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Mediation Services, Bureau of

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AT A GLANCE

- The Bureau of Mediation Services (BMS) oversees the collective bargaining relationship between all public sector employers, charitable hospitals, some private sector employers and their unionized employees.
- Of the 260,000 MN Public Employees; 72% work under 3,548 union contracts.
- In FY18 the BMS received 1,032 requests for service and during the same period there were zero strikes.
- BMS grant funding helped nonprofit mediation centers to provide conflict resolution services in approximately 2,007 neighbor, family, school, housing and other similar types of cases in 2017.

PURPOSE

The BMS mission is to promote orderly and constructive labor-management relations and to advance the use of alternative dispute resolution and collaborative processes.

Labor-Management Relations

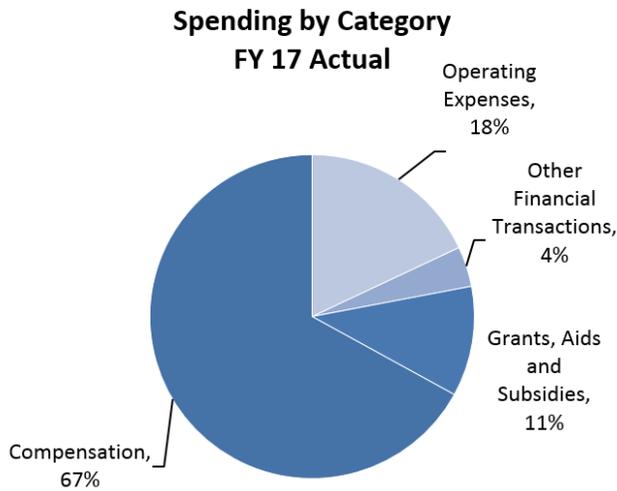
1. The BMS monitors collective bargaining disputes and works to prevent strikes and arbitration by directly mediating labor negotiations and grievances and by providing labor-management training.
2. Representation rights (employee's right to unionize or refrain from such) are regulated through a quasi-judicial administrative process including administrative investigations, hearings and elections.
3. BMS clients are: employers, labor organizations, employees, elected officials, labor attorneys and other labor relations professionals.
4. BMS assists the Public Employment Labor Relations Board while the independent board prepares to resolve unfair labor practice claims beginning July 1, 2020.

Alternative Dispute Resolution and Collaborative Processes

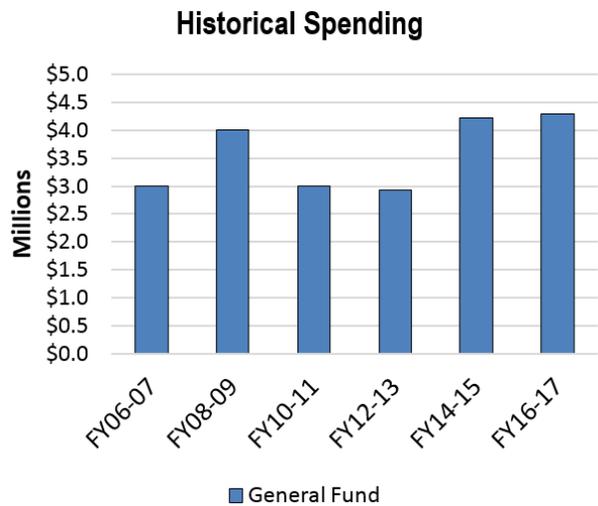
Through the Office of Collaboration and Dispute Resolution (OCDR), BMS provides: 1) public policy collaborative problem solving services; 2) funds and promotes the broad use of community-based dispute resolution across Minnesota; and, 3) assistance to other state and local agencies in effectively implementing collaborative and dispute resolution initiatives. The OCDR works with elected officials, state and local government employees, and citizen stakeholders to develop sustainable solutions to contentious public policy issues.

The BMS contributes to the statewide outcomes of: **A thriving economy that encourages business growth and employment opportunities; strong and stable families and communities; and efficient and accountable government services.**

BUDGET



Source: Budget Planning & Analysis System (BPAS)



Source: Consolidated Fund Statement

STRATEGIES

The BMS contributes to statewide outcomes by:

- Mediating collective bargaining and grievance disputes and promoting voluntary resolution of representation questions.
- Promoting cooperation among labor and management through worksite labor management committees.
- Administering a statewide labor-management grant program.
- Maintaining a roster of qualified neutral arbitrators to hear and decide contract and grievance disputes that cannot be resolved through mediation.
- Training labor and management representatives in the skills of negotiation, mediation, conflict resolution, relationship management and interest focused bargaining.
- Ensuring the sustainable resolution of matters of disputes by providing collaborative problem solving services to state and local government.
- Administering a \$160,000 annual grant program to community dispute resolution centers which provide free and low cost mediation services across the state.
- Building capacity of state and local government officials and staff to meaningfully engage the public.

RESULTS

In FY18 BMS resolved a total of 439 grievance and contract cases improving the efficiency and effectiveness of the public and private sector due to stable labor management relations. This resulted in dollars and work hours saved by the prevention of strikes, arbitration, and litigation, and contributed to improved productivity and higher employee morale. The collaborative resolution of public policy disputes improves the efficiency and effectiveness of government by preventing gridlock, generating higher quality solutions, and speeding up implementation of more sustainable solutions.

Measures of BMS work are successful case settlement rates, timely resolution of representation petitions and the quantity of successful community mediations.

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Quality	Percentage of collective bargaining contract and grievance disputes successfully settled through mediation	90%	92%	FY17, FY18
Quality	Percentage of representation elections successfully completed within 90 days	97%	92%	FY17, FY18
Quality	Percentage of OADR cases successfully settled through collaborative problem solving.	67%	100%	FY17, FY18
Quantity	Number of mediations provided by BMS funded nonprofit dispute resolution centers	1,973	2,007	CY16, CY17
Quality	Percentage of conflict resolution services provided by BMS funded centers which successfully reached resolution	69%	72%	CY16, CY17

Bureau of Mediation Services Statutory Jurisdiction:

Minnesota Labor Relations Act – M.S. 179, <https://www.revisor.leg.state.mn.us/statutes/?id=179&view=chapter>

Public Employment Labor Relations Act – M.S. 179A, <https://www.revisor.leg.state.mn.us/statutes/?id=179A>

Data Practices Act – M.S. 13.37 – 13.43, <https://www.revisor.leg.state.mn.us/statutes/?id=13>

Mediation Services, Bureau of

Agency Expenditure Overview

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base		Governor's Recommendation	
					FY20	FY21	FY20	FY21
<u>Expenditures by Fund</u>								
1000 - General	2,026	2,266	2,101	2,821	2,519	2,519	2,644	2,644
2001 - Other Misc Special Revenue	20		4	40	31	31	31	31
Total	2,046	2,266	2,105	2,861	2,550	2,550	2,675	2,675
Biennial Change				653		134		384
Biennial % Change				15		3		8
Governor's Change from Base								250
Governor's % Change from Base								5
<u>Expenditures by Program</u>								
Mediation Services	2,046	2,266	2,105	2,861	2,550	2,550	2,675	2,675
Total	2,046	2,266	2,105	2,861	2,550	2,550	2,675	2,675
<u>Expenditures by Category</u>								
Compensation	1,436	1,528	1,459	1,680	1,728	1,770	1,828	1,870
Operating Expenses	391	400	417	951	592	550	617	575
Grants, Aids and Subsidies	217	251	228	228	228	228	228	228
Other Financial Transaction	2	87	2	2	2	2	2	2
Total	2,046	2,266	2,105	2,861	2,550	2,550	2,675	2,675
<u>Full-Time Equivalent</u>								
	12.61	12.15	12.25	13.00	13.00	13.00	14.00	14.00

Mediation Services, Bureau of

Agency Financing by Fund

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base		Governor's Recommendation	
					FY20	FY21	FY20	FY21
1000 - General								
Balance Forward In		183		306				
Direct Appropriation	2,208	2,622	2,417	2,525	2,529	2,529	2,654	2,654
Transfers Out	1	253	10	10	10	10	10	10
Cancellations	2	286						
Balance Forward Out	178		306					
Expenditures	2,026	2,266	2,101	2,821	2,519	2,519	2,644	2,644
Biennial Change in Expenditures				629		116		366
Biennial % Change in Expenditures				15		2		7
Governor's Change from Base								250
Governor's % Change from Base								5
Full-Time Equivalents	12.61	12.15	12.25	13.00	13.00	13.00	14.00	14.00

2001 - Other Misc Special Revenue

Balance Forward In	28	34	47	58	32	26	32	26
Receipts	25	13	15	14	25	25	25	25
Balance Forward Out	34	47	58	32	26	20	26	20
Expenditures	20		4	40	31	31	31	31
Biennial Change in Expenditures				24		18		18
Biennial % Change in Expenditures						40		40
Governor's Change from Base								0
Governor's % Change from Base								0

(Dollars in Thousands)

	FY19	FY20	FY21	Biennium 2020-21
Direct				
Fund: 1000 - General				
FY2019 Appropriations	2,525	2,525	2,525	5,050
Base Adjustments				
Pension Allocation		4	4	8
Forecast Base	2,525	2,529	2,529	5,058
Change Items				
Mediator Training Program		125	125	250
Total Governor's Recommendations	2,525	2,654	2,654	5,308
Dedicated				
Fund: 2001 - Other Misc Special Revenue				
Planned Spending	40	31	31	62
Forecast Base	40	31	31	62
Total Governor's Recommendations	40	31	31	62
Revenue Change Summary				
Dedicated				
Fund: 2001 - Other Misc Special Revenue				
Forecast Revenues	14	25	25	50
Total Governor's Recommendations	14	25	25	50

Mediation Services, Bureau of

FY 2020-21 Biennial Budget Change Item

Change Item Title: Mediator Training Program

Fiscal Impact (\$000s)	FY 2020	FY 2021	FY 2022	FY 2023
General Fund				
Expenditures	125	125	125	125
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	125	125	125	125
FTEs	1	1	1	1

Recommendation:

The Governor recommends \$125,000 in FY20 and \$125,000 in FY21 for the creation of an extensive and comprehensive mediator training program within the Bureau of Mediation Services (BMS). This program is meant to hire, train and educate one individual to the unique profession of mediation. In addition to salary costs, this proposal includes state travel, per diem, educational expenses, and supplies.

Rationale/Background:

For more than 78 years, the BMS has provided mediation services to employer and employee groups within the State of Minnesota. In 1971 these services were extended to public employers with the passage of the Public Employment Labor Relations Act, increasing the agency's caseload to over 1,500 cases per year. The success of the BMS is due in large part to the highly qualified and experienced mediation staff, who have served in the labor relations field for a number of years. The experience needed to become a successful mediator often makes hiring a diverse and well qualified staff challenging. Often applicants are educated in employee relations or human resources and have access to many other career options, or applicants are highly experienced making the hiring process very competitive. Additionally, as the BMS seeks experts in the mediation field, many do not look to public employment due in part to sub industry wages. Because of this the agency is seeking a program to hire and train individuals who are new to field of mediation.

By reinstating the mediator training program, the Bureau can seek individuals coming out of school and train them in the unique aspects of labor management relations. This two year training program covers all the areas mediators are customarily presented; contract negotiations, interest based bargaining, negotiation impasse, arbitration, certifying issues, strikes, employee representation, certification and officer elections, unfair election charges, grievances, arbitration, independent review, determining appropriate units, unit clarifications, determining public employee status, identifying public employers, labor-management committee training, issue facilitation, and unfair labor practices.

Proposal:

The Governor recommends the creation of a mediator training program within the Bureau of Mediation Services. This program will train one new professional mediator, increasing the supply of quality and diverse mediators. This program will fund one mediator salary, travel costs, and education costs, as well as work materials including MN.IT services.

Equity and Inclusion:

The creation of a mediator training program allows the BMS to consider a larger pool of applicants when hiring and creates more opportunities for employment in the field of mediation for those who may not have previously had the qualifications or are underrepresented in the field. Upon completion of this program the trainee will have gained the skills and experience for a profession in mediation.

Results:

The BMS has a case load of over 1,500 cases per year. By increasing mediation staff, it is expected that the wait time for public employees and employers to access mediation services will be decreased.

Statutory Change(s):

N/A