Master Agreement

2013 - 2017

The Grosse Pointe Public School System

The Grosse Pointe Administrators Association

389 St. Clair
Grosse Pointe, Michigan 48230

AGREEMENT
BETWEEN
THE GROSSE POINTE PUBLIC SCHOOL SYSTEM
AND
THE GROSSE POINTE ADMINISTRATORS ASSOCIATION

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THIS AGREEMENT ENTERED INTO THIS 28THDAY OF JUNE, 2013, BY AND BETWEEN THE BOARD OF EDUCATION OF THE GROSSE POINTE PUBLIC SCHOOL SYSTEM, WAYNE COUNTY, MICHIGAN, HEREINAFTER CALLED THE "BOARD" AND THE GROSSE POINTE ADMINISTRATORS ASSOCIATION.

RECOGNITION

1.0 The BOARD hereby recognizes the Grosse Pointe Administrators Association, hereafter referred to as the "ASSOCIATION," as the exclusive bargaining representative pursuant to Act 379, P.A. 1965, as amended, for all full time principals, assistant principals, and supervisors of special education and student services who are employed by the BOARD, and such other positions as may be mutually agreed upon between the parties, but excluding all other positions.

1.1 The term "administrator," when used herein, shall refer to all members of the bargaining unit represented by the Association.

ADMINISTRATIVE CONTRACTS

2.0 Administrative appointments are covered by multiple year contracts so that all eligible administrators have some limited tenure as administrators. The essential elements of the plan are as follows:

2.1 A one-year administrative period of probation in a new administrative position may be required. Additional years of administrative probation may be utilized if the circumstances warrant.

2.2 Once the administrative probationary period is satisfactorily served, a two year contract will be offered. However, in the event that an administrator receives an evaluation rating of less than effective, he/she will not receive a contract extension as provided in paragraphs 26 and 26.1 of the Agreement.

2.3 All contracts will be reviewed annually by June 30. A decision will be made at that time by the Superintendent of Schools, subject to approval by the Board of Education, relative to the renewal of that contract. Such information will be communicated immediately to the individual administrator.

REDUCTION OF ADMINISTRATIVE STAFF AND SENIORITY

3.0 In the event the Board decides to reduce the administrative staff, preferential status and priority for retaining any administrator in a position for which he/she is deemed qualified by the Superintendent of Schools shall be based upon the total number of years he/she has satisfactorily served the Grosse Pointe Public School System as an administrator. Additionally, one-half of the administrative experience outside of Grosse Pointe will be counted for seniority purposes.

3.1 Administrators will be deemed qualified in their current administrative position and any other administrative position they have successfully held in Grosse Pointe for a minimum of one year as a contract administrator. This qualification will also require any necessary state certification where it is required for the position. In addition, administrators may be deemed qualified for other administrative positions by the Superintendent of Schools.

3.2 The areas for qualification shall be High School Principal, High School Assistant Principal (includes High School Assistant Principal/Athletic Director in this category with an asterisk next to administrators who have served or are serving as a High School Assistant Principal/Athletic Director), Middle School Principal, Middle School Assistant Principal, Elementary School Principal, and Supervisor of Special Education and Student Services. A seniority list shall be published by October 1 of each year showing the seniority of each administrator in his/her areas of qualification. Administrators shall have until October 31 to contact the Deputy Superintendent for Educational Services regarding any mistakes in the seniority list. After this date the list shall be deemed conclusively correct until the following October 1.

3.3 In the event that a major proportion or operating revenue is lost due to a millage failure, the Board may declare that a financial emergency has occurred at a level that requires the layoff of administrators. In this circumstance administrative contracts may be rendered null and void on the June 30 following this declaration of financial emergency. In the event any portion of the lost millage is restored, any reduction of administrative staff will be conducted in accordance with paragraph 3.4.

3.4 In the event of a reduction of administrative staff for reasons other than a financial emergency, an administrator will be given at least ninety (90) days notice prior to the effective date of the layoff. Upon layoff of employment the administrator's individual contract will be terminated.

3.5 Those who lose their positions by reduction of staff will be recalled to the first open administrative position for which they have prior successful Grosse Pointe administrative experience of a least one (1) year or are deemed qualified by the Superintendent, in order by administrative seniority, prior to the appointment of any candidates new to the school system.

3.6 The right to be recalled from layoff shall last for a period of three (3) years from the date of layoff. The Board shall give written notice of recall from layoff by registered or certified letter to the administrator at his/her address as it appears on the Board's records which shall be conclusive when used in connection with layoffs, recall or other notice to the administrator. If an administrator fails to report to work within thirty (30) calendar days from the date of mailing of the recall letter, unless an extension is granted in writing by the Board, the administrator shall be considered a voluntary quit.

3.7 If an administrator is given a notice of layoff, the Board will make an effort to secure a teaching position within the school system for which the affected administrator is certified and qualified (and per the Michigan Teacher Tenure Act), and, if successful, will pay the difference between his/her administrative salary and the corresponding years of service/steps on the teaching salary for a one year period from the date of notice. However, administrative benefits will not be continued past the effective date of layoff. If the Board is not able to secure a teaching position for the affected administrator, he/she will be laid off from employment with the school system.

3.8 Exempt administrators who have held bargaining unit positions shall be granted seniority for time served in such positions, but shall not accrue any seniority while in an exempt position.

3.9 During the period from the notice of layoff to the effective date of layoff an affected administrator will continue to receive all fringe benefits including the accrual of vacation time.

3.10 The difference between administrator and teacher pay will be calculated by subtracting teacher base pay from administrator base pay. In both instances base pay consists of scheduled salary plus longevity pay.

3.11 When the board is obligated to pay the difference between administrator and teacher pay, compensation received from E.P.E.D. activities will not be offset against administrator pay.

3.12 When an administrator accepts a teaching position through a reduction of staff, the Board will reimburse that portion of the premium for optional life insurance which, when combined with Board paid group life insurance, will not exceed two times his/her scheduled administrative salary. It is understood that the administrator must apply and qualify for such optional life insurance.

3.13 If an administrator accepts other employment during the period from the notice of layoff to the effective date of layoff, all salary and benefits will cease upon the commencement of such other employment. If an administrator accepts a teaching position through a reduction of staff, salary will be paid in accordance with paragraph 3.7 and administrator benefits will cease upon the commencement of work for the teaching period.

GRIEVANCE PROCEDURES

4.0 The term grievance shall be interpreted to mean a complaint by an administrator that there has been a violation, misinterpretation or misapplication of this agreement.

STEP ONE

4.1 An administrator may initiate a grievance by first discussing the matter with his/her immediate supervisor. The grievant may be accompanied by an Association representative. A grievance must be presented 10 days immediately following the event or condition which gives rise to the grievance. Within 10 days after presentation of the grievance, the immediate supervisor shall give his/her answer orally to the administrator.

STEP TWO

4.2 If the grievance is not resolved at Step One, the administrator may reduce his/her grievance to writing and present it to the Superintendent or his designee. The grievance must be filed within 10 days after receipt of the oral answer at Step One. The grievance shall be on a form provided by the Board. The Superintendent or his designee shall schedule a meeting to discuss the matter and shall provide the administrator a written answer to the grievance within 10 days of the meeting.

STEP THREE

4.3 If the matter is not satisfactorily resolved at Step Two the Association may invoke grievance mediation pursuant to the rules of the Federal Mediation and Conciliation Service or the Michigan Employment Relations Commission. The parties may also mutually agree upon a private mediator. It is understood that recommendations of a mediator are not binding on either party and that all discussions in mediation are confidential and shall not be used as evidence in any other proceeding.

GENERAL PROVISIONS

4.4 All references to "days" in this Article shall be regular work days.

4.5 Time limits may be extended by mutual agreement of the parties.

4.6 The Association may provide representation through its officers at Steps One and Two; legal counsel may be present at Step Three.

4.7 Grievances shall be processed during the administrator's non-working hours unless mutually agreed otherwise.

RIGHTS TO REPRESENTATION

4.8 When an administrator has a reasonable belief that discipline may result from an investigatory interview with a supervisor, the administrator has a right to have an Association Representative present at the meeting. The reasonableness of the apprehension or belief of the administrator that the meeting will result in disciplinary action is to be determined by objective standards.

WORK YEAR

5.0 All work years are in terms of calendar months. The school year officially begins July 1 and ends June 30 annually. Normally, an 11 month work year begins August 1 and terminates June 30. Exceptions will be noted in individual contracts.

VACATION ALLOWANCES

6.0 Sections 6.0 through 6.7 are in effect through June 30, 2015

6.1 Administrators shall be entitled to vacations on the following basis:

Years of Service	11 Month Administrators	12 Month Administrators
During 1st through 5th year of service	14 days	15 days
During 6th through 25th year of service	19 days	20 days
26th year and thereafter	23 days	25 days

6.2 All school administrative service, wherever accumulated, and/or all Grosse Pointe service will be counted to establish years of service for vacation purposes.

6.3 Vacation allowance is to be used in the year earned. However, unused vacation days may accumulate for a period of up to two years; and ten days may be accumulated for an indefinite period for 11 month employees while 12 month employees may accumulate twelve days for an indefinite period. These banked days shall remain banked unless an administrator utilizes said days to increase his/her vacation period beyond his/her annual allotment in any given year. At the administrator's resignation or retirement, the district shall contribute an amount equal to the value of the banked days to a tax deferred plan of the district's choice.

6.4 Vacations are to be scheduled at the mutual convenience of the administrator and the school system. Advice to, and clearance with the Superintendent/Deputy Superintendent is required.

6.5 Normally, the two weeks prior to the opening of school in the fall should not be requested as vacation time for principals and assistant principals.

6.6 If, at separation from the school district, vacation allowances are overdrawn, adjustments to recover payments for unearned vacation will be made in the final settlement. The same principle will operate for those who have drawn regular salary in advance in excess of what has been actually earned and who separate from the school system before a year ends.

6.7 Compensation at the administrator's daily rate will be paid for earned, unused vacation days at separation. An administrator's daily rate of pay is determined by dividing the total salary compensation by 247 days for a twelve month administrator and 227 days for an eleven month administrator.

6.8 Vacation days are not to be used by building administrators on the day preceding or the day following a student vacation period. Exceptions for unusual circumstances may be granted by the Superintendent/Deputy Superintendent.

VACATION CHANGE
Vacation Day Changes Effective July 1, 2015

7.0 Effective for the 2015-16 school year the district will fix 5 days at Winter Break/Christmas (remainder of days remain flexible). Payout to of unused vacation days to those leaving the district would only accumulate for 1 year (plus the 10 days in the "lock box" that exists in current language). Administrators must have minimum of 6 years experience in the district to receive vacation day payouts upon departure.

Years of Service	11 Month	12 Month
1-5	14 days (5 fixed, 9 flexible)	15 days (5 fixed, 10 flexible)
6-25	19 days (5 fixed, 14 flexible)	20 days (5 fixed, 15 flexible)
26th+	23 days (5 fixed, 18 flexible)	25 days (5 fixed, 20 flexible)

7.1 Effective for the 2016-17 school year the district will fix 5 days at Winter Break/Christmas and 5 days at Spring Break (10 total with remainder to be flexible).

Years of Service	11 Month	12 Month
1-5	14 days (10 fixed, 4 flexible)	15 days (10 fixed, 5 flexible)
6-25	19 days (10 fixed, 9 flexible)	20 days (10 fixed, 10 flexible)
26th+	23 days (10 fixed, 13 flexible)	25 days (10 fixed, 15 flexible)

NON DUTY ALLOWANCE

8.0 The administrator will be awarded two (2) less duty days to be taken at the discretion of the administrator during days in which school is not in session with prior approval from their immediate supervisor in central administration.

PAID HOLIDAYS

9.0 Administrators will be eligible for paid holidays provided to all other employees, if they occur during the assigned working year. If the Martin Luther King Holiday is a non-duty day for teachers it will also be a non-report day for GPAA members.

SICK LEAVE

10.0 The Board of Education provides an unlimited sick leave program for personal illness or disability to the extent of approximately six school months (120 duty days) per illness or disability for administrators. Notification of illness must be made as soon as possible to the office of the Superintendent or Deputy Superintendent. A long-term disability insurance program covering illnesses or disabilities which exceed 120 duty days is provided by the Board.

OTHER LEAVES

11.0 The Board will make reasonable provisions to extend paid leaves of absence to administrators 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. Whenever possible, such leaves must have prior approval of the Superintendent/Deputy Superintendent.

11.1 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.

FAMILY MEDICAL LEAVE ACT (FMLA)

12.0 The Board will grant up to twelve (12) weeks of family and medical leave during any twelve (12) month period to eligible employees in accordance with the Family and Medical Leave Act of 1993 (FMLA). All requests for such leave will be made to the Director of Human Resources. 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 employee to give thirty (30) days' notice, the employee must give as much notice as is practicable. Proper certification of the reason for the leave must be provided. An 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 employee will be returned to his/her position held prior to the leave.

EMOTIONAL AND MENTAL HEALTH

13.0 In a case of a leave of absence involving an emotional or mental health problem, the Board of Education shall determine such administrator's ability to return to duty.

13.1 This determination may be based on an advisory opinion from a panel of three qualified physicians. In such cases, the panel of physicians shall consist of one physician selected by the administrator, one selected by the Board, and a third selected by the other two appointees.

13.2 The recommendations of this panel (which shall be advisory only as to the matter) shall be placed in writing, with a copy made available to the administrator. The Board of Education will assume the payment of fees for the services of all three physicians in this regard.

LIABILITY INSURANCE

14.0 The Board will provide comprehensive liability insurance protection under the liability policy now carried by the Board for all administrators in its employ, with limits of $500,000 per occurrence for all bodily injury and property damage with a $5,000,000 Umbrella Liability Policy to supplement the same. In addition, the Board will provide liability insurance with respect to any claims for loss or damage not otherwise covered by liability or casualty insurance with respect to liabilities for policy-making activities with limits of $5,000,000.

FRINGE BENEFITS

15.0 The Board of Education will provide all administrators with health, dental, vision, life, and long term disability insurance through a flexible benefits plan.

PHYSICAL EXAMINATION

16.0 Upon written request, reimbursement equal to the amount charged by St. John Occupational Health or Shores Urgent Care or equivalent for its basic minimum examination is paid to administrators for an annual physical examination.

16.1 Every third year an administrator will be eligible for reimbursement equal to the amount charged by St. John Occupational Health or Shores Urgent Care or equivalent for its full comprehensive examination.

16.2 Direct billing to the school district will be honored for examinations given at St. John Occupational Health or Shores Urgent Care. Documentation for reimbursement, to include receipts or canceled checks, is necessary if examinations are given elsewhere.

HEALTH INSURANCE COST CONTROLS

17.0 The Association agrees to explore and discuss with the District methods for possible cost controls when, in any one insurance year, health insurance premiums increase greater than five percent (5%).

17.1 In addition, the Association agrees to endorse a voluntary wellness and health awareness program. Possible wellness programs could include, but not be limited to, stress reduction, weight loss and control, smoking cessation, cholesterol improvements, CPR, flu prevention, hand hygiene, etc.

PERSONAL PROPERTY

18.0 It is the policy of the Board of Education to reimburse administrators 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 administrator or by the Board.

DIRECT DEPOSIT

19.0 The Board agrees, upon written authorization of the administrator, to make available the opportunity for direct deposit of administrators' pay checks to the bank(s) and account(s) of their choice. Procedures for this process will be established by the Business Office and implemented within 60 days of the ratification of this document.

TRAVEL/CAR ALLOWANCE

20.0 Administrators will be reimbursed for the use of their private automobiles for business purposes according to prescribed procedures set up by the Business Office.

PROFESSIONAL DUES

21.0 Upon a written request, an amount equal to the annual dues of the National Association of Elementary School Principals is available to administrators for dues to professional organizations approved by the Superintendent/Deputy Superintendent.

VOLUNTARY RETIREMENT SUPPLEMENT

22.0 In the event a voluntary retirement supplement is provided to any other group within the school system, the Board of Education and representatives of the administrative staff shall develop a voluntary retirement supplement program for the administrative group.

EMPLOYMENT RESTRICTIONS

23.0 Competent administrative performance in The Grosse Pointe Public School System requires considerable stamina and dedication of purpose. Accordingly, administrators are not permitted to seek or to accept professional responsibilities which require time from regular duties and for which there is financial compensation unless such responsibilities have prior approval of the Superintendent. This clause does not apply during the "unscheduled month" of the work year for an eleven month administrator.

EVALUATION

24.0 Administrators will be evaluated in accordance with the agreed upon procedures or relevant state law.

MOVEMENT TO MAXIMUM

25.0 Movement to the maximum of the salary schedule will be as follows:

Year 1	Negotiated salary
Year 2	1/4 of the difference between the administrator's salary after schedule adjustments and the maximum for his/her classification
Year 3	1/2 of the difference between the administrator's salary after schedule adjustments and the maximum for his/her classification
Year 4	3/4 of the difference between the administrators' salary after schedule adjustments and the maximum for his/her classification
Year 5	Maximum salary

STEP PROGRESSION

26.0 The following plan will be implemented effective beginning with the 2014-15 school year:

- Administrators on steps will be eligible to advance a step for the following year if their overall evaluation from the previous year is effective or highly effective.
- Administrators on steps who are rated overall minimally effective or ineffective will not be eligible to advance a step in the next school year.
- Administrators already at the maximum of their salary lane will be eligible to stay at that step for the following year if they are rated effective or highly effective.

26.1 Administrators already at the maximum of their salary lane, who are rated overall minimally effective or ineffective, shall be moved one full step lower on the salary schedule for the year after an overall minimally effective or ineffective rating.

SALARIES

27.0 Salaries for 2013-14, 2014-15, 2015-16 and 2016-17 will be paid in accordance with the following classification and compensation schedules.

27.1 The following wage changes (see attached tables) shall be in place during this contract:
2013-14 – 4.3% decrease (relative to the final post-Formula pay table from 2012-13
2014-15 – 0% wage change
2015-16 – 1% increase
2016-17 – 1.8% increase

SALARY SCHEDULE 2013-17

ADMINISTRATIVE CLASSIFICATION AND COMPENSATION SCHEDULE						
Twelve Month Administrators						
	2013-2015		**2015-2016**		**2016-2017**	
Classification	**Minimum**	**Maximum**	**Minimum**	**Maximum**	**Minimum**	**Maximum**
Director	$99,701	$127,355	$100,698	$128,628	$102,510	$130,943
High School Principal	$101,207	$129,279	$102,220	$130,572	$104,059	$132,922
Eleven Month Administrators						
	2013-2015		**2015-2016**		**2016-2017**	
Classification	**YEAR 1**	**YEAR 5**	**YEAR 1**	**YEAR 5**	**YEAR 1**	**YEAR 5**
Supervisor of Special Education	$80,965	$103,421	$81,775	$104,455	$83,246	$106,335
Middle School Assistant Principal	$84,255	$107,624	$85,098	$108,700	$86,630	$110,657
High School Assistant Principal and High School Assistant Principal/Athletic Director	$86,805	$110,883	$87,673	$111,992	$89,251	$114,008
Elementary Principal	$87,133	$111,323	$88,005	$112,436	$89,589	$114,460
Middle School Principal	$89,541	$114,377	$90,437	$115,520	$92,065	$117,600
Note that progression on the salary schedule above is defined by section 25 of the contract titled Movement to Maximum.						
THE TWELVE-MONTH SCHEDULE IS BASED ON 261 WORKDAYS PER YEAR; THE ELEVEN-MONTH SCHEDULE IS BASED ON 240 WORKDAYS PER YEAR; VACATION DAYS, WHICH VARY BY INCUMBENT, AND HOLIDAYS ARE INCLUDED.						

TEMPORARY FORMULA (IN EFFECT JULY 1, 2013 THROUGH JUNE 19, 2017)

28.0 For the 2013-14 through 2016-17 school years the parties agree that the current 'Formula' shall be modified as described as below. Absent a mutual agreement to do otherwise, the parties agree that on June 20, 2017 the current/original 'Formula' as described in A shall be in effect without modifications per the 2011-12 and 2012-13 school years.

28.1 For the 2013-14 through 2016-17 school years the parties agree that the 'Formula' shall be modified as follows:

28.2 The district agrees that it shall use its best efforts to adopt a budget that results in June 30th fund equity (also called "fund balance") equal to the following targets for each year specified:

28.3 For 2013-14 – Actual Ending Fund Equity for 2012-13 + 3.57%

28.4 For 2014-15 – Actual Ending Fund Equity for 2013-14 + 3.3%

28.5 For 2015-16 – 11.53%

28.6 For 2016-17 – 11.62%

28.7 The following provisions regarding the targets above are only in effect for 2013-14 and 2014-15:

1. If the final audited fund equity is within 1% of the above target for a year, then the GPAA members shall not experience any impact of the 'Modified Formula' during the following year.

2. If the fund equity falls below the target for a year in excess of 1%, then GPAA members will also not experience any impact of the Modified Formula during the following year, unless during that year one or both of the following situations occurred:

a) the district's MPSERS rate (defined as the effective district-weighted percentage retirement contribution rate which the district must pay to cover the cost of retirement benefits under MPSERS) increased from the currently anticipated district-weighted rate of 24.46%; or;

b) the district's annual per pupil state funding is decreased from its current per pupil level of $9744.

28.8 In the event either or both of the situations above occur, then the parties shall meet and confer within 30 calendar days of implementation of such change(s) to discuss adjustments to employee compensation and/or the district budget to potentially address the matter to help meet the fund equity target for the year.

28.9 In the event the fund equity falls below the target for a year in excess of 1%, and either or both of the situations above occur, again the parties shall meet and confer within 30 calendar days of receiving notice of the fund equity shortfall in excess of 1% to reach agreement to remedy the problem. Failure to reach an agreement will result in the modified 'Formula' being placed in effect for the following school year. (Modified 'Formula' in this case means that the GPAA members shall experience a salary reduction to bring the district's finances back to within 1% of the target as provided under the original 'Formula'.) The modified Formula would only recoup dollars lost due to a MPSERS change and/or Foundation Allowance reduction. The modified Formula would not recoup dollars below the fund equity target caused by something other than a MPSERS change or Foundation Allowance reduction (i.e., the Modified Formula would not recoup a shortfall in funds due to a decline in pupil enrollment or increases in staffing).

Illustrative Examples of Application of the Modified Formula:

Example A:

Assuming an actual ending fund equity of 2.61% on June 30, 2013, if the district fund equity on June 30, 2014 is 5.5%, GPAA *members would experience no impact of the modified 'Formula', since the final fund equity was within 1% of the target (the target being 2.61% +3.5%=6.11%).*

Example B:

Assuming an actual ending fund equity of 6.11% on June 30, 2014, if the district fund equity on June 30, 2015 is 7%, the target of 9.41% (6.11% +3.3%) was not met. If the fund equity of 7% was due to the result of an increase in the district's MPSERS rate, and/or a reduction in the district's per pupil foundation allowance, the modified 'Formula' would reduce GPAA *member salaries for the 2015-16 school year in an amount as provided in the Formula to help make-up the shortfall in fund equity to 8.41% (1% of the target.) If there was no increase in the district's MPSERS rate, and there was no reduction in the district's per pupil foundation allowance, then* v *member compensation in 2015-16 would not otherwise be impacted by the Modified Formula.*

28.10 For the 2015-16 and 2016-17 school years, while the district anticipates that fund equity will rise above 10%, the target for the purposes of the Modified Formula will be 10%, with GPAA members not being impacted by the Modified Formula unless the fund equity drops below 9% (less than 1% of the target of 10%).

28.11 For the duration of this agreement, if the final fund equity of a school year is in excess of 15%, the parties shall meet and confer within 30 calendar days of notice of this situation to discuss possible actions to be taken. If the parties do not reach a mutual agreement, Section C, "General Fund Equity Above 15% After Implementation of Section A Above" shall be implemented and go into effect.

GPPSS/GPAA FORMULA

29.0 The following formula identified in paragraphs 29.1 – 29.4 is not in effect until June 20, 2017.

29.1 The parties agree that salaries for both salary grids for the 2017-2018 school year shall be determined according to the formula set forth below. 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%.

29.2 Revenue is defined as general fund revenue. Expenditures are defined as general fund expenditures and transfers.

29.3 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.

29.4 Should the formula below be implemented following the 2016-17 school year, the expenses/revenues/contractual /budget amounts from 2016-17 would be used for the purposes of computation in regard to the formula as outlined below.

2012-2013 School Year

29.5 Step advancement from 2011-2012, 0% on salary grid

29.6 The parties agree that salaries for both salary grids for the 2012-2013 school year shall be determined according to the formula set forth below. 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 and transfers (debt and school service). Therefore, the formula works differently if the District's general fund equity falls below 10%.

29.7 Revenue is defined as general fund revenue. Expenditures are defined as general fund expenditures and transfers.

29.8 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.

29.9 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.

A. GENERAL FUND EQUITY AT LEAST 10%

29.10 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 administrators 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 administrator labor contract (including MPSERS and FICA costs).

29.11 The Board will allocate funds toward both direct and/or indirect compensation to administrators 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 administrators direct and indirect compensation costs
- equals
- the total amount of revenue to be allocated toward both direct and/or indirect compensation for recognized administrative bargaining group members.

Example of Net Revenue Increase

29.12 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 administrators' unit differently.

29.13 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 administrative bargaining unit compensation represents 4% of total general fund expenditures, then the total net amount of revenue for direct and/or indirect compensation for the administrative unit would increase by $43,000. 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 administrators' unit 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. In the example above, assuming the administrative salary grid cost $4,300,000, the $43,000 would be allocated on the salary grids for the following school year by increasing each step on the grid by 0.75% across the board ($32,426 divided by $4,300,000; note that $7,284 of the total amount of $43,000 is allocated to MPSERS contribution at 16.94% and $3,290 is allocated to FICA at 7.65%).

29.14 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.

Example of Net Revenue Decrease

29.15 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 the parties agree to allocate this revenue loss to the administrative unit differently.

29.16 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 administrative bargaining unit compensation represents 4% of total general fund expenditures, then the total net amount of revenue loss to be allocated to the administrative unit would be $43,000. 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 administrative unit 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. In the example above, assuming the administrative salary grids cost $4,300,000, the $43,000 reduction would be allocated on the salary grid for the following school year by decreasing each step/year on the grids by 0.75% across the board ($32,426 divided by $4,300,000; note that $7,284 of the total amount of $43,000 is allocated to MPSERS contribution at 16.94% and $3,290 is allocated to FICA at 7.65%).

B. GENERAL FUND EQUITY BELOW 10%

29.17 If the general fund equity has fallen below 10% of Board-approved total general fund expenditures, then the administrative 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 administrative direct and indirect compensation costs
- equals
- the total amount of revenue loss to be allocated toward both direct and/or indirect compensation for recognized administrative bargaining group members.

29.18 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 administrative salary grid, unless the parties agree to allocate this revenue loss to the administrative unit differently.

29.19 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 administrative bargaining unit compensation represents 4% of total general fund expenditures, then the total net amount of revenue loss to be allocated to the administrative unit would be $40,000 ($1,000,000 x 4%). 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 the parties agreed to allocate the revenues to the administrative unit 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. In the example above, assuming the administrative salary grid cost $4,300,000, the $40,000 reduction would be allocated on the salary grids for the following school year by decreasing each step on the grids by .70% across the board ($30,164 divided by $4,300,000; note that $6,776 of the total amount of $40,000 is allocated to MPSERS contribution at 16.94% and $3,060 is allocated to FICA at 7.65%).

C. GENERAL FUND EQUITY ABOVE 15% AFTER IMPLEMENTATTION OF SECTION A ABOVE

29.30 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%.

29.31 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 2.5% of that amount would be allocated in a percentage "off schedule bonus" distributed based on the following formula. This 2.5% amount of the dollars above the 15% general fund equity level would be divided by the total direct compensation for administrators for that given school year to determine the percent of an "off schedule bonus" to be given per the individual salary of the administrator.

29.32 For example, the implementation of the change in compensation per Section A of this formula would occur first. Upon completion of Section A, it is determined that the remaining general fund equity in the 2012-2013 school year is at 17% with approved general fund expenditures and transfers (debt and school service) throughout that year that does not result in any further reductions in general fund equity at the end of the 2012-2013 school year, then the amount of dollars above the 15% general fund equity threshold would be determined. This amount above the 15% general fund equity would be multiplied by 2.5%. 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 2.5% (.025) for an amount equal to $50,000. The $50,000 would be divided by the total of administrative 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 administrator'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 administrative pay rate (including MPSERS and FICA costs).

D. IMPLEMENTATION

29.33 The parties will have until December 21, 2012, to agree to implement any increases or decreases in compensation differently than through a change in the salary grid as set forth above. Any change in pay (direct compensation) would be initiated beginning with the first scheduled pay day in January, 2013 and would be equally distributed through the remaining pays for work performed for that school year. It is understood and agreed that such changes shall not require the agreement or any action on the part of the bargaining unit members, as these changes are authorized by the parties' collective bargaining agreement.

LONGEVITY PAY

30.0 Administrators will be eligible for longevity pay in accordance with the following schedule:

Grosse Pointe Administrator Experience	**Combined Grosse Pointe Experience**	**Amount 2013-2017**
Beginning with 5th year	10th year	$1,285
Beginning with 10th year	15th year	$1,928
Beginning with 15th year	20th year	$2,571

30.1 Longevity pay will be calculated on July 1 each year and will be payable to qualified administrators beginning with the first paycheck thereafter.

HOURS AND DEGREES

31.0 Administrators will be recognized for advanced study beyond a Master's Degree according to the following formula:

- $30 per credit hour, up to a maximum of $450
- $600 for Education Specialist, or two Masters' Degrees
- $750 for Doctorate

EARLY NOTIFICATION STIPEND

32.0 An eligible administrator who notifies the district prior to March 1st in writing of his/her intent to resign effective June 30 of the current year shall receive a one-time payment of $2000 paid upon separation with the district in the administrator's last pay into a 403(b) if they meet the following qualifications:

- The resignation must be effective June 30th of the current school year.
- The resignation must be received in the Office of Human Resources prior to March 1st of the current school year.
- The resignation must be for the purposes of retirement with ORS. Formal confirmation from ORS of a received retirement notification may be requested by the District.
- The resignation must be in writing and is irrevocable.
- Upon receipt of the resignation the District will place the employee's name on the Board Report for acceptance by the Board of Education. Confidentiality of resignation cannot be guaranteed.

32.1 The intent of this program is to allow the district to make the best possible staffing and budgeting decisions in a timely manner.

SEVERANCE PAYMENT

33.0 The Board shall provide GPAA members $200 per year for all completed years of Grosse Pointe service; payable to a tax deferred plan of the district's choice at the administrator's resignation or retirement.

FLEXIBLE BENEFITS PROGRAM

34.0 The Board will provide a flexible benefits program that offers choices among the benefit plans described in the paragraphs below. This program was in effect on February 1, 2001.

34.1 Newly hired administrators are eligible to participate in the life, health, dental, and vision portions of the flexible benefits plan upon hire. Administrators 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.

34.2 The Board, in consultation with the GPAA, will establish a menu of benefit options that will be available to administrators 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.

34.3 The flexible benefits plan will include the following:

LONG TERM DISABILITY INSURANCE

35.0 The Board will provide administrators with long term disability insurance that has the following features:

- 120 duty day waiting period;
- Payment of 90% of base monthly earnings for the first six (6) months of benefits (maximum monthly benefit of $8,100);
- Thereafter, payment of 66 2/3% of base monthly earnings (maximum monthly benefit of $6,000);
- Up to 24 months of benefits for outpatient mental and nervous disorders.

GROUP LIFE INSURANCE

36.0 The Board will provide core group life and accidental death and dismemberment coverage with a face value equal to twice the administrator's annual salary. Additional life insurance coverage will be available under the flexible benefits plan.

HEALTH COVERAGE

Health Plan for Features for 2013-2014:

37.0 Effective July 1, 2013 members of the GPAA shall be provided the option to enroll in BCBS Community Blue PPO 10 with Rx Drugs ($10 Generic, $35 Formulary, $60 Non-Formulary) under the new three-tier Rx plan can be found here:

http://www.bcbsm.com/member/prescription_drugs/custom_formulary.shtml

37.1 Members of the GPAA shall contribute 20% of the cost of health insurance an annual basis in addition to the spousal surcharge.

37.2 For any administrator who has a spouse that is primary insured on the GPPSS plan, a monthly surcharge of $50 per month ($600 for year) will be an automatic pre-tax deduction to be paid via automatic payroll deduction over 21 pays.

37.3 Administrators 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 administrator is employed with the district. For example, if the cost of the full family health plan is $17,442 and a full time administrator is credited by the Board for 80% of this cost, then the Board would contribute for a full time administrator a total of $13,954. For an 80% employed administrator with the district, the Board would pay for 80% of the Board contribution to the health care and therefore, contribute $11163 with the remaining balance of $6279 being the responsibility of the 80% employed administrator with an automatic pre-tax deduction of this amount to be paid via automatic payroll deduction over 26 pays.

37.4 Administrators 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 per year.

37.5 Payments will be spread over 26 pay periods per year. This stipend will be prorated for administrators working less than a full year and prorated based on their scheduled FTE in the district for that school year. Administrators working less than 50% time are not eligible for this cash incentive.

DENTAL COVERAGE

Dental Insurance

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

36.1 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 employee and dependent with 90% coverage.

36.2 Dental insurance coverage for in-network dental facility would be covered with $1,500 maximum payment per routine visit with 90% coverage and $1,200 lifetime orthodontic per employee dependent (ages 6-18) with 90% coverage.

VISION COVERAGE

37.0 The primary plan provided will be a plan with the same benefits as those available as of June 30, 2000. In addition, the flexible benefits plan will include at least one less expensive vision plan option.

BENEFIT CREDITS

38.0 The district will give each administrator a specified amount of benefit credits for each category of benefit plans within the flexible benefits program. The amount of credits each administrator receives will be based upon his/her family status and percent of time worked. The administrator will use these credits to "buy" the plans that best meet his/her individual needs.

HEALTH PLAN

39.0 Full time administrators who choose to waive the health plan will receive an amount of benefit credits resulting in the following outcomes:

- Full time administrators whose status is family or two-person and who choose to waive the health plan participation will receive $2,200 per year for doing so.
- Administrators whose family status is single and who choose to waive the health plan participation will receive $1,100 per year for doing so. The stipend paid for waiving medical plan participation will be prorated for administrators who are not employed for the full school year or whose assignments are less than full time.

39.1 Part time administrators will receive benefit credits proportionate to their assignments. For example: a half time administrator will receive 50% of the benefit credits indicated above.

NON MEDICAL PLAN CREDITS

40.0 Each contract year, full time administrators will receive benefit credits for dental, vision, basic life insurance, and long term disability insurance equivalent to the actual costs of the plans on July 1 of that year. For example, for the 2000-2001 year, each full time administrator will receive dental benefit credits equivalent to the actual cost of the dental plan on July 1, 2000. Part time administrators will receive benefit credits proportionate to their assignments. Full time administrators will be required to elect dental, vision, basic life and long term disability insurance plans. Part time administrators may elect to waive coverage in these plans, but no cash stipends will be paid in that event.

PRICE TAGS

41.0 Each benefit plan option included within the flexible benefits plan will have a price tag. The price tag is the amount of benefit credits that an administrator must spend to “buy” that particular option.

ELIGIBILITY

42.0 The above provision does not apply to spouses eligible for group health plan coverage that does not coordinate with the Flexible Plan described above.

42.1 The provision does not require an administrator’s spouse to enroll the administrator’s dependent children in the spouse’s group health plan coverage.

SELF FUNDING STATEMENT

43.0 It is acknowledged and agreed that references to insurance encompass references to self-funded benefits. The Board may continue to self-fund any or all of the benefits described herein.

NON MEDICAL PLAN PRICE TAGS

44.0 Price tags for dental, vision, life, and long term disability insurance plans will equal the actual costs of the plans.

SECTION 125 OF THE IRS CODE

45.0 Notwithstanding any other provision of the contract 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 the Association.

45.1 The amount of cash option may be applied by the bargaining unit member to a tax deferred annuity. To elect a tax deferred annuity, the bargaining unit member shall enter into a salary reduction agreement.

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

DURATION

46.0 This agreement shall continue in full force and effect for a period of four years, commencing on July 1, 2013 ending on June 30, 2017.

IN WITNESS WHEREOF, the parties have executed this Agreement by their duly authorized representatives the day and year first above written.

Board of Education The Grosse Pointe Public School System Wayne County, Michigan	Grosse Pointe Administrators Association
By: President	By: President
Secretary	Chief Negotiator
By: Deputy Superintendent Educational Services	

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This document has been prepared by the
Human Resources Department of
The Grosse Pointe Public School System.