

**STATE OF MICHIGAN  
EMPLOYMENT RELATIONS COMMISSION**

**CENTRAL MICHIGAN UNIVERSITY  
FACULTY ASSOCIATION**

**MERC CASE L11-D8002**

**-and-**

**CENTRAL MICHIGAN UNIVERSITY**  
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**FACT FINDER'S REPORT**

The collective bargaining agreement between the parties expired on June 30, 2011. The parties attempted mediation without success. Both the Employer and the Labor Organization then filed petitions for Fact Finding. The undersigned was appointed Fact Finder by the Michigan Employment Relations Commission on August 1, 2011. Hearings were held at Central Michigan University on September 7, 9, 13 and 14, 2011. The Union was represented by William Young of White, Schneider, Young & Chiodini. The Employer was represented by Robert Vercruysse of Vercruysse Murray & Calzone.

A number of the issues presented in the petitions for Fact Finding were subsequently resolved by the parties. The issues remaining for the Fact Finder are: Article 2 - Recognition, Article 6 - Conferences for Assistance to Bargaining Unit Members, Article 14 - Reappointment, Tenure, and Promotion Policies, Article 33 - Salary Adjustments for Promotion and Completion of Appropriate Terminal Degree, Article 30 - Salary, Article 36 - Flexible Benefit Program, Article 38 - Retirement, Article 40 - Tuition Remission, and the Letter of Agreement.

**Article 2 - Recognition**

**Faculty Association's Proposal**

Current contract language.

**University's Proposal**

Exclude coaches hired on or after July 1, 2011 and faculty whose primary appointment is to the College of Medicine and/or other CMU First Professional Degree program.

**Discussion**

The Union argues that the issue of unit composition is not properly before me. I agree and adopt Fact Finder William Long’s ruling in *Schoolcraft Memorial Hospital and Michigan Nurses Ass’n*, Case No. L05 G-5007:

This was a permissive subject of bargaining and was therefore not within the scope of the Fact Finder's authority upon which to make a finding and recommendation unless both parties agreed to present it to the Fact Finder. Since both parties do not agree to submit this issue to the Fact Finder, the proposal ... will not be addressed in this report. (Union Post-Hearing Brief, p. 6).

**Article 6 - Conferences for Assistance to Bargaining Unit Members**

**Faculty Association’s Proposal**

Reduces the number of required conferences between the Dean and pre-tenure faculty. Clarifies requirements at such conferences for tenured faculty.

**University’s Proposal**

Current contract language.

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**Article 14 - Reappointment, Tenure and Promotion Policies**

**Faculty Association’s Proposal**

CMUFA’s proposal would reduce the number of reappointment applications (not years) required before a tenure application would be required.

**University’s Proposal**

The University proposes to maintain the current contract language, with the exception that the time in rank would be extended from four to five years for the professor salary adjustment.

**Fact Finder’s Recommendation and Reasoning**

I agree with the University that annual meetings with non-tenured faculty are a good idea. But I also agree with the Union that requiring a faculty member to attend both an Article 6 meeting and an Article 14 meeting in the same year seems redundant and pointless. The Dean, of course, can call a meeting with any faculty member at any time if there is a reason to do so.

I recommend that the CBA require no more than one annual meeting with each non-tenured faculty member.

I see no compelling reason on this record either to extend the period before a faculty member can apply for a salary adjustment or to reduce the number of reappointment applications required before a tenure application would be required. I therefore recommend current language in both respects.

**Article 33 – Salary Adjustments for Promotion and Completion of Appropriate Terminal Degree**

**Faculty Association’s Proposal**

Current contract language:

<u>For Promotion To:</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
Professor	\$7,000	\$7,250	\$7,250
Associate Professor	\$6,000	\$6,250	\$6,250
Assistant Professor	\$2,500	\$2,500	\$2,500

**University’s Proposal**

Delete ¶ 1, 2 and most of 4.

<u>For Promotion To:</u>	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>
Professor	\$6,000	\$6,500	\$7,250
Associate Professor	\$5,000	\$5,500	\$6,250
Assistant Professor	\$2,500	\$2,500	\$2,500

Professor Salary Adjustment timeline moved to 5 years.

**Fact Finder’s Recommendation and Reasoning**

With regard to eliminating the language in paragraphs 1, 2 and 4 regarding payments to faculty members on their attaining terminal degrees, the University’s post-hearing brief says:

- 1) faculty hired without the terminal degree are few in number; 2) those who are hired without the terminal degree usually present evidence of completion within a short time of their date of hire; 3) the administrative burden of completing a separate transaction to adjust salary is burdensome; and 4) this burden is relieved (and both party’s interests are satisfied) where it is realized that CMU is prepared to award the additional few dollars immediately upon hire.

If this is so, there is really no issue here. I therefore recommend that University's proposal be adopted and the language removed.

On the question of promotion increments, I agree with the Union's argument in its Exhibit 5, p. 4:

CMU Administration's proposal to roll the amounts back to pre-2006-07 levels and allow the increments to rise back to 2010-11 levels over the next two years seems particularly arbitrary, since it would penalize only those who obtain promotions in 2011 and 2012 relative to those who do so immediately before or after (with the loss to base compounding for the rest of their careers).

Perhaps, as the University argues, the promotion increments currently in place are more generous than "market." But I am going to assume that those increments were bargained into existence by competent negotiators acting in good faith. The record before me does not show sufficient grounds to roll them back. I recommend the Union's proposal.

For a similar reason, as I said in my discussion of Article 14 above, I do not find sufficient grounds to recommend a change in the Professor Salary Adjustment timeline.

### **Article 30 – Salary**

#### **Faculty Association's Proposal**

	<u>Fall Semester</u>	<u>Spring Semester</u>
11-12	0%	1.0% + \$1,000
12-13	1.0% + \$500	1.5% + \$500
13-14	1.25% + \$500	1.5% + \$500

*Average annual change to base:*

*Year 1 – 2.2%*

*Year 2 – 3.7%*

*Year 3 – 3.9%*

#### **University's Proposal**

11-12	0%
12-13	1.25% + \$830
13-14	1.50% + \$835

*Average annual change to base:*

*Year 1 – 0%*

*Year 2 – 2.25%*

*Year 3 – 2.50%*

**Fact Finder’s Recommendation and Reasoning**

There are two brute facts in this case. The first is that we are in Michigan in 2011. Politically and economically there has never been a worse time for public sector collective bargaining. The second is that CMU has money. The testimony of labor economist Ruth Beier described unrestricted net assets of \$228 million (Union Exhibit 21). Boiled down to its essence, this case is about which of those facts is to predominate.

In my judgment, CMU cannot be expected to be as generous as its unrestricted net asset balance would seem to imply. The CMU proposal of a zero increase in the first year and modest increases in subsequent years is not an unreasonable offer, all things considered. Circumstances are bad and getting worse. It would be extremely unwise for CMU to eat its seed corn.

I recommend adoption of the University’s proposal.

**Article 36 – Flexible Benefit Program**

**Faculty Association’s Proposal**

Health and Prescription Drug:

2011-12: Current contribution

2012-13: 92.5% of MESSA Choices II with 10/20 Rx card; \$100 for no coverage

2013-14: 90% of MESSA Choices II with 10/20 Rx card; \$100 for no coverage

	CMU Monthly Contributions <sup>1</sup>		
	2011-12	2012-13	2013-14
1 Person	\$522.99	\$547.18	\$566.99
2 Person	\$1,174.86	\$1,229.32	\$1,273.84
Family	\$1,305.23	\$1,365.74	\$1,415.20
No Coverage	\$100.00	\$100.00	\$100.00

Dental:

2011-2014 100% of 100/50/50 plan; \$25 for no coverage:

	CMU Monthly Contributions		
	2011-12	2012-13	2013-14

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<sup>1</sup> Contributions for 2012-2013 and 2013-2014 are estimates based on certain assumptions.

1 Person	\$26.28	\$26.28	\$26.28
2 Person	\$55.22	\$55.22	\$55.22
Family	\$65.32	\$65.32	\$65.32
No Coverage	\$25.00	\$25.00	\$25.00

Vision:

CMU pays 100% of premium costs.

Remainder is current contract language.

**University's Proposal**

Health and Prescription Drug:

Effective 1/1/12, bargaining unit members will have a choice between MESSA products and the CMU Plan, with the following contribution rates applying to either choice:

	CMU Monthly Contributions		
	2011-12	2012-13	2013-14
1 Person	\$443.10	\$445.70	\$459.58
2 Person	\$919.36	\$924.92	\$954.14
Family	\$1,112.15	\$1,118.20	\$1,151.83
No Coverage	\$80.00	\$80.00	\$80.00

Dental:

CMU rates paid for other benefit eligible employees:

	CMU Monthly Contributions		
	2011-12	2012-13	2013-14
1 Person	\$23.92	\$23.66	\$23.39
2 Person	\$50.26	\$49.70	\$49.15
Family	\$59.45	\$58.79	\$58.14
No Coverage	\$10.00	\$10.00	\$10.00

Vision:

Current contract language.

**Fact Finder's Recommendation and Reasoning**

The University's proposal is that it will pay the same amount for members of this bargaining unit that it has agreed to pay for all its other employees. If a Faculty Association member chooses the more expensive MESSA insurance, the employee will pay the difference. That strikes me as eminently fair.

I recommend adoption of the University's proposal.

## Article 38 – Retirement

### **Faculty Association’s Proposal**

Current contract language.

### **University’s Proposal**

Retirement contribution for those on 10% plan to be based on base salary only.

Delete ¶ 8 regarding continuation of insurance after retirement.

### New Contract Language Would Read Under University’s Proposal:

3. CMU will continue to contribute ten percent (10%) **of the bargaining unit member’s base salary** to the defined contribution Retirement Program on behalf of bargaining unit members who began employment at CMU after September 1, 1996, except for those individuals under contract by September 1, 1996 or those eligible and enrolled in MPSERS.  
...
8. ~~A bargaining unit member who retires from Central Michigan University shall be eligible to continue the group hospitalization and surgical insurance coverage he/she had while a Central Michigan University employee through direct pay with MESSA, as long as MESSA continues to allow this. The full cost of this coverage shall be borne by the retiree.~~

### **Fact Finder’s Recommendation and Reasoning**

I do not see any compelling reason for the change to contributions calculated on base salary only. The fact that the University would like to save the money is not sufficient to justify eliminating an existing, bargained-for benefit.

I recommend the Faculty Association’s proposal as to paragraph 3.

As to paragraph 8, I fail to see any benefit or any harm either to leaving it in or taking it out. As far as I can determine the language has no effect at all. For that reason I find that there is no reason for it to remain in the CBA and I recommend that it be removed.

## Article 40 – Tuition Remission

### **Faculty Association’s Proposal**

Increase cap to thirty (30) credit hours per benefit year; include language from policy regarding reimbursement for courses not available at CMU but taken elsewhere; College of Medicine tuition capped at graduate doctoral credit cost.

Not applicable to College of Medicine or any future First Professional Degree Program.

**Fact Finder's Recommendation and Reasoning**

I see no compelling reason either to increase the number of eligible credits or to extend the program to courses taken outside of CMU. On the other hand, I see no reason the program should not apply to the College of Medicine or any other CMU program provided the tuition remission is capped as the Faculty Association suggests.

I recommend a blend of the two proposals incorporating those features.

**Letter of Agreement X**

**Faculty Association's Proposal**

\$600 signing bonus for 12-month faculty.

**University's Proposal**

No signing bonus.

**Fact Finder's Recommendation and Reasoning**

The proposed signing bonus is an attempt to compensate those employees who have "borne the brunt of the failure to achieve a successor agreement" (Union Brief, p. 27). Laudable as that goal may be, there is some question whether the proposed bonus would violate PA 54's prohibition against retroactive benefit increases. I find the record before me does not justify the bonus.

I therefore recommend the University's proposal.

Respectfully submitted,



Barry Goldman  
October 31, 2011