

TESTIMONY PRESENTED

BY:

W. Craig Zimpher, Chair  
State Employment Relations Board

BEFORE:

Ohio House of Representatives  
Finance Committee/Subcommittee on  
Agriculture, Development and Natural Resources

March 2021

Mr. Chairman and members of the Subcommittee, good afternoon. I am Craig Zimpher, Chair of the State Employment Relations Board, or SERB; I'm pleased and honored to be with you today to discuss the proposed biennial budget for SERB and SPBR. As you know funding was consolidated several biennia ago. And while the mission and responsibilities of both remain distinct and separate, we have realized significant and productive cost efficiencies and economies of scale through maximizing staff support, facilities allocation, and administration. Collectively, however, the two Boards oversee practically all aspects of the employer/employee relationship in Ohio's public sector. SERB exercises jurisdiction over all aspects of Ohio's public sector collective bargaining process, while the State Personnel Board of Review has jurisdiction over classified employees. Mr. Chairman, the mission of both agencies is to manage an efficient, fair, and objective administration of the employer/employee personnel and bargaining process.

In performing their duties, and achieving our mission, SERB's associates, themselves, developed a statement of culture, which states:

- Integrity and objectivity in the way we conduct ourselves;
- Teamwork as we act with civility and mutual respect, towards achieving the common goal of our Mission;
- Greatness achieved by never compromising our work, providing excellent performance in serving our stakeholders, and pursuing continual improvements; and
- Sharing and celebrating in each other's successes and viewing challenges as opportunities.

Mr. Chairman, SERB's principal mission is to facilitate and promote orderly and constructive labor relations for our 2,813 public employers, and 377,504 state and local public employees; this mission must be understood to reflect the interests of all parties. SERB serves as the neutral, objective mediator or arbiter of matters arising in the collective bargaining process. Most importantly, however, our statutory mission of promoting orderly and constructive labor/management relations is designed to mitigate conflict through negotiation, mediation, fact-finding and impartial adjudication.

SERB's responsibilities include investigating and adjudicating unfair labor practice charges, determining the size and appropriateness of bargaining units, conducting union representation elections, and providing the parties in 1,000 collective bargaining negotiations annually with comparative wage, benefits, and contract data. The Bureau of Mediation serves the critical preventative function of assisting employers and employees in negotiations to avoid work stoppages and, in every possible manner, to assist these interests in achieving mutually beneficial outcomes. During the past year our mediators were engaged in 72 mediation sessions involving the negotiation of 30 collective bargaining agreements. Additionally, they conducted "negotiation" training programs, or simulations, in which more than 100 labor or management practitioners participated.

During the last ten years, we have implemented a process designed to reduce the friction costs of adjudication. The average annual filing of Unfair Labor Practice Charges is 206. Additionally, another 119 union representation motions were filed and adjudicated last year. The resolution of these cases requires thorough investigation, review and analysis by our professional Investigations staff. I believe all labor/management stakeholders would agree that, given the regulatory and practical requirements inherent in a fair and thorough review, our "delivery" timeframes are in the "best practices" category. The Board finds probable cause to warrant a hearing in approximately 6-7% of the cases. However, we require the parties to enter into a mediation process prior to the commencement of a formal, litigious, and often expensive hearing process. 42% of such referrals have produced a reconciliation of the issues; thereby avoiding the expenses and frictions of litigation.

In meeting these objectives, Mr. Chairman, we are absolutely committed to managing the agency in the most frugal and prudent manner possible.

Throughout the three previous biennia, SERB has proactively managed our budget challenges and maintained successful levels of service. Efficiencies have been realized by:

- Expanding use of personal service and intermittent contracts for Administrative Law Judges and Mediators;
- Discontinuing the production of hearing transcripts in all cases except those that are required by the Courts or specifically requested by the parties;
- Moving toward other paperless operations including: transmitting internal reports electronically, submitting investigation requests electronically, and using electronic correspondence wherever else appropriate;
- Implementing electronic contract filings on a voluntary basis, thereby saving significant staff time required to scan those documents;
- Gaining statutory authority to conduct mail-ballot representation elections instead of on-site elections;
- Eliminating travel reimbursement except for Mediators.

During this biennium SERB has continued its public education efforts through the conduct of labor/management relations seminars, attracting 530 labor or management participants. We will continue, for the twenty-ninth year, to publish the very widely utilized *Report on the Cost of Health Insurance in Ohio's Public Sector*. This report is an analysis of the employee health insurance plans provided by over 1,300 Ohio public employers. A copy of the most recent report, along with our agency's 2020 Annual Report, are attached to this testimony. Our Research and Training (R&T) staff maintains a comprehensive web-based data system that contains relevant data from all collective bargaining agreements. This database is heavily used by practitioners, with approximately 206,000 annual visits. Additionally, our staff prepares an average of 540 specialized reports every year. A copy of one such report is attached to this testimony.

The pandemic and resultant public congregation restrictions have seriously curtailed our “public training seminars”. We have, nonetheless, produced labor management training programs through Microsoft Teams virtual communication.

SERB’s priorities and the proposed appropriation are clearly presented on page D-142 of the Executive Budget, and do not need repeating here today.

The FY 2022/2023 budget as presented by the Executive Branch, essentially a “status quo” budget, will allow SERB to continue to:

- Present cases to the SERB Board within 120 days of filing;
- Place representation cases on the SERB Board agenda well within our target of 180 days of filing;
- Support proactive mediation via virtual electronic communication to intervene where/when necessary and appropriate in contract negotiations or other labor/management situations to avoid work stoppage or other issues;
- Continue to provide timely and responsive reports to stakeholder requests for information and analysis related to the collective bargaining process;
- Allow the State Personnel Board of Review to adjudicate caseloads without erosion of service and to assist in maintaining the integrity of the civil service systems;
- Allow SERB to continue educational and training programs for the labor/management stakeholders.

Mr. Chairman and members, the proposed FY 2022/2023 budget will permit SERB to continue to provide needed and mandated services. Due to two vacancies which we have not been able to fill, actual biennial expenses have fallen below estimates, thus resulting in the appearance of an 8% funding increase from FY 21 to FY 22. In reality, the proposed FY 22 appropriation is a 4% reduction from FY 21. The proposed funding level will not support filling these two mission-critical positions. The past ten years since SERB and SPBR merged demonstrate a definite frugal and prudent management of resources.

A review of those 10 years reveals that our budgets have held steady; increases have been devoted exclusively to mandated wage increases (resulting from State Collective Bargaining Agreements) and staff longevity (not members') salary adjustments.

When SERB was established in 1984, there were 51 full time employees. Those early years were reflective of a time when office practices were paper driven, no computers, no "cut and paste" word processing and limited electronic resources. Over time, SERB created electronic and other office efficiencies resulting in a 43% reduction in staffing from 1984 to present. The 10-year average of funding for SERB has been \$3,886,798. SERB has demonstrated a commitment to service, stewardship and prudent expense management.

A budget less than the proposed appropriation of \$4,183,278 in FY 22 and \$4,358,724 in FY 23 has the potential impact of layoffs, and thus a major interruption and erosion of service to our stakeholders, seriously undermining our ability to avert strikes, and promote orderly and constructive labor/management relations.

Mr. Chairman and members of the Committee, I appreciate the opportunity to appear before you today and commit that, within the proposed Executive Budget appropriation, SERB will continue to serve the interests of Ohioans fairly and impartially.

Thank you.