

SCHEFF, WASHINGTON & DRIVER, P.C.

ATTORNEYS AT LAW
645 GRISWOLD STREET, SUITE 1817
DETROIT MICHIGAN 48226

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April 27, 2011

To: **TEACHERS, COUNSELORS AND OTHERS SUBJECT TO THE ILLEGAL TIP DEDUCTIONS.**

As you know, the Robert Bobb has taken a \$250 per pay period deduction which will not be paid until the teacher or other employee retires or resigns. There is neither interest for this loan, nor security that it will ever be paid.

The State of Michigan Wage and Hours judge has just ruled that these deductions violate state law and has ordered the district to pay teachers the money and a ten percent penalty.

You may still join the lawsuit against this, although you will only be able to claim backpay for one year back from the date your complaint is filed. **Under Michigan law, you may object to this forced deduction ONLY by filing an individual wage claim with the Michigan Department of Labor, Wage and Hour Division.**

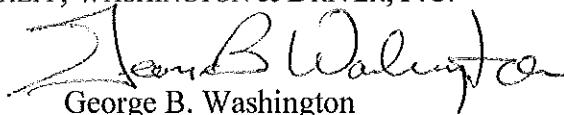
We are filing charges on behalf of any teacher or other employee who wants representation. There is no fee for this unless we prevail. In order for us to file for you, we need the following:

1. An employment wage complaint, completely filled out and signed by each employee (copy attached).
2. A retainer agreement completely filled out and signed by each employee (copy attached).

If you want us to represent you, the originals of these two documents must be mailed to us at our address, which is listed above. You can copy these documents and provide them to anyone who wants to file. We do, however, need an original signature on documents one and two, even if the form is copied. Because the State requires original signatures, please do not FAX or email the completed forms to us.

If you have an email address, be sure to put in on the retainer agreement as this is the quickest and easiest way for us to keep in touch with you.

Sincerely,
SCHEFF, WASHINGTON & DRIVER, P.C.


George B. Washington

GW/dr

Employment Wage Complaint Michigan Department of Energy, Labor & Economic Growth Wage & Hour Division Mailing Address: P.O. Box 30476 Lansing, MI 48909-7976 Telephone: 517.335.0400 Facsimile: 517.335.0077 Website: www.michigan.gov/wagehour	Street Address: 7150 Harris Drive Lansing, MI 48913	IMPORTANT: By filing this claim with the Wage & Hour Division, you are electing a remedy which may prevent you from pursuing this claim elsewhere, including civil court.
		DELEG is an equal opportunity employer program. Auxiliary aids, services and other reasonable accommodations are available upon request to individuals with disabilities for the purpose of accessibility under state and federal law. Please call 517.322.1825 to make your needs known to this agency.
		AUTHORITY: ACT 390, PUBLIC ACTS OF 1978, AS AMENDED ACT 154, PUBLIC ACTS OF 1984, AS AMENDED
		COMPLETION: VOLUNTARY PENALTY: NONE

EMPLOYEE INFORMATION Please print your name below. Please sign your name in the signature block on the back of this form.		
LAST NAME, FIRST NAME, MIDDLE INITIAL () Mr. () Ms.		LAST FOUR DIGITS OF SOCIAL SECURITY NUMBER:
ADDRESS (STREET NUMBER AND NAME):		BIRTH DATE:
CITY, STATE, ZIP:		COUNTY:
EMAIL ADDRESS:	HOME TELEPHONE NUMBER: ()	TELEPHONE NUMBER WHERE YOU CAN BE CONTACTED BETWEEN 8 AM AND 5 PM, MONDAY THROUGH FRIDAY: ()
ADDRESS WHERE YOU WORKED: STREET NAME AND NUMBER:		
CITY, STATE, ZIP:		COUNTY:

EMPLOYER INFORMATION			
BUSINESS NAME: Detroit Public Schools		EMAIL OR WEBSITE ADDRESS (IF KNOWN): Robert.bobb@detroitk12.org	
BUSINESS ADDRESS (STREET NUMBER AND NAME): 7322 Second Avenue		TELEPHONE NUMBER: () (313) 873-7860	
CITY, STATE, ZIP: Detroit, MI 48202-2711		COUNTY: Wayne	
IF THE ADDRESS SHOWN ABOVE IS NOT CURRENT FOR THE EMPLOYER, WHERE CAN THE EMPLOYER BE CONTACTED?		PERSON IN CHARGE OF DAY-TO-DAY OPERATIONS: Robert C. Bobb	
		What type of work did you do?	
NUMBER OF EMPLOYEES:		YES	NO
Have you asked the employer for your wages and/or your fringe benefits?		<input checked="" type="checkbox"/>	<input type="checkbox"/>
Were you in a union or covered by a union contract? If yes, submit a copy.		<input checked="" type="checkbox"/>	<input type="checkbox"/>
Did your employer regulate your hours?		<input checked="" type="checkbox"/>	<input type="checkbox"/>
Did your employer tell you how to perform your work?		<input checked="" type="checkbox"/>	<input type="checkbox"/>
Did your employer make deductions for taxes?		<input checked="" type="checkbox"/>	<input type="checkbox"/>
Did you receive a W-2 Statement? If yes, submit a copy.		<input checked="" type="checkbox"/>	<input type="checkbox"/>
Did you receive an IRS FORM 1099? If yes, submit a copy.		<input type="checkbox"/>	<input checked="" type="checkbox"/>

FOR OFFICE USE ONLY	CLAIM NUMBER:	ACTION:	REVIEWER:	DATE:
AMOUNT, NATURE AND DATES OF CLAIM:		CC:		

CLAIM WILL BE RETURNED IF AN AMOUNT AND PERIOD CLAIMED IS NOT PROVIDED.

Nature of Claim	Amount Claimed	Period Claimed		Calculate Amount Claimed I.e. \$8.00 per hour x 10 hours = \$80 (Attach additional sheets if necessary)
		Month/Day/Year	to: Month/Day/Year	
Pay Stubs not issued	NA			
Hourly Wages	\$			
Salary	\$ 10,000	1/12/2010	12/31/2011	
Commissions	\$			
Deductions	\$			
Minimum Wage/Overtime	\$			
Vacation	\$			
Expenses	\$			
Sick	\$			
Holiday	\$			
Paid Time Off	\$			
Bonus	\$			
Debit Card/Direct Deposit	\$			
Piece Rate	\$			
Total Amount Claimed	\$ 10,000			

Provide any additional information you may have on an attached sheet of paper. Attach copies of any document which supports your claim such as; an employment contract, wage agreement, commission statements, invoices, time records, list of hours worked, check stubs, written fringe benefit (vacation pay, sick pay, holiday pay, paid time off, bonus, expense reimbursement) policy or contract.

Start date of employment (Month/Day/Year):		Last date worked (Month/Day/Year):			
Employment Status: <input type="checkbox"/> QUIT <input type="checkbox"/> DISCHARGED <input type="checkbox"/> STILL EMPLOYED					
If discharged, state reason given by employer?					
RATE OF PAY	HOURLY \$	SALARY \$	COMMISSIONS \$	OTHER \$	
If salaried, how many days did you work each week or pay period?					
How often were you paid? <input type="checkbox"/> WEEKLY <input type="checkbox"/> BI-WEEKLY <input type="checkbox"/> SEMI-MONTHLY <input type="checkbox"/> MONTHLY					
PLEASE ANSWER THE FOLLOWING QUESTIONS					
				YES	NO
Does the business make more than \$500,000/year or transport goods outside of Michigan?				✓	
Are you filing this claim because the employer did not pay minimum wage and/or time & one-half for hours worked over 40/week?					✓
What is the employer's reason for not paying what you are claiming? Illegal Contract Negotiated with DFT					
CERTIFICATION: I certify that to the best of my knowledge and belief, this is a true statement of wages or fringe benefits due me. I will inform the department if any of the following occur; change of name, address, and/or telephone number for myself and/or employer, direct payment and/or settlement of claim. Filing this complaint does not guarantee payment, or a finding in your favor.					
SIGNATURE OF CLAIMANT:				DATE:	

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EILEEN R. SCHEFF
GEORGE B. WASHINGTON
SHANTA DRIVER

RETAINER AGREEMENT

The undersigned _____ hereinafter called client, retain and employ SCHEFF, WASHINGTON & DRIVER, P.C., Attorneys at Law, to prosecute the client's claim against the Detroit Public Schools or any other persons, firms or corporations, who are or may be liable thereof, as a result of the forced \$250 per pay deductions from pay specified in the December 3, 2009 Settlement Proposal between the Detroit Public Schools and the Detroit Federation of Teachers (DFT).

It is understood and agreed that for said services the said Attorneys shall have and receive the sum of \$250 from the individual client deducted from any amounts awarded by a tribunal or recovered as a result of any settlement in this matter. If nothing is recovered, no fees will be due.

It is understood and agreed that client shall be responsible for a pro rata share of costs, which shall be itemized.

In the event that a Court or an administrative agency shall award all or any part of the Attorneys' fees and costs, client shall receive a pro rata credit for said amount towards payment of the \$250 fee. In the event that the Court award shall exceed \$250 per claimant, the attorneys shall retain the full amount of the award.

No final compromise or settlement of the claims or any part thereof will be made by the Attorneys without first notifying and obtaining the consent of a majority of the clients who have filed claims. The client agrees to abide by a majority vote of the clients.

It is further agreed that the client or the Attorneys may terminate this agreement upon reasonable notice.

Any disputes over fees shall be settled by arbitration with the American Arbitration Association. The client acknowledges that it may be possible to employ an Attorney under a fee agreement other than a contingent fee arrangement, such as an hourly basis. The client further acknowledges receipt of a copy of the above Retainer Agreement.

SIGNATURE _____

NAME (Print) _____

ADDRESS

PHONE

DATED: _____

PLEASE INCLUDE YOUR EMAIL ADDRESS (IF YOU HAVE ONE) SO THAT WE CAN
SEND YOU PERIODIC UPDATES:

SCHEFF, WASHINGTON & DRIVER, P.C.

ATTORNEYS AT LAW
645 GRISWOLD STREET, SUITE 1817
DETROIT MICHIGAN 48226

EILEEN R. SCHEFF
GEORGE B. WASHINGTON
SHANTA DRIVER

January 7, 2010

(313) 963-1921
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James Finn, Director
Wage & Hour Division
Michigan Department of
Energy, Labor & Economic Growth
P. O. Box 30476
Lansing, MI 48909-7976

Re: Unlawful failure to pay wages
Detroit Public Schools

Dear Mr. Finn:

Enclosed for filing are the first of what we anticipate will be many claims filed by Detroit teachers for the unlawful attempt by Detroit Public Schools Emergency Financial Manager Robert C. Bobb to take from their paychecks an interest-free, unsecured loan whose proceeds will be used to finance the continued mismanagement and the vast expansion of charters within the Detroit district.

This forced loan is set forth on page 2 of the tentative agreement negotiated between Mr. Bobb and the leadership of the Detroit Federation of Teachers (copy enclosed). As you can see, the agreement clearly provides that as of January 12, 2010 and for each of thirty-nine pay periods thereafter, "all salaried members...shall have \$250 per pay *deducted from their pay* and deposited into a "Termination Incentive Plan (TIP) account..." For that deduction, the employee will receive *only* a notation of the "...total of all deposits ...on the member's pay stub."

This notation is only an IOU from the District. It provides no security for payment and no interest. It cannot be used to pay bills. Given the District's continual threats of bankruptcy, the teachers may never receive the money that they have worked for and that has been taken from them. But even assuming that they do receive it, they will only receive it in a paycheck depreciated by three months to thirty years' of inflation, depending upon when the teacher separates from the District.

At a time when the District cannot get funds from commercial sources—or can obtain them only at a premium interest rate with substantial security—it will use its teachers' pay interest-free, with no security, for an indefinite period.

The Payment of Wages Act was enacted to prevent unscrupulous employers from defrauding their employees, including by means of forced loans like the one that the Mr. Bobb is attempting to extract from the District's employees. Mr. Bobb's scheme openly violates the intent of the Act and three of its specific provisions.

First, Section 7(2) of the Act outlaws any attempt to deduct money from the wages of employees "for the benefit of the employer" without "a written consent *from the employee for each wage payment* subject to the deduction..." But no employee has granted any consent for any of the 40 deductions that the Board is planning to confiscate. The District is thus openly announcing that it will violate the law 40 times for each of the 7000 employees covered by this "agreement."

Second, Section 8(1) of the Act provides that "An employer ...shall not demand or receive, directly or indirectly, from any employee, a fee, gift, tip, gratuity or other remuneration or consideration, as a condition of employment or continuation of employment." But the District is now openly confiscating an interest-free loan of \$10,000 from 7000 teachers as a condition of their employment with the Board.

Third, Section 2 of the Act provides that an employer shall pay wages or salary in cash, check or direct deposit within 15 days of the date on which the employee earned the wages. But the only immediate "payment" here will be IOUs, with payment in cash or check delayed for months, years or decades, depending on how long the individual continues to work for the District.

By means of a dishonest ballot, a flawed count, and blatant and untruthful threats, the DFT leadership has rammed through what they call a ratification vote for this agreement. But even by their count, almost 40 percent of the teachers rejected the agreement. Of the other 60 percent, almost all opposed this forced loan, but believed that they had no choice if they wanted to keep their employment. Apart from the District's officials and the corporations who own the Detroit papers—neither of whom have contributed *any of their* money to the District—no one supports this forced "loan."

The ratification vote is now subject to challenge. But regardless of whether the ratification is or is not valid, a contract cannot violate the minimal protections for health, safety or the payment of wages that are established by state law. Too many employees have fought for too long to allow these protections to be violated by Mr. Bobb and his team of high-priced consultants

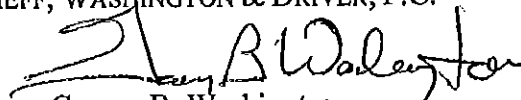
The violations of the Payment of Wages Act in this case are open, obvious, substantial and continuing. We anticipate many other employees will file individual claims through this office. We urgently request that the Division expedite this matter through the investigation and hearing so that this forced extortion can be stopped.

We will advise the Division of each of the employees we represent. Please forward all notices and communications regarding our clients to this office and to the individual employee.

James Finti, Director
Wage & Hour Division
January 6, 2010
Page 3

Thank you for your urgent consideration of all of these claims and for your urgent attention to this blatant violation of law.

Sincerely,
SCHEFF, WASHINGTON & DRIVER, P.C.


George B. Washington

GW/dr
Enc.