinder is persuaded that Detroit teachers face many very difficult challenges on a daily basis and are entitled to compensation commensurate with the duties which they perform. The Board's contention that it is unable to pay the entire settlement costs proposed by the Union appears to be true. It is noted that the last proposals by the Union more than double the offer which the Board has made. Attempts to mediate the dispute did not lead to an increase in the Board's three per cent offer nor to a decrease in the approximately fifteen per cent increase proposed by the Federation. Furthermore, the factfinder, having scrutinized the exhibits, is of the opinion that the Board's inability to pay argument is valid within the context of the proposed adjustments in salaries and benefits which the Union has

made. It appears to the factfinder that an increase in salary and benefits based on the comparable salaries and benefits of others who teach in the metropolitan area would be more reasonable. It is noted that Detroit teachers are the fifth highest paid in Wayne County at the B.A. minimum, and the fourteenth from the top at the B.A. maximum. An increase of six per cent would provide the District with a competitive advantage in starting B.A. salary and place Detroit teachers within the top five Districts in pay at the B.A. maximum. At the M.A. minimum Detroit teachers, given a six per cent (6%) adjustment, would move from a standing of seventh in the County to a standing of first. At M.A. maximum they would move from nineteenth in the County to seventh. It appears to this factfinder that such an adjustment would constitute a significant improvement for the time being and establish a basis for future negotiations resulting in even more competitive salary advantages for the State's largest and most complex School District.

Given the nature of operating large city schools some competitive advantages appear to be necessary and in the long run, this factfinder is persuaded, are less costly than the effects of deteriorated staff morale and sustained labor conflict.

In big city comparisons the Board has shown that even at the three per cent level the Union would do rather well, compared to cities like Cincinnati, Kansas City, Louisville, Milwaukee and St. Louis. Employees would also do well in comparison with nearby cities including Flint, Grant Rapids and Lansing. However, the selected cities are not truly comparable. The economic market within which services and products must be purchased are altered significantly by the national geographic data. The factfinder is disinclined to regard the other large Michigan cities as comparable to the City of Detroit as places to live and purchase services and products. Purchasing power does tend to be a function of selected identified metropolitan centers as represented by the

Bureau of Labor Statistics. Hence, the Detroit district may more reasonably be compared with other Wayne County districts. Those comparisons show the salaries of Detroit teachers to be five per cent above the mean at the B.A. minimum; one per cent above the mean at the B.A. maximum; four per cent above the mean at the M.A. minimum and two per cent below the mean at the M.A. maximum. Clearly, more equitable salaries are called for than presently exist in the School District of the City of Detroit. Hence, the factfinder recommends that:

1. The salary schedules for all members of the unit shall be adjusted six per cent across the board.

Fringes

In addition to the question of salary the parties were at Impasse on more than twenty other issues which were largely tied to fringe benefits.

The concept of a comprehensive health care program for employees was discussed at great length. Some of the aspects of such a program involved a co-pay drug prescription proposal. A second involved extending dental coverage to Union members who currently carry hospitalization insurance. A third involved an increase in the life insurance coverage from \$15,000 to \$25,000 with double indemnity. Clearly these were not the only fringe items discussed nor were they found to be the only items of merit. The Board's inability to pay arguments, however, take on greater validity if consideration is given to the whole package of fringe benefits proposed by the Union. The factfinder believes that only by remanding to the parties for subsequent rounds of negotiations the bulk of those items submitted under the reopener clause can a realistic settlement be reached. Hence, his recommendation is limited to the proposals on insurance and health care. With some modification of the Union's proposals, those comprehensive health care fringes mentioned above can be

purchased if a one-half per cent increase is added to the six per cent over-all salary increase that has already been recommended. Modifications may include a three dollar co-pay drug rider instead of the \$2.00 co-pay drug rider already proposed. The dental insurance may be restricted in coverage and the life insurance raised to twenty thousand dollars instead of twenty-five thousand dollars. Within the range of one-half per cent, the factfinder is persuaded that the parties can reach agreement on an improved health care package which, along with the proposed six per cent salary increase, can form the basis of a contract settlement. With the above as a guide the factfinder recommends:

2. Fringe improvements for 1978-79 shall be neither greater than nor less than one-half (.5%) per cent and shall be directed toward effecting an improved insurance and health care package for Employees.

Given the above guide, the issues of salary and fringes are now remanded to the parties for the purpose of concluding negotiations for the second year of their current contract.

In addition to the above recommendations, four preliminary recommendations were made prior to the conclusion of testimony and after agreement by the parties to waive a showing of proofs on their merits. These recommendations are listed as numbers three (3) through six (6) under the Summary below.

SUMMARY OF RECOMMENDATIONS

1. The salary schedules for all members of the unit shall be adjusted six per cent (6%) across the board.
2. Fringe improvements for 1978-79 shall be set at a cost that is neither greater than nor less than one-half per cent (.5%) and shall be directed

toward effecting an improved insurance and health care package for employees.

3. Group insurance premiums shall be fully paid by the employer for all regular employees and their dependents.
4. Counselors or any other members of the bargaining unit directed in writing by the Administration to work in schools before the first day of the school year or after the last day of the school year shall be paid at their regular daily rate of pay.
5. In the event that adult education teachers or coordinators are scheduled to work on a day upon which a regular school holiday falls, they shall be paid for the holiday.
6. Regular Emergency Substitutes and hourly rated teachers shall have the option of continuing the present one person coverage medical plan or of adopting a one person coverage dental plan.

August 25, 1978
Date

Edward S. Smith
Fact Finder