

**PUBLIC EMPLOYMENT RELATIONS BOARD  
FINANCIAL AUDIT  
FOR THE THREE YEARS ENDED JUNE 30, 1989**

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**APRIL 1990**

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**Financial Audit Division  
Office of the Legislative Auditor  
State of Minnesota**

**90-22**



# SUMMARY

State of Minnesota  
Office of the Legislative Auditor  
Veterans Service Building • St. Paul, MN 55155  
612/296-4708

## PUBLIC EMPLOYMENT RELATIONS BOARD

FINANCIAL AUDIT  
JULY 1, 1986 - JUNE 30, 1989

Public Release Date: April 4, 1990

No. 90-22

### OBJECTIVE:

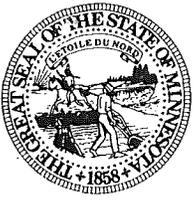
- TEST COMPLIANCE WITH CERTAIN FINANCE-RELATED LEGAL PROVISIONS.

### CONCLUSION:

We found that the board had complied with finance-related legal provisions.

Contact the Financial Audit Division for additional information.  
(612) 296-1730





STATE OF MINNESOTA

**OFFICE OF THE LEGISLATIVE AUDITOR**

VETERANS SERVICE BUILDING, ST. PAUL, MN 55155 • 612/296-4708

JAMES R. NOBLES, LEGISLATIVE AUDITOR

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Senator John E. Brandl, Chairman  
Legislative Audit Commission

Members of the Legislative Audit Commission

Herbert Custer, Chairman  
Public Employment Relations Board

Members of the Public Employment Relations Board

Audit Scope

We have conducted a financial related audit of the Public Employment Relations Board as of and for the three years ended June 30, 1989. Our audit was limited to only that portion of the State of Minnesota financial activities attributable to the transactions of the Public Employment Relations Board, as discussed in the Introduction.

We conducted our audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial activities attributable to the transactions of the Public Employment Relations Board are free of material misstatements.

We performed tests of the Public Employment Relations Board's transactions to obtain reasonable assurance that the Board had, in all material respects, administered its programs in compliance with applicable laws and regulations.

Management Responsibilities

The management of the Public Employment Relations Board is responsible for the Board's activities and that its transactions are made in compliance with applicable laws and regulations. Specifically, that:

- transactions are executed in accordance with applicable legal and regulatory provisions, as well as management's authorization; and
- transactions are recorded properly on the statewide accounting system in accordance with Department of Finance policies and procedures.

Conclusions

The results of our tests indicate that, with respect to the items tested, the Public Employment Relations Board complied, in all material respects, with the provisions referred to in the audit scope paragraphs. With respect to items not tested, nothing came to our attention that caused us to believe that the Public Employment Relations Board had not complied, in all material respects, with those provisions.

Senator John E. Brandl, Chairman  
Members of the Legislative Audit Commission  
Herbert Custer, Chairman  
Members of the Public Employment Relations Board  
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This report is intended for the information of the Legislative Audit Commission and management of the Public Employment Relations Board. This restriction is not intended to limit the distribution of this report, which was released as a public document on April 4, 1990.

We would like to thank the Public Employment Relations Board staff for their cooperation during this audit.

  
James R. Nobles  
Legislative Auditor

  
John Asmussen, CPA  
Deputy Legislative Auditor

END OF FIELDWORK: March 16, 1990

REPORT SIGNED ON: March 30, 1990

PUBLIC EMPLOYMENT RELATIONS BOARD

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AUDIT PARTICIPATION

The following members of the Office of the Legislative Auditor prepared this report:

John Asmussen, CPA	Deputy Legislative Auditor
Thomas Donahue	Audit Manager
Michael Anderson, CPA	Auditor-in-Charge

EXIT CONFERENCE

This report was discussed with the following staff of the Public Employment Relations Board at an exit conference held on March 16, 1990:

Herbert Custer	PERB Chairman
Jermaine Foslien	Executive Director



PUBLIC EMPLOYMENT RELATIONS BOARD

I. INTRODUCTION

The Public Employment Relations Board was created with the enactment of the Public Employment Labor Relations Act of 1971. The purpose of the Board is to promote consistent and orderly labor relations between public employers and public employee organizations in Minnesota. They accomplish this by hearing and deciding appeals to decisions rendered by the Bureau of Mediation Services, submitting lists of qualified arbitrators to parties involved in a grievance or contract negotiations impasse, and providing independent reviews of grievances. The five-member board employs a full-time executive director. Claudia Hennen was the executive director from the Board's inception until April of 1987. She resigned and was succeeded by Jermaine Foslien.

The activities of the Board are financed through appropriations from the General Fund. The following is a summary of the Board's expenditures for fiscal years 1987 through 1989:

	<u>FY 1989</u>	<u>FY 1988</u>	<u>FY 1987</u>
Salaries	\$46,932	\$46,920	\$43,639
Rents and Leases	2,881	2,326	2,208
Printing and Binding	1,940	1,821	1,358
Contract and Purchased Services	-0-	944	1,982
Communications	1,657	1,411	1,389
Travel	5,695	3,505	4,163
Fees	370	616	847
Supplies	1,647	3,379	1,211
Equipment	<u>-0-</u>	<u>2,505</u>	<u>-0-</u>
TOTAL	<u>\$61,122</u>	<u>\$63,427</u>	<u>\$56,797</u>

Source: Statewide Accounting System Disbursement Summary.