



**EMPLOYMENT RELATIONSHIP POLICY
2021-2023**

The Grosse Pointe Public School System

*Non-Instructional Supervisors, Professionals and
Non-Bargaining Unit Secretaries*

*389 St. Clair
Grosse Pointe, Michigan 48230*

**EMPLOYMENT RELATIONSHIP POLICY
FOR
NON-INSTRUCTIONAL SUPERVISORS, PROFESSIONALS
AND
NON-BARGAINING UNIT SECRETARIES**

2021-2023

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DEFINITION

1.1 Non-Instructional Supervisors, Professionals and Non-Bargaining Unit Secretaries, referred to as “NIS” hereinafter, are defined below. Non-Instructional Supervisors are not administrative employees and do not hold positions which require administrator certification. Positions highlighted with an asterisk (*) are eligible for overtime pursuant to paragraph 2.1.

Supervisory

Director, Budget & Accounting
Director, Buildings & Grounds
Director, Technology
Director, Human Resources
Manager, Networks
Technical Director, Performing Arts Center
Manager, Energy & Building Operations
Supervisor, Custodial Operations
Community Relations Specialist

Non-Supervisory Professionals

Information Systems Supervisor
Assessment Systems Analyst
Fringe Benefits Coordinator *
Payroll Coordinator *
Accountant *
Pupil Accounting Specialist
Residency & Enrollment Specialist *

Assistants/Non Bargaining Unit Secretaries

Executive Assistant to the Superintendent
Executive Secretary to Deputy Superintendent of Human Resources & Educational Services
Business & Support Services Assistant *
Secretary to Superintendent/Enrollment

Child Care Program Supervisory

Director, Child Care Programs
Preschool Director

WORK YEAR

2.1 The work year for twelve month NIS employees shall begin on July 1 and end on June 30 of each year. For NIS employees who work less than twelve months the starting and ending date will be determined by the Superintendent of Schools.

OVERTIME ELIGIBILITY

2.2 All NIS employees are considered to be salaried, with an annual contract salary that is spread over 26 pays. The annual contract salaries are defined by classification in Appendix B. Certain NIS classifications are considered eligible to earn overtime for all work in excess of 40 hours per week, which will be paid at time and one half. These classifications are identified in Paragraph 1.1.

TRIAL PERIOD

3.1 The first 60 days of employment is considered a trial period.

VACATION ALLOWANCES

4.1 Twelve (12) month NIS employees shall be entitled to vacations on the following basis:

Central Office Directors:

Years of Service	12 Month Central Office Directors
At completion of probationary period	25 days

All other NIS:

Years of Service	12 Month NIS employee*
During 1 st through 3 rd year of service	15 days
During 4 th through 14 th year of service	20 days
15 th year and thereafter	25 days

** employees working less than 12 months shall be entitled to vacation prorated to the portion of their work year.*

4.2 Vacation allowances are earned by working a full year (July 1-June 30). NIS employees who do not meet this requirement will receive a prorated vacation allowance.

4.3 Vacation allowance is to be used in the year earned. However, unused vacation days may accumulate for a period of up to two years; ten days for 11 month employees and twelve days for 12 month employees may be accumulated for an indefinite period. Upon resignation, NIS employees shall receive compensation for vacation time earned up to the date of resignation at a max of 50 days + current year for central office directors and 25 days + current year for all other NIS. Any NIS employee hired before January 1, 2008 will receive up to a max of 50 days + current year.

4.4 Vacation days are to be taken at such times as approved by the NIS employee's immediate supervisor. Prior to the vacation the Deputy Superintendent of Human Resources & Educational Services or designee is to be notified in writing of the use of such days.

4.5 An NIS employee's daily rate of pay is determined by dividing the total salary compensation by 247 days for a twelve month NIS employee and 227 days for an eleven month NIS employee.

4.6 An NIS employee will be awarded two non-duty days to be used at the discretion of the NIS employee with approval from immediate supervisor during the fiscal year. The two non-duty days shall be used during the fiscal year and will not carryover from year to year.

HOLIDAYS

5.1 NIS employees will be eligible for paid holidays provided to all other employees, if they occur during the assigned working year. Martin Luther King holiday will be considered a paid holiday if it is a non-report day for teaching staff.

PAID LEAVES

SICK LEAVE

6.1 During the first year of employment the NIS employee shall earn one sick leave day for each month worked. At the conclusion of one year of service the Board will provide 90 sick days unlimited sick leave program for personal illness or disability to the extent of 90 duty days per illness or disability. Any absence exceeding 10 consecutive days in a school year will require the completion of FMLA paperwork and the approval of the Deputy Superintendent or designee.

6.2 Illness or disability means the complete inability of the NIS employee, due to sickness or injury, to perform each and every duty pertaining to his/her assignment with the Board. Illness includes cases where emergency medical procedures are required. Appointments for medical examinations and diagnostic testing which cannot be scheduled outside the normal work day shall qualify for leave under the terms of Sick Leave. Illness or disability shall not exist where a NIS employee is actively working for the Board, another employer or in self employment, or is confined in a penal institution. Illness or disability shall not exist where caused or contributed by intentionally self-inflicted body injury or war or any act of war.

6.3 The conditions and requirements of such sick leave will be determined by the Superintendent of Schools.

OTHER LEAVES

6.4 The Board will provide 2 personal business days to each NIS employee to be used between July 1 and June 30. It is agreed that personal business days are provided for the vast number of business, professional, family, and religious obligations a teacher regularly encounters which cannot be met outside the regular school day. Personal business days are not intended for casual or indiscriminate use. It is not permissible to use personal business days for: recreational or sporting events (hunting, fishing, athletic contests of all kinds), shopping, job hunting, vacation, and other employment of any kind.

6.5 The Board will make reasonable provisions to extend paid leaves of absence to NIS employees for such leaves as are necessary. These provisions include leaves for such reasons as illness or death in the family, jury duty, court appearances, military duty, and personal business. Up to 10 days per year can be used for the purpose of family illness. Whenever possible, such leaves must have prior approval of the Superintendent/ Deputy Superintendent of Human Resources & Educational Services.

6.6 Extended leaves for such things as maternity, Peace Corps, Job Corps, sabbatical leave or for some special or unusual reason will be considered on an individual basis with a decision primarily based on the value such leave may bring to the school district.

NON-PAID LEAVES

LEAVE OF ABSENCE

7.1 The Board may grant a NIS employee a leave of absence, without pay and benefits, for any purpose it considers worthwhile for a period not to exceed one year subject to renewal at the discretion of the Board for an additional period not to exceed one year. Return from leave is expressly conditioned upon a position being available for which the Superintendent determines the NIS employee is qualified and capable of performing.

FAMILY MEDICAL LEAVE ACT (FMLA)

7.2 The Board will grant up to twelve (12) weeks of family and medical leave during any twelve (12) month period to eligible NIS employees in accordance with the Family and Medical Leave Act of 1993 (FMLA). All requests for such leave will be made to the Deputy Superintendent of Human Resources & Educational Services. When the need is foreseeable, notice will be given thirty (30) days before the start of the FMLA leave. If it is not possible for the NIS employee to give thirty (30) days notice, the NIS employee must give as much notice as is practicable. Proper certification of the reason for the leave must be provided. A NIS employee may be required to use all available leave time (i.e., sick leave, personal leave, and/or vacation leave) for all or part of the duration of the FMLA leave, with any balance of time being without pay. At the end of the FMLA leave, the NIS employee will be returned to his/her position held prior to the leave.

FRINGE BENEFITS

8.1 The Board of Education will provide all NIS employees with health, dental, vision, life, and long term disability insurance through a flexible benefits plan. See Appendix A.

OTHER INSURANCE CONTINGENCIES

8.2 For part time NIS employees the Board's contribution to the premium cost of the above benefits shall be limited to that percentage of the premium cost which is equivalent to the percentage of full time service rendered by the NIS employee.

PHYSICAL EXAMINATION

9.1 A NIS employee is eligible for an annual physical examination at Board expense subject to the following conditions. Upon written request a NIS employee will receive reimbursement equal to the amount charged by Concentra Medical Centers for its basic minimum examination. Every third year a NIS employee will be eligible for reimbursement equal to the amount charged by Concentra for its full

comprehensive examination. For examinations given at Concentra the school district will be directly billed. For examinations given elsewhere NIS employees will be reimbursed upon the submission of receipts and/or canceled checks.

SALARIES

10.1 Salary levels will be determined by the Board of Education each year upon the recommendation of the Superintendent of Schools. For 2017-18, the salary will not increase as reflected on the schedule located in Appendix B. In addition, NIS employees will receive an increment of five percent (5%) each year, based upon satisfactory performance of duties, until the salary schedule maximum is reached within 5 years. See Appendix B.

10.2 The parties agree that salaries for the salary grid for the 2019-2020 school year shall be determined according to the formula set forth below in Appendix C. However, the parties agree that the District shall in all cases maintain a minimum general fund equity (defined hereafter) of at least 10% of Board-approved total general fund expenditures. Therefore, the formula works differently if the District's general fund equity falls below 10%.

EDUCATION ALLOWANCE CREDIT

10.3 NIS employees will be recognized for earned degrees according to the following formula:

- Associate's Degree \$250
- Bachelor's Degree \$500
- Master's Degree \$750

LONGEVITY PAY

11.1 NIS employees will be eligible for longevity pay in accordance with the following schedule:

NIS Experience	Combined Grosse Pointe Experience	Amount 2021-2023
Beginning with the 5 th year	Beginning with the 10 th year	\$1,285
Beginning with the 10 th year	Beginning with the 15 th year	\$1,928
Beginning with the 15 th year	Beginning with the 20 th year	\$2,571

11.2 Longevity pay will be calculated on July 1st each year and will be payable to qualified NIS employees beginning with the first paycheck thereafter.

CONFERENCE/WORKSHOP ATTENDANCE

12.1 A NIS employee may attend a job related conference/workshop upon the approval of the immediate supervisor and will be reimbursed for legitimate expenses, or a portion thereof, incurred in attending such meeting. The procedures for implementing this provision will be established by the Superintendent.

NO SMOKING ON SCHOOL PROPERTY

13.1 NIS employees shall not smoke on school property at any time.

PERSONAL PROPERTY

14.1 It is the policy of the Board of Education to reimburse NIS employees up to \$400 for loss or damage to personal property which is normally used in the discharge of assigned duties and when reasonable care has been demonstrated. Such reimbursement is not made for ordinary wear or gradual deterioration of property, loss of money or whatever is covered by personal insurance carried by the NIS employee or by the Board.

DISCUSSION OF PROBLEMS

15.1 NIS employees are encouraged to discuss job related problems with their immediate supervisor. If a problem is not resolved to the satisfaction of the NIS employee he/she may discuss it with the Deputy Superintendent of Human Resources & Educational Services. If the problem remains unresolved the NIS employee may discuss it with the Superintendent.

TERMINATION OF EMPLOYMENT

16.1 The NIS employee or the Board shall be required to provide the other four weeks notice (20 working days) whenever the termination of employment is to occur, except during the initial 60 day trial period, when a one day notice is all that is required. Failure of the NIS employee to give such notice may result in a forfeiture of all accrued vacation pay owing the NIS employee. Failure of the Board to give such notice shall cause the Board to be liable for pay to the NIS employee beginning on the date, if any, such notice is actually given, to a maximum of twenty (20) days pay.

16.2 The NIS employee who experiences a loss of employment due to job elimination shall receive notice of job elimination two (2) months prior to the scheduled job elimination unless disciplinary action is in any way involved.

SEVERANCE PAYMENT

17.1 The Board shall provide NIS employees \$200 per year for all completed years of Grosse Pointe service provided that disciplinary action is not a factor in the employment separation..

ASSESSMENT OF EMPLOYMENT RELATIONSHIP POLICY

18.1 This Employment Relationship Policy has been discussed and assessed by the following individuals prior to Board of Education Approval.

Amanda Matheson
Deputy Superintendent
Business Affairs and Support Services

Roy Bishop, Jr., Ed.D.
Deputy Superintendent
Educational Services & Human Resources

APPENDIX A

FLEXIBLE BENEFITS PROGRAM

A.1 The Board will provide a flexible benefits program that offers choices among the benefit plans described in the paragraphs below.

A.2 Newly hired NIS employees are eligible to participate in the life, health, dental, and vision portions of the flexible benefits plan upon hire. NIS employees who have completed one year of service with the Board are also eligible to participate in the long term disability insurance portion of the flexible benefits plan.

A.3 The Board, in consultation with the NIS employees, will establish a menu of benefit options that will be available to NIS employees under the flexible benefits plan. The cost of each benefit option will be determined by the insurance carrier or plan administrator. All benefits, conditions and requirements of the following plans shall be as set forth in the policies of insurance and as interpreted by the plan administrators and/or carriers.

A.4 The flexible benefits plan will include the following:

LONG TERM DISABILITY INSURANCE

A.5 The Board will provide NIS employees with long term disability insurance that has the following features:

- 90 paid contract day waiting period;
- Payment of 90% of base monthly earnings for the first six (6) months of benefits (cap increased to NIS maximum salary for the duration of the agreement);
- Thereafter, payment of 66-2/3% of base monthly earnings (cap increased to NIS maximum salary for the duration of the agreement); and
- Up to 24 months of benefits for outpatient mental and nervous disorders.

GROUP LIFE INSURANCE

A.6 The Board will provide NIS employees core group life and accidental death and dismemberment coverage with a face value equal to twice their annual salary. Additional coverage will be available under the flexible benefits plan.

HEALTH COVERAGE

A.7 NIS employees will receive the following health plan options:

1. A plan equivalent to the Blue Cross Blue Shield Community Blue PPO Plan 10 with \$250 individual/\$500 family deductible, 10% coinsurance with coinsurance maximum of \$500 individual/\$1000 family with a \$20 copay for office and \$20 copay for chiropractic visits, \$250 emergency room visit, \$15/\$50/50% prescription rider with mandatory generic, with \$70 min – \$100 max MOPD 2x rider, P-D contraceptive rider and a routine mammography.
2. The employee will be responsible for paying the employee portion.
3. NIS employees working less than full time but at least 50% will be eligible for the health care plan. If health coverage is elected, the Board will calculate the FTE equivalent of the plan based on the

percentage of time the NIS employee is employed with the district. For example, if the cost of the full family health plan is \$17,442, then the Board would contribute for a full time (1.0 FTE) NIS employee a total of \$13,954. For an 0.8 FTE NIS employee with the district, the Board would pay for 80% of the Board contribution to the health care and therefore, contribute \$11,163 with the remaining balance of \$6,279 being the responsibility of the 0.8 FTE NIS employee with an automatic pre-tax deduction of this amount to be paid via automatic payroll deduction over 26 pays.

4. An NIS employee working 50% or more time may elect to waive participation in a district-sponsored health insurance plan; they will receive a cash incentive of \$2,200.
5. Payments will be spread over 26 pay periods per year. This stipend will be prorated for NIS employees working less than a full year and prorated based on their scheduled FTE in the district for that school year. NIS employees working less than 50% time are not eligible for this cash incentive.

DENTAL COVERAGE

A.8 The dental insurance coverage for an out-of-network dental facility would be covered with \$1,200 maximum payment per routine visit per year and \$1,000 lifetime orthodontic per dependent with 100% coverage for preventive and 90% for major and restorative services.

A.9 Dental insurance coverage for in-network dental facility would be covered with \$1,500 maximum payment per routine visit per year and \$1,200 lifetime orthodontic per dependent with 100% coverage for preventive and 90% for major and restorative services.

A.10 An opt out payment for declining the dental insurance would be provided in an amount of \$250 per year prorated by yearly FTE assignment.

VISION COVERAGE

A.11 A choice of a Premium Vision Plan or Standard Vision plan will be available to NIS employees, with an allowance for annual exams in both plans. The Premium plan provides additional allowances for lenses, frames and contact lenses. The Board covers the full cost of the Premium Vision Plan. A stipend is provided for NIS employees choosing the Standard Vision Plan.

SECTION 125 OF THE IRS CODE

A.12 Notwithstanding any other provision of this agreement to the contrary, the Grosse Pointe Public School System shall provide a cash option in lieu of benefits. The employer shall formally adopt a qualified plan document that complies with Section 125 of the Internal Revenue Code. Said plan document shall be approved by NIS employees.

A.13 The amount of cash option may be applied by the NIS employee to a tax deferred annuity. To elect a tax deferred annuity, the NIS employee shall enter into a salary reduction agreement.

A.14 All costs relating to the implementation and administration of benefits under this program shall be borne by the Grosse Pointe Public School System.

APPENDIX B

<i>2019-2020 Salary Schedule</i>		
Central Office Directors	Min.	Max.
Director, Budget & Accounting	\$84,199	\$111,427
Director, Buildings & Grounds	\$84,199	\$111,427
Director, Technology	\$84,199	\$111,427
Director, Human Resources	\$84,199	\$111,427
Supervisors	Min.	Max.
Manager, Networks	\$75,144	\$99,388
PAC Technical Director	\$65,105	\$86,165
Supervisor of Energy & Building Operations	\$65,105	\$86,165
Supervisor of Custodial Operations	\$65,105	\$86,165
Non-Supervisory Professionals	Min.	Max.
Information Systems Supervisor	\$65,105	\$86,165
Senior Accountant	\$58,000	\$75,000
Assessment Systems Analyst	\$48,468	\$64,143
Fringe Benefits Coordinator	\$47,701	\$62,842
Payroll Coordinator	\$47,701	\$62,842
Community Relations Specialist	\$63,495	\$84,892
Accountant	\$45,665	\$57,015
Pupil Accounting Specialist	\$45,665	\$57,015
Residency & Enrollment Specialist	\$35,030	\$46,360
Assistants/Non Bargaining Unit Secretaries	Min.	Max.
Executive Assistant to the Superintendent	\$46,623	\$65,157
Executive Secretary to Ass't Sup't of HR/LR	\$46,623	\$61,700
Business & Support Services Assistant	\$45,665	\$57,015
Secretary to Superintendent/Enrollment	\$31,276	\$40,312
Child Care Programs Supervisory	Min.	Max.
Director, Preschool Services	\$48,633	\$69,111
Director, School Age Child Care	\$44,742	\$63,582
Assistant Director, Preschool Services	\$ 37,440	\$53,432
Assistant Director, School Age Child Care	\$33,440	\$ 42,640

APPENDIX C:
FORMULA LANGUAGE

C.1 Absent an agreement to the contrary, effective June 20, 2017, Appendix C shall return to full effect. Effective July 1, 2013 through June 20, 2017 Appendix C will not be in effect.

C.2 Salaries for the 2017-2018 school year shall be determined according to the formula set forth below. However, the District shall in all cases maintain a minimum general fund equity (defined hereafter) of at least 10% of Board-approved total general fund expenditures. Therefore, the formula works differently if the District's general fund equity falls below 10%. Revenue is defined as general fund revenue. Expenditures are defined as general fund expenditures and transfers.

C.3 The explanation of the formula below is done with respect to the 2012-2013 school year, but the same principles shall apply to following school years as well.

C.4 As used in this formula "general fund equity" is undesignated and/or unassigned general fund balance, and it would not include revenues generated by sale of capital and/or financial gifts given to the district. The 10% general fund equity threshold will be based upon the District's final and accepted audit for the 2011-2012 school year, which the parties should receive around November 1, 2012. For example, if in the final and accepted audit the District's approved general fund expenditures are \$100 million for the 2011-2012 school year, and the District's general fund equity as of June 30, 2012 is \$11 million, then the general fund equity is 11%, which would be above the 10% threshold.

C.5 A. General Fund Equity At Least 10%

If the general fund equity has not fallen below 10% of Board-approved total general fund expenditures, then the Board will allocate funds toward both direct and/or indirect compensation to NIS employees based upon the following factors that affect the revenues and expenditures for the District:

- Increase or decrease in net state foundation allowance per pupil based on the established amount for the 2009-2010 school year (\$10,019 per pupil).
- Increase or decrease in MPSERS retirement rate on the budgeted rate for 2010-2011 @19.41% (compared with rate for 2011-12 based on 2011-2012 personnel)
- Whether or not there has been reinstatement of 20J funds per pupil that year
- Step advancement per established salary grids in the NIS employee Employment Relationship Policy document (including MPSERS and FICA costs).

C.6 The Board will allocate funds toward both direct and/or indirect compensation to NIS employees in a percentage equal to the following formula, which incorporates the four factors above:

Increase in total revenues minus total expenditures from one year to the next (i.e., 2011-12 compared with 2010-2011) based upon the factors listed above

X (multiplied by)

the Percent of total expenditure budget represented by NIS employees direct and indirect compensation costs

equals

the total amount of revenue to be allocated toward both direct and/or indirect compensation for recognized NIS employee group members.

C.7 Example of Net Revenue Increase

The total net amount of revenue shall be allocated on the salary grid on a percentage basis (taking into account the then applicable MPSERS contribution rate and FICA), based upon this net amount divided by

the total cost of the salary grid, unless the parties agree to allocate this revenue to the NIS employee's group differently.

C.8 For example, if the state foundation allowance per pupil in 2011-2012 is increased over the previous year (2010-2011) by \$300 per pupil (gain \$2,400,000 for 8,000 FTE students), 20 J funds are not reinstated in 2011-12, the MPSERS rate goes up 0.5% in 2011-12 (expense of \$325,000 on total direct compensation for all district employees at \$65,000,000), and the step/year advancements in 2011-12 result in an increase (expense at \$1,000,000, including MPSERS contribution and FICA costs), then the total additional available revenues year over year are \$1,075,000. If the cost of the NIS employee group's compensation represents 0.6% of total general fund expenditures, then the total net amount of revenue for direct and/or indirect compensation for the NIS employee group would increase by \$6,450. Accordingly, this total amount would be spread equally over each of the groups/years on the salary grid by an equal percentage basis over the remaining payroll periods of the 2012-13 school year (again, unless the parties agreed to allocate the revenues to the NIS employees' group differently). This increase would carry forward to the following school year, although the percentage increase would be different because the number of payroll periods would be different.

C.9 It is further understood and agreed that any cost associated with new programs or new initiatives should not increase the total year-over-year total budgetary expenditures by more than 3% unless programs and initiatives are required by federal and/or state mandates.

C.10 Example of Net Revenue Decrease

The total net amount of revenue loss shall be allocated to reduce both salary grids on a percentage basis (taking into account the then applicable MPSERS contribution rate and FICA), based upon this net amount divided by the total cost of the salary grid, unless another option is found to allocate this revenue loss to the NIS employee group differently.

C.11 For example, if the state foundation allowance per pupil in 2011-2012 is decreased over the previous year (2010-2011) by \$50 per pupil (loss of \$400,000 for 8,000 FTE students), 20 J funds are not reinstated in 2011-12, the MPSERS rate goes up 0.5% in 2011-12 (expense of \$325,000 on total direct compensation for all district employees at \$65,000,000), and the step/year advancements in 2011-12 result in an increase (expense at \$1,000,000, including MPSERS contribution and FICA costs), then the total revenue loss year over year is \$1,725,000. If the cost of the NIS employee group's compensation represents 0.6% of total general fund expenditures, then the total net amount of revenue loss to be allocated to the NIS employee group would be \$10,350. Accordingly, this amount would be spread equally over each of the years on the salary grid by an equal percentage basis over the remaining payroll periods of the school year (again, unless the parties agreed to allocate the revenues to the NIS employee group differently). This reduction would carry forward to the following school year, although the percentage decrease would be different because the number of payroll periods would be different.

C.12 B. General Fund Equity Below 10%

If the general fund equity has fallen below 10% of Board-approved total general fund expenditures, then the NIS employee group's salary grid shall be reduced by a percentage equal to the following formula:

The amount of funds required to return general fund equity to the 10% threshold

X (multiplied by)

the Percent of total expenditure budget represented by the NIS employee group's direct and indirect compensation costs

equals

the total amount of revenue loss to be allocated toward both direct and/or indirect compensation for recognized NIS employee group members.

C.13 This total net amount of revenue loss shall be allocated to reduce the salary grid on a percentage basis (taking into account the then applicable MPSERS contribution rate and FICA), based upon this net

amount divided by the total cost of the NIS employee group's salary grid, unless there is an agreement to allocate this revenue loss to the NIS employee group differently.

C.14 For example, if general fund equity fell to 9%, and the funds required to return general fund equity were \$1,000,000, and if the cost of the NIS employee group's compensation represents 0.6% of total general fund expenditures, then the total net amount of revenue loss to be allocated to the NIS employee group would be \$6,000 ($\$1,000,000 \times 0.6\%$). Accordingly, this amount would be spread equally over each of the years/steps on the salary grids by an equal percentage basis over the remaining payroll periods of the school year (again, unless another option is found to allocate the revenues to the NIS employee group differently). This reduction would carry forward to the following school year, although the percentage decrease would be different because the number of payroll periods would be different.

C.15 C. General Fund Equity Above 15% After Implementation of Section A Above

As used in this formula, "General fund equity" is undesignated and/or unassigned general fund balance, and it would not include revenues generated by sale of capital/and or financial gifts given to the district. The general fund equity threshold will be based upon the district's final and accepted audit for the 2011-2012 school year, which the parties should receive around November 1, 2012. For example, if in the final and accepted audit, the district's approved general fund expenditures are \$100 million for the 2011-2012 school year, and the district's general fund equity as of June 30, 2012 is \$17 million, then the general fund equity is 17%.

C.16 If, after implementation of a change in compensation per Section A above, there continues to exist a general fund equity above 15%, then the following would occur. The amount of dollars above the 15% general fund equity level would be determined and 0.4% of that amount would be allocated in a percentage "off schedule bonus" distributed based on the following formula. This 0.4% amount of the dollars above the 15% general fund equity level would be divided by the total direct compensation for the NIS employee group for that given school year to determine the percent of an "off schedule bonus" to be given per the individual salary of each NIS employee.

C.17 This amount above the 15% general fund equity would be multiplied by 0.4%. In this example, if 1% of general fund equity represents \$1 million, then a general fund equity of 17% with a threshold of 15% would mean that there is a total of \$2 million above the 15% fund equity threshold. This \$2 million would be multiplied by 0.4% (.004) for an amount equal to \$4,000. The \$4,000 would be divided by the total of NIS employee salary expenses including MPSERS and FICA for that previous school year to determine the percentage of the "off schedule bonus" to be distributed based on the individual NIS employee's pay rate. This "off schedule bonus" would be distributed in the 26th pay of that school year. The "off schedule bonus" percentage increase per year would not exceed 6% of the NIS employee's pay rate (including MPSERS and FICA costs).

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This document has been prepared by the
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