



# Legislature of the Virgin Islands

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## POST AUDIT DIVISION

June 15, 2016

COMMITTEE ON FINANCE  
FISCAL YEAR 2017 BUDGET HEARING

## PUBLIC EMPLOYEES RELATIONS BOARD

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## **BACKGROUND AND HISTORY**

The Public Employees Relations Board (PERB) is a separate independent board of the Government of the Virgin Islands. PERB's jurisdiction and responsibilities were defined on June 2, 1980, in Act 4440, enacted by the 13<sup>th</sup> Legislature of the Virgin Islands. The PERB's process is to help the parties resolve their labor issues, which is done through effective case management, providing training in mediation and arbitration, maintaining a list of mediators and panels of arbitrators, and by providing training opportunities for government managers, employees, union representatives, advocates of the process, and other interested parties.

**Mission Statement:** To administer the provisions of Act 4440 to provide for an orderly and constructive relationship between public employers and their employees.

**Board Members:** The PERB's board members serve as fact finders and make decisions about cases based solely on the law, public policy, and precedents. The following displays a chart of the PERB's current board members:

<b>Board Member</b>	<b>Position</b>	<b>Term</b>
Pierina Jacobs-Feldman	Chairman (STT)	9/22/2015 – 9/22/2020
Frederick Joseph	Representative of Labor (STX)	7/31/2015 – 7/31/2020
Omar B. U. Henry	Representative of Labor (STX)	9/26/2000 – 9/25/2005
Rodney E. Moorehead	Representative of Management (STX)	12/17/2003 – 12/16/2008
Aubrey A. Lee	Representative of Management (STT)	7/29/1999 – 7/28/2004

### ***Powers and Duties***

According to Title 24, Virgin Islands Code Chapter 14, Section 365 the following are powers and duties of the PERB:

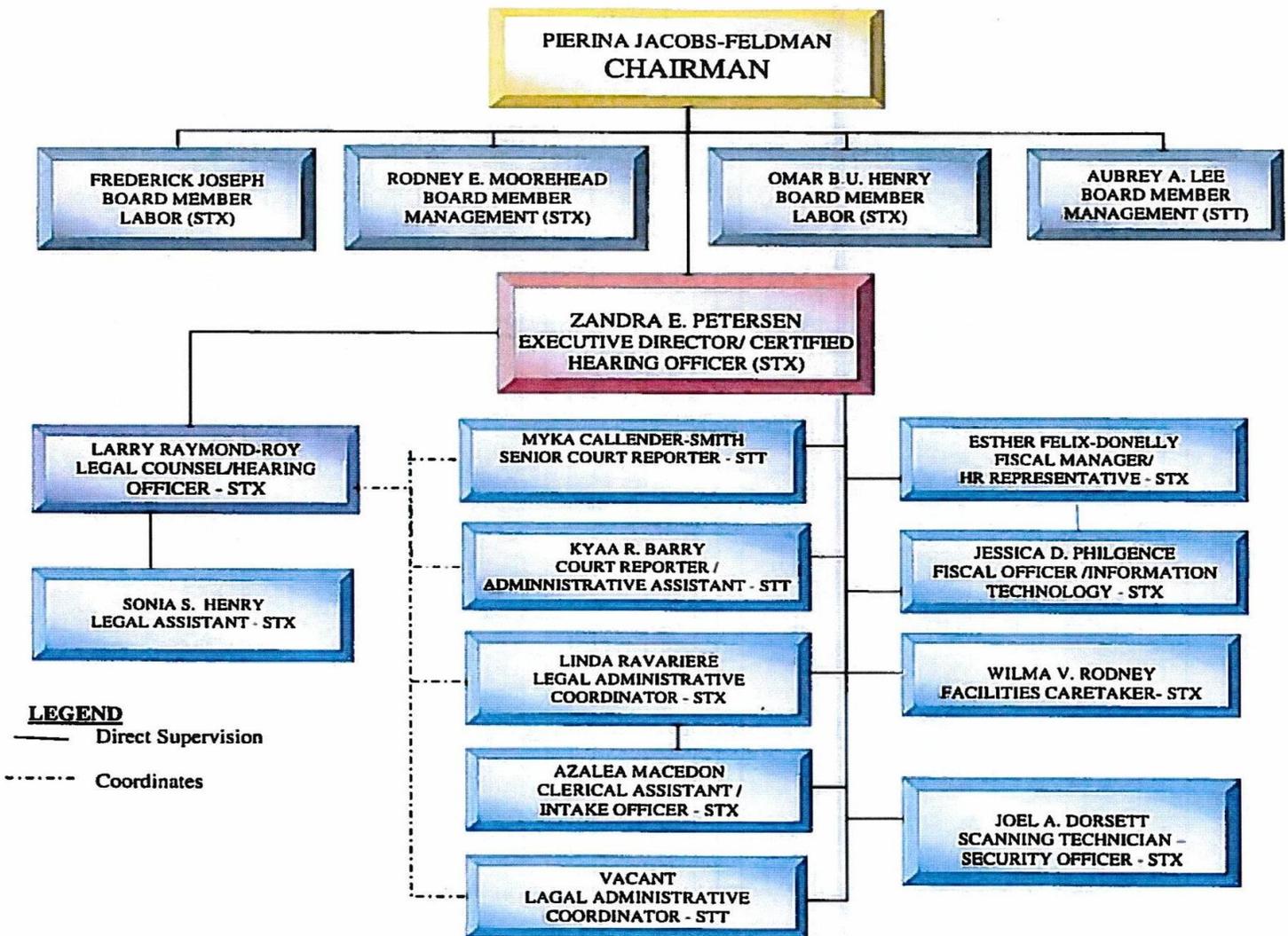
1. Investigate petitions for elections including examination of showing of interest; investigations conducted by counsel;
2. Certify employee organizations as the exclusive bargaining representative for an appropriate bargaining unit;
3. Decertify employee organizations as the exclusive bargaining representative for an appropriate bargaining unit;
4. Determine appropriate bargaining units among public employees and classify such units;
5. Conduct on-site secret ballot elections for employees in appropriate unit;
6. Investigate alleged unfair labor practices;
7. Issue and prosecute by Board of unfair labor practice complaints based upon investigation of the charge;
8. Adjudicate unfair labor practices based upon full evidentiary hearing, formal evidence and legal arguments presented by parties; such cases are heard by the full Board or by a hearing officer;
9. Seek enforcement of unfair labor practice remedial orders;
10. Review employee challenges to payment-in-lieu-of-dues;

**BACKGROUND AND HISTORY...Continued... Powers and Duties**

11. Select qualified individuals to serve as mediators and arbitrators and maintain a list of such individuals;
12. Comply and submit to parties, lists from which arbitrators are chosen;
13. Subsequent appointment of arbitrators;
14. When collective bargaining agreement negotiations reach impasse, act as a mediator, and/or refer unresolved issues to mediation, and, if necessary, forward any remaining issues to an arbitrator;
15. Fairly and impartially administer provisions of the Act;
16. Present training programs for arbitrators, and lectures for representatives of employee organizations and management;
17. Disseminate information regarding the Act to interested organizations, public employees, employers and scholars

*Exhibit I* displays the organizational chart of the Public Employees Relations Board.

*Exhibit I*



**BUDGET OVERVIEW**

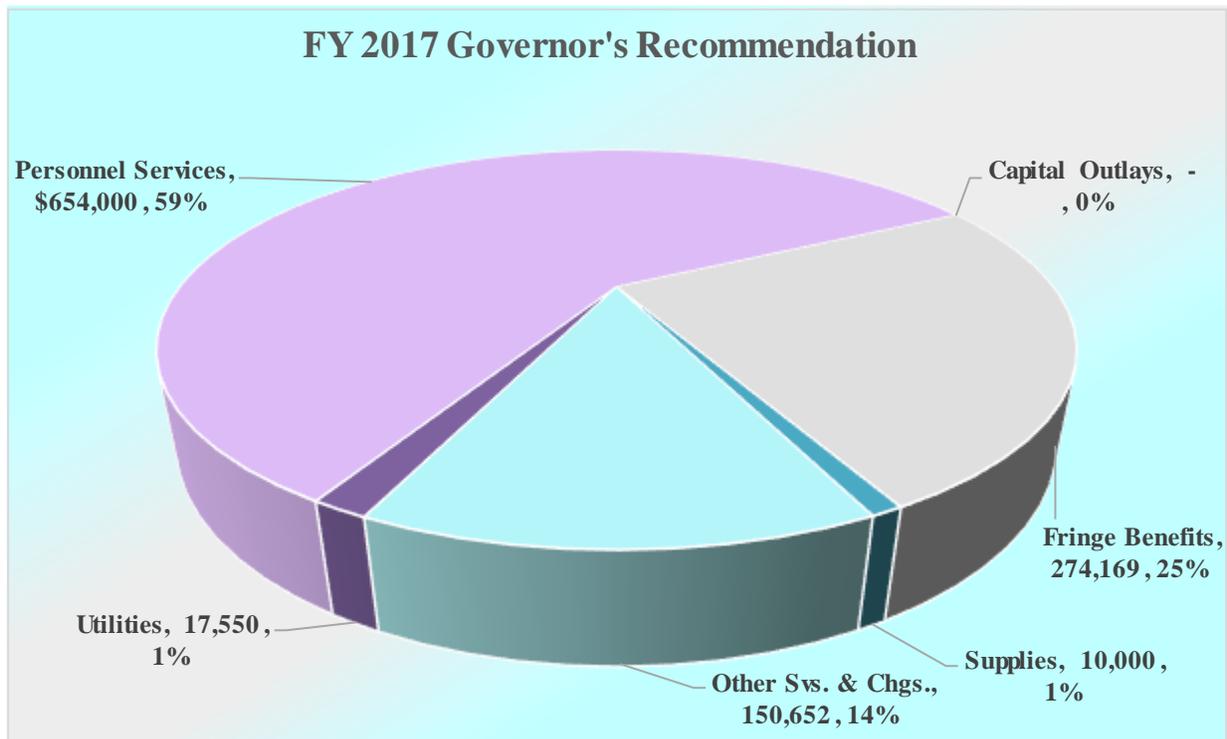
The Governor has recommended an appropriation of **\$1,106,370** for Fiscal Year 2017 from the General Fund. A financial summary of the Public Employees Relations Board is listed in *Exhibit II*.

*Exhibit II*

Description	FY 2015 Expenditure	FY 2016 Appropriation	FY 2017 Governor's Recom.	Variance FY 2017 – FY 2016
<b>Appropriated Funds:</b>				
<b>General Fund</b>				
Personnel Services	\$ 486,092	\$ 628,000	\$ 654,000	\$ 26,000
Capital Outlays	27,535	-	-	-
Fringe Benefits	199,694	237,670	274,169	36,499
Supplies	27,088	10,000	10,000	-
Other Services and Charges	425,789	205,000	150,652	(54,349)
Utilities	15,629	25,700	17,550	(8,150)
<b>Total General Fund</b>	<b>\$ 1,181,826</b>	<b>\$ 1,106,370</b>	<b>\$ 1,106,370</b>	<b>\$ -</b>
<b>Total Appropriated Funds</b>	<b>\$ 1,181,826</b>	<b>\$ 1,106,370</b>	<b>\$ 1,106,370</b>	<b>\$ -</b>

*Exhibit III* displays a pictorial view of the PERB’s FY 2017 Governor’s Recommendation.

*Exhibit III*



**APPROPRIATIONS AND ALLOTMENTS**

*Exhibit IV* illustrates a four-year analysis of the PERB’s appropriations, allotments, and expenditures for Fiscal Years 2014 through 2016 and the Governor’s Recommendation for Fiscal Year 2017.

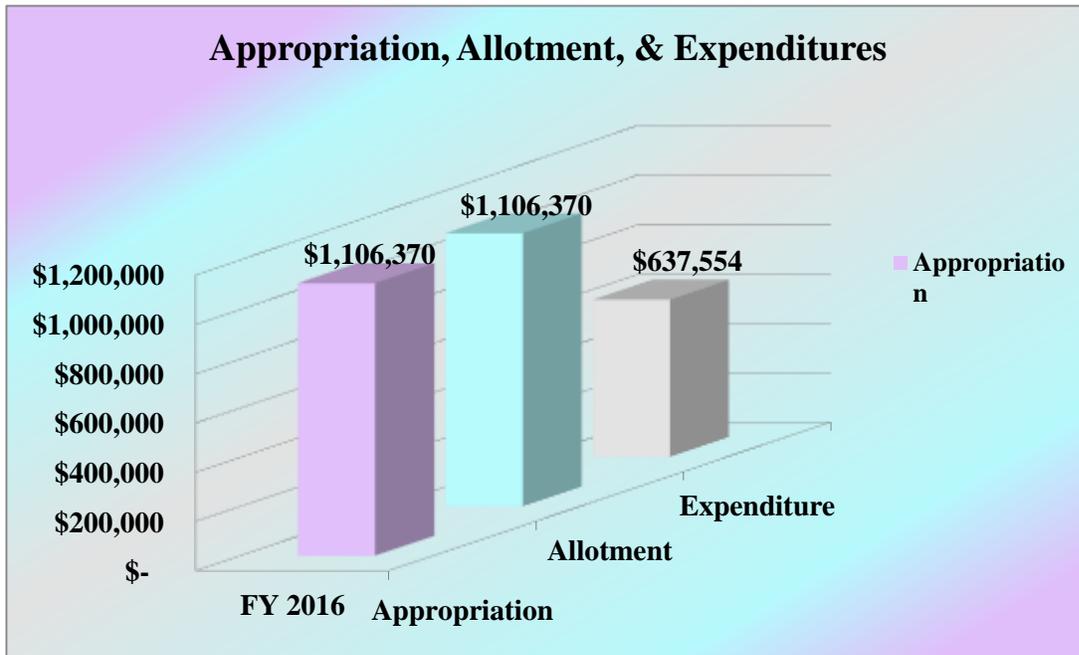
*Exhibit IV*

	FY 2014	FY 2015	FY 2016	Gov. Recom. FY 2017	Variance 2017-2016	% Chg.
Appropriation	\$ 1,106,370	\$ 1,106,370	\$ 1,106,370	\$ 1,106,370	\$ -	0%
Allotment	1,106,370	1,106,370	1,106,370	n/a	n/a	n/a
<b>Variance</b>	-	-	-	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>
<hr/>						
Allotment	1,106,370	1,106,370	1,106,370	n/a	n/a	n/a
Expenditure	1,135,664	1,181,827	637,554	n/a	n/a	n/a
<b>Variance</b>	<b>\$ (29,294)</b>	<b>\$ (75,457)</b>	<b>\$ 468,816</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>

*Note: FY 2016 Expenditures are as of 3/3/16*

*Exhibit V* displays a pictorial view of the PERB’s appropriation, allotment, and expenditures for FY 2016. The expenditures are as of 3/3/16.

*Exhibit V*



**EXPENDITURES AND FY 2017 SPENDING PLAN**

*Exhibit VI* displays the actual expenditures reported by the PERB for Fiscal Years 2015 through March 3, 2016 and the FY 2017 spending plan.

*Exhibit VI*

General Fund				
Line Item	Line Item Breakdown	FY 2015 Expenditure	FY 2016 Expenditures as of March 3, 2016	FY 2017 Spending Plan
Personnel Services	Unclassified Empl. Salaries	\$ 432,174	\$ 224,646	\$ 654,000
	Temp/Part Time Salaries	-	649	-
	Lump Sum Payments	12,998	6,052	-
	Holiday Pay	13,112	11,414	-
	Fees and Compensation NOC	6,438	-	-
	Annual Leave	13,481	11,315	-
	Sick Leave	7,889	12,417	-
	<b>Total Personnel Services</b>	<b>\$ 486,092</b>	<b>\$ 266,493</b>	<b>\$ 654,000</b>
Capital Outlays	Machinery and Equipment	\$ 27,535	\$ 37,026	\$ -
	Vehicles	-	-	-
	<b>Total Capital Outlays</b>	<b>\$ 27,535</b>	<b>\$ 37,026</b>	<b>\$ -</b>
Fringe Benefits	Employer Contr. Retirement	\$ 81,278	\$ 45,648	\$ 122,693
	Social Security	30,138	16,523	40,548
	Medicare	7,049	3,864	9,483
	Health Insurance Premium	80,756	44,763	100,972
	Workers Comp. Premiums	474	453	473
	<b>Total Fringe Benefits</b>	<b>\$ 199,694</b>	<b>\$ 111,251</b>	<b>\$ 274,169</b>
Supplies	Office Supplies	\$ 4,320	7,642	10,000
	Operating Supplies	22,767	8,760	-
	<b>Total Supplies</b>	<b>\$ 27,088</b>	<b>\$ 16,401</b>	<b>\$ 10,000</b>
Other Services and Charges	Repairs and Maintenance	\$ 984	\$ -	\$ -
	Rental - Land/Building	98,361	41,658	110,222
	Rental - Mach. and Equip.	45,379	8,820	10,000
	Professional Services	98,806	62,056	15,430
	Training	46,586	8,468	-
	Communication	24,207	10,056	10,000
	Travel	75,553	49,149	5,000
	Security	4,318	2,963	-
	Insurance	-	4,655	-
	Seaborne Bulk Tickets	29,551	9,750	-
	Auto Repair and Maintenance	676	333	-
	Transportation Not Travel	1,367	-	-
<b>Total Other Svs. and Chgs.</b>	<b>\$ 425,789</b>	<b>\$ 197,908</b>	<b>\$ 150,652</b>	
Utility Services	Electricity	\$ 15,140	\$ 8,016	\$ 17,000
	Water	488	460	550
	<b>Total Utility Services</b>	<b>\$ 15,629</b>	<b>\$ 8,476</b>	<b>\$ 17,550</b>
<b>Grand Total</b>		<b>\$ 1,181,826</b>	<b>\$ 637,554</b>	<b>\$ 1,106,370</b>

**PERSONNEL SERVICES**

PERB's Personnel Services represents **59%** of the overall budget. PERB is requesting a budget of **\$654,000** for the FY 2017 Personnel Services. This represents an increase of **\$26,000** above the FY 2016 Personnel Services of **\$628,000**. All positions are unclassified. *Exhibit VII* displays a personnel listing for PERB, which is funded by the General Fund.

*Exhibit VII*

Position Title	Salary	Division	Status	Funding Source
Executive Director/Certified Hearing Officer	\$ 92,000	STX	Filled	General Fund
Legal Counsel/Hearing Officer	91,500	STX	Filled	General Fund
Fiscal Manager/ HR Representative	67,000	STX	Filled	General Fund
Senior Court Reporter	57,000	STT	Filled	General Fund
Legal Assistant	50,000	STX	Filled	General Fund
Court Reporter/ Administrative Assistant	56,000	STT	Filled	General Fund
Fiscal & Information Technology Officer	56,000	STX	Filled	General Fund
Scanning Technician/ Security Officer	31,000	STX	Filled	General Fund
Legal Administrative Coordinator Supervisor	47,000	STX	Filled	General Fund
<b>Legal Administrative Coordinator - STT</b>	<b>40,000</b>	<b>STT</b>	<b>Vacant</b>	<b>General Fund</b>
Administrative Program Assistant	35,000	STX	Filled	General Fund
Facilities Caretaker	31,500	STX	Filled	General Fund
<b>Total</b>	<b>\$ 654,000</b>	<b>12</b>		

**VACANCY LISTING**

*Exhibit VIII* displays the current vacancy listing for the Public Employees Relations Board, which is funded by the General Fund.

*Exhibit VIII*

Position Title	Salary	Status	Funding Source
Legal Administrative Coordinator - STT	\$ 40,000	Vacant	General Fund
<b>Total Vacant Positions</b>	<b>\$ 40,000</b>		

**FEDERAL AND LOCAL GRANTS**

The Public Employees Relations Board does not receive any grants.

**OUTSTANDING VENDOR PAYMENTS**

There are no outstanding vendor payments owed by the PERB.

**CONTRACT LISTING**

*Exhibit IX* displays PERB's current contract listing which is funded by the General Fund.

*Exhibit IX*

Vendor	Type of Service	FY 2016 to Date Payments	Projected 2017 Payments
<b>Public Utilities</b>			
VI Water & Power Authority	Electrical power	\$ 8,016	\$ 17,000
Christiansted Port Terminal	Water usage @ STX facilities	513	550
<b>Total Public Utilities</b>		<b>\$ 8,529</b>	<b>\$ 17,550</b>
<b>Communication</b>			
Broadband	Internet/VPN-connection	\$ 2,996	\$ 5,800
Innovative	Telephone services	6,345	14,000
Sprint	Wireless phone	710	1,500
<b>Total Communication</b>		<b>\$ 10,051</b>	<b>\$ 21,300</b>
<b>Insurance</b>			
Marshall and Sterling	Vehicle insurance (2 cars)	\$ 4,655	\$ 4,655
<b>Total Insurance</b>		<b>\$ 4,655</b>	<b>\$ 4,655</b>
<b>Professional Services</b>			
ADT Security Services	Alarm; intercom and video monitor	\$ 677	\$ 1,500
Lynis Maynard	Custodial services to St. Thomas office	2,309	5,500
Stenograph/ Advantage Tech.	Maintenance for court reporter's equipment	-	1,500
Thompson West	Electronic law resources services	748	5,900
Terminex	Pest control service	1,281	1,500
<b>Total Professional Services</b>		<b>\$ 5,015</b>	<b>\$ 15,900</b>
<b>Rental of Buildings/Land</b>			
B & W Realty Services, Inc.	Rental of space for STT office	\$ 39,467	\$ 57,885
Christiansted Port Terminal	Rental of space for STX office	33,180	56,880
<b>Total Rental of Buildings/Land</b>		<b>\$ 72,647</b>	<b>\$ 114,765</b>
<b>Rental of Machines/Equipment</b>			
Xerox Corporation	Copiers (3) / Facsimile (2)	10,707	21,000
<b>Total Rental of Machines/Equipment</b>		<b>\$ 10,707</b>	<b>\$ 21,000</b>
<b>Total</b>		<b>\$ 111,604</b>	<b>\$ 195,170</b>

**REAL PROPERTY LISTING**

*Exhibit X* displays a listing of all the real properties being leased by the PERB.

*Exhibit X*

Lessor	Location	Sq. Ft.	Annual Rent	Period	Purpose	Funding Source
B & W Realty Services, Inc.	Suite 219 Nisky Center	1,000	\$ 33,071	7/1/11 - 6/30/16	Admin. Office/ Hearing Room	General Fund
B & W Realty Services, Inc.	Suite 217 Nisky Center	752	19,552	12/15/13 - 6/30/16	Witness Waiting Area/ Office Manager	General Fund
Christiansted Port Terminal	#5001 Chandler's Wharf, Gallows Bay	2,500	30,000	1/1/14 - 1/1/19	Admin Office/ Hearing Room	General Fund
Christiansted Port Terminal	#5001 Chandler's Wharf, Gallows Bay	1,600	19,200	1/1/14 - 1/1/19	Training Center/ File Room	General Fund
Christiansted Port Terminal	#5001 Chandler's Wharf, Gallows Bay	700	8,400	1/1/15 - 1/1/19	Fiscal Office	General Fund
<b>Total</b>		<b>6,552</b>	<b>\$ 110,223</b>			

**VEHICLE LISTING**

*Exhibit XI* displays the PERB's current vehicle listing.

*Exhibit XI*

Year	Make	Model	Lease/ Own	Condition	Office	Plate	Gas	Repairs/ Maint.	Car Regis.	Car Wash	Oil Change	Total
2013	Chevy	Cruze	Own	New	STT	TEN-110	\$ -	\$ 232	\$ 116	\$ 35	\$ -	\$ 383
2014	Chevy	Equinox	Own	New	STX	CEP-555	-	-	-	225	165	390
<b>Total</b>							<b>\$ -</b>	<b>\$ 232</b>	<b>\$ 116</b>	<b>\$ 260</b>	<b>\$ 165</b>	<b>\$ 773</b>

**Note: PERB has indicated that they have not utilized any gas to date because they are still utilizing fuel coupons purchased in FY 2014 in the amount of \$1,650.**

**MISCELLANEOUS SECTION**

PERB is not expected to receive any additional funds from the miscellaneous section of the budget.

**HIGHLIGHTS**

The following are some highlights the Post Audit division came across while reviewing PERB:

- PERB is being funded by the General Fund instead of the Union Arbitration Fund this budget cycle
- Three board members' terms are expired (*page 2*)
- PERB has indicated that they have not utilized any gas to date because they are still utilizing fuel coupons purchased in FY 2014 in the amount of **\$1,650** (*page 9*)
- PERB has one vacant position in St. Thomas (*page 7*)
- There is a difference of **\$4,542** for rental of building/land in the PERB's contract listing (**\$114,765**) (*page 8*) and the real property listing (**\$110,223**) (*page 9*)
- There is a difference of **\$11,000** for rental of machines/equipment in the PERB's contract listing (**\$21,000**) (*page 8*) and the FY 2017 spending plan (**\$10,000**) (*page 6*)
- There is a difference of **\$11,300** for communication in the PERB's contract listing (**\$21,300**) (*page 8*) and the FY 2017 spending plan (**\$10,000**) (*page 6*)

**SUMMARY**

The Governor has recommended an appropriation of **\$1,106,370** for Fiscal Year 2017 from the General Fund. The Public Employees Relations Board's Fiscal Year 2017 recommended budget is as follows:

<b>\$1,106,370</b>	General Fund FY 2017 Recommended Budget
<b>\$1,106,370</b>	<b>FY 2017 TOTAL RECOMMENDED BUDGET</b>



Jose L. George  
Post Auditor

**APPENDIX I**  
**CASELOAD STATISTICAL COMPARISON**  
**AS OF MARCH 2016**

Types of Cases Filed with PERB	Brief Description of Case Type	FY 2014			FY 2015			FY 2016		
		# of Cases Filed	# of Cases Resolved	# of Cases Pending	# of Cases Filed	# of Cases Resolved	# of Cases Pending	# of Cases Filed	# of Cases Resolved	# of Cases Pending
<b>Unfair Labor Practice Charges (ULPC)</b>	A charge that is a violation of the PERB Labor Relations Act which grants rights to the Gov. Public employees and their union.	33	22	61	37	37	61	16	19	59
<b>Unit Clarification (UC)</b>	A petition filed to determine whether a position belongs in a bargaining unit.	3	4	11	3	5	9	0	1	8
<b>Representation/Decertification (RC/ DC)</b>	A petition for an election to certify or decertify a labor organization as their exclusive bargaining representative of a group of employees.	0	1	0	0	0	0	0	0	0
<b>Impasse (IMP)</b>	An impasse case occurs when parties are involved in negotiation of a collective bargaining agreement and are unable to reach an agreement on their own. The matter is referred to mediation and, if not resolved, to arbitration.	3	3	0	0	0	0	1	1	0
<b>Government Service Appeals (530) (GSA)</b>	Title 3, V.I.C. Subsection 530 appeal is filed when a dismissal, suspension, or demotion occurs.	13	12	4	37	36	4	11	10	5
<b>Government Service Appeals (531) (GSA)</b>	Title 3, V.I.C. Subsection 531 appeal is filed when a claim is based on discrimination that is based on non-merit factors, such as race, religion, sex, political affiliation, etc.	12	11	19	36	24	32	6	12	26
<b>Total Hearings Heard</b>		40			70			38		
<b>Total Cases</b>		<b>64</b>	<b>53</b>	<b>95</b>	<b>113</b>	<b>102</b>	<b>106</b>	<b>34</b>	<b>43</b>	<b>98</b>