



Legislature of the Virgin Islands

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POST AUDIT DIVISION

July 5, 2016

COMMITTEE ON FINANCE FISCAL YEAR 2017 BUDGET HEARING OFFICE OF COLLECTIVE BARGAINING

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BACKGROUND / HISTORY

The Office of Collective Bargaining (OCB) is one of the smallest agencies in the Government of the Virgin Islands (GVI); however, it is charged with vast responsibilities. Established by statute, Act No. 4440, the Agency was created under the Office of the Governor. For funding purposes, pursuant to Act No. 6305, the Office of Collective Bargaining comes under the Division of Personnel. The OCB serves as the exclusive representative for the Executive Branch and its formulation of labor policies and strategies for collective bargaining and coordinates the Government's position in labor mediation, arbitration, civil and administrative proceedings.

The Office of Collective Bargaining's critical responsibilities include:

- Managing the Agency's case log
- Representing the VI Government in labor management disputes. Cases include, but are not limited to;
 - Cases via the arbitration process, Unfair Labor Practice charges, Unit Clarification, Representation, Decertification, Civil, Impasse Proceedings, Equal Employment Opportunity Commission (EEOC) cases.

There are thirty-eight (38) collective bargaining agreements which can be viewed in **Appendix II**. Of the thirty-eight (38) agreements, six (6) are current. Those not current are extended on a day-to-day basis by agreement of the parties, or currently in ongoing negotiations.

The goal of the Office of Collective Bargaining (OCB) is to reduce unfair labor practice cases and rights arbitration, and to recognize financial needs of the employees while being cognizant of the adverse economic condition of the government.

Strategic Goal(s):

1. To reduce cases of Rights Arbitration (RA)
2. To reduce Unfair Labor Practice (UPLC) Cases
3. To increase the level of education/training offered to departments and agencies
4. To bring union contracts current

Performance Goals(s):

1. Negotiate contracts in a timely manner
2. Reduce the current case backlog
3. Improve labor relations among and between management, labor union and member employees
4. Provide education/training to departments and agencies

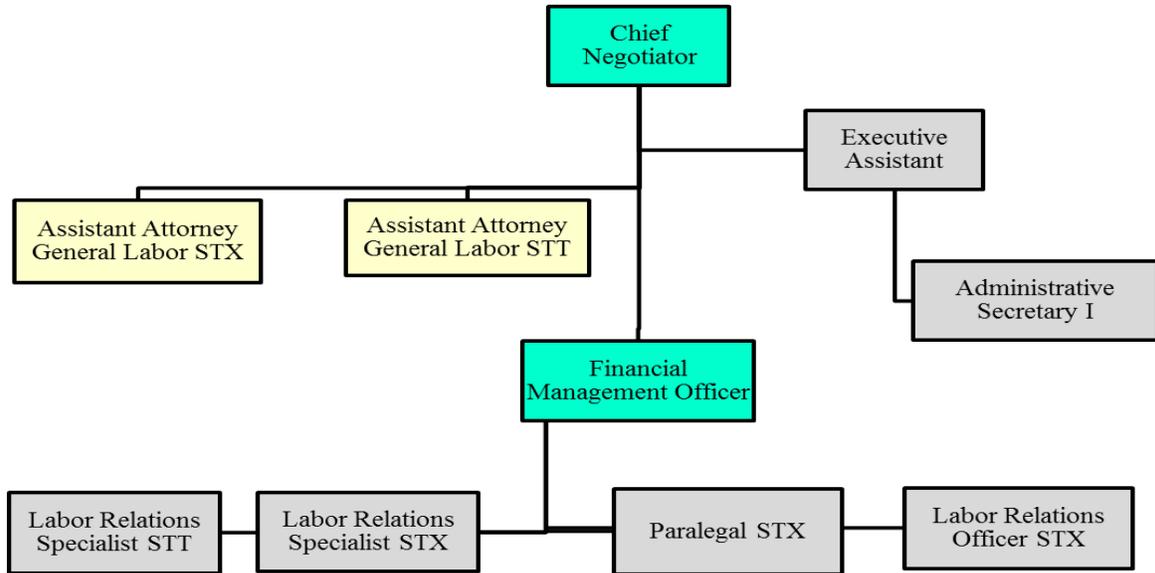
Functional Statement

The Office of Collective Bargaining negotiates all collective bargaining agreements on behalf of the Executive Branch; conducts all labor relations proceedings including mediation, arbitration, and other administrative matters before the Public Employees Relations Board; represents the Government in civil cases pertaining to labor matters; assist the Governor in formulating labor policies for collective bargaining and plan strategies for such bargaining.

ORGANIZATIONAL CHART

Exhibit I displays the current organizational chart for the Office of Collective Bargaining.

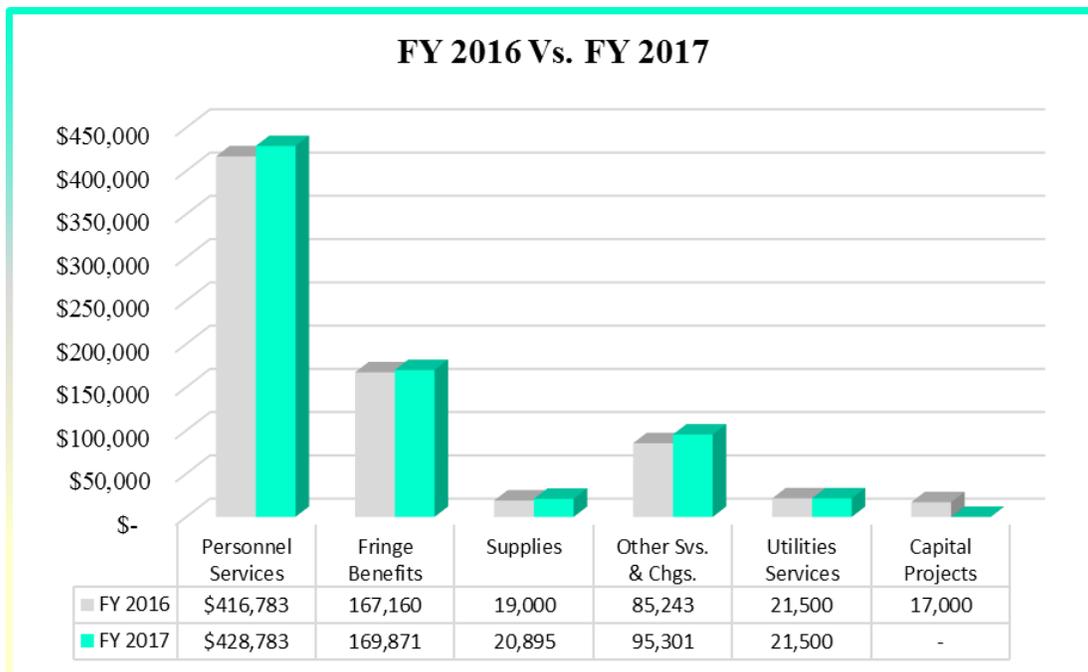
Exhibit I



(FY 2016 VS. FY 2017) COMPARISON

A comparison between the FY 2016 and FY 2017 budget for the OCB is displayed in *Exhibit II*.

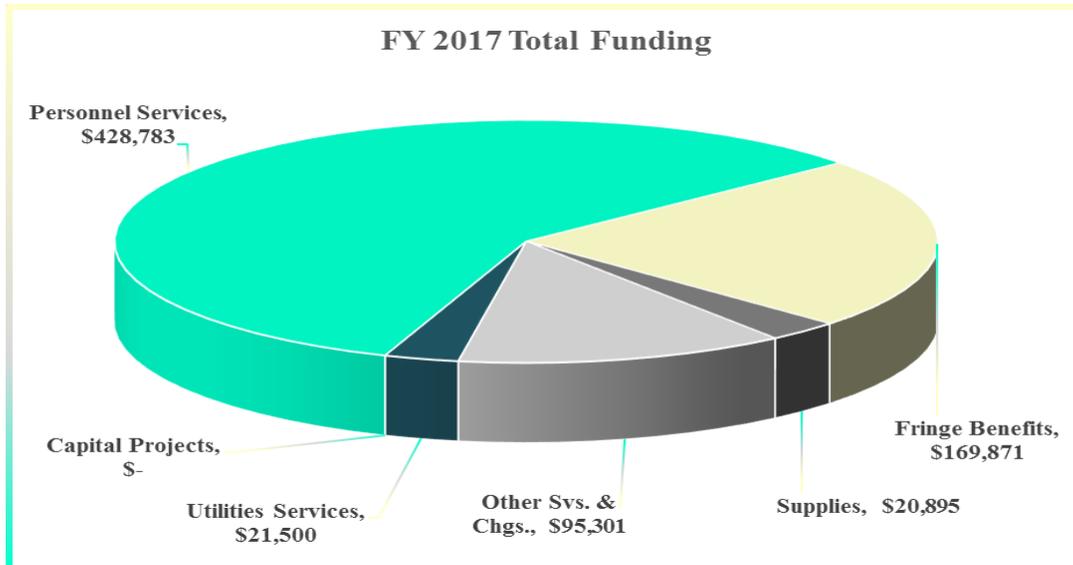
Exhibit II



TOTAL FUNDING

Exhibit III displays a pictorial view of the OCB's total funding for FY 2017.

Exhibit III



FISCAL YEAR 2017 BUDGET OVERVIEW

The Governor has recommended a General Fund appropriation of **\$736,350** for FY 2017. This represents an increase of **\$9,664** above the FY 2016 appropriation of **\$726,686**. The OCB's *Financial Summary by line item* has been listed below in *Exhibit IV*.

Exhibit IV

Description	FY 2015 Expenditure	FY 2016 Appropriation	FY 2017 Gov. Recom.	Variance FY 2017 - FY 2016
Appropriated Funds:				
General Fund:				
Personnel Services	\$ -	\$ -	\$ 428,783	\$ 428,783
Fringe Benefits	-	-	169,871	169,871
Supplies	-	-	20,895	20,895
Other Services and Charges	-	-	95,301	95,301
Utilities Services	-	-	21,500	21,500
Capital Projects	-	-	-	-
Total General Fund	\$ -	\$ -	\$ 736,350	\$ 736,350
Union Arbitration Award Fund:				
Personnel Services	\$ 401,415	\$ 416,783	\$ -	\$ (416,783)
Fringe Benefits	159,857	167,160	-	(167,160)
Supplies	18,451	19,000	-	(19,000)
Other Services and Charges	73,302	85,243	-	(85,243)
Utilities Services	16,522	21,500	-	(21,500)
Capital Projects	-	17,000	-	(17,000)
Total Union Arbitration Award Fund	\$ 669,547	\$ 726,686	\$ -	\$ (726,686)
Total Appropriated Funds	\$ 669,547	\$ 726,686	\$ 736,350	\$ 9,664

FINANCIAL BREAKDOWN

The Office of Collective Bargaining's *financial breakdown* (according to the Office of Management and Budget) for FY 2015 – FY 2017 has been listed in *Exhibit V*.

Exhibit V

Financial Breakdown (According to Office of Management and Budget)				
Line Item	Line Item Breakdown	FY 2015 Expenditure	FY 2016 Appropriation	FY 2017 Governor's Recom.
Personnel Services	Classified Employee Salaries	\$ 218,284	\$ 269,783	\$ 428,783
	Unclassified Employee Salaries	113,316	147,000	
	Overtime Salaries	49	-	
	Holiday Pay	27,528	-	
	Sick Pay	19,733	-	
	Accrued Leave Pay	22,507	-	
	Total Personnel Services	\$ 401,417	\$ 416,783	
Capital Outlays	Mach. & Equip.	\$ -	\$ 17,000	\$ -
	Total Capital Outlays	\$ -	\$ 17,000	\$ -
Fringe Benefits	Employer Contr. Retirement	\$ 69,619	\$ 77,439	\$ 169,871
	Social Security	24,888	25,841	
	Medicare	5,820	6,043	
	Health Insurance Premium	59,235	57,542	
	Workers Comp. Premiums	295	295	
	Total Fringe Benefits	\$ 159,857	\$ 167,160	
Supplies	Office Supplies	\$ 10,991	\$ 13,000	\$ 20,895
	Operating Supplies	6,685	6,000	
	Food	775	-	
	Total Supplies	\$ 18,451	\$ 19,000	
Other Services & Charges	Repairs & Maintenance	\$ 9,482	\$ 11,000	\$ 95,301
	Automotive Rep. & Maint.	3,394	2,400	
	Rental - Land/Building	30,000	30,000	
	Professional Services	8,208	9,871	
	Rental - Machine/Equipment	888	1,000	
	Training	-	1,000	
	Communication	13,511	17,000	
	Security Services	895	962	
	Travel	1,953	3,000	
	Purchase Bulk Airline Tick.	3,120	8,000	
	Transportation - Not Travel	1,131	1,010	
	Printing & Binding	720	-	
	Total Other Svs. & Chgs.	\$ 73,302	\$ 85,243	
Utility Services	Electricity	\$ 16,130	\$ 21,000	\$ 21,500
	Public Utility Services	-	500	
	Water	392	-	
	Total Utility Services	\$ 16,522	\$ 21,500	
Grand Total		\$ 669,549	\$ 726,686	\$ 736,350

ACTUAL EXPENDITURES

Exhibit VI displays the actual expenditures for FY 2015 and FY 2016 to date as provided by the Office of Collective Bargaining.

Exhibit VI

Actual Expenditures (According to Office of Collective Bargaining)			
Line Item	Line Item Breakdown	FY 2015 Expenditures	FY 2016 Expenditures as of 3/30/16
Personnel Services	Classified Employee Salaries	\$ 218,284	\$ 115,167
	Unclassified Employee Salaries	113,316	39,180
	Lump Sum Payments	-	22,385
	Overtime Salaries	49	-
	Fees & Compensation NOC	-	8,054
	Holiday Pay	27,528	12,842
	Sick Pay	19,733	10,167
	Accrued Leave Pay	22,507	19,519
	Total Personnel Services	\$ 401,417	\$ 227,314
Capital Outlays	Mach. & Equip.	\$ -	\$ -
	Total Capital Outlays	\$ -	\$ -
Fringe Benefits	Employer Contr. Retirement	\$ 69,619	\$ 37,716
	Social Security (FICA)	24,888	14,093
	Medicare	5,820	3,296
	Health Insurance Premium	59,235	25,454
	Workers Comp. Premiums	295	295
	Total Fringe Benefits	\$ 159,857	\$ 80,854
Supplies	Office Supplies	\$ 10,991	\$ 4,178
	Operating Supplies	6,685	4,697
	Food	775	283
	Total Supplies	\$ 18,451	\$ 9,158
Other Services & Charges	Repairs & Maintenance	\$ 9,482	\$ 7,046
	Automotive Repair & Maint.	3,394	667
	Professional Services	8,208	5,848
	Communication	13,511	3,944
	Purchase Bulk Tickets	3,120	7,605
	Travel	1,953	1,590
	Transportation - Not Travel	1,131	1,033
	Printing and Binding	720	367
	Training	-	1,000
	Security	895	1,055
	Rental Land/Buildings	30,000	15,000
	Rental - Machines/Equipment	888	-
Total Other Services and Charges	\$ 73,302	\$ 45,155	
Utility Services	Electricity	\$ 16,130	\$ 9,277
	Water	392	213
	Total Utility Services	\$ 16,522	\$ 9,490
Grand Total		\$ 669,549	\$ 371,971

PERSONNEL SERVICES

The Governor's recommendation for personnel services totals **\$428,783**. This represents an increase of **\$12,000** above the FY 2016 appropriation of **\$416,783**. *Exhibit VII* displays a personnel summary for the OCB. An extended directory of the OCB's *personnel listing* can be viewed in *Appendix I*.

Exhibit VII

Personnel Listing – All Positions			Position Classification				
	Pos #	FY 2017 Total Budget	Pos #	Unclass.	Pos #	Class.	Adj.
General Fund - 0100	7.00	428,783	2.00	159,000	5.00	269,783	-
Total	7.00	\$ 428,783	2.00	\$ 159,000	5.00	\$ 269,783	\$ -

VACANCY LISTING

Exhibit VIII displays the Office of Collective Bargaining's total vacancies.

Exhibit VIII

Vacancy Listing			
Position Title	Salary	FTE	Status
<i>General Fund 0100 Vacancies</i>			
Labor Relations Specialist	\$ 50,188	1.00	Vacant
Fund 0100 Total Vacancies	\$ 50,188	1.00	1

LEASES

Exhibit IX displays the Office of Collective Bargaining's current leases. The St. Thomas office is sharing office space in the GERS building with the Department of Justice.

Exhibit IX

Lessor	Location	Sq. Ft.	Annual Rent	Status/Comments
Christiansted Port Terminal	#118 Estate Mount Welcome, Suite 10, Chandler's Wharf, Christiansted, STX, VI 00820	2,500	\$ 30,000.00	This is a five-year lease which will terminate on May 31, 2017 with the option for renewal.
Total		2,500	\$ 30,000.00	

PROFESSIONAL SERVICES CONTRACT LISTING

Exhibit X displays a listing of the Office of Collective Bargaining’s professional services contracts for FY 2016 and FY 2017.

Exhibit X

Vendor/Name	Period	FY 2016	FY 2017	Difference	Purpose
ADT	12/7/12 - present	\$ 857	\$ 857	\$ -	Security Surveillance Maintenance
Business World	12/18/14 - 12/17/15	3,514	5,720.00	2,206	Service of Xerox Copier for STX office
GERS	1/1/14 - 12/31/16	720	720	-	Parking fees for STT office
Oliver Exterminating	10/1/15 - 9/30/16	600	600	-	Pest control services
Pitney Bowes Puerto Rico	10/19/15 - 10/18/16	891	891	-	Postage machine rental for STX office
Wilma Rodney	10/1/09 - present	5,460	5,460	-	Cleaning services for STX office
Caribbean Cooling	10/1/14 - 9/30/15	1,800	-	(1,800)	AC Repair for STX office
Xerox	4/1/15 - 3/31/16	3,600	3,600	-	Service of Xerox Copier for STT office
	Grand Total	\$ 17,442	\$ 17,848	\$ 406	

VEHICLE LISTING

Exhibit XI displays the Office of Collective Bargaining’s vehicle listing which includes the cost of gas and maintenance as of 3/30/16.

Exhibit XI

Year	Make	Model	Funding Source	Lease/ Own	Condition	Office	Plate	Gas	Repairs/ Maint.
2007	Chevy	Trailblazer	General Fund	Own	Fair	STT	OCB-2	\$ 711	\$ 1,600
2015	Chevy	Equinox	General Fund	Own	New	STX	OCB-1	1,400	350
							Total	\$ 2,111	\$ 1,950

HIGHLIGHTS

Following are some highlights the Post Audit division came across while reviewing the OCB:

- The OCB has no outstanding obligations
- The OCB will not receive any federal or local grants
- The OCB is being funded by General Fund instead of Union Arbitration Fund this fiscal year (*pg. 4*)
- The Business World contract has expired (*pg. 8*)
- The STT Office is sharing office space in the GERS building with the Department of Justice therefore, only the STX office is leasing (*pg. 7*)

SUMMARY

The Governor has recommended a General Fund appropriation of **\$736,350** for FY 2017. This represents an increase of **\$9,664** above the FY 2016 appropriation of **\$726,686**. The OCB is being funded by the General Fund instead of the Union Arbitration Fund this fiscal year. The table below displays the Office of Collective Bargaining's funding for Fiscal Year 2016 Appropriation and the Fiscal Year 2017 Governor's Recommended Budget.

\$ 726,686	FY 2016 Appropriation
<u>\$ 736,350</u>	<u>FY 2017 Recommended Budget</u>
<u>\$ 9,664</u>	<i>Difference</i>



Jose L. George
Post Auditor

APPENDIX I

PERSONNEL LISTING

POSITION TITLE	SALARY	FTE	STATUS
DEPARTMENT 221 OFFICE OF COLLECTIVE BARGAINING			
ACTIVITY 22100			
UNCLASSIFIED			
CHIEF NEGOTIATOR	109,000	1.00	FILLED
EXEC ASST CHIEF NEGOTIATOR	50,000	1.00	FILLED
SUB-TOTAL	159,000	2.00	
CLASSIFIED			
ADMINISTRATIVE SECRETARY I	36,886	1.00	FILLED
DIR OF FINANCIAL SERVICES	72,031	1.00	FILLED
LABOR RELATIONS SPECIALIST	59,926	1.00	FILLED
LABOR RELATIONS SPECIALIST	50,188	1.00	VACANT
PARALEGAL OFFICER	50,752	1.00	FILLED
SUB-TOTAL	269,783	5.00	
221 22100 ACTIVITY	428,783	7.00	
221 22100 FUND 0100 TOTAL	428,783	7.00	
12 DEPARTMENT	428,783	7.00	
RECAP			
GENERAL FUND			
UNCLASSIFIED FILLED	159,000	2.00	
UNCLASSIFIED VACANT	0	0.00	
CLASSIFIED FILLED	219,595	4.00	
CLASSIFIED VACANT	50,188	1.00	
ADJUSTMENTS	0	0.00	
TOTAL GENERAL FUND 0100	428,783	7.00	

Honorable Clifford F. Graham
Fiscal Year 2017 Budget Hearing - Office of Collective Bargaining
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APPENDIX II - COLLECTIVE BARGAINING AGREEMENTS – STATUS SHEET

	UNIONS WITH CURRENT CONTRACTS	TERMS OF AGREEMENT
1	VI DEPARTMENT OF PUBLIC WORKS (DPW) VIWU-VITRAN	OCT. 1, 2014 - SEPT. 30, 2018
2	VI DEPARTMENT OF AGRICULTURE (OVILU)	OCT. 1, 2013 - SEPT. 30, 2018
3	UNITED STEELWORKERS UNION (VI Lottery)	OCT. 1, 2013 - SEPT. 30, 2017
4	ASSOCIATION OF FIRE FIGHTERS (AFF – Fire Fighters)	OCT. 1, 2012 - SEPT. 30, 2016
5	UNITED STEEWORKERS UNION (Supervisors)	OCT. 1, 2013 - SEPT. 30, 2016
6	REGISTERED NURSES LEADERSHIP UNION (RNLU)	OCT. 1, 2013 - SEPT. 30, 2016
	UNION WITH NEGOTIATED CONTRACT	
7	VI STATE NURSES ASSOCIATION (VISNA)	OCT. 1, 2009 - SEPT. 30, 2019**
	UNIONS WITH EXPIRED CONTRACTS	
8	AMERICAN FEDERATION OF TEACHERS (Professionals)	SEPT. 1, 2011 - AUG. 31, 2015
9	AMERICAN FEDERATION OF TEACHERS (Support Staff)	SEPT. 1, 2011 - AUG. 31, 2015
10	AMERICAN FEDERATION OF TEACHERS (Paraprofessionals)	SEPT. 1, 2011 - AUG. 31, 2015
11	V.I. LICENSED PRACTICAL NURSES ASSOCIATION	OCT. 1, 2011 - SEPT. 30, 2015
12	UNITED STEELWORKERS UNION (Enforcement Officers)	OCT. 1, 2012 - SEPT. 30, 2015
13	UNITED STEELWORKERS UNION - (WTJX Channel 12) Support Staff	OCT. 1, 2011 - SEPT. 30, 2015
14	SEAFARERS INTERNATIONAL UNION (Correction Officers)	OCT. 1, 2009 - SEPT. 30, 2014
15	ASSOCIATION OF FIREFIGHTERS (Support Staff)	OCT. 1, 2009 - SEPT. 30, 2014 ***
16	INT'L ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS (GVI Hospitals & DOH Security Guards)	OCT. 1, 2011 - SEPT. 30, 2014*
17	VIRGIN ISLANDS WORKERS UNION (Head Start)	SEPT. 1, 2010 - AUG. 31, 2014
18	UNITED STEELWORKERS UNION - (GERS Support Staff)	OCT. 1, 2012 - SEPT. 30, 2014
19	LAW ENFORCEMENT SUPERVISORS UNION	OCT. 1, 2009 - SEPT. 30, 2013
20	UNITED STEELWORKERS UNION (Masters)	OCT. 1, 2009 - SEPT. 30, 2013
21	SEAFARERS INTERNATIONAL UNION (Assistant AG'S)	OCT. 1, 2007 - SEPT. 30, 2011
22	INT'L ASSOCIATION OF FIREFIGHTERS (Supervisors)	OCT. 1, 2006 - SEPT. 30, 2011
23	POLICE BENEVOLENT ASSOCIATION	OCT. 1, 2007 - SEPT. 30, 2011 ****
24	UNITED STEELWORKERS UNION - (EDA Support Staff)	OCT. 1, 2008 - SEPT. 30, 2011
25	SEAFARERS INTERNATIONAL UNION (PH Physicians)	OCT. 1, 2005 - SEPT. 30, 2010*
26	SEAFARERS INTERNATIONAL UNION (PH Dentists)	OCT. 1, 2005 - SEPT. 30, 2010
27	EDUCATIONAL ADMINISTRATOR ASSOCIATION UNION	OCT. 1, 2006 - SEPT. 30, 2010
28	SEAFARERS INTERNATIONAL UNION (GERS Supervisors)	OCT. 1, 2007 - SEPT. 30, 2010
29	SEAFARERS INTERNATIONAL UNION (ER Physicians)	OCT. 1, 2005 - SEPT. 30, 2009*
30	SEAFARERS INTERNATIONAL UNION (Masters)	OCT. 1, 2005 - SEPT. 30, 2008 *
31	OUR VIRGIN ISLANDS LABOR UNION (DOJ - Support Staff)	OCT. 1, 2005 - SEPT. 30, 2008 *
32	OUR VIRGIN ISLANDS LABOR UNION (DPW - Non-Supervisory Personnel)	OCT. 1, 2005 - SEPT. 30, 2008 *
33	ASSOCIATION OF HOSPITAL EMPLOYED PHYSICIANS (AHEP)	OCT. 1, 2002 - SEPT. 30, 2007 ****
	UNIONS WITH NO COLLECTIVE BARGAINING AGREEMENT	
34	SEAFARERS INTERNATIONAL UNION (VING-Base Security Guards)	CERTIFIED - August 15, 1994 - NO CBA *
35	UNITED STEELWORKERS UNION - (VITEMA 911 ECC Operators)	CERTIFIED - August 20, 2010 - NO CBA*
36	UNITED STEELWORKERS UNION - (WMA Supervisory Personnel)	CERTIFIED - February 18, 2010 - NO CBA
37	INT'L ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS (WMA Environmental Officers)	CERTIFIED - May 30, 2013 - NO CBA ***
38	INT'L ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS (WMA Non-Supervisory Personnel)	CERTIFIED - May 30, 2013 - NO CBA *

* Negotiations commenced but not concluded.

*** Successor CBA Pending Impasse Arbitration

** Successor CBA Pending Approval by Governor

**** Successor CBA Pending Litigation