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STATE EMPLOYMENT
RELATIONS BOARD

FACTFINDING REPORT AUG 25 9 32 AM '97

STATE OF OHIO

STATE EMPLOYMENT RELATIONS BOARD

August 21, 1997

In the Matter of :

Board of Cuyahoga County Commissioners,)
Child Support Enforcement Agency)
and)
Truck Drivers Union, Local 407)

Case No. 96-MED-10-0932

APPEARANCES

For the Employer:

Dean Westman, Attorney
David G. Hill, Attorney
Lisa Darden, Labor Relations Researcher
Martin E. O'Donnell, Enforcement Manager
Teri L. Ciccirelli, Personnel Administrator
M. Noreen Hahn, Operation Manager
James L. Viviani, Management Services Manager
David Williams, Employee Relations Specialist
Daryl L. Novak, Director
Laureen J. Wiggins, Deputy Director

For the Union:

Vic Collova, Business Representative
Dale Delmonte, Support Officer
Barbara S. Frankos, Support Enforcement Officer
Amy Slezak, Support Officer II

Factfinder:

Nels E. Nelson

BACKGROUND

The instant dispute involves the Cuyahoga County Child Support Enforcement Agency and Truck Drivers Union Local 407. Negotiations for a contract to replace the one expiring December 31, 1996 began in the fall of 1996. When no agreement was reached, the Factfinder was appointed on November 29, 1996. The parties agreed to extend the contract and continue the negotiations. Although a number of issues were resolved, a complete agreement was not achieved.

A factfinding hearing took place on July 25, 1997. At that time testimony and evidence were presented regarding the nine unresolved issues. Subsequent to the hearing, mediation resulted in the resolution of three issues.

Another mediation session was held on August 8, 1997. Despite strenuous efforts to resolve the dispute, only one additional issue was resolved. The Factfinder, however, gained a fuller understanding of the remaining issues.

The recommendations of the Factfinder are based upon the criteria set forth in Section 4117-9-05(k) of the Ohio Administrative Rules. They are:

- (a) Past collectively bargained agreements, if any, between the parties;
- (b) Comparison of the unresolved issues relative to the employees in the bargaining unit with those issues related to other public and private employees doing comparable work, giving consideration to factors peculiar to the area and classification involved;
- (c) The interest and welfare of the public, and the ability of the public employer to finance and administer the issues proposed, and the effect of the adjustments on the normal standard of public service;
- (d) The lawful authority of the public employer;
- (e) The stipulations of the parties;
- (f) Such other factors, not confined to those listed in this section, which are normally or traditionally taken into consideration in the determination of issues submitted to mutually agreed upon dispute procedures in the public service or in private employment.

ISSUES

This report deals with the five unresolved issues. For each issue the Factfinder will present the positions of the parties, summarize the arguments and evidence presented, provide his analysis of the issue, and offer his recommendation for resolving the issue.

1) Article 10 - Hours of Work, Section 4 - The current contract states that holidays, vacation, paid sick leave, and other time in active pay status is counted as time worked for purposes of computing overtime pay. The county seeks to exclude paid sick leave from hours worked when computing overtime. The union seeks to retain the current contract language.

County Position - The county argues that its demand ought to be adopted. First, it points out that six of the county's collective bargaining agreements already exclude sick leave from hours worked. Second, the county notes that the utilization of sick leave is very high -- 91% of the sick leave earned by members of the bargaining unit in 1996 was used. Third, it complains that certain employees use sick leave and then are paid overtime to complete their work resulting in it paying 2 1/2 times the negotiated rate to get work done.

Union Position - The union contends that sick leave ought to continue to be counted as hours worked. First, it points out that many county collective bargaining agreements count sick leave for purposes of calculating overtime hours. Second, the union states that sick leave is an earned benefit and that excluding it from the calculation of overtime punishes an employee using it.

Analysis - The Factfinder believes that the current contract language ought to be retained. While it is true that use of sick leave is high, indicating the possibility of abuse, it is not clear that eliminating sick leave from hours worked will reduce the use of sick leave. With the majority of county contracts counting sick leave as hours worked, the Factfinder must recommend that the current contract language be retained.

Recommendation - The Factfinder recommends that the current contract language be retained.

2) Article 25 - Personal Leave - The current contract allows an employee to use up to eight hours of accumulated sick leave as a personal day provided the employee has an accumulated balance of 12 hours and gives one week prior notice. The union proposes increasing the number of personal days to two. The county opposes any increase in the number of personal days.

Union Position - The union contends that it is entitled to an additional personal day deducted from sick leave. It maintains that everyone needs a day off from work from time to time and emphasizes that employees in the bargaining unit have stressful jobs. The union points out that in factfinding it initially demanded a personal day that would not be deducted from sick leave as is available to employees in the Department of Human Services.

County Position - The county asserts that the union's demand should be rejected. It indicates that employees in the DHS have one personal day but stresses that no other employees have a personal day, even where it is deducted from sick leave. The county states that in Child Support Enforcement Agency a Factfinder recommended the granting of a personal day. It claims that granting an additional personal day would adversely impact the delivery of services.

Analysis - The Factfinder believes that the union's demand is not unreasonable. Many of the employees in the bargaining unit have stressful jobs which make a day away from work a valuable benefit. The high utilization of sick leave suggests that some employees may be using sick leave as a personal day. The fact is that an additional personal day deducted from sick leave may have very little impact on the number of days employees are absent from work. Furthermore, the notice requirement for the use of personal leave should help minimize scheduling problems.

Recommendation - The Factfinder recommends current contract language except that the number of hours of personal leave should be increased to 16 hours.

3) Article 28 - Health Insurance, Section 1 - The current contract requires the county to contribute \$150 toward the cost of single coverage under the health insurance plan and \$399 for family coverage. The union demands that the county's contribution be increased to \$187.46 for single coverage and \$496.03 for family coverage. The county opposes any increase in its health insurance contribution.

Union Position - The union argues that it is entitled to an increase in the county's health insurance contribution. It states that there are 18 different contribution rates in the county. The union complains that its members pay the second highest among the 27 bargaining units. It stresses that its demand is equal to the average of the 18 contribution rates for the county.

The union acknowledges that the county did not see its health insurance proposal until the factfinding hearing. It charges, however, that it requested health information four or five months prior to the factfinding hearing but did not get the data until 11 days before the factfinding hearing. The union claims that the county was aware that it would be presenting a health insurance demand.

County Position - The county charges that it does not think that the health insurance issue is properly before the Factfinder. It claims that the union's representative requested information 11 days prior to the hearing and it was supplied by the county's health insurance expert. The county stated that it needed time to cost-out the union's proposal and to develop its own proposal. It indicates that its wage proposal was predicated on no change in health insurance.

Analysis - The Factfinder believes that the health insurance issue is properly before him. It is uncontested that the union requested documents relating to the county's health insurance program and met with the county's health insurance expert. While the

county may not have anticipated the magnitude of the union's demands, it surely was aware that health insurance was an issue in dispute.

The county offers four hospitalization plans -- Qualchoice-PPO, Qualchoice-HMO, Kaiser Permanente, and Personal Physician Care. For Qualchoice-HMO, Kaiser Permanente, and Personal Physician Care the monthly cost for single coverage including supplemental coverages ranges from \$153.61 to \$156.07 and from \$396.29 to 403.13 for family coverage. The cost for Qualchoice-PPO is substantially higher -- \$264.39 for single coverage and \$682.08 for family coverage. Given that the current contribution rate is \$150 for single coverage and \$399 for family coverage, it is not surprising that very few employees are enrolled in Qualchoice-PPO.

The union seeks to increase the county's contribution to \$187.46 for single coverage and \$496.03 for family coverage. This would eliminate the small contribution employees are required to make for Qualchoice-HMO, Kaiser Permanente, and Personal Physician Care -- \$2.29 per month for single coverage and \$4.33 per month for family coverage. It would also reduce the employee contribution for Qualchoice-PPO to \$76.93 for single coverage and \$186.05 for family coverage.

Although the Factfinder cannot recommend the union's demand, he believes that the county's monthly contribution should be increased \$2.29 for single coverage and \$4.33 for family coverage. This would provide bargaining unit members with three options for fully paid health insurance. While some other units have higher county contribution rates, the employee contribution for Qualchoice-PPO for those employees still ranges from \$21.76 to \$118.58 for single coverage and from \$67.06 to \$305.93 for family coverage. This is high enough so that very few employees opt for Qualchoice-PPO. Thus, the reality is that most county employees enjoy three fully paid health insurance options -- Qualchoice-HMO, Kaiser Permanente, and Personal Physician Care. The Factfinder's health insurance recommendation provides this same benefit to employees in the CSEA bargaining unit.

Recommendation - The Factfinder recommends that the county health insurance contribution shown in Article 28, Section 1 be increased to \$152.29 for single coverage and \$403.33 for family coverage.

4) Article 35 - Wages - The current contract does not contain wages. A document furnished by both sides indicates that the "starting" hourly wage ranges from \$7.43 for Clerical Specialist (none appear to be employed) to \$13.29 for Support Officer 2. The union states that the current average "starting" hourly wage is approximately \$10.00. Data furnished by the county indicate that a very broad range of wages are paid in most classifications and that there is no systematic relationship between wages and the length of service.

The union proposes a three-year agreement. In 1997 it seeks to adjust employees' wages based on the salary schedule for the DHS with the addition of steps for 48 months of service for pay ranges one through six. It would place each bargaining unit classification in one of ten pay ranges of the DHS schedule. Each employee would be assigned a wage rate based on years of service. For 1998 and 1999 the union demands that each employee's 1997 wage be increased by 4% each year.

The county proposes increasing each employee's wage by 3% in 1997, 1998, and 1999.

Union Position - The union argues that employees average less than employees in similar departments in Cuyahoga, Franklin, Hamilton, Lucas, and Montgomery counties. It points out that the average starting salary for Clerical Specialists in nine departments in five counties is \$19,354 with an average maximum of \$24,571 compared to \$15,454 in the CSEA; the average starting salary for Clerks in ten departments in four counties is \$15,469 with an average maximum of \$18,322 compared to \$16,078 in the CSEA; the average starting salary for Data Entry Operators in six departments in four counties is \$17,128 compared to an average maximum of \$20,453 compared to \$18,241

for Data Processor 2's in the CSEA; the average starting salary for Investigators in three departments in two counties is \$21,535 with an average maximum of \$28,336 compared with \$19,968 in the CSEA; and the average starting salary for Mail Clerk/Messengers in three departments in two counties is \$16,667 with an average maximum of \$21,302 compared to \$16,598 in the CSEA.

The union charges that there are significant salary inequities. It indicates, for example, that a Support Officer 1 with a seniority date of August 24, 1992 earns \$10.19 per hour while a Support Officer 1 with a seniority date of April 21, 1997 earns the same amount. The union complains that after the last negotiations a committee was supposed to have been established to address these inequities but has never formed. It stresses that granting 3% wage increases will not correct the inequities.

The union objects to the county's reliance on pattern bargaining. It maintains that the agency is unique in its function. The union notes that the agency is partially self-funded because the federal government reimburses 66% of net salaries, the state provides incentive payments, and the agency has an assessment fee of 2% of collections.

The union contends that the nature of the work performed justifies the increases which it is seeking. It claims that many of the employees have stressful jobs and make important decisions impacting their clients' lives. The union indicates that caseloads are heavy. It emphasizes that despite having high turnover and being short staff, agency performance is very good.

County Position - The county argues that its proposal for 3% wage increases in 1997, 1998, and 1999 is reasonable. It claims that its offer is consistent with the wage increases granted to other county bargaining units. The county adds, however, that if the union's insurance proposal is considered, the cost must be deducted from its wage offer because it did not anticipate that the union would propose an increase in its health insurance contribution.

Analysis - The Factfinder believes that two observations are in order. First, it appears that for some classifications in the CSEA wages are significantly less than the same or similar classifications in the DHS. The magnitude of the differences in wages is unclear given differences in job titles and the possibility that actual job duties may not be reflected in the titles.

Second, there appear to be substantial wage inequities among individual employees within a number of classifications. In some classifications employees with vastly different seniority receive the same wage while certain other employees enjoy far higher wages. Some of the variety of wages appears to be due to the creation of the CSEA in 1987 by merging units from four different departments where employees earned varying amounts for the same or similar work.

The union's proposal attempts to address both of these points. It assigns each job classification in the CSEA to the appropriate range of the salary schedule for the DHS and places each employee on the appropriate step on the schedule based on his or her length of service. The proposal also guarantees every employee a 4% wage increase even if his or her current wage exceeds the wage on the DHS wage schedule. In the second and third years of the contract the union proposes increasing the 1997 wage by 4% each year.

Despite the fact that the Factfinder recognizes the problems with the current array of wages, he cannot recommend the union's proposal. A major overhaul in compensation is difficult to accomplish in contract negotiations. It requires considerable time and study as well as special expertise. A quick fix to what appears to be a long-standing problem is impossible.

The Factfinder's recommendation is intended to provide a temporary resolution of the wage issue for 1997 and to allow sufficient time for the parties to address the wage structure issues in 1998 and 1999. First, he believes that wages should be increased 3% effective January 1, 1997 and that employees should be paid a one-time bonus of \$250 upon the execution of the agreement. The 3% reflects the settlements reached in the other

bargaining units in the county and the \$250 payment is suggested pending the resolution of the concerns discussed above.

Second, the Factfinder recommends that the county hire a consultant to conduct a study of the compensation of bargaining unit employees in the CSEA and to provide suggestions to the parties for wages to be effective in 1998 and 1999. The Factfinder suggests that the consultant be employed as soon as possible and that a report be due no later than February 1, 1998. While this date allows a short time to conduct a study, the county has employed a wage and salary consultant in the past so that it may be possible to apply the current system to the CSEA.

Third, the Factfinder proposes that negotiations for wages for 1998 and 1999 be reopened no later than March 1, 1998. If the parties are unable to reach agreement, the union should have access to the statutory impasse procedure. That means that the factfinding process can be invoked and that if no settlement is reached, the union has the right to strike.

The Factfinder accepts the fact that it is unlikely that either side will enthusiastically embrace his recommendations. He understands that the union believes that it was agreed in the last negotiations that a wage inequity committee would be established but that no such committee was formed. In the instant case, however, the wage study is part of the contract itself and there is a definite deadline for the completion of the work.

The Factfinder also recognizes that the county may be wary of his recommendations. The county may be reluctant to address a difficult problem which may require additional funds to correct. The existing inequities, however, were recognized by the previous Factfinder and will remain an issue until they are addressed.

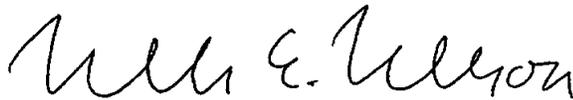
Recommendation - The Factfinder recommends the following contract language:

- 1) The wages of all employees shall be increased by 3% effective January 1, 1997.
- 2) A one-time bonus of \$250 (before taxes) shall be paid to all employees on the payroll as of the date of the acceptance of this report.
- 3) The county shall engage a consultant to conduct a study of the compensation of bargaining unit employees. The consultant shall report to the county and the union no later than February 1, 1998.
- 4) Negotiations for wages for 1998 and 1999 shall be reopened no later than March 1, 1998. If no agreement is reached, the statutory impasse procedure will govern the dispute including the right to strike.

5) Article 38 - Duration - The current contract expired December 31, 1996. It had a three-year term. The parties expressed no opposition to a three-year agreement.

Recommendation - The Factfinder recommends the following contract language:

This Agreement shall be effective as of January 1, 1997 and shall continue in full force and effect through the 31st day of December, 1999.



Nels E. Nelson
Factfinder

August 21, 1997
Russell Township
Geauga County, Ohio