

XIV. LERA Annual Reports

Executive Board Meeting

Wednesday, June 13, 2007

Capital Room, Hotel Washington

Washington, DC

Call to Order—The meeting was called to order at 3:15 P.M. by President Eileen Hoffman. Present at the meeting were officers Tony Oliver (president-elect), Peter Feuille (secretary/treasurer), Adrienne Eaton (editor in chief) and Bill Canak (NCAC chair). Members present included Sara Adler, Ralph Craviso, Rob DeLucia (appointed to complete the term of Jerry Calhoun, who resigned), Jill Kriesky, Julie Martinez-Ortega, Gordon Pavy, and Nancy Peace. Committee chairs in attendance included Joel Cutcher-Gershenfeld, Marlene Heyser, and Paula Voos. Also present were guest Clint Card (FMCS intern) and national office staff Emily Smith, Lisa Sprinkle, and Paula Wells. Board members not able to attend were Paul Almeida, Jacquelin Drucker, Jack Fiorito, Morris Kleiner, David Lipsky (past president), Lisa Lynch, and Donna Wilson Renner.

Approval of Minutes—A motion was heard to approve the minutes of the Chicago, IL, board meeting held January 4, 2007. It was seconded and approved.

Committee and Officer Reports

Report on 2007 National Policy Forum—NPF meeting coordinator Jim Auerbach reported that National Policy Forum registration was at 175 pre-registrants with more to register on-site. He briefly reviewed the guest speakers and program.

Editorial Committee—Adrienne Eaton, editor-in-chief, presented the Board with the proposal for the 2009 research volume, reporting that it had been approved and recommended by the LERA Editorial Committee. Editors were

to be Jim Gross and Lance Compa and the working title of the volume would be *Human Rights in Labor and Employment Relations: International and Domestic Perspectives*. The motion to approve it as the 2009 volume was seconded by Martinez-Ortega and unanimously approved.

Adrienne also reported that *Perspectives on Work* editor Charles Whalen had informed us that because of other writing commitments, he would be reducing his editor duties to only one issue per year beginning in 2008, the December issue. The board discussed finding another editor to take on the spring (June) issue but after putting out a call, no individual or group had expressed interest. It was decided that if another editor could not be lined up for the spring issue, *Perspectives* would revert, at least temporarily, to an annual issue to be distributed only in December.

Finance and Membership Report—Secretary/treasurer Peter Feuille projected we will end the year with a \$70,000 deficit and that next year that deficit will grow unless we take immediate steps to cut expenses and/or look for other ways to bring in revenue. He reported our cash position would not allow us to sustain such deficits for more than a few years. Membership committee chair Paula Voos echoed that expenses must be cut—only doing one issue of *Perspectives* would help a little but we should also look at other nonessential programs to cut back. Paula Wells reported we would again be having the annual fund drive in the fall and hoped to raise another \$12,000 from that effort, but we need to look at other possible revenue-building opportunities as well.

Wells also reviewed the membership report, pointing out we are making some headway in reducing the numbers of members not renewing memberships and that we continued to gain new members, closing the gap. Julie Martinez-Ortega inquired if there was any analysis of who is leaving the field or makes up the field today. After discussion, Julie and Joel Cutcher-Gershenfeld agreed to look into how to pull such information together.

Bill Canak brought up several ideas on building membership. First was the idea to approach companies and unions with collective bargaining agreements and ask them to dedicate a tenth of a penny to fund LERA industry councils. This idea was deferred to the Development Committee for further exploration. Second, he discussed how the ASA had published a New Yorker Cartoon Book to celebrate their one hundredth anniversary; it is being sold to members and used as a gift item. He said that low press runs were possible and that books came in both soft and hard covers. An exploratory committee was set up to review the financial feasibility of such a project and to recommend whether we should or should not do this additional publishing project. The ad hoc committee was to be chaired by Bill Canak and to have Eileen Hoff-

man, Tony Oliver, Joel Cutcher-Gershenfeld, Adrienne Eaton, and Marlene Heyser as members.

Sixtieth Annual Meeting Report—Eileen Hoffman reported that forty-two proposals were submitted for considerations and that about half were able to be included. One of the meeting rooms will be set up in rounds to enable breakout discussions. A number of sessions, including the distinguished panel, would be focusing on the theme. The distinguished speaker is Claudia Golden, professor of economics at Harvard. The distinguished panel is being organized by Mary Ellen Shea. Sara Adler is working to put together a list of organizations taking volunteers for a half day and has worked with the New Orleans Public Library to arrange sale of t-shirts at the registration area, with all proceeds going to the library. A number of anniversary activities will be planned, including a cake at the reception.

Strategic Planning Report—Joel Cutcher-Gershenfeld and Nancy Peace reviewed the five major goals that came out of the strategic planning year (2006). Regarding the first goal of expanding our community online, it was discussed how we might survey LERA members concerning what they consider of value in the organization. The goals regarding reshaping our meetings and building bridges with our chapters needed further clarification and thought and were to be set aside for later work. The fourth goal, increasing academic membership, included working on special issues with other journals (headed by Morris Kleiner), supporting the institutionalization of the PhD Consortium, and looking into how best to develop other membership categories. The fifth goal, institutionalizing the Development Committee, has been accomplished, though much work remains to be done in terms of raising funds. Joel pointed out the work of the Strategic Planning Committee was essentially completed and that the next step was to assign working groups to begin meeting concerning accomplishment of the goals.

Adjournment—The meeting was adjourned at 6:03 P.M. by President Hoffman.

Executive Board Dinner and Meeting Minutes

January 3, 2008

Vieux Carre B Room, Intercontinental Hotel

New Orleans, LA

Call to order—The meeting was called to order at 7:01 p.m. by President Eileen Hoffman.

Present at the meeting were: officers Tony Oliver (president elect), David Lipsky (past President), Peter Feuille (secretary-treasurer), Adrienne Eaton (editor in chief) and Bill Canak (NCAC chair); board members: Sara Adler, Ralph Craviso, Jackie Drucker, Jack Fiorito, Morris Kleiner, Jill Kriesky, Lisa Lynch, Julie Martinez-Ortega, Gordon Pavy, Nancy Peace, and Bonnie Summers; incoming (non-voting) board members for orientation: Beth Almeida, Bob Chiaravalli, Ellen Dannin, and Christian Weller; committee chairs: Bonnie Castrey, Joel Cutcher-Gershenfeld, Marlene Heyser, David Lewin, Paula Voos, and Charles Whalen; invited guest: Janice Bellace, president-elect of the IIRA; and LERA staff: Emily Smith, Lisa Sprinkle, and Paula Wells.

Board members unable to attend included Paul Almeida and Rob DeLucia.

Awards, Recognition, and Announcements—President Hoffman introduced and welcomed incoming board members Beth Almeida, Bob Chiaravalli, Ellen Dannin, Jon Goddard (not present), and Christian Weller. She thanked and presented retiring board members Sara Adler, Paul Almeida, Rob DeLucia, Morris Kleiner, and Jill Kriesky certificates of appreciation for their service and presented special meritorious awards to Charles Whalen for his outstanding work as editor of *Perspectives on Work* and to David Lipsky for his groundbreaking work as chair of the LERA development committee.

Approval of minutes—A motion from Ralph Craviso was heard to approve the minutes of the December 11, 2007 Board Meeting held by Conference Call. It was seconded by Tony Oliver and unanimously approved.

Committee and Officer Reports

IIRA World Congress—Guest Janice Bellace, president-elect of the IIRA spoke about the upcoming 2012 IIRA World Congress to be held in Philadelphia in late May or early June. She noted that at the January 2009 LERA meeting she would be trying to organize a group of people from LERA to help organize academic sessions and to plan the 3-day conference. Board members expressed support and advised her to contact and work with FMCS

to coordinate the 2012 IIRA World Congress date so it would not conflict with their National Labor Management Conference.

Editorial Committee Report—Editor in chief Adrienne Eaton reported there was no 2010 research volume proposal to recommend at this date but there were options being developed. She also reported on a proposal from Walter Gershenfeld that LERA publish an updated 30–page arbitration booklet. The Board agreed it would like more information to consider it and requested staff to develop a profit/loss scenario of such a project to review in June.

The Editorial Committee brought two motions to the Board:

1) that the Annual Meeting Proceedings would go to an electronic format to be distributed online beginning in 2009 and that print copies would no longer be distributed to libraries and authors. This was to be put in place to save publication costs. The motion unanimously passed.

2) that we should go to an electronic format for the monthly newsletter with an option for members to get paper newsletter also, recommending we start by giving members the option to get newsletter by email rather than print version in September 2008. There was further discussion and Pete Feuille suggested amending the motion that we should just make the conversion and begin sending the electronic newsletter to the 90% of membership we had email addresses for and printing/ mailing a paper version to the other 10% with the staff to work out the timing for the conversion.

The motion unanimously passed.

Strategic Planning Initiatives Report and Discussion

Nancy Peace and Joel Cutcher-Gershenfeld provided an overview of the 5 strategic goals developed and approved by the Board last June and facilitated a discussion of the progress made in some of the areas: 1) fostering an intellectually vibrant community; 2) serving as the leading forum in our field; 3) networking with chapters and other organizations; 4) expanding membership; and 5) strengthening our financial base and governance structure.

Initiatives Related to Strengthening our Financial Base and Governance Structure

Peter Feuille, Secretary/Treasurer presented and discussed the semi-annual Finance and Membership report and 2008 LERA Budget. He pointed out that since 2000, LERA has had its operating budgets in the black 4 years and in the red 4 years; the last three years being in the red. This is primarily due to the fact the grant money has allowed us to expand programming to do new things for membership. As the grant support subsides, LERA must transition to a more modest operating budget and look for ways to retain and afford programs important to its mission. The cost-saving move to more

electronic publications is important. Phasing out or down-scaling little used programs in the future will also be necessary. Additionally LERA will need to look to increase revenues by adjusting membership dues and by developing new sources of support to sustain member programming.

After discussion, Finance and Membership Committee Co-chairs David Lewin and Paula B. Voos brought forth a motion from the Committee to increase member dues beginning in the fall of 2009 to the following levels:

Regular members to \$165

Emeritus to \$85

Students memberships to remain at \$25

Family membership to \$25

Contributing membership to \$300 (\$135 considered a tax deductible donation)

Library memberships to \$250.

International mailing fee to be added to all memberships \$20

It was estimated this increase in dues would help to close the annual deficit by half, or \$30,000. With discussion, the motion passed with 13 voting “For” and 3 “Against.”

The 2008 LERA Budget was discussed and unanimously approved.

Development activity—Development Committee Report—Outgoing Committee Chair David Lipsky indicated that the new committee chair, John F. Burton, Jr. would be assuming chair duties for this committee following this meeting. The Development Committee brought forward the motion: To redefine the mission and responsibilities of both the Development and Foundation Committees as follows:

to narrow the scope of the Development Committee to focus on seeking donations and contributions from members, unions, corporations, and other sources from ongoing programs, and [ongoing] operations, including support for the national office and the annual research volume. The committee will consider the possibility of creating an endowment fund. The name of the new committee would be the Development and Contributions Committee.

to broaden the scope of activities for the Foundation Committee to focus on seeking grants from foundations and sponsorships by unions, corporations and other funding sources from specific events, such as the National Policy Forum, the reception at the annual meeting and the awards presented at the annual meeting, and further develop organizational support from corporations, unions, etc. The name of the new committee[s] would be the Grants and Sponsorship Committee.

The motion unanimously passed.

Grants—Joel Cutcher-Gershenfeld reported that a grant proposal from 5 doctoral program institutions had been forwarded to Sloan. If approved later next year, it would partially fund a LERA staff member in exchange for their administrative support for that grants program. The grant itself would not be administered by LERA, rather LERA would be “contracted” to provide support.

New Initiatives Related to Expanding Membership

Practitioner membership development—President Hoffman reported that she, with Gordon Pavy’s help, had been able to build liaisons with the AFL-CIO and Change to Win to work more closely with these liaisons to develop organizational sponsorship support and to better identify labor leadership and representation within the LERA.

Practitioner and academic membership development—Morris Kleiner put forth a motion to establish a mid-career level award to academics and practitioner members of the LERA, those who have been in the profession for more than 10 years, by designating them as LERA Fellows. This designation would recognize scholars and practitioners who have made contributions of unusual distinction to the field. They are to be selected through a process of nomination by the membership and election by the LERA Awards Committee, who will not be eligible for election as a Fellow for their term on the Committee. Following the initial selection of Fellows in 2009, only those who have been members of LERA for at least three consecutive years can be elected. Nomination and election would be open to scholars and practitioners from any country. The initial group of Fellows, to be given in 2009, will consist of five scholars and five practitioners. In subsequent years, normally three Fellows will be selected within each category. The awards will be presented at the appropriate meeting event for each group of Fellows.

The motion was seconded by Lisa Lynch and passed unanimously.

Academic membership development—Jack Fiorito, Board and Editorial Committee member, reported on his initiative to provide academic members access to journal publication opportunities in the field via LERA. His proposals were:

to explore LERA annually working with particular journal to arrange a pre-conference day or post-conference day symposium on a particular theme. The journal would review and then select from among the papers presented a group that could be published as a symposium in that journal, and

to collaborate with outside journal editors to enhance publication prospects for the best refereed papers

The Board expressed interest in the proposals and asked Jack Fiorito to contact the publications to further develop. It was suggested a formal proposal further defining these activities be circulated via email later in the month with a motion to approve.

One-on-One Member Recruitment—Paula Voos emphasized the need for the Board to do more on 1-to-1 membership recruitment. In past years, the staff has helped to organize committees and motivate members to do this and such support was again needed. She asked for a report in June on outreach efforts and agreed to send a sample of her low pressure colleague encouragements to join to board members, asking them to reach out to their colleagues to join and support LERA.

New Initiatives Related to Community, Forums and Networking

LERA Meetings and Meeting Architecture—Joel Cutcher-Gershenfeld opened a discussion on the challenges of LERA's current meeting architecture and the opportunities to improve or enhance member participation. It was noted that attendance at LERA's Annual Meeting over the past decade has been flat. Several constraints were recognized—there were difficulties drawing practitioners to the conference because the schedule conflicted with corporate strategic planning activities, ASSA time and hotel meeting room space limitations, and others. The chief constraint for the spring National Policy Forum was the reality that NPF was so reliant on sponsorship and contributions to make or break the bottom line. In regards to the strategic plan, relevant options regarding meeting architecture are: to leave things as they are, enhance/expand the spring meetings, especially for practitioners, and adjust the winter annual meeting. There was an extended discussion and many ideas were put forth regarding enhancing and refocusing the meetings while keeping both meetings of interest to academics and practitioners. It was decided to continue the "What is the best architecture for the meetings?" discussion at the June 2008 Board meeting, where a more formal strategic action plan could be developed and approved. Joel asked for volunteers from the Board to form a small working group to prepare for the Meeting Architecture discussion. Julie Martinez-Ortega volunteered.

National Labor-Management Conference—It was discussed and agreed that Joel Cutcher-Gershenfeld should proceed to contact FMCS and develop a LERA track of sessions to possibly be included in the National Labor Management Conference program in June 2008.

New Yorker LERA Cartoon Book—Bill Canak reported the Cartoon Book was published and available for sale and thanked Eileen Hoffman, Joel Cutcher-Gershenfeld, and the entire Cartoon Book committee for their help. The book

will be offered for sale to members, chapters, and others to raise the profile of the organization and create new member interest.

LERA Blog—Joel Cutcher-Gershenfeld reported that a LERA Blog was in development and would roll out this spring, creating new LERA community opportunities.

Other Business

Next Board Meeting—The date and time for the next LERA Executive Board Meeting was discussed. It was tentatively scheduled to be held the day before the NLMC, on Sunday evening June 8, 2008 in Washington D.C. Several Board members asked the staff to poll members and explore the possibility of holding it on June 9th instead, provided there was no conflict with NLMC activities.

Closing Statements—President Eileen Hoffman encouraged board members to become local chapter members and to urge chapter members to join and be active in LERA. She congratulated Eileen Appelbaum of Rutgers University as the 2010 President Elect nominee. She thanked co-vice chairs Joel Cutcher-Gershenfeld, Bonnie Castrey and the LERA Program Committee for their efforts in developing the 2008 Annual Meeting Program. She acknowledged and thanked Board member Sara Adler for her work to organize a tee-shirt sale to benefit the local New Orleans Public Library.

Meeting Adjournment—President Hoffman adjourned the meeting at 10:39 p.m.

LERA General Membership
Meeting & Awards Presentation
Saturday, January 5, 2008—6 p.m. to 7 p.m.
LaSalle B&C, InterContinental Hotel
New Orleans, LA

Call to Order. President Eileen Hoffman called the meeting to order at 6:05 p.m. She welcomed LERA members and guests, acknowledged new members and introduced Anthony Oliver, Jr., as the incoming LERA President for 2008.

Committee and Officer Reports

Report from the Nominating Committee. Eileen Hoffman reported on the nominating committee, announced Joel Cutcher-Gershenfeld as the President-Elect Candidate and Eileen Appelbaum as President-Elect-Elect.

Report from Perspectives on Work Editorial Advisory Board. Charles Whalen reported that he will edit only one edition of POW in 2008 and thereafter, and reported on upcoming features.

Report from the Finance & Membership Committee. Peter Feuille reported on dues increases. Beginning the Fall of 2009, dues will increase accordingly:

\$35 increase for Regular Members, from \$130 to \$165

\$15 increase for Emeritus Members, from \$70 to \$85

No increase for Students Members, held at \$25

\$10 increase for Family Members, from \$15 to \$25

\$50 increase for Contributing Members, from \$250 to \$300 (\$135 considered a tax deductible donation)

\$50 increase for Library Members, from \$200 to \$250

\$5 increase in international mailing fee, from \$15 to \$20

Report from the Development Committee. David Lipsky announced his replacement as Chair of the Development Committee, John Burton, Jr. Under David's leadership, the Development Committee raised nearly \$1 million in contributions, grants, sponsorships, etc. since 2004.

Report from the Strategic Planning Committee. Nancy Peace reported on strategic plan initiatives. Progress report was submitted to the Board. Initiatives included examining the structure and focus of meetings. Trevor Bain

recommended that we seek opinions from the full membership about the strategic plan initiatives.

Report from the Industry Council Committee. Eileen Hoffman reported that we are adding new Industry Councils and encouraged LERA members to join the Industry Council of their choice.

Report from the Editorial Committee. Adrienne Eaton reported that Research Volume topic had not been settled upon for 2008, and reminded the membership that LERA is moving towards electronic publications.

LERA Awards Presentations

John T. Dunlop Outstanding Scholar Awards Presentation. Morris Kleiner presented John T. Dunlop Outstanding Scholar Award to co-winners. David Lee of the Princeton University received the award for his contributions to research addressing industrial relations/employment problems of national significance. Adriana Kugler of the University of Houston received the award for her contributions to international/ comparative labor and employment research.

Susan C. Eaton Outstanding Scholar-Practitioner Award Presentation. Morris Kleiner presented the Susan C. Eaton Outstanding Scholar-Practitioner Award to Lisa Lynch of the Tufts University. She was named winner for outstanding research and practice that emphasized the value of bringing together the academic and practitioner communities in our field.

Susan C. Eaton Outstanding Scholar-Practitioner Research Grant Presentation. Steve Sleight presented this award to Samuel A. Kleiner of Carnegie Mellon University. The award included a \$3,000 grant for a research project, "Unionization, Concerted Activities, and the Quality of Patient Care." Kleiner's project will examine the quality effects of nursing unions and collective bargaining disputes in the hospital industry using (purchased) data available through the NY State Department of Health.

Excellence in Education Award Presentation. Rachel Hendrickson presented this award to Douglas McCabe, of Georgetown University. He was named for his long term commitment to teaching, continued excellence in the classroom and the clear impact he has on students.

UCIRHRP Poster Session Awards Presentation. Paul Clark announced and presented awards to Diana Grey and Adam Seth Litwin.

LERA Chapter Awards Presentation. Bill Canak presented Chapter Star awards to local LERA chapters. The highest honor of the Chapter Star Award was presented to Gateway (St Louis), Long Island New York, TERRA, Wisconsin, Oregon, and Mid-Michigan also received Chapter Star awards but representatives were not present to receive this at the meeting.

Business Meeting Continuation

Report from the National Chapter Advisory Committee. Bill Canak reported on the Chapter Advisory Committee and presented Chapter Star Awards. NCAC awards are meant to recognize the accomplishments and contributions of local chapters. Chapters can be nominated in the following categories: Chapter Communication, Chapters helping Chapters, Chapter to National, Community Involvement, Consistent Chapter Excellence, Member Innovation, Outstanding Programming and Turnaround/Startup. This year an Outstanding Chapter Award was awarded to Alabama and merit awards were presented to Boston, Orange County, CA and Washington D.C.

Next Conference Dates. Eileen Hoffman reported the next conference dates. FMCS National Labor Management Conference, will be held in Washington, DC on June 9–11, 2008 and will again have a LERA track on the program. LERA 61st Annual Meeting, will be held in San Francisco, on January 2–5, 2009 and the deadline for proposals is January 2008. IIRA will meet next on August 24, 2009 in Sydney, Australia and proposals will be due soon. IIRA will meet in Philadelphia, PA in 2012.

Request for New Business from the Floor. There were no requests for new business.

Concluding Remarks. Eileen Hoffman concluded with remarks about the value of the Association as a professional organization and officially handed over the presidency to Anthony Oliver, Jr.

Meeting Adjournment. Incoming President Anthony Oliver, Jr. adjourned the meeting at 7 p.m.

STAN FELLER, CPA

Accountant - Tax Consultant
806 Parkland Ct., Suite 1 - Champaign, Illinois 61821
(217) 351-3192 (fax 351-4135)

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Labor and Employment Relations Association
121 ILIR Building, 504 East Armory Avenue
Champaign, Illinois 61820

I have audited the accompanying statements of financial position of the Labor and Employment Relations Association (a nonprofit organization), State of Illinois, as of December 31, 2007 and 2006, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the Organization's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Labor and Employment Relations Association as of December 31, 2007 and 2006, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Stan Feller, CPA
Champaign, Illinois
April 29, 2008



LABOR AND EMPLOYMENT RELATIONS ASSOCIATION

STATEMENT OF FINANCIAL POSITION
December 31, 2007 and 2006

ASSETS	2007	2006
Current Assets		
Cash and Certificate of Deposit	\$ 309,756	\$ 487,496
Accounts Receivable - Net	124,976	55,415
Grants Receivable	0	15,330
Prepaid Expenses	27,315	4,100
Inventory	18,784	13,047
Accrued Interest Receivable	<u>455</u>	<u>4,214</u>
Total Current Assets	<u>481,286</u>	<u>579,602</u>
Property and Equipment	13,781	18,179
Less: Accumulated Depreciation	<u>(9,803)</u>	<u>(14,604)</u>
Net Property and Equipment	<u>3,978</u>	<u>3,575</u>
 TOTAL ASSETS	 <u>\$ 485,264</u>	 <u>\$ 583,177</u>
 LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts Payable	\$ 3,664	\$ 32,318
Accounts Payable to UCIRHRP	6,145	7,533
Accrued Liabilities	15,569	8,270
Dues Collected in Advance	108,351	86,469
Subscriptions Collected in Advance	16,358	24,856
Deferred Convention Expense	2,550	6,450
Eaton Memorial Scholarship Receipts	46,133	46,575
Kochan-Sleigh Award Receipts	37,973	19,135
Deferred Grant, Contribution Income	<u>11,115</u>	<u>56,488</u>
Total Current Liabilities	<u>247,858</u>	<u>288,094</u>
Net Assets		
Temporarily Restricted	0	0
Unrestricted		
Operating	237,406	295,083
Total Net Assets	<u>237,406</u>	<u>295,083</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 485,264</u>	<u>\$ 583,177</u>

The accompanying notes are an integral part of these financial statements

LABOR AND EMPLOYMENT RELATIONS ASSOCIATION

STATEMENT OF ACTIVITIES
Years Ended December 31, 2007 and 2006

	2007			2006		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
Revenue, Gains and Other Support						
Membership Dues	\$ 137,852		\$ 137,852	\$ 163,320		\$ 163,320
Subscriptions	29,471		29,471	38,501		38,501
Chapter Fees	6,425		6,425	9,508		9,508
Publications	2,337		2,337	818		818
Advertising	1,213		1,213	1,490		1,490
Mailing List Rental	3,175		3,175	5,383		5,383
Royalties	12,979		12,979	9,965		9,965
Meeting Income	99,196		99,196	26,572		26,572
Interest Income	14,975		14,975	13,166		13,166
Member Contributions	21,296		21,296	17,135		17,135
Administrative Fees	2,349		2,349	3,831		3,831
Contributions						
GE Contributions		0	0		0	0
FMCS Grant		32,722	32,722		53,047	53,047
Sloan Grant		45,373	45,373		121,612	121,612
Restrictions satisfied	78,095	-78,095	0	174,659	-174,659	0
Total Revenues, Gains and Other Support	409,363	0	409,363	464,348	0	464,348
Expenses and Losses						
Program Services						
General	206,013		206,013	138,813		138,813
Meetings	82,724		82,724	43,705		43,705
Publications	61,346		61,346	72,280		72,280
Grant Expenses						
Sloan Grant Expense - See Note 5	42,992		42,992	121,612		121,612
GE Contributions - See Note 4	0	0	0	0	0	0
FMCS Grant Expense -See Note 6	32,722		32,722	53,047		53,047
Supporting Services						
Management and General	30,812		30,812	16,631		16,631
Membership Development	10,431		10,431	30,824		30,824
Total Expenses and Losses	467,040		467,040	476,912		476,912
Change in Net Assets	-57,677		-57,677	-12,564		-12,564
Net Assets at Beginning of Year	295,083		295,083	307,647		307,647
Net Assets at End of Year	\$ 237,406	\$ 237,406	\$ 237,406	\$ 295,083	\$ 295,083	\$ 295,083

The accompanying notes are an integral part of these financial statements.

Page 3

LABOR AND EMPLOYMENT RELATIONS ASSOCIATION

STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended December 31, 2007

	MEETINGS					GRANTS/CONTRIBUTIONS					PUBLICATIONS				SUPPORTING SERVICES		
	General	Winter Conference	Regional Meetings	Nurt Policy Forum	Winter/Bd Meeting	Spring Bd Meeting	GE Contribution	FNCS Grant	Shawn Grant	Annual Proceedings	Perspectives	Research Volume	Directory & Newsletter	Management & General	Membership Development	Totals	
Compensation	156,734						8,570	4,042								169,346	
Payroll taxes & fringes	49,279						2,757	1,375						1,218		53,411	
Depreciation														3,051		1,219	
Insurance														3,051		3,051	
Travel expenses														400		23,877	
Bank charges														400		23,877	
Promotion		6,848		9,763			21,056	2,911							3,574	24,073	
Fulfillment								3,888								13,180	
Postage and freight																1,720	
Accounting/auditing																4,855	
Printing, production		970		482				7,016	388	15,559	10,038	7,052				42,155	
Postage		2,024		409				1,761	323	7,156	5,425	7,052				27,720	
Other public costs		23,893		17,038	3,854	1,000		11,200	3,154		940	5,200				46,785	
Meals		1,108		10,396				1,000	529							12,033	
Travel		2,483		2,221	173	52	339	1,350								6,618	
Other meeting expenses																	
Shawn Grant Overhead								6,806								6,806	
Education																784	
Computer & label supplies									410							3,839	
Printing																3,589	
Student and member awards														1,655		1,655	
Fundraising expense														1,543		1,543	
Duplicating Expense														3,872		3,872	
Telephone and FAX														571		571	
Chapter expenses														1,855		1,855	
Other														816		816	
Other committee expenses														1,285		1,285	
Miscellaneous office														3,425		3,425	
	206,013	37,326	0	40,319	4,027	1,052	0	32,722	42,992	24,496	16,863	15,537	30,812	10,431		467,040	

The accompanying notes are an integral part of these financial statements.
Page 4

LABOR AND EMPLOYMENT RELATIONS ASSOCIATION

STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended December 31, 2006

	MEETINGS			GRANTS/CONTRIBUTIONS				PUBLICATIONS			SUPPORTING SERVICES			Totals	
	Winter Conference	Natl Policy Forum	Winter Bd Meeting	Spring Bd Meeting	GE Contibts	FMCS Grant	Stann Grant	Annual Proceedings	Respective	Research Volume	Directory & Newsletter	Management & General	Membership Development		
General	102,706													170,800	
Compensation	36,107				18,489	48,605								53,648	
Payroll taxes & fringes					1,513	16,029								1,365	
Depreciation												1,365		3,070	
Insurance														33,329	
Industry Research					26,403	6,926								363	
Bank Charges					60	3,868								19,305	
Promotion	6,736				18	1,000							8,683	12,289	
Fulfillment														2,746	
Postage and freight														3,025	
Accounting/auditing	1,234						3,157	2,455	18,739	8,643	4,405			38,633	
Printing, production	556	81					1,191	1,560	2,720	2,461	5,079			13,946	
Postage							6,929	6,164	7,512	6,114	4,226			32,347	
Other public costs														0	
Office supplies														0	
Office expense														0	
FMCS Grant (Expense)							7							7	
Stann Grant (Expense)														0	
Stann Grant (Overhead)							15,862							43,882	
Meals, Receptions	24,034	112	2,094	2,428			224	15,000						6,829	
Travel	1,756	159					4,275	639						5,509	
Other meeting expenses	3,505	939	73	8			54							90	
Education														4,900	
Computer supplies/svc							420	1,335						3,145	
Office supplies							708							3,664	
Student and member awards														3,624	
Fundraising expense														17,191	
Telephone, Fax														1,853	
Chapter expenses														920	
Dues														645	
Printing														643	
Other committee expenses							17							406	
Miscellaneous office														1,092	
	138,813	37,821	1,291	2,157	2,436	0	53,047	121,612	10,179	28,971	19,418	13,712	16,631	30,824	476,912

The accompanying notes are an integral part of these financial statements.

LABOR AND EMPLOYMENT RELATIONS ASSOCIATION

STATEMENT OF CASH FLOWS
For the Years Ended December 31, 2007 and 2006**CASH FLOWS FROM OPERATING ACTIVITIES**

	2007	2006
Change in Net Assets	\$ (57,677)	\$ (12,564)
Adjustments to Reconcile Change In Net Assets to Net Cash		
Cash Flows from Operating Activities		
(Increase) or Decrease in Operating Assets:		
Cash Disbursed for general undesignated offerings	(69,561)	(12,077)
Cash Received from restricted grant contributions	15,330	111,331
Cash Disbursed for Prepaid Expenses	(23,215)	(322)
Cash Disbursed for Inventory	(5,737)	(6,158)
Cash Received from Interest Income	3,759	(1,706)
Increase (Decrease) in Operating Liabilities		
Cash Disbursed for general undesignated offerings	(15,546)	(12,434)
Cash Received from general undesignated offerings	7,299	39,230
Cash Received for general supporting and fundraising expense	21,882	13,562
Cash Disbursed for general supporting and fundraising expense	(8,498)	14,001
Cash Disbursed for restricted contributions	<u>(45,373)</u>	<u>(121,613)</u>
Net Cash Provided by Operating Activities	(177,337)	11,250
Cash Flows from Investing Activities		
Depreciation	1,218	1,365
Loss on stolen fixed asset	761	0
Payments for Property and Equipment	<u>(2,382)</u>	<u>0</u>
Net Cash Provided by Investing Activities	(403)	1,365
Net Increase (Decrease) in cash and cash equivalents	(177,740)	12,615
Cash and short-term Investments:		
Beginning of Year	<u>487,496</u>	<u>474,881</u>
End of Year	<u>\$ 309,756</u>	<u>\$ 487,496</u>

The accompanying notes are an integral part of these statements.

**LABOR AND EMPLOYMENT RELATIONS ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2007 AND 2006**

Note 1 – Nature of Activities and Significant Accounting Policies

Nature of Activities

The Labor and Employment Relations Association (LERA) was founded in 1947 to encourage research in all aspects of the field of labor, employment, and the workplace. It is a non-profit scholarly association of academic, labor, business and neutral communities committed to the full discussion and exchange of ideas between and among its broad constituencies through meetings, publications, and its various electronic listservs and websites. The LERA National Office is located in Champaign, Illinois and serves the association by planning conferences and meetings, and publishing the various research of its members.

Basis of Accounting

The financial statements of the Association are presented using the accrual basis of accounting.

Contributed Services

During the years ended December 31, 2007 and 2006, the value of contributed services meeting the requirements for recognition in the financial statements was not material and has not been recorded.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Property, Plant and Equipment

Property, plant and equipment are carried at cost. Depreciation is provided using the straight-line method over an estimated five to seven year useful life. Beginning in 2005, LERA decided to follow the practice of the University of Illinois to expense any items purchased costing less than \$500.

**LABOR AND EMPLOYMENT RELATIONS ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2007 AND 2006**

Financial Statement Presentation

The Association has adopted Statement of Financial Accounting Standards (SFAS) No. 117, "Financial Statements of Not-for-Profit Associations." Under SFAS No. 117 the Association is required to report information regarding its financial position and activities according to two classes of net assets: unrestricted net assets and temporarily restricted net assets. As permitted by the statement, the Association does not use fund accounting.

Organization Name Change

Effective January 6, 2005, the organization's constitution and bylaws were changed to denote the name change to Labor and Employment Relations Association. The new name was ratified and approved at the executive board meeting on January 6, 2005, in compliance with a general membership vote by mail in June, 2004.

Contributions

The Association also adopted SFAS No. 116, "Accounting for Contributions Received and Contributions Made." Contributions received are recorded as unrestricted or temporarily restricted support depending on the existence or nature of any donor restrictions.

Temporarily restricted net assets are reclassified to unrestricted net assets upon satisfaction of the time or purpose restrictions.

Income Taxes

The Association is a not-for-profit Association that is exempt from income tax under Section 501 (c)(3) of the Internal Revenue Code, and is classified by the Internal Revenue Service as other than a private foundation.

Investments

The Association does not have any investments in marketable securities.

**LABOR AND EMPLOYMENT RELATIONS ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2007 AND 2006**

Cash and Cash Equivalents

For purposes of the statements of cash flows, the Association considers all highly liquid investments available for current use with an initial maturity of twelve months or less to be cash equivalents. Cash investments held at seven financial institutions exceeded the \$100,000 FDIC insurance limits by a total of \$8,280 at December 31, 2007 and by \$12,622 at December 31, 2006.

Inventory

The Association's inventory of directories, research volumes, proceedings and perspective magazines is carried at the lower of cost or market value.

Membership Dues and Advance Subscriptions Collected

Beginning in September 2006, membership dues and subscriptions are assessed and recognized into income on a rolling 12-month basis. Dues paid over one year in advance are not recognized into income until the twelve-month period they are due. Prior to September 2006, these dues and subscriptions were assessed on a calendar year basis and recognized on an annual accrual basis.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Note 2 – Arrangements with the University of Illinois

The Association moved its offices to the University of Illinois at the end of 1999. Under an arrangement with the University, the employees of the Association are employed by the University. The employees' pension and benefits are part of the University's plans. The Association then reimburses the University quarterly for the cost of the employees.

Note 3 – UCIRHRP servicing arrangement to administer business

On January 3, 2003, the LERA entered into a servicing arrangement to administer the business of the University Council of Industrial Relations and Human Resources Programs (UCIRHRP). These servicing duties include dues notification and collection, annual meeting arrangement and report preparation,

**LABOR AND EMPLOYMENT RELATIONS ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2007 AND 2006**

Note 3 – UCIRHRP servicing arrangement to administer business - continued

and maintaining a data base and network communications for this separate organization. A separate financial statement is maintained for this company, but the fund's cash is maintained in LERA's general bank account. The amount of cash belonging to UCIRHRP in the general account is shown on LERA's balance sheet as Due to UCIRHRP. The initial deposit of UCIRHRP funds was wired to LERA on September 22, 2003, at which time the LERA began this servicing arrangement. UCIRHRP's cash balance in LERA's custody was \$6,145 at December 31, 2007, and \$7,533 at December 31, 2006. The LERA is allowed to collect 20% of dues collected each year as an administrative fee.

Note 4 – General Electric (GE) Contributions

On September 2, 2004, the LERA received a \$25,000 contribution, with \$5,000 allocated to its 2005 National Policy Forum (NPF), \$5,000 for the Aerospace Industry Council, and \$15,000 for unspecified uses. The LERA deferred \$5,000 of the contribution to 2007 for Aerospace, recognized as income and allocated \$5,000 to 2005 NPF expenses, and allocated the unspecified portion to 2004 expenses.

On August 27, 2004, the LERA received a \$5,000 separate donation from GE to co-sponsor the 2004 LERA activities within the National Labor Management Conference and additional support for the Aerospace Industry Council. Aerospace Industry Council funds have been deferred for future use, while NLMC co-sponsorship funds received were recognized in 2004.

Note 5 – Alfred P. Sloan Foundation Grant #2003-12-14

On December 13, 2004, the LERA received notification that it was the recipient of a grant for \$387,677 to establish a network of industry councils within the LERA. The grant was received in three installments, with \$147,400 received in January 2004, \$123,900 received in February 2005, and the final payment of \$116,377 received in 2006. The 2006 installment was offset with 2007 expenses totaling \$45,373, which includes overhead charges allowed at 15% and 2006 expenses totaling \$121,612, plus overhead charges of \$18,214. The 2005 installment was offset with 2005 expenses totaling \$91,872, plus overhead charges of \$13,780. The 2004 installment was offset with 2004 expenses totaling \$96,890, plus overhead charges of \$14,534. This leaves \$3,615 of unspent grant funds deferred to 2008 to be expended by February 29, the end of the extended grant period.

**LABOR AND EMPLOYMENT RELATIONS ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2007 and 2006**

Note 6 – Federal Mediation and Conciliation Services Grant #03-CA/I-004

On February 17, 2005, the LERA received notice of its \$125,000 grant application approval by FMCS and additional \$13,889 funds to be provided by MIT and LERA for LERA Airline Industry Council project leadership and management committee meetings. The initial project and budget period of this grant covered October 1, 2003 to September 1, 2006, but was extended in 2006 to cover 2007 expenses through March 31, 2007. \$48,000 in project reimbursement was received from FMCS in 2006. Expenses relating to the grant in 2006 totaled \$53,047. The last reimbursement of \$48,052 for this project was received from FMCS in 2007. Final expenses relating to the grant in 2007 totaled \$32,722. A total of \$125,000 in reimbursements was received by the LERA from FMCS over the course of the project. The grant was closed as of March 31, 2007.

Note 7 – Susan C. Eaton Scholar-Practitioner Memorial Fund

The LERA set up a memorial fund in honor of an author of a 1998 "Perspectives on Work" article and active young LERA member, who died on December 30, 2003. Memorial gifts received were \$1000 in 2007, \$2000 in 2006, \$13,629 in 2005, and \$36,331 in 2004. At its June 1, 2004 meeting, the LERA approved the establishment of an annual Susan C. Eaton Scholar-Practitioner award and grant, to be paid to one or more worthy persons. At its January 6, 2005 meeting, the Board directed that the LERA collect 10% of any gifts received each year as an administrative fee for managing the Fund and grant. One award totaling \$3,000 was paid in January 2007 and two awards totaling \$3,000 were paid in January 2006. Including interest earned and paid to the account, \$46,133 has been deferred to future years for future annual award payments.

Note 8 – Kochan-Sleigh Best Dissertation Award Fund

On March 27, 2006, the LERA set up a temporarily restricted fund with contributions from a member and matching contributions from General Electric. The fund is restricted for a minimum of fifteen years, when only interest income may be used from the fund to pay for the \$1,000 annual best dissertation award. After the fifteen-year period, the principle amount remaining is to be released and become available to LERA for unrestricted purposes. The contributor made additional start up contributions of \$1,000 each in 2006 and 2007 to cover the award for the first two years before the fund is fully funded. A total of \$21,000

**LABOR AND EMPLOYMENT RELATIONS ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2007 AND 2006**

of member and matching contributions was received in 2007 and a total of \$21,000 of member and matching contributions was received as of December 31, 2006. Two best dissertation awards totaling \$1,000 were granted in 2007. According to the terms of the award document and pursuant to a vote of the Executive Board in 2005, the LERA is to collect 10% of annual contributions as a one-time service fee to help cover the LERA costs to administer this award. Including interest earned and paid to the account as of December 31, 2007, \$37,973 has been deferred to future years for future annual awards.

Note 9 – Campaign Drive

To help ensure the financial stability of the organization, the LERA Board of Directors established a Development Committee on January 1, 2004 to begin its work raising money from the membership and supporting organizations. Beginning in 2006, LERA kicked off its campaign drive, where the executive board agreed to establish its formal campaign goal of \$1,500,000 to be raised over a three year period beginning January, 2007, the start of its campaign. The campaign goal is inclusive of all grants pledged and contributions given to the LERA since 2004. Total related expenses in 2007 and 2006 for this effort were \$3,872 and work \$17,191, respectively.

The LERA gratefully acknowledges the continuing support of its Sustaining and Annual Organizational Members

ANNUAL MEMBERS 2007–2008*

AFL-CIO, Department of Professional Employees
AFL-CIO, Working for America Institute
American Federation of Teachers
BlueCross BlueShield Association
Communication Workers of America
Cornell University, Scheinman Institute of Conflict Resolution
Cornell University, School of ILR
Federal Mediation and Conciliation Service
Health Alliance Plan of Michigan
International Association of Machinists and Aerospace Workers
Indiana University of Pennsylvania
Integro Leadership Institute
Las Vegas City Employees' Association
Las Vegas Metro Police Department
Le Moyne College
Lucent Technologies
Massachusetts Institute of Technology (MIT)
Merrimack Films
Michelin North America, Inc.
Michigan State University
National Labor College
National Public Employer Labor Relations Association
New York State Nurses Association
Orange Country Transportation Authority
Penn State University
Rollins College
Rutgers University
Saint Joseph's University
San Diego Municipal Employee Association
Society for Human Resource Management (SHRM)
Southwest Airlines Pilots' Association
United Steelworkers of America
University of California at Los Angeles
University of California—Berkeley
University of Illinois at Urbana-Champaign
University of Minnesota
University of Toronto
West Virginia University
Wilson Center for Public Research

**Annual organizational memberships are available at the following levels:*

Benefactor, \$5,000 or more,	6 employee members
Supporter, \$1,000 to \$4,999,	6 employee members
Annual, \$500,	2 employee members

Alphabetical List of Authors

Anner, Mark.....	149	Keaveny, Timothy J.	202
Ariovich, Laura.....	214	Kim, Jaewon	205
Arnold, Edwin W.....	201	Lewin, David	61
Banerjee, Mallika	166	Locke, Richard D.	119
Barrett, Jerome.....	203	Lucio, Miguel Martinez	108
Bryson, Alex.....	51	MacDuffie, John Paul	205
Buck, Nuka	133	Mason, Geoff.....	127
Burton, John F. Jr.....	25	Moore, Michael.....	200
Chandler, Timothy.....	204	Moreton, Bethany	208
Colvin, Alexander	157	Nie, Mingzhu.....	200
Darbishire, Owen.....	157	O'Neill, Bonnie.....	202
Dencker, John.....	182	Opland, Richard	200
Esbjerg, Lars	133	Osborne, Matt	127
Fiorito, Jack	92	Pil, Fritz.....	205
Frey, Diane	202	Qin, Fei.....	119
Gall, Gregor.....	115, 206	Rose, Joseph	101
Gely, Rafael.....	204	Scott, Clyde	201
Gomez, Rafael	51	Stuart, Mark.....	108
Grunert, Klaus.....	133	Thornton, Robert	38, 141
Guo, Steve	25	Timmons, Edward J.	141
Hoffman, Eileen B.	1	Tolbert, Pamela S.	166
Howard, Jack	201	Voss-Dahm, Dorothea.....	127
Ilsøe, Anna	42	Wagar, Terry	207
Inderrieden, Edward J.	202	Wial, Howard.....	84
Jarley, Paul	92	Williams-Whitt, Kelly.....	8
Kato, Kyoko	200	Willman, Paul	51