

# State Employment Relations Board

**Senate Finance and Financial Institutions Committee**

*Jeremie Newman, Budget Analyst*

*Legislative Service Commission*

*May 3, 2005*

*Additional copies are available on our website at [www.lsc.state.oh.us](http://www.lsc.state.oh.us)  
Click on 'Budget Documents' then 'Redbooks'*

# **LSC Redbook for the State Employment Relations Board**

**Senate Finance and Financial Institutions Committee**

*Jeremie Newman, Budget Analyst  
Legislative Service Commission*

## **TABLE OF CONTENTS**

<b>Overview .....</b>	<b>1</b>
<b><i>Staffing Levels .....</i></b>	<b>2</b>
<b><i>Summary of FYs 2006-2007 Budget Issues.....</i></b>	<b>2</b>
<b>Analysis of Executive Proposal.....</b>	<b>4</b>
<b>Requests Not Funded.....</b>	<b>7</b>
<b>Attachments:</b>	
<b>Catalog of Budget Line Items</b>	
<b>LSC Budget Spreadsheet By Line Item: Executive to House     Passed</b>	
<b>Compare Document: Permanent and Temporary Law</b>	

*May 3, 2005*

# State Employment Relations Board

---

- The executive recommends GRF funding for four IT initiatives.
- A change to the Revised Code allows SERB to seek, solicit, apply for, accept, and receive grants, gifts, and contributions and enter into contracts for those grants.

## OVERVIEW

The State Employment Relations Board (SERB) acts as a neutral in carrying out Ohio's Public Employees' Collective Bargaining Law, overseeing representation elections, and certifying exclusive bargaining representatives. Other important responsibilities include monitoring and enforcing statutory dispute resolution procedures, mediating collective bargaining negotiations, adjudicating unfair labor practice (ULP) charges, determining unauthorized strike claims, and providing information and training to parties in contract negotiations. SERB has 3 board members and 30 employees, 28 full-time and 2 part-time.

There are six main divisions and an administrative section that is responsible for fiscal and administrative services:

The **Hearings Section** consists of Administrative Law Judges (ALJs) whose role is to make factual findings and legal recommendations to the Board on unfair labor practice charges where the Board found probable cause to believe the law has been violated and on representation petitions. ALJs are also used to mediate cases, as needed.

The **Representation Section** investigates petitions concerning union representation, negotiates election arrangements between parties, and makes recommendations to the Board on matters such as whether an election should be directed, a hearing ordered, or an employee organization certified as the exclusive bargaining representation. This section oversees the election process and conducts representation elections.

The **Investigations Section** investigates facts within unfair labor practice (ULP) charges, mediates disputes underlying ULP charges, and makes recommendations to the Board on whether there is a probable cause to believe the law has been violated and the case should be directed to the hearing. This section also assists with conducting elections.

The **Bureau of Mediation** oversees aspects of the collective bargaining impasse resolution procedures established under the Collective Bargaining Law. SERB mediators resolve impasses in contract negotiations and prevent or shorten the duration of costly public sector strikes. SERB mediators also encourage and train public employee organizations and public employers to use more cooperative methods for resolving collective bargaining problems before they escalate into full-fledged grievance filings or ULP investigations.

The **Research and Training Section** is statutorily responsible for managing Clearinghouse database of wage and benefit information from public employers across the state to assist parties in the collective bargaining process. The staff also trains employers and bargaining unit representatives on the accepted practices in the collective bargaining process.

The **Clerk’s Office** handles the scheduling of cases before the Board and maintains the automated docketing system.

**Staffing Levels**

The State Employment Relations Board has 3 board members and 30 employees, 28 full-time and 2 part-time. Pursuant to section 124.152(c) of the Revised Code, these state employees will receive a 4% raise on July 1, 2005. Paired with an increase in benefit costs, staffing costs will increase for the FY 2006-2007 biennium. In May 2004, SERB contracted out its information technology work and abolished several positions.

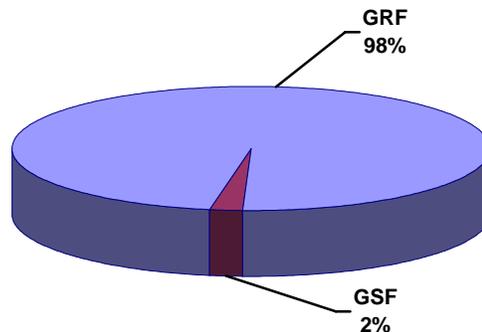
State Employment Relations Board Staffing Levels						
Program Series/Division	2002	2003	2004	2005	Estimated	
					2006	2007
State Employment Relations Board Totals	36	32	30	28	30	30

Note that the figures above account for filled positions and do not include the three board members.

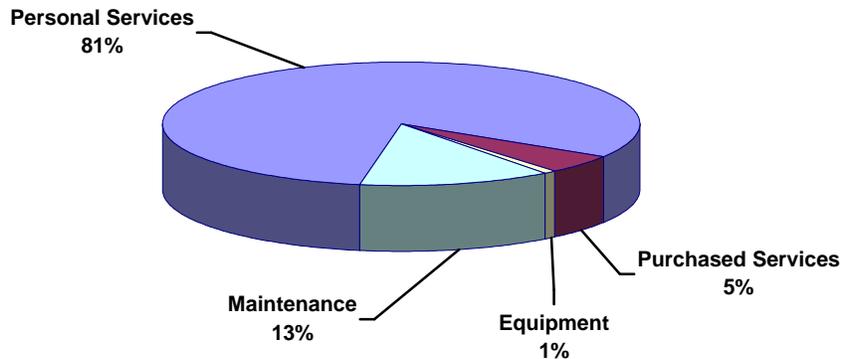
**Summary of FYs 2006-2007 Budget Issues**

The Executive recommends \$3,340,938 in FY 2006 and 2.9% more, \$3,438,900, in FY 2007. The FY 2006 amount is 2.9% higher than estimated FY 2005 spending of \$3,245,829. As the pie charts below shows, SERB is primarily funded through the GRF and the majority of its expenses are for payroll and employee benefits.

**Total FYs 2006-2007 Budget by Fund Group**



**Total FYs 2006-2007 Budget by Object Code**



**Information Technology Initiatives for FYs 2006-2007**

SERB requested an additional \$103,325 in FY 2006 and \$35,200 in FY 2007 from the GRF for four information technology initiatives: (1) development of a web-based clearinghouse that allows employers to input contract information on-line, access a database of contract information on-line, and self-generate reports that are currently requested and generated by SERB research staff, (2) development of a web-based system that provides searchable access to collective bargaining contracts, fact-finding reports, and conciliation orders, (3) development of an electronic filing program to allow customers to email electronically signed documents, and (4) establishing SERB publications on-line with access for subscribers only.

The first two of these information technology initiatives, the web-based clearinghouse and the web-based system that provides searchable access to collective bargaining contracts, etc., will be used by both the Labor Disputes and the Research and Training programs. The electronic filing program will be used in the Labor Disputes Program and the on-line publications initiative will be used in the Research and Training program. According to SERB, the Executive's recommendations provide approximately 70% of the GRF funding requested by SERB for these initiatives.

## ANALYSIS OF EXECUTIVE PROPOSAL

### State Employment Relations Board

**Purpose:** The State Employment Relations Board (SERB) monitors public employer compliance with the Ohio’s Collective Bargaining Act.

The following table shows the line items that are used to fund the State Employment Relations Board, as well as the Governor’s recommended funding levels.

Fund	ALI	Title	FY 2006	FY 2007
<b>General Revenue Fund</b>				
GRF	125-321	Operating Expenses	\$3,265,397	\$3,363,359
<b>General Revenue Fund Subtotal</b>			<b>\$3,265,397</b>	<b>\$3,363,359</b>
<b>General Services Fund</b>				
572	125-603	Training and Publications	\$75,541	\$75,541
<b>General Services Fund Subtotal</b>			<b>\$75,541</b>	<b>\$75,541</b>
<b>Total Funding:</b>			<b>\$3,340,938</b>	<b>\$3,438,900</b>

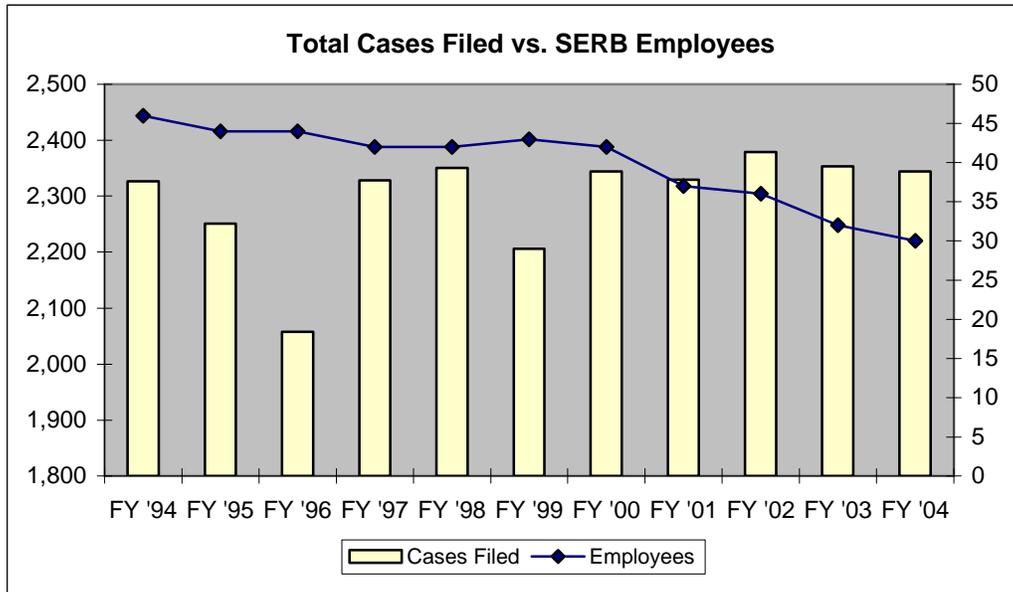
This analysis focuses on the following specific programs within the State Employment Relations Board:

- **Labor Disputes**
- **Research and Training**

#### Labor Disputes

**Program Description:** The State Employment Relations Board (SERB) acts as a quasi-judicial body in monitoring compliance of Ohio’s Collective Bargaining Law. The four major functions that the Labor Disputes program performs are: reviewing employees’ petitions, investigating and hearing unfair labor practice cases, and mediating to help prevent labor disputes, including strikes.

According to data provided in the agency’s annual report for FY 2004, there were a total of 3,160 separate labor contracts governing 1,470 public workplaces statewide. These agreements covered 360,472 employees in state agencies, local governments, and school boards. Issues stemming from these collective bargaining issues resulted in 2,344 cases that were filed over the FY 2004 period. The following table illustrates the total number of cases filed and the total number of SERB employees over the past ten years.



**Funding Source:** GRF for operating expenses

**Line Items:** GRF 125-321, Operating Expenses

**Implication of Executive Recommendation:** SERB requested \$2,688,404 in FY 2006 and \$2,688,404 in FY 2007 to continue current staffing, which include an additional LRS1 position that was added in FY 2005, and an additional research staff person. The Executive's recommendation provides \$2,769,056 in FY 2006 and \$2,852,129 in FY 2007 for this program. This additional \$80,652 in FY 2006 and \$163,725 in FY 2007 will continue funding for the recently hired LRS1 position and funds a portion of the information technology initiatives requested by SERB.

**Temporary and Permanent Law Provisions:** None

**Research and Training**

**Program Description:** The Research and Training program provides statutorily required wage and benefit information for parties in bargaining negotiations and trains public employers and employee organizations in acceptable bargaining practices. SERB also publishes reports, such as the SERB Quarterly and the Quarterly Supplement. SERB charges \$18 for a subscription to the SERB Quarterly and \$30 for the SERB Quarterly and the Quarterly Supplement. There are about 300 subscribers. In addition, SERB provides three seminars each year. The most popular seminar, SERB Academy, is a two-day review of representation, dispute settlement, and unfair labor practice matters, covering the law, the administrative rules, and the day-to-day procedures of the agency. Applicants pay a \$275 registration fee to attend this seminar. SERB also conducts a fact-finders conference every other year. However, SERB requires all fact finders to attend this conference and, therefore, does not charge a fee for fact finders. All other attendees are charged a \$135 fee.

**Funding Source:** GRF for operating expenses, GSF revenue includes proceeds from training programs and the sale of publications

**Line Items:** GRF 125-321, Operating Expenses; Fund 572 125-603, Training and Publications

***Implication of Executive Recommendation:*** SERB requested \$557,425 in FY 2006 and \$557,425 in FY 2007 to continue this program. The Executive's recommendations provide \$571,882 in FY 2006 and \$586,771 in FY 2007 for this program. This recommendation provides an additional \$14,457 in FY 2006 and \$29,346 in FY 2007, and will be used for the information technology initiatives.

***Permanent Law Provision:***

***Training, Publications, and Grants Fund (R.C. 4117.24).*** A change to section 4117.24 of the Revised Code renames SERB's Training and Publications Fund to the Training, Publications, and Grants Fund and allows SERB to seek, solicit, apply for, accept, and receive grants, gifts, and contributions and enter into contracts for those grants. If SERB receives any of these funds, SERB plans to expand its employee training opportunities. Fiscal effect: Potential increase in revenue in the Training and Publications Fund (Fund 572). If SERB receives any of these funds, it plans to expand its employee training opportunities.

## **REQUESTS NOT FUNDED**

The Executive's recommendations fully fund the State Employment Relations Board.

## General Revenue Fund

### GRF 125-321 Operating Expenses

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$3,291,722	\$3,149,366	\$3,087,838	\$3,170,288	<b>\$3,265,397</b>	<b>\$3,363,359</b>
	-4.3%	-2.0%	2.7%	<b>3.0%</b>	<b>3.0%</b>

**Source:** GRF

**Legal Basis:** ORC 4117.02

**Purpose:** The line item funds the operating expenses of the State Employment Relations Board.

## General Services Fund Group

### 572 125-603 Training and Publications

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$55,440	\$151,735	\$32,279	\$75,541	<b>\$75,541</b>	<b>\$75,541</b>
	173.7%	-78.7%	134.0%	<b>0.0%</b>	<b>0.0%</b>

**Source:** GSF: Sale of clearinghouse data and publications and proceeds from training seminars

**Legal Basis:** ORC 4117.24

**Purpose:** Moneys in this line item support costs associated with compiling clearinghouse data, seminars, microfilming, equipment, and printing.

## LSC Budget Spreadsheet by Line Item, FY 2006 - FY 2007

<i>Fund</i>	<i>ALI</i>	<i>ALI Title</i>	<b>Estimated 2005</b>	<i>As Introduced 2006</i>	<b>House Passed 2006</b>	<i>% Change Est. 2005 to House 2006</i>	<i>As Introduced 2007</i>	<b>House Passed 2007</b>	<i>% Change House 2006 to House 2007</i>
<b><i>ERB Employment Relations Board, State</i></b>									
GRF	125-321	Operating Expenses	\$3,170,288	\$ 3,265,397	\$ 3,265,397	3.0%	\$ 3,363,359	\$ 3,363,359	3.0%
<b>General Revenue Fund Total</b>			<b>\$ 3,170,288</b>	<b>\$ 3,265,397</b>	<b>\$ 3,265,397</b>	<b>3.0%</b>	<b>\$ 3,363,359</b>	<b>\$ 3,363,359</b>	<b>3.0%</b>
572	125-603	Training and Publications	\$75,541	\$ 75,541	\$ 75,541	0.0%	\$ 75,541	\$ 75,541	0.0%
<b>General Services Fund Group Total</b>			<b>\$ 75,541</b>	<b>\$ 75,541</b>	<b>\$ 75,541</b>	<b>0.0%</b>	<b>\$ 75,541</b>	<b>\$ 75,541</b>	<b>0.0%</b>
<b><i>Total All Budget Fund Groups</i></b>			<b>\$ 3,245,829</b>	<b>\$ 3,340,938</b>	<b>\$ 3,340,938</b>	<b>2.9%</b>	<b>\$ 3,438,900</b>	<b>\$ 3,438,900</b>	<b>2.9%</b>

**As Introduced (Executive)**

**As Passed by the House**

**(CD-286-ERB) SERB Training, Publications, and Grants Fund**

**R.C. 4117.24**

Renames the State Employment Relations Board's (SERB) "Training and Publications Fund" the "Training, Publications, and Grants Fund" and allows SERB to seek, solicit, apply for, accept, and receive grants, gifts, and contributions and enter into contracts for those grants.

Fiscal effect: Potential increase in revenue in the Training and Publications Fund (Fund 572) within the general services fund group. If SERB receives any of these funds, it plans to expand its employee training opportunities.

**R.C. 4117.24**

Same as the Executive.