

Fiscal Estimate Narratives

UWS 12/17/2007

LRB Number	07-1285/2	Introduction Number	SB-353	Estimate Type	Original
Description Collective bargaining process for University of Wisconsin System faculty and academic staff and making appropriations					

Assumptions Used in Arriving at Fiscal Estimate

This bill would add a chapter to the State Employment Labor Relations Act (SELRA) to extend collective bargaining to cover salaries, fringe benefits, hours and conditions of employment for faculty and academic staff of the University of Wisconsin System.

This bill provides for a structure of up to thirty (30) bargaining units. The units consist of: one each for faculty at the thirteen four-year universities, one for UW Extension faculty, and one for UW Colleges faculty; and one each for academic staff of each of the thirteen four-year universities, one for UW Extension academic staff, and one for UW Colleges academic staff. Employees may vote to merge units or stand alone, and the faculty and academic staff of each institution (including UW-Colleges as a whole and UW Extension) may decide individually whether to participate in bargaining. Academic staff who serve as supervisory employees, management employees, and confidential employees are not covered. Visiting professors, deans and faculty serving limited term appointments are also excluded.

About 15,800 faculty and academic staff FTE (approximately 18,000 people) would be eligible for coverage in up to thirty bargaining units under this bill. This count compares to approximately 8,000 classified UW FTE presently covered in 13 bargaining units under SELRA. In developing the fiscal estimates, it is assumed that collective bargaining activity will be initiated in all 30 statutory bargaining units. There are significant differences in faculty and academic staff practices and policies from those for classified employees among the institutions. In a manner similar to that established under SELRA, each institution will handle day-to-day administration of collective bargaining agreements, including the processing and settlement of grievances. Therefore, the estimate assumes that a staffing pattern similar to that of classified staff under SELRA would be required for coverage of faculty and academic staff. For example, each of the four-year universities has a one-half time professional position devoted to SELRA contract administration. For faculty and academic staff it is estimated that a minimum of an additional full-time professional staff position would be required at each of the universities.

The number of additional staff needed will ultimately depend on the outcome of unit elections on each respective campus. If any unit election is successful, at any UW institution, there will be a need for more staff at System Administration, and then also at any respective institution that has a successful election. For example, if only one comprehensive institution has faculty that elect union representation, then there would be a need for one professional staff addition on site, two additional System Administration professional staff, and one clerical staff member at System Administration. However, any of the unions created can elect to combine into any number of consolidated unions, and the final number established would determine how much staff is necessary. This fiscal estimate assumes that each of the potential thirty (30) bargaining units elects to stand alone.

The bill designates the Board of Regents as the employer bargaining agent with responsibility for conducting negotiations, handling the mediation and arbitration proceedings and final stage arbitration cases. Under the bill, the Board would coordinate its collective bargaining activities with the Director of the Office of State Employment Relations (OSER), and maintain close liaison with the Legislature. UW System Administration personnel would conduct contract negotiations with assistance from staff at UW institutions, would establish management positions on bargained issues and negotiate economic conditions within the established budget parameters. The UW System would also have continuing responsibility for day-to-day contract administration. This responsibility would include the processing of grievances and the settlement or other resolution of the large share of grievances that would not be appealed to arbitration. Additionally, UW staff will be responsible for presentation of negotiated agreements to the Legislature's Joint Committee on Employment Relations (JCOER).

The estimated costs for the UW System under this bill are based on the prevailing salary and fringe benefit levels in state service. If all thirty (30) bargaining units possible under this bill are created, the estimate of

necessary staff would be three Employment Relations staff, one Senior Academic Planner, one Budget Planner, one IS Senior Professional Confidential, and one Legal Counsel in System Administration; three Employment Relations personnel at UW-Madison; one additional Employment Relations staff member at UW-Milwaukee; and one full-time University Human Resources Manager position at each UW institution including the UW Colleges and UW Extension. A total of twelve support positions would be needed to work with these professional staff across the UW System. Thus, if all thirty of the bargaining units that bill would allow are created, the total cost beginning in 2006-07 in salaries and fringe benefits would be \$2.2 million per year. The estimate assumes that the responsibility for negotiation and administration of these agreements remains with the Board of Regents. The estimate does not include the time commitment by deans, administrators, and other supervisors to handle grievances, participate in training, and other activities related to day-to-day contract administration. The estimate also does not include other support costs, including office furniture, equipment, supplies, and travel expenses.

Even though the effective date of any negotiated agreement would occur sometime well after the passage of the bill, there would be a substantial workload increase prior to commencing any negotiations to prepare for unit elections and contract negotiations. This preparation includes training of supervisory and administrative staff, preparing forms and processes for grievances, and setting up other administrative mechanisms for dealing with union representatives. The professional staff who would undertake the functions leading to the implementation of the contracts would be the same people who would assume responsibility for contract administration.

In summary, the enactment of this measure would require additional funds of \$2.2 million annually for salaries and fringe benefits directly related to 38 additional staff members. The total costs could be considerably greater than the request for additional funds because of increased workload for present staff and the related reallocations that would be required, but these cannot be estimated at this time.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2007 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
 Supplemental

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Description Collective bargaining process for University of Wisconsin System faculty and academic staff and making appropriations			
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
State Operations - Salaries and Fringes		\$2,215,736	\$
(FTE Position Changes)		(38.0 FTE)	
State Operations - Other Costs			
Local Assistance			
Aids to Individuals or Organizations			
TOTAL State Costs by Category		\$2,215,736	\$
B. State Costs by Source of Funds			
GPR		2,215,736	
FED			
PRO/PRS			
SEG/SEG-S			
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)			
		Increased Rev	Decreased Rev
GPR Taxes		\$	\$
GPR Earned			
FED			
PRO/PRS			
SEG/SEG-S			
TOTAL State Revenues		\$	\$
NET ANNUALIZED FISCAL IMPACT			
		State	Local
NET CHANGE IN COSTS		\$2,215,736	\$
NET CHANGE IN REVENUE		\$	\$
Agency/Prepared By		Authorized Signature	Date
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