

**SETTLEMENT PROPOSALS
BETWEEN**

**THE SCHOOL DISTRICT OF
THE CITY OF DETROIT**

AND

**THE DETROIT ASSOCIATION OF
EDUCATIONAL OFFICE EMPLOYEES**

MARCH 6, 2013

Settlement Agreement

Between
The School District of the City of Detroit
and
The Detroit Association of Educational Office Employees

It is hereby agreed by and between the School District of the City of Detroit and the Detroit Association of Educational Office Employees in final settlement of all outstanding issues under negotiation as follows:

1. All provisions of the current Collective Bargaining Agreement ("Agreement") (July 1, 2009 through June 30, 2013) not specifically changed herein are carried forward into this Agreement.
2. The parties' Collective Bargaining Agreement, the terms of which are fully set forth herein, shall be extended through June 30, 2016.
3. The parties commit to collaborate and consolidate the Agreement prior to September 30, 2013 in order to publish the terms in one collective bargaining agreement document.

**Detroit Association of Educational
Office Employees**

Ruby J. Newbold
Liz Newbold

Dated: 3/6/2013

School District of the City of Detroit

Gregory J. de Gooch
Wendell

Dated: 3-6-13

Approved: _____

Roy S. Roberts
Roy S. Roberts, Emergency Financial Manager

THE SCHOOL DISTRICT OF THE CITY OF DETROIT
AND
THE DETROIT ASSOCIATION OF EDUCATIONAL OFFICE EMPLOYEES

Proposal Date: February 28, 2013 DPS Proposal: As Is _____ Modified _____
DPS Initials: _____
Union Initials: _____
TA'D Date: _____

ARTICLE XXVIII
DURATION

The collective bargaining agreement between the School District of the City of Detroit and the Detroit Association of Educational Office Employees effective July 1, 2007 through June 30, 2013 is modified, renewed and extended with an expiration date of June 30, 2016.

Change all relevant dates throughout the Agreement to reflect it being effective from July 1, 2007 through June 30, 2016.

THE SCHOOL DISTRICT OF THE CITY OF DETROIT
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ARTICLE XXVI
MANAGEMENT RIGHTS AND RESPONSIBILITIES

The School District of the City of Detroit reserves all rights and powers conferred upon it by the Constitution and laws of the State of Michigan and the United States. In addition, the School District of the City of Detroit reserves the right to govern and manage the District in all respects.

This agreement is subject in all respects to the laws of the State of Michigan with respect to the powers, rights, duties and obligations of the District, the Union, and the employees in the bargaining unit. In the event that any provisions of this Agreement shall at any time be held to be contrary to law by a court of competent jurisdiction from whose final judgment or decree no appeal has been taken within the time provided for doing so, such provision shall be void and inoperative; however, all other provisions of this Agreement shall continue in effect.

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ARTICLE XIX
LEAVE POLICY

A. 8. **Workers' Compensation**

The District shall provide Workers' Compensation insurance for all employees covered by this Agreement in compliance with the laws of the State of Michigan.

Workers' Compensation claims shall be submitted and processed in accordance with State law.

Benefit Termination or Limitation

1. An employee will maintain employment for a maximum period of one (1) year while receiving workers' compensation benefits. Upon termination from employment with the District all benefits will end (Workers' Compensation will apply as provided by the laws of the State of Michigan).
2. If the employee rejects the report of the specialist (See XIX.F) and pursues a Workers' Compensation claim any recovery shall be Workers' Compensation benefits only. The employee shall not receive assault pay benefits.

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ARTICLE VI
FRINGES

A.

1. **Health Insurance:**

Eligible employees may elect health insurance for himself/herself and eligible dependents.

Effective January 1, 2014, bargaining unit members who elect health insurance coverage will be eligible to receive coverage under an HMO plan or a PPO plan.

Employees choosing HMO coverage will be required to pay 20% of the annual premium cost via payroll deduction.

Employees choosing PPO coverage will be required to pay 20% of the annual premium cost of the chosen PPO plan, plus the difference in premium cost between the PPO plan selected by the employee and the higher cost HMO plan. Such premium cost sharing will occur via payroll deduction.

Employees choosing PPO coverage will have the following options available:

PPO Plan 1

\$250 (single)/\$500 (family) annual deductible
\$1,500 (single)/\$3,000 (family) annual out of pocket maximum
90% (in-network)/70% (out-of-network) co-insurance
\$20 office visit co-pay

PPO Plan 2

\$500 (single)/\$1,000 (family) annual deductible
\$3,000 (single)/\$6,000 (family) annual out of pocket maximum
80% (in-network)/60% (out-of-network) co-insurance
\$20 office visit co-pay

HMO Plans

\$20 office visit co-pay

Health Insurance Reopener

There will be re-opener for health, dental, and optical insurance benefits for fiscal years 2014-2015 and 2015-2016.

4. **Dental Insurance**

Eligible employees may elect dental insurance for himself/herself and eligible dependents. Eligible employees may choose one of two dental plans. Employees shall contribute 20% of the cost of the dental insurance selected.

5. **Optical Insurance**

The District shall provide a comprehensive full-family optical care program to all full time employees.

Dependent children enrolled in school as full-time students shall receive optical coverage to age twenty-five (25).

Members shall receive an optical exam once every twelve (12) months. On the off year, new lenses shall be provided, for unit members only, if there is a change of .5 diopters or more in prescription. Any additional costs, for tinting, etc., beyond the cost of the actual lenses, shall be borne by the unit member.

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ARTICLE V
COMPENSATION

- A. **Wages**
The ten percent (10%) economic concessions currently in operation will remain in effect for the duration of this Agreement.
- Either party has the right to reopen the Agreement on the issue of wages for the 2014-2015 fiscal year and the 2015-2016 fiscal year.
- C. **Step Increases**
Bargaining unit members shall receive a step increase effective July 1, 2013. Thereafter, step increases shall be suspended for the duration of this Agreement.
- F. **Longevity**
Effective July 1, 2009 through the duration of this agreement, longevity payments shall be suspended.
- M. **Upon Retirement – Payment of Unused sick Leave Days**
Upon retirement with a retirement allowance, in accordance with the qualifications established by the Michigan Public School Employees' Retirement System School District of the City of Detroit, an employee will be paid an amount not to exceed one-half (1/2) her/his Sick Leave days, with a maximum allowance of thirty-five (35) days pay.

Payment of unused sick leave days shall be suspended through the duration of this agreement

Bonus

To the extent that the District is able to generate a surplus after operating debt service payments and generate a reduction in the General Fund accumulated deficit, a one-time bonus would be paid to members of DAEOE. The terms and conditions for payment of this one-time bonus are as follows:

1. For each \$7 million reduction (before the one-time bonus and with no proration) in the General Fund accumulated fund deficits generated during the fiscal year ended June 30, 2013, June 30, 2014 and June 30, 2015, each qualified DAEOE member will receive a 1% one-time salary and wage bonus.
2. The maximum bonus percentage is five percent (5%) of an eligible employees base salary earned during the respective bonus year.
3. The amount of any one-time bonus will be calculated based on the District's audited financial statements for the respective fiscal year ended. The bonus would be paid by December following the end of the respective fiscal year in which the one-time bonus was generated.
4. To qualify for the bonus for a respective year, an employee would be required to be employed by the District on November 20, following the year the bonus was earned.
5. There is no guarantee that a bonus will be generated and the results of the District's audited financial statements for the respective fiscal year are final.

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ARTICLE _____
DIRECT DEPOSIT/DEBIT CARD

DIRECT DEPOSIT/DEBIT CARD

The District has the right to and will implement, at its discretion, the payment of wages to employees covered by this agreement through direct deposit or a payroll debit card and issue pay advices electronically in accordance with state law.

THE SCHOOL DISTRICT OF THE CITY OF DETROIT
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Proposal Date: March 4, 2013

DPS Counter Proposal: As Is __ Modified __

DPS Initials: _____

Union Initials: _____

TA'D Date: _____

ARTICLE XVIII
STAFF REDUCTIONS

- E. Bargaining unit members who are reclassified as a result of a staff reduction may be reclassified at the District's discretion to a vacancy at a classification equivalent to their prior status by seniority. All personnel actions under this provision will be taken in accordance with the District's Staff Reduction Policy for DAEOE bargaining unit members.

THE SCHOOL DISTRICT OF THE CITY OF DETROIT
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ARTICLE XI
TRANSFER POLICY

H. VOLUNTARY TRANSFERS

All transfers shall be handled through the Office of Human Resources Information Systems/Administrative Services and Consulting.

All full-time District employees who are members of the DAEOE bargaining unit may request a transfer submitted on the appropriate District form in accordance with the District's transfer policy for DAEOE bargaining unit members.

All transfer requests that have not been effectuated by the end of the school year shall become void and must be renewed by January 1 of the following year.

THE SCHOOL DISTRICT OF THE CITY OF DETROIT
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ARTICLE XXIII
GRIEVANCE PROCEDURE

Step 3 – Arbitration

If a grievance is not satisfactorily settled at Step 2, the Union may, within twenty (20) working days file for arbitration in accordance with the following:

- a. In writing, submit to the other party a Demand for Arbitration of any grievance under this Agreement to final and binding arbitration. If the parties are unable to agree upon an arbitrator within seven (7) working days of notice to arbitrate, the party demanding arbitration shall refer the matter to the Michigan Employment Relations Commission or the American Arbitration Association by mutual agreement of the parties, which shall submit a list to the parties for the selection of an arbitrator. The arbitrator, the Union, or the Employer may call any person as a witness in any arbitration hearing. Each party shall be responsible for the expenses of the witnesses it may call. The arbitrator shall not have jurisdiction to add to, subtract from, or modify any of the terms of this Agreement or any written amendments hereof, or to specify the terms of a new Agreement, or to substitute at his discretion for that of any of the parties hereto. The per diem fees and the expenses of the arbitrator shall be shared equally by the parties. The arbitrator shall render his decision in writing not later than thirty (30) calendar days from the date of the close of the arbitration hearing. The decision of the arbitrator shall be final, conclusive and binding upon all employees, the Employer and the Union.
- b. Or, if party so requests, the District and the Union representatives will meet further to consider fairly and in good faith any other methods of settlement which might be mutually agreed upon, including private (non-governmental) mediation. In Steps 1 and 2 any decision not appealed to the next step of the grievance procedure within fifteen (15) working days from the date a written decision is furnished in accordance with the provisions set forth above, unless an extension is agreed upon in writing shall be considered settled on the basis of the last decision made and shall be eligible for further appeal only by mutual, written consent.

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ARTICLE _____
CRIMINAL HISTORY RECORD CHECK

In the event that a District employee covered by this Agreement is laid off, or on an approved leave of absence or otherwise separated from the District for six months or more, he/she shall be subject to a criminal history record check which includes fingerprinting at the employee's expense and a drug test before he/she is returned to service with the District.

**Letter of Agreement
between
The School District of the City of Detroit
and
The Detroit Association of Educational Office Employees**

By their representatives' signatures below, the parties agree to abide by the following procedures for the Summer Academy 2013 and High School Summer Programs (for the purposes of this LOA, hereinafter referred to collectively as "Summer Program").

1.0 STAFFING

The staffing of the Summer Programs at schools will be filled at the discretion of the District pursuant to the District's application and/or hiring process.

1.1 Staff who are selected must be available for the entire 2013 Summer Program. If absent more than three (non-consecutive) days, staff will be released from the Summer Program and not entitled to any further unearned compensation for the program.

1.2 Staff is expected to perform the essential functions as prescribed by the relative job description. Failure to perform the essential functions will lead to immediate release from the Summer Program.

1.3 The hours of work for the Summer Program may be up to seven (7) hours per day high school and six (6) hours a day elementary, five (5) days per week starting June 17, 2013 to July 26, 2013. Staff selected are required to work the Summer Program assignment on June 20, 2013.

1.4 The Summer Program for certain MDE Priority Schools will commence immediately following the end of the extended school year where applicable.

2.0 WAGES

Staff working for the Summer Program shall be paid an hourly rate up to \$18.00 for Summer 2013 only. The Summer Program rate is effective June 20, 2013.

3.0 DISPUTES

All complaints regarding assignments or non-assignments must be brought to the attention of Human Resources within the first week of the summer session.

DAEOE Union:

Ruby J. Newbold

Greg Dusa

Date: 3/6/2013

School District of the City of Detroit:

Gwendolyn A. de Gooch

Mark Allen

Date: 3-6-13

Approved: _____

Roy S. Roberts

Roy S. Roberts, Emergency Financial Manager

THE SCHOOL DISTRICT OF THE CITY OF DETROIT
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ARTICLE V
COMPENSATION

O. **Use of Vacation Days During Winter Break**

Ten (10) month DAEOE bargaining unit members with sufficient days in their vacation bank shall have the option to use five (5) vacation days to be paid for the winter break.

DAEOE bargaining unit members are responsible for monitoring the use of their vacation days and the number of days in their respective bank.

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ARTICLE I
RECOGNITION

Definitions: Union Membership Dues or Agency Shop Service Fees and Dues Deductions

A. **Recognition**

The District recognizes the Union as the sole and exclusive bargaining representative of its employees listed in Appendix A, including Emergency Substitutes working in Regular Positions serving in any of the classifications listed in Appendix A.

B. **Definitions**

All personnel represented by the Union in the above-defined bargaining unit shall, unless otherwise indicated hereinafter be referred to as "employees".

C. **Union Membership Dues or Agency Shop Service Fees and Dues Deduction**

1. All employees covered by this Agreement or who become employees covered by this Agreement who are not already members of the Union or who are not already paying a service fee shall within forty (40) days of hire by the District, become members, or in the alternative, shall, within forty (40) days of their date of hire by the District, as a condition of employment, pay to the Union each scheduled full, bi-weekly pay period a service fee in an amount equal to the regular membership dues uniformly required of employees of the District who are members.

2. The District shall deduct from the pay of each employee from whom it receives authorization to do so the required amount for the payment of dues or service fees. Such dues, or fees, accompanied by a list of employees from whom they have been deducted and the amount

deducted from each, and by a list of employees who had authorized such deductions and from whom no deductions were made and the reason therefore, shall be forwarded to the Union no later than thirty (30) days after the deductions were made.

To the extent the union has been invoiced by the District for reimbursement of union employees' salaries and benefits and the union has not paid the invoice within three weeks of the date of the invoice, the District shall have the right to deduct the amount the union owes the District from checked-off dues owed the union.

3. An employee who shall tender or authorize the deduction of membership dues or service fees, uniformly required as a condition of acquiring or obtaining membership in the Union, shall be deemed to meet the conditions of this Article so long as the employee is not more than sixty (60) days in arrears of payment of such dues or fees.
4. The District shall be notified, in writing, by the Union of any employee who is sixty (60) days in arrears in payment of membership dues or fees.
5. The District, upon receiving a signed statement from the Union indicating that the employee has failed to comply with this condition, shall immediately notify said employee that her/his services shall be discontinued at the end of ten (10) days and shall dismiss said employee accordingly through written notification with a copy of the communication forwarded to the Union.
6. The Union shall notify the District forty (40) days prior to any change in such dues or fees.
7. If any provision of this Article is invalid under Federal or State law, said provision shall be modified to comply with the requirements of said Federal or State law.
8. The Union agrees that in the event of litigation against the District, its agents or employees arising out of this provision, the Union will co-defend and indemnify and hold harmless the District, its agents or employees for any monetary award arising out of such litigation.
9. The District shall inform all new employees and employees returning from leave/resignation within thirty (30) days of hire or return of their obligations under this section, provided that failure of the District to so inform shall not be a defense of any employee who has failed to comply with the provisions of this section.

10. The District, through the appropriate administrative unit, shall continue to notify the Union of all new hires, returns from absence or leave, and separations, upon request by the Union.