

XIV. LERA Annual Reports

Executive Board Meeting Hilton Garden Inn, Des Plaines, IL May 8, 2010

Call to order—the meeting was called to order at 7:12 p.m. by Eileen Appelbaum, President. Officers present at the meeting were Past President and Certification Chair Joel Cutcher-Gershenfeld, President-Elect Gordon Pavy, and Secretary-treasurer Peter Feuille. Board members present included Bob Chiaravalli, Linda Ewing, John Godard, Dennis Kuhl, Bonnie Summers, and Charles Whalen. Board members who attended by conference call were Rose Batt, Jody Hoffer Gittell, and Iain Gold. Committee Chairs in attendance were and Finance & Membership Committee Chair David Lewin (via conference call), NCAC Chair William Canak, and Grants and Sponsorship Committee Chair Marlene Heyser. LERA staff in attendance were Executive Director Paula Wells and Emily Smith. Board members not able to attend were Beth Almeida, Scot Beckenbaugh, Ellen Dannin, Richard Fincher, and Christian Weller.

Approval of the minutes—a motion was heard to approve the minutes of the previous board meeting held in Atlanta, GA on January 6, 2010. The motion was seconded and passed unanimously without changes.

Committee and Officer Reports

Grants and Sponsorship Committee Report—Marlene Heyser outlined the Rockefeller and Sage grants written by Tom Kochan to create the Employment Policy Research Network and put forth the motion:

If awarded by the Foundations noted, the Board votes to accept the grants 1) for initial funding of \$150,000 from the Rockefeller Foundation to create an Employment Policy Research Network and to update the LERA website, and 2) for supplemental funding of \$150,000 from the Sage Foundation to expand the catalogs of postings on the site (i.e. research papers, white papers, policy statements, blogs) from members of the non-partisan Network and to expand the Network and content in the second year. If only one grant is awarded, the work and budget outlined in the Rockefeller Grant will be priority one.

The motion passed unanimously. If both grants are awarded, LERA would be able to hire the personnel needed to get the EPRN project implemented for two years. It was suggested that Network members of the EPRN be encouraged thought not required to become LERA members.

UpJohn Institute might be another foundation who is willing in supporting the EPRN, and Joel Cutcher-Gershenfeld and Executive Director Paula Wells plan to meet with them later this year to discuss it.

BlueCross BlueShield Association National Labor Office has given us a sponsorship of \$15,000 for 2010, received in April. Bonnie reported that the value proposition for BCBSA is the relationship with the various stakeholders in the market and that BlueCross BlueShield's board warmly received President Eileen Appelbaum at her visit. If we could continue to find value propositions for other organizations, we could pursue other sources of sponsorship funds.

It was discussed that our development efforts this year should focus more on asking for Sustaining Sponsorships with a membership component rather than co-sponsorship of the NPF. Gordon Pavy will again work towards sending a letter from the AFL-CIO to its various labor organizations, and pointed out we also need an equivalent letter on the corporate side. It was suggested that perhaps union representatives could ask their management counterparts to become Organizational members/sustaining sponsors as well. Iain Gold will find out if Change to Win could make a small contribution, and he will report back to the board.

The Industry Councils should target key individuals in their respective sectors to become Organizational members/sponsors too. Industry Council Chair Joel Cutcher-Gershenfeld will draft a note to co-chairs of each council and invite them to generate an industry specific letter to target management and labor components within their industry. The letter to each Industry Council may emphasize the value of the National Policy Forum as this meeting may draw additional interest. David Lewin will assist in this effort. Rachel Hendrickson could also reach out to the National Education Association, and they could connect with their local organizations as well.

Development and Contributions Committee Report—The John Dunlop Policy Fund motion was submitted: The Development and Contributions Committee at its meeting on January 2, 2010 endorsed a proposal to conduct a Fund Raising campaign to establish the John T. Dunlop Public Policy Fund. The LERA Executive Board accepts this proposal at its May 8, 2010 meeting. The Fund will subsidize a John T. Dunlop Public Policy Session at the LERA National Policy Forum and/or at the LERA annual meeting. By conducting the fund raising and agreeing to establish the fund, it is understood that the Executive Board will request Program Chairs and Committees to actively select, designate, or create one such public policy session each year to be held at the National Policy Forum or Annual Meeting.

Contributions will be received from LERA fund drives, from personal contacts of potential contributors by co-sponsors of the fund, from the LERA Contributions web pages, and from other means. The Development and Contributions Committee anticipates that friends, former students, colleagues, other admirers of John T. Dunlop, and those wishing to support a Public Policy session at LERA meetings will contribute funds in addition to their normal support of LERA.

The Executive Board of the LERA agrees to create the Fund for a period of 5 (or 10) years, or until 2015 (or 2020) at which time the Executive Board will review the Fund's purpose and uses and will determine whether to continue or modify the Fund. The Executive Board, with advice from the Development and Contributions Committee, will at a later date, determine the manner in which funds are invested and the amount of the annual distribution from the fund to implement the John T. Dunlop Public Policy Fund's purpose. Until that time, the Staff is directed to collect monies and deposit them in a separate account investing in a CD or a money market fund.

Pursuant to a vote of the Executive Board in 2005, a one-time 10 percent service fee will be deducted from all contributions to the John T. Dunlop Public Policy Fund in the year the contributions are received. This service fee will be allocated to the LERA operating account in order to help cover the LERA costs to administer the Fund and to help support the national office of the LERA.

The proposed Dunlop Fund was discussed by the Board. As understood by the Board, this fund will be established for the purpose of supporting LERA meetings, and both the interest and principle can be spent for current expenses. The Fund is to be created for a period of 5 years with Board review in 2015 as stated in the motion. This motion was passed unanimously by the Board, who would like to hear recommendations from the Development Committee regarding how the monies collected will be invested and the amount of the annual distributions from the Fund over 5 years.

The Gladys and Walter Gershenfeld fund motion was also brought forward by the Development Committee:

The LERA Executive Board at its May 8, 2010 meeting hereby establishes the *Gladys and Walter Gershenfeld Publication Fund* for the purpose of helping support LERA's electronic and print publications. The Fund will support on-going operational expenses for LERA publications, including but not restricted to: editorial, printing, production, programming, design, marketing, and distribution costs for existing and future print, Internet, and electronic LERA publications. Contributions will be reported each year to the Development and Contributions Committee and to the Executive Board. The *Gladys and Walter Gershenfeld Publication Fund* will be so named for 10 years, until 2020, at which time the Executive Board will review the Fund's purpose and uses and will determine whether and how to continue and/or modify the Fund. LERA will use the online contributions site at the LERA website, member renewals forms, and member renewal programs on the web to inform possible contributors. All contributions to the *Gladys and Walter Gershenfeld Publication Fund* will be recorded in the LERA financial reports and thank you letters will be sent to contributors.

The Gershenfeld family will be notified each year of those who contributed and the total amount of contributions received.

Intended to honor the memory of the late Walter Gershenfeld, the Board confirmed this Fund will have a lifespan of ten years, to then be reviewed by the Board. The monies collected in the Gershenfeld fund are intended to support LERA publications and both the interest and principle from money collected can be spent in the current year they are collected. The motion unanimously passed.

Finance and Membership Committee report—Peter Feuille provided an overview of the budget and membership figures, pointing out that our expenditures have been reduced in response to lower revenues; LERA is in its second year with only two staff members. LERA has been running deficits for three years and is forecasting another deficit for 2010, although it is projected to be less than \$5,000. LERA is down to \$175,000 in unrestricted funds, which operate as a savings to shore up LERA activities, and could face further hardship in the future if those unrestricted reserves continue to dwindle. Last year dues were \$165, and this year they were \$185 and the Board has also voted to keep dues at the same level for 2011. Although we have doubled dues in the last few years, we still have not increased membership revenue and our membership continues to decline. Feuille noted we have picked up more in organizational sponsorships than we have in previous years.

Annual Meeting Program Committee Report—The Welcome Reception and the Joint Universities Reception will be combined into one reception this year and we will be honouring Fran Benson at this event, as she has touched many of LERA members' careers. Fran has published about 300 books in our field. As a unique award, a large board is being created with cover art from all the books she has helped to publish over her career. Also, Ellen Dannin is working with Mahindra Kingra at Cornell Press to communicate with all the published authors to request their remarks about working with Fran. These will be compiled and printed in book format and given to Fran at the Presidential Luncheon, where she will also receive a LERA Special Achievement Award. The Program Committee wishes to identify other organizations that should be invited to purchase a table at the Presidential Luncheon to both raise more money and to have more people at the event. The Cornell Press and the Joint Universities will also be contributing towards the cost of the combined reception.

President Appelbaum also reported that Clair Brown, Labor Economist at University of California—Berkeley, will be honoured with the Lifetime Achievement Award at the 2011 Annual meeting.

She also reported that the Program Committee has worked to have sessions on the Program that will appeal to the Chapter members/practitioners. A letter will be sent to Chapter members to encourage attendance at the Annual Meeting, and hopefully each chapter will send two or three people. It's been our experience that once people experience an Annual Meeting for themselves, they may wish to join the organization. This year, a focused effort will be placed on getting this message to the Chapters.

Certification Committee Report—Bob Chiaravalli reported that the committee is working in a number of areas. They will be putting forward a survey for the membership and other components, examining providers for training, meeting with SHRM, and developing the curriculum. Once we have needs assessment data we will be in a better position to obtain seed funding from a few sources as the LERA staff cannot take this on without adding additional staff. The pipelines in the field of Labor and Employment Relations are thin, in both labor and management (and even neutrals). It is anticipated that organizations will sign up as providers of training (management, labor, government, academic units) and professionals will sign up to begin the certification programs and take tests along the way. This certification will have three levels, meant to complement all levels of academic achievement.

We will complete a pilot survey of the LERA membership, refine it, and begin to use it on other groups like local chapters, SHRM, FMCS, National Labor College to approach a national needs assessment.

Meeting Architecture Task Force Report—David Lewin introduced two motions that reflect the recommendations of the Task Force.

#1 The LERA should hold its own independent Annual Meeting designed to serve the research, practitioner and public policy interests of the Association and its key constituencies. This new Annual Meeting would incorporate the LERA National Policy Forum (NPF) by designating the first meeting day each year to be devoted mainly to public policy issues; the current biennial NPF meeting schedule would cease immediately OR after

the June 2011 NPF meeting (to be determined). It is further recommended that the Executive Board adopt the proposal to schedule the new independent LERA annual meeting in late spring (i.e., late May or early June) of a calendar year, perhaps to begin as early as 2012, and to hold the meeting on a three-year rotating geographical location basis.

#2 The LERA should attempt to retain some of the program/session “slots” allocated to it by the Allied Social Science Association (ASSA) for the early January ASSA meeting so as to continue to promote research in and discussion of labor economics. Further, the LERA should seek partnership agreements with other academic and professional associations (such as those identified in the Task Force memorandum) for the purpose of holding co-sponsored sessions on labor and employment issues at the annual meetings of those associations.

In the ensuing discussion, it was noted that the Task Force wishes to work with staff to investigate and bring forth more specific suggestions, i.e. recommended locations, date for a first meeting, a transition plan and a P&Ls to the Board later this year. By adopting this motion 1, we would merge the National Policy Forum into the Annual Meeting as the first day of the meeting. It was pointed out the cost for both meeting registration and hotel accommodations will increase, but holding an independent meeting could likely earn a modest profit for LERA, instead of the current status of losing money. If the program is attractive, people will attend and the meeting will be successful despite the additional cost. Both motions were introduced by seconded by Bonnie Summers and passed unanimously.

Editorial Committee report—Francoise Carre and Christian Weller submitted a report on their progress for the 2011 Research Volume by Ed Carberry about *Employee Ownership and Shared Capitalism* and the 2012 volume being developed by Dan Mitchell about the *Impact of the Great Recession on Public Sector Employment*. Both are proceeding nicely. The Board will see a formal proposal on the 2012 volume later this year.

Other Business

National Policy Forum 2011 Report—Paula Wells reported that previous National Policy Forums have earned between \$7,000 and \$16,000 before overhead and shared that holding a 2011 NPF will pose a staffing concern; we can do it, but we will need to hire outside help. The Management Department at Georgetown University will again co-sponsor us at the Cafritz Conference Center in D.C., which means reduced rental rates. Hotel and other costs will remain mostly the same at the meeting in 2009. If we decide to hold the meeting, we need to begin program development and fundraising right away. Since 2011 will be Gordon Pavy’s presidential year, he offered to look into the possibility that AFL-CIO staff could support the effort. It was agreed it is an intense amount of work, but also critical to our mission; there will be a 2011 NPF.

Chapter Initiatives Report—Paula Wells reported that at our last board meeting the board decided to make a chapter membership drive our main membership drive in 2010. We have summarized current chapter benefits and sought information from chapter about their challenges and needs, and have also summarized some possible additional resources in response to this communication. In terms of a membership campaign to the Chapters, the NCAC would be the hub of the wheel to reach out and communicate the value of LERA membership to officers. Since we haven’t increased chapter dues in over a decade and we are considering increasing chapter resources, we need to consider revising chapter dues, perhaps doubling them. The NCAC was charged to consider this and talk to their chapters about it. Eileen will chair a task force to work exclusively on chapter membership drive, and recruit local chapter members to help.

New Business

State of Illinois Budget Concerns—Joel Cutcher-Gershenfeld reported that the State of Illinois is in budget crisis and the University of Illinois is being impacted. We don’t currently envision any implications for LERA operations in Champaign and there is some degree of expectation that things could become more stable within the next few months. Other flagship institutions are also facing these type of financial hardships.

Adjournment—President Eileen Appelbaum adjourned the meeting at 2:40 p.m.

Executive Board Meeting

December 10, 2010

Via Conference Call

Call to order—the meeting was called to order at 3:00 p.m. ET by Eileen Appelbaum, President. Present at the meeting were officers Past President Joel Cutcher-Gershenfeld, President Elect Gordon Pavy and the next President Elect David Lewin. Executive Board Members present included Rose Batt, Bob Chiaravalli, Linda Ewing, Dick Fincher, John Godard, Iain Gold, and Dennis Kuhl, and Co-Editor-in-Chief Christian Weller. Others in attendance were Nominating Committee Chair Bob Bruno, NCAC Chair Bill Canak, and Foundations Committee Chair Marlene Heyser. LERA office staff in attendance were Paula Wells and Emily Smith.

Approval of the Minutes—a motion from Bob Chiaravalli was heard to approve the minutes of the board meeting held in Washington, DC in June 2010. The motion was seconded by Bill Canak and passed unanimously.

Committee and Officer Reports

Nominating Committee Report—Bob Bruno reported that Lisa Lynch was nominated by the LERA Nominating Committee to be the 2012 President-Elect. The Executive Board reviewed the list of candidate nominees and alternates that had been determined by committee consensus and voted that the slate was unanimously approved without changes.

Awards Committee Report—Paula Wells shared the list of 2010 LERA awardees. The awards are to be presented in January 2011 at the General Membership Meeting as follows:

- 1) John T. Dunlop Outstanding Scholar Awards: Betsey Stevenson, University of Pennsylvania and Mark S. Anner, Penn State University
- 2) LERA Fellows: Academic Fellows, Orley Ashenfelter, Princeton University, Marianne Ferber, University of Illinois, and Hoyt Wheeler, University of South Carolina
Practitioner Fellows: Stephen R. Sleight, The Yucaipa Co., Wilma Liebman, NLRB, Dennis Rocheleau, General Electric (ret)
- 3) Lifetime Achievement Award: Clair Brown, Stanford University
- 4) Outstanding Practitioner Award: James Bialke, National Nurses United
- 5) James G. Scoville Best International Paper Award: Recipient to be named (Virginia Dollegast, London School of Economics
- 6) Susan C. Eaton Outstanding Scholar-Practitioner Award, Samuel Estreicher, NYU School of Law
- 7) Thomas A. Kochan & Stephen R. Sleight Best Dissertation Awards, Winner, Chikako Oka, London School of Economics with Honorable Mentions to Brian Harney, University of Cambridge, Xiangmin (Helen) Liu, Cornell University, and Jing Wang, University of Toronto.

Development Committee Report—Paula Wells reported the Annual Fund Drive has been sent out to LERA members, the John T. Dunlop Public Policy Fund Drive has just been launched, with letters and an online campaign, and the Walter and Gladys Gershenfeld Publications Fund Drive has also been launched. Options to give include at the time of membership renewal, via mail, and through the new website, www.leraweb.org

Rockefeller and Sage Foundations Grants Report—Paula Wells reported we have now completed the soft-launch of the new Employment Policy Research Network at www.employmentpolicy.org and that we currently have more than 40 postings. The EPRN will be officially (publically) launched at the Denver Annual Meeting on January 7, 2011. Wells also reported that the new LERA website has been launched. We will

inform the LERA membership of the new site as early as next week. www.LERAweb.org is now live, though there are still additions and changes to be made. The new site will allow opportunities for chapters to post events directly, opportunities for members to post job openings directly, and a number of other types of forms. The site features a “newsy” format with an e-newsletter, and a new front page component to come in early January featuring the EPRN latest postings.

Perspectives on Work—Wells reported Editor Susan Cass has agreed to put together one larger issue in 2011, publication date is July.

64th Annual Meeting—President Elect Gordon Pavy discussed his idea for a theme for the 64th Annual Meeting, which will be focused on “Employment Relations and Workplace Representation in a Recovering Economy.” The Board discussed and was pleased with the possibilities the meeting theme offered. There was also discussion about the possible problems with the Hilton chain and the HERE, casting some shadow on whether the Hilton in Chicago would be the LERA hotel in 2012.

National Policy Forum 2011—The Program is coming along well. We will have as much program information as possible available in Denver to promote the Chicago meeting. Marty Mulloy has agreed to serve as an honorary co-chair for the National Policy Forum; we are waiting to hear from Bob King of the UAW if he will as well. Jared Bernstein has confirmed his participation as opening keynote speaker and Hilda Solis’s staff has indicated a tentative acceptance to serve as keynote Luncheon Speaker. Rose Batt suggests that we need to begin now with a systematic strategy for reaching out to other organizations and generating interest in the 2011 National Policy Forum.

Other Business

Certification Committee Report—Joel Cutcher-Gershenfeld reported the business plan has been modelled, and the committee is ready to begin searching for funding and submitting one or more grant applications in the next 3-6 months. If those are successful, then LERA will explore doing this independently. If not, then we will begin exploring an appropriate partner to support us in launching this project.

Chapter Membership Drive and Dues Increases in 2011—The Board discussed this fairly extensively in May, and it was suggested that we ask the NCAC to provide some input on dues increases, and we are hoping to hear a report from them at the January 2011 Board meeting. There hasn’t been a dues increase in over ten years, and Canak reports that there will be a proposed increase from the NCAC.

Meeting Architecture—Before breaking away from established norms, the plan is to show the Board a breakout of meeting venues/locations, projected P&L, the makeup/timing/outline of the program, etc. Appelbaum will organize a committee to help identify a process to organize the academic slots that will remain at the ASSA/AEA Annual Meeting where we should reach out to young scholars and non-heterodox scholars that would not otherwise be represented in those sessions. The spring of June 2013 might be the first independent LERA Annual Meeting.

EPRN Launch—Tom Kochan will be invited to join the board meeting in Denver to update the board about the progress of the project and the grants.

Development and Contributions Committee Chair Transition—Pavy and Appelbaum have had lunch with Ralph Craviso, who has been invited to be the new chair of the Development and Contributions Committee. He is also being invited to the next board meeting.

Editorial Committee—Christian Weller reports that there will be a 2012 Annual Research Volume presented to the board for approval at the next board meeting in January 2011. The volume will be edited by Daniel JB Mitchell, although he has yet to confirm, regarding the effects of the Great Recession on labor markets.

Financial and Membership and 2011 Budget—The formal financial and membership reports will be presented at the next Board Meeting in January 2011.

New Business

Adjournment—The conference call meeting was adjourned at 3:50 p.m. by President Appelbaum.

Executive Board Meeting

January 6, 2011

Westin Denver Downtown, Denver, CO

Call to order. The meeting was called to order at 6:30 p.m. by Eileen Appelbaum, President. Present at the meeting included Eileen Appelbaum, President; Gordon Pavy, President Elect; David Lewin, the 2011 President Elect, Joel Cutcher-Gershenfeld, Past President and Chair of the Certifications Committee; and Pete Feuille, Secretary-Treasurer. Committee Chairs attending included John Burton, Development and Contributions Committee Chair; Françoise Carré, Co-Editor-in-Chief; Bill Canak, NCAC Chair; Ralph Craviso, Development and Contributions Committee Chair (incoming); Marlene Heyser, Grants and Sponsorship Committee Chair; Tom Kochan, Employment Policy and Research Network chair. Executive Board members attending were Rose Batt, Scot Beckenbaugh, Robert Chiaravalli, Ellen Dannin, Linda Ewing, Richard Fincher, Jody Hoffer Gittell, Iain Gold, Bonnie Summers, Christian Weller, and Charles Whalen. Incoming Board members attending were Paul Clark, Sergio Delgado, and Jim Pruitt. LERA staff in attendance were Paula D. Wells, Executive Director; Mary Cloos, LERA Event Coordinator; Mike Lillich, EPRN Managing Editor; and Emily Smith, Assistant to the Executive Director. Board members not present included Beth Almeida, John Godard, and Dennis Kuhl.

Eileen Appelbaum presented awards to Robert Chiaravalli, Ellen Dannin, John Godard, and Christian Weller for their service on the LERA Executive Board as outgoing Board members. John Burton was also recognized for his substantial contributions to the LERA, specifically as the outgoing Development and Contributions Committee Chair.

The minutes of the last meeting were approved.

Committee and Officer Reports

Finance and Membership Committee Report. Pete Feuille reported on the budget and membership numbers that we are in the black this year, although a deficit was projected. The swing of roughly \$50,000 is largely due to grant funds received by the Rockefeller and Sage foundations. The infusion of grant money brought up our income, but our expenses also increased due to the addition of a staff member, Mike Lillich. Tom Kochan has been largely responsible for bringing in the additional grant funds. Our financial situation currently looks acceptable, but after the grant funds are expended, they will not recur each year. We also have two committed long-term sponsors, the BlueCross BlueShield Association and the Bureau of National Affairs which have also helped us shore up resources this year. Membership numbers are continuing to slowly decline, and it has been trending down since 1985. A motion was put forth by the Finance and Membership Committee to approve the 2011 budget and to hold member dues level for 2012. It was approved unanimously.

Grants and Sponsorship Committee Report. Marlene Heyser reported that BNA and BlueCross BlueShield Association have indicated they will continue to be committed sponsors of the LERA.

The Employment Policy Research Network launched today and had a rich dialogue in the session today. The network's website has been created, and we have about 100 researchers from over 30 institutions, beginning to establish dialogue in 15 topic areas on the EPRN website. Russell

Sage and Rockefeller foundations have been very supportive and have given us grants for two years and one year, respectively.

The BNA has expressed a lot of interest in continue the work that EPRN is building and adding web content as well. We don't see this as a big revenue source for LERA but it also could represent some new members.

Development and Contributions Committee Report. John Burton reported that the Development and Contributions Committee has worked in tandem with the Grants and Sponsorships Committee with some success. The Contributions Report summarizes incoming contributions under the domain of both committees. The report has been updated to break out contributions by Board members, and to report on the two new restricted funds, the John T. Dunlop Public Policy Fund as well as the Walter and Gladys Gershenfeld Publications Fund. Both of these funds started late in the year, but as of now, the Dunlop fund has over \$19,000 in contributions and the Gershenfeld fund now has over \$6,000. These two funds contribute to areas of LERA operating funds so that the bottom line is that these two funds really contribute to the operating expenses of the association.

John Burton is stepping down as Committee Chair, and Ralph Craviso will be taking over in 2011. Ralph reports that the Development and Contributions Committee has had a lengthy discussion about the investment strategy of the various funds being raised in the Committee. John brought forward some investment options that would increase risk marginally and increase returns in a Vanguard Intermediate Bond Fund. It has a safe rating, very low risk, and yields a significant return. While neither of the funds represent a sizeable amount now, they do have the potential to grow, and the income could be greater in the future for both the Dunlop fund and the Gershenfeld fund.

The Development and Contributions Committee recommends that the Executive Board adopt the following motion that the funds currently held by the John T. Dunlop Public Policy Fund and the Walter and Gladys Gershenfeld Publications Fund, and all future contributions to those two respective funds be invested in the Vanguard Inter-Term Bond Index Investment Fund. The motion from the Grants and Contributions Committee was passed unanimously.

Secondly, the Development and Contributions Committee recommends that the Executive Board adopt the following motion that the Executive Board affirm that the Executive Director of LERA report to the Executive Board on the performance of investments of all restricted funds, and that the Executive Board will monitor the investment performance of each of those restricted funds and make all decisions regarding the vehicle for the investment of those funds. The motion from the Grants and Contributions Committee passed unanimously.

The Development and Contributions Committee recommends that the Executive Board adopt the following motion that, in LERA's Fiscal Year 2011 the Executive Board authorizes the expenditure of the following amounts from the following restricted funds, with the direction that those amounts will be used, at the discretion of the Executive Director, for LERA operating expenses: from the John T. Dunlop Public Policy Fund: \$4,000 and from the Walter and Gladys Gershenfeld Publications Fund: \$2,000. Further, that the Development and Contributions Committee will, during FY2011, examine LERA's experience of actual performance to budget, and recommend to the Executive Board any changes to those amounts based on that experience. The motion from the Grants and Contributions Committee passed unanimously.

The Development Committee will be taking a new direction in the next year, beginning to implement new strategies to leverage the work of the other committees in the LERA with the end goal of creating strategic partnerships where LERA has natural affiliations with industry partners, etc.

Editorial Committee Report. The Editorial Committee put forth a motion to approve Daniel J. B. Mitchell's 2012 Research Volume proposal on public sector employment, "The Impact of the

Great Recession on Public Sector Employment.” This was approved unanimously by the Board. The Committee reported it has three future proposals for future Research Volumes, and these individuals have been asked to circulate reports of their proposed topics. Paul Clark and Ann Frost will have a proposal for the 2013 Research Volume at the next board meeting.

National Chapter Advisory Committee Report. The NCAC meeting today generated three action items. First, the National Chapter Advisory Committee recommends an increase in Chapter Dues. Given that there has been no increase in chapter dues in over 12 years, that the national LERA provides valuable services to local chapters such as 503c status, and that LERA is expanding services to chapters, including web development and other enhancements, the NCAC motions to raise chapter dues, effectively doubling them over the next three years, at all five levels of chapter size. The proposed dues schedule is as follows:

Size	Members	Current Dues	2011 Dues	2012 Dues	2013 Dues
1	1-25	\$75	\$100	\$125	\$150
2	26-50	\$125	\$175	\$225	\$250
3	51-100	\$225	\$300	\$375	\$450
4	101-200	\$250	\$350	\$425	\$500
5	200+	\$325	\$425	\$525	\$650

The board recommends a process of communication with the chapter members to build solidarity, to communicate the value of LERA, and help allay some of the negative impact of a dues increase. The motion by the Committee to increase the Chapter dues, and the motion was passed unanimously.

Secondly, the NCAC motions to pursue options available to further build online capabilities provided by LERA to chapters, including online event management/payment capabilities, and other enhancements as efficient. The motion passed unanimously.

Thirdly, the NCAC motions to encourage chapter officers/board members to officially adopt a standard conflict of interest policy to promote an environment free of conflict of interest throughout the organization, and to amend what LERA requires in Chapter bylaws to allow for compliance with conflict of interest policy. The motion passed unanimously.

Certifications Committee Report. Joel Cutcher-Gershenfeld updated the board on the progress of the Certifications Committee, including the possible addition of two categories of certification topics, the need for an additional LERA staff member, and the possibility of seeking out either grant funds or strategic partners in the effort. In the next few months we will put together a grant proposal, and possibly some test webinars with BNA to help test the market. We would be able to build a list of prospects for the Certification project as people begin to attend the BNA/LERA branded webinars on labor relations training issues. The next step in this process is obtaining grant funding to get the project up and running.

Industry Councils Coordinating Committee Report. Joel Cutcher-Gershenfeld updated the report on the Industry Councils. Many Industry Councils have been very active and some local chapters are asking for industry speakers. There is some activity that is very beneficial. The ICCC has asked the Industry Councils to expand by adding advisory boards. The nation in terms of institutional infrastructure has relatively few forums that bring together labor, management, and neutrals, and academics by industry. We want to use the meeting architecture currently under discussion to continue to build on the structure in place with the industry councils that we currently have.

National Policy Forum 2011 Program Committee Report. Gordon Pavy reports on the speakers and program currently in place for the June 6-7, 2011 National Policy Forum in Washington, DC. Jared Bernstein will be keynoting the NPF, and several key industry council sessions are planned. We will be reaching out to unions, and fundraising is taking place in the hopes that people who support the NPF will also continue to support the Annual Meeting if the time frame is moved to May/June.

Meeting Architecture Committee Report. David Lewin reports that the Committee is heading towards a fully independent annual meeting by June 2013. A three and a half or four day meeting is believed to be workable, and the first day would essentially take the place of the current National Policy Forum. The venues focused on would be smaller venues that are currently chosen by the AEA/ASSA. It would be planned to keep the sessions on the ASSA/AEA program, but to not have an administrative presence at the ASSA/AEA annual meeting. They are also working towards creating strategic alliances with other associations.

Other Business

Bob Chiaravalli presented an idea to fortify membership. The Fellowship Award should be considered each year especially for practitioners, and in much larger numbers.

Eileen Appelbaum announced the next board meeting to be Monday, June 6, 2011 at 9am at the Cafritz Conference Center. The Palmer House Hilton in Chicago will be the site of the Board meeting and the LERA conference hotel.

Eileen Appelbaum adjourned the meeting at 10:58 p.m.

General Membership Meeting and Awards Ceremony January 8, 2011 Westin Denver Downtown, Denver, CO

Call to order. The meeting was called to order at 6:10 p.m. by Eileen Appelbaum, President.

Committee Reports

Finance and Membership Report. Peter Fueille reported that we will finish with a balanced budget in 2010, and are forecasting another such year in 2011. This is due in part from grants from the Russell Sage and Rockefeller grants as well as sustaining sponsorships from both BlueCross BlueShield Association and the Bureau of National Affairs. The organization has used the grant money to launch the Employment Policy Research Network, headed by Tom Kochan, who was pivotal in obtaining the grant funding. Dues for 2011 and 2012 will be held at the current levels, which will represent three years of constant dues levels.

Development and Contributions Committee Report. John Burton reports that LERA cannot survive on dues revenue, and in response two committees, both the Development and Contributions Committee and the Grants and Sponsorship Committee. This year we generated over \$39,000 in unrestricted contributions, and also unrestricted funds. John Burton is stepping down as Committee Chair, and Ralph Craviso will be taking over this position. Ralph reports on two new funds developed this year, both the John T. Dunlop Public Policy Fund and the Walter and Gladys Gershenfeld Publications Fund. Both of these funds support activities that are currently budgeted for in LERA's operations and that helps the operating expenses of the Association. As we move forward, we believe that the value proposition of the LERA is now such that can position ourselves to generate further contributions.

Grants and Sponsorships Committee Report. We have two Sustaining Sponsors, the BlueCross BlueShield Association and the Bureau of National Affairs. Last year they gave us \$50,000 and this year is was a little less, \$30,000, since there was no National Policy Forum to sponsor. The BNA is excited about the Employment Policy Research Network and the Certifications initiative both as ways to further solidify our relationship. They are looking at promoting a series of webinars, using LERA as a content machine.

Certifications Committee Report. There is a strong indication for need for increased skills in labor and employment relations. The LERA is working on developing an approved curriculum of topics, with the idea that people who normally deliver training in this area can apply to be providers, and LERA will approve offerings, administer exams, and certify professionals in the field. We will attempt to not do this by using current LERA staff, but instead are seeking an initial funding source to help launch the program. Certification represents a response to a perceived market need. It represents a value proposition to LERA in the way of increased revenues, and it represents a potential bridge between LERA and its local chapters as it would be a common project.

Editorial Committee Report. Françoise Carré reports that the 2012 Research Volume will be a volume edited by Daniel J.B. Mitchell of UCLA. You should be receiving a 2011 Research Volume from Ed Carberry. We are currently preparing concepts for the 2013 and 2014 volumes as well. Another task of the Editorial Committee is to review the Refereed Papers, and we thank all the readers for that competition.

Meeting Architecture Committee. David Lewin reports that the Board approved two motions last year. The first was to pursue our own annual meeting, and the second was to pursue relationships with other associations with which we have some affiliation. There is a committee that has been sifting through various organizations and ideas. The Committee is looking to establish the first independent LERA meeting the first week of June in 2013. We will plan for a city rotation, perhaps those less traveled by the ASSA, using a Midwestern, East Coast, West Coast rotation. Smaller venues are planned, but with access to convenient air

program. We have taken steps towards holding joint panels at other associations. Also, the first day of the meeting would be in effect the National Policy Forum, and the rest would take the place of what we now know as our Annual Meeting.

2010 Awards Ceremony

Best Dissertation Award Committee. Bruce Kaufman of the Thomas A. Kochan and Steven R. Sleigh Best Dissertation Award Committee to awarded the Best Dissertation Award to Chikako Oka. Anil Verma of the University of Toronto accepted the award on her behalf. Three honorable mentions were also awarded to Brian Harney, Jing Wang, and Xiangmon Liu.

Awards Committee. Morris Kleiner presented the 2010 slate of awards. The John T. Dunlop Award was awarded to Betsey Stevenson and Mark Anner for his international work. The Outstanding Practitioner is James C. Bialke for 2010. The Susan C. Eaton Award recipient for 2010 is Sam Estreicher. Academic Fellows for 2010 are Marianne Ferber, Orley Ashenfelter, and Hoyt Wheeler. Practitioner Fellows for 2010 are Dennis Rocheleau, Wilma Liebman, and Stephen Sleigh.

James Scoville Not a Lonely Journey: Social Embeddedness and the Return Migration of Highly Skilled Chinese Engineers from t

Best International Paper Committee. Mark Stuart presented the 2010 Best International Paper Award to Virginia Doellgast, London School of Economics.

NCAC Chapter Awards. Bill Canak, Chair of the National Chapter Advisory Committee, presented the 2010 Chapter Star Award to the Wisconsin Chapter. Accepting on behalf of this chapter was Suzanne Clement, current Secretary-Treasurer of the Chapter. Merit Awards were also presented to the Alabama Chapter, Washington DC Chapter, Mid-Michigan Chapter, Gateway Chapter, and the Long Island Chapter. Bill also reported that there will be a dues increase for local chapters to have a dues increase over a period of three years. Also, a number of centralized services will be pursued to more completely integrate support services for LERA Chapters. Last year, the IRS began requiring LERA board members and officers to sign a conflict of interest policy, and the NCAC recommended to the board to require this of local chapter board members and officers as well. Another initiative of the NCAC is to encourage joint membership between the local and national chapter members. This year a new chapter is forming in Louisville, KY.

New Business

The next National Policy Forum will be held June 6-7, 2011 in Washington, DC, at the Cafritz Conference Center, and the next Annual Meeting will be in Chicago, IL, January 4-6, 2012. Eileen Appelbaum handed over the gavel to Gordon Pavy, the new LERA President. Gordon Pavy remarked that is an honor to be a LERA President representing labor, and to take up the challenge of having a conference next year as excellent as this one.

President Gordon Pavy adjourned the meeting at 7:10 p.m.

STAN FELLER, CPA

Accountant - Tax Consultant

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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, 2010 and 2009, 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, 2010 and 2009, 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 20, 2011



LABOR AND EMPLOYMENT RELATIONS ASSOCIATION**STATEMENT OF FINANCIAL POSITION****December 31, 2010 and 2009**

ASSETS	2010	2009
Current Assets		
Cash and Certificate of Deposit	\$ 456,202	\$ 327,351
Accounts Receivable - Net	50,296	38,724
Prepaid Expenses	6,794	25,000
Inventory	6,958	6,797
Accrued Interest Receivable	<u>370</u>	<u>217</u>
Total Current Assets	<u>520,620</u>	<u>398,089</u>
Property and Equipment	18,179	14,868
Less: Accumulated Depreciation	<u>(13,816)</u>	<u>(12,513)</u>
Net Property and Equipment	<u>4,363</u>	<u>2,355</u>
TOTAL ASSETS	\$ <u>524,983</u>	\$ <u>400,444</u>
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts Payable	\$ 2,244	\$ 2,383
Accounts Payable to UCIRHRP	5,167	4,292
Accrued Liabilities	11,211	14,339
Dues Collected in Advance	99,714	109,776
Subscriptions Collected in Advance	21,935	26,731
Deferred Contributions	10,375	14,275
Deferred Grant, Contribution Income	<u>126,072</u>	<u>7,500</u>
Total Current Liabilities	<u>276,718</u>	<u>179,296</u>
Net Assets		
Temporarily Restricted		
Eaton Memorial Scholarship Receipts	42,459	45,083
Kochan-Sleigh Award Receipts	46,433	47,750
Scoville Award Receipts	8,201	9,139
Dunlop Fund	18,923	0
Gershenfeld Fund	4,905	0
Unrestricted		
Operating	127,344	119,176
Total Net Assets	<u>248,265</u>	<u>221,148</u>
TOTAL LIABILITIES AND NET ASSETS	\$ <u>524,983</u>	\$ <u>400,444</u>

The accompanying notes are an integral part of these financial statements

LABOR AND EMPLOYMENT RELATIONS ASSOCIATION

STATEMENT OF ACTIVITIES

Years Ended December 31, 2010 and 2009

	2010			2009		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
Revenue, Gains and Other Support						
Membership Dues	\$ 175,097	\$	\$ 175,097	\$ 164,368	\$	\$ 164,368
Subscriptions	31,611		31,611	31,877		31,877
Chapter Fees	6,400		6,400	5,925		5,925
Sponsorships	30,000		30,000	50,000		50,000
Publications	770		770	3,795		3,795
Advertising	25		25	250		250
Mailing List Rental	1,716		1,716	2,434		2,434
Royalties	10,782		10,782	10,422		10,422
Meeting Income	17,867		17,867	65,119		65,119
Interest income	1,292		1,292	2,813		2,813
Member Contributions	24,245		24,245	27,075		27,075
Administrative Fees	5,655		5,655	1,040		1,040
Contributions						
Rockefeller Grant	0	104,815	104,815	0	0	0
Restrictions satisfied	104,815	-104,815	0	0	0	0
Total Revenues, Gains and Other Support	410,275	0	410,275	365,118	0	365,118
Expenses and Losses						
Program Services						
General	175,045		175,045	185,874		185,874
Meetings	47,993		47,993	85,533		85,533
Publications	45,207		45,207	60,444		60,444
Rockefeller Grant	104,815		104,815			
Supporting Services						
Management and General	18,933		18,933	34,198		34,198
Membership Development	10,114		10,114	11,925		11,925
Total Expenses and Losses	402,107		402,107	377,974		377,974
Change in Net Assets	8,168		8,168	-12,856		-12,856
Net Assets Unrestricted at Beginning of Year	119,176		119,176	132,032		132,032
Net Assets Unrestricted at End of Year	\$ 127,344	\$	\$ 127,344	\$ 119,176	\$	\$ 119,176

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

LABOR AND EMPLOYMENT RELATIONS ASSOCIATION

STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended December 31, 2010

	MEETINGS				GRANTS			PUBLICATIONS				SUPPORTING SERVICES			Totals
	General	Winter Conference	Natl Policy Forum	Winter Bd Meeting	Spring Bd Meeting	Rockefeller Grant	Russell Sage Grant	Annual Proceedings	Perspectives	Research Volume	Other Publ.	Directory & Newsletter	Management & General	Membership Development	
Compensation	131,314					25,458									156,772
Payroll taxes & fringes	43,731					4,154									47,885
Depreciation													1,302		1,302
Insurance													3,355		3,355
Industry Research						28									28
Bank Charges		10,134											413		10,547
Promotion														5,080	15,214
Fulfillment													13,180		13,180
Postage and freight													1,311		1,311
Accounting/auditing													4,150		4,150
Printing, production		996							15,080	68					22,637
Postage		1,321				164			1,502						5,083
Other public. costs			38					2,500	7,473						20,006
Grant Expense											2,500		17		17
Rockefeller Grant Overhead						13,672							-13,672		0
Meals, Receptions		22,480		2,919	1,153	40							43		26,635
Travel		4,173			353										4,611
Other meeting expenses		1,743		182	67										4,341
Computer Services						60,942							1,326		62,268
Computer Supplies						246							722		968
Office supplies													2,304		2,304
Student and member awards														1,641	1,641
Fundraising expense														2,162	2,162
Telephone, Fax						111							1,543		1,654
Chapter expenses														508	508
Dues													935		935
Duplicating													395		395
Other committee expenses														723	723
Miscellaneous office													1,609		1,609
	<u>175,045</u>	<u>40,847</u>	<u>2,472</u>	<u>3,101</u>	<u>1,573</u>	<u>104,815</u>	<u>0</u>	<u>2,500</u>	<u>24,055</u>	<u>68</u>	<u>2,500</u>	<u>18,933</u>	<u>10,114</u>	<u>402,107</u>	

The accompanying notes are an integral part of these financial statements.
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LABOR AND EMPLOYMENT RELATIONS ASSOCIATION

STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended December 31, 2009

	MEETINGS				GRANTS				PUBLICATIONS				SUPPORTING SERVICES			
	General	Winter Conference	Spring Bd Meeting	Nat'l Policy Forum	Winter Bd Meeting	Sloan Grant	FMCS Grant	Directory	Newsletter	Annual Proceedings	Perspectives	Research Volume	Other Publications	Management & General	Membership Development	Totals
Compensation	143,457															143,457
Payroll taxes & fringes	42,417															42,417
Depreciation														1,309		1,309
Insurance														3,119		3,119
Industry Research															105	105
Bank Charges		2,050		6,102										617		617
Promotion															3,666	3,666
Fulfillment		1,364		3,011			174	99		3,817	2,407		13,180			13,180
Postage and freight													2,622			2,622
Accounting/auditing		2,524		1,827			608	750	4,131	10,162	8,514	994	3,995			3,995
Printing, production							2,948				3,771	36				36
Other publication costs		27,277	1,080	21,432	2,915											21,798
Meals, Receptions		3,169	372	2,882												6,423
Travel		4,739	112	4,673	4											9,528
Other meeting expenses																0
Sloan Grant Overhead																0
Education														3,776		3,776
Computer supplies/svcs														1,168		1,168
Office supplies															3,507	3,507
Student and member awards															3,597	3,597
Fundraising expense																
Duplicating expense														343		343
Telephone and FAX														1,529		1,529
Chapter expenses															620	620
Dues														895		895
Other committee expenses															430	430
Miscellaneous office														1,645		1,645
	<u>185,874</u>	<u>41,123</u>	<u>1,564</u>	<u>39,927</u>	<u>2,919</u>	<u>0</u>	<u>3,730</u>	<u>849</u>	<u>4,131</u>	<u>36,012</u>	<u>14,692</u>	<u>1,030</u>	<u>34,198</u>	<u>11,925</u>	<u>1,645</u>	<u>377,974</u>

The accompanying notes are an integral part of these financial statements.
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LABOR AND EMPLOYMENT RELATIONS ASSOCIATION

STATEMENT OF CASH FLOWS
For the Years Ended December 31, 2010 and 2009

CASH FLOWS FROM OPERATING ACTIVITIES

	2010	2009
Change in Net Assets	\$ 8,168	\$ (12,856)
Adjustments to Reconcile Change In Net Assets to Net Cash		
Cash Flows from Operating Activities		
(Increase) or Decrease in Operating Assets:		
Cash Received/Disbursed for general undesignated offerings	(11,572)	37,928
Cash Received from restricted grant contributions	118,572	0
Cash Received for Prepaid Expenses	18,206	1,583
Cash Received/Disbursed for Inventory	(161)	3,691
Cash Received/Disbursed from Interest Income	(153)	224
Increase (Decrease) in Operating Liabilities		
Cash Received/Disbursed for general undesignated offerings	736	(3,651)
Cash Received/Disbursed for designated award funds	(4,879)	9,987
Cash Disbursed from undesignated accrued liabilities	(3,128)	(1,176)
Cash Received/Disbursed for dues and subscriptions	(14,858)	6,657
Cash Disbursed for general supporting and fundraising	(3,900)	(16,750)
Cash Received for temporarily restricted support funds	23,828	0
	<u>130,859</u>	<u>25,637</u>
Net Cash Provided by Operating Activities	130,859	25,637
Cash Flows from Investing Activities		
Depreciation	1,302	1,309
	0	0
Payments for Property and Equipment	<u>(3,310)</u>	<u>0</u>
Net Cash Provided by Investing Activities	(2,008)	1,309
Net Increase (Decrease) in cash and cash equivalents	128,851	26,946
Cash and short-term Investments:		
Beginning of Year	<u>327,351</u>	<u>300,405</u>
End of Year	<u>\$ 456,202</u>	<u>\$ 327,351</u>

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

LERA 63RD ANNUAL PROCEEDINGS
LABOR AND EMPLOYMENT RELATIONS ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2010 AND 2009

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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, 2010 and 2009, the value of contributed services meeting the requirements for recognition in the financial statements was not material and has not been recorded.

Net Assets

Net assets are classified into one of three classes based on the existence or absence of donor-imposed restrictions. Unrestricted net assets include all net assets which are neither temporarily nor permanently restricted. Temporarily restricted net assets include contributed net assets for which donor-imposed time and purpose restrictions have not been met and the ultimate purpose of the contribution is not permanently restricted. Permanently restricted net assets include contributed net assets which require, by donor restriction, that the corpus be invested in perpetuity and only the income be made available for program operations in accordance with donor restrictions.

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, 2010 AND 2009**

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.

LERA 63RD ANNUAL PROCEEDINGS
LABOR AND EMPLOYMENT RELATIONS ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2010 AND 2009

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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. None of the Association's cash investments held at five financial institutions exceeded the \$250,000 FDIC insurance limit at December 31, 2010, or December 31, 2009.

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, 2010 AND 2009**

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 \$5,167 at December 31, 2010, and \$4,292 at December 31, 2009. The LERA is allowed to collect 20% of dues collected each year as an administrative fee.

Note 4 – Rockefeller Foundation Grant #2010 CAW 303

On June 10, 2010, the LERA received notification that it was the recipient of a one-year project support grant for \$150,900 to establish an Employment Policy Research Network (EPRN) within the LERA. The grant was received in one installment in June 2010. The grant money was offset with 2010 expenses totaling \$104,815, which includes overhead charges allowed at 15%. The remaining \$46,085 of unspent grant funds deferred to 2011 are to be expended by April 30, 2011, the end of the extended grant period.

Note 5 – Russell Sage Foundation Grant #85-10-04

On September 2, 2010, the LERA received notification that it was the recipient of a two-year appropriation grant for \$149,469 to support the creation of the EPRN within the LERA as fiscal agent for the award. The grant is to be received in two installments, with \$72,487 received on November 1, 2010, and a final payment of \$76,982 to be disbursed on July 1, 2011. The 2010 installment was not offset by any 2010 expenses, and the entire amount was deferred to 2011. Unspent grant funds must be expended by June 30, 2012, the end of the grant period.

Note 6 – 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 qualified scholar researchers in even-numbered years or practitioners in odd-numbered years doing research in the labor and employment relations or related field. At its January 6, 2005 meeting, the Board directed that the LERA collect 10% of any gifts received each year as an

**LABOR AND EMPLOYMENT RELATIONS ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2010 and 2009**

administrative fee for managing the Fund and grant. One award totaling \$3,000 was paid in January 2010. No award was paid in 2009. Including interest earned and paid to the account, \$42,459 has been deferred to future years for future annual award payments.

Note 7 – 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 and may be used to pay for the \$1,000 annual best dissertation award and plaque. After the fifteen-year period, the fund may be continued or the amount remaining in the fund may 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 \$10,000 of member and matching contributions was received in 2008 and \$21,000 of member and matching contributions was received each year ended as of December 31, 2007 and 2006. Two best dissertation awards totaling \$1,000 were granted in both 2010 and 2009. 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 fund contributions as a one-time service fee to help cover the LERA costs to administer this account. Including interest earned and paid to the account as of December 31, 2010, \$47,433 has been deferred to future years for future annual awards.

Note 8 – Jim Scoville Award Fund

On January 9, 2009, the LERA set up a temporarily restricted fund with a \$10,000 contribution from the University of Minnesota's Industrial Relations Center to honor a member and retiring professor. The fund was established to pay an annual award of \$500 and a plaque for best paper on international and comparative employment issues. The first award was made in January 2010 at the LERA annual membership meeting. According to the terms of the award document or pursuant to a vote of the Executive Board in 2009, the LERA is to collect 10% of the contribution as a one-time service fee to help cover costs of administering this account. Including interest earned and paid to the account as of December 31, 2010, \$8,701 has been deferred to future years for the annual awards.

Note 9 – Gladys and Walter Gershenfeld Publication Fund

On May 8, 2010, the LERA established a temporarily restricted fund with eleven donations received to date in 2010 totaling \$5,450 for the purpose of supporting

**LABOR AND EMPLOYMENT RELATIONS ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2010 AND 2009**

LERA's electronic and print publications. The fund will be so named for ten years, at which time the LERA will review the fund's purpose and uses, and whether to continue or modify the fund. As authorized by the LERA Executive Board in January 2005, the LERA collected 10% of the contributions received as a one-time service fee to help cover the costs of administering the fund, with the remaining \$4,905 deferred to future years' expenses. This Fund was established to honor the memory of long-time LERA members and LERA Past President Walter and Gladys Gershenfeld.

Note 10 – John T. Dunlop Public Policy Fund

On May 8, 2010, the LERA established a temporarily restricted fund with 24 donations received to date in 2010 totaling \$21,025 to subsidize a named John T. Dunlop Public Policy Session at future LERA National Policy Forums and/or at the LERA annual meetings. The LERA Executive Board voted to collect 10% of the contributions received as a one-time service fee to help cover costs of administering the fund and to help support the national office of the LERA. This fund will be so named for five or ten years, at which time the LERA Executive Board will review the fund to determine whether to continue or modify the fund. The remaining \$18,923 balance in the fund has been deferred to future years' expenses.

Note 11 – 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. LERA also conducts an annual fund drive in the fall of each year by mail to the membership and has established an online "Contribute to LERA" web page. The campaign goal is inclusive of all grants pledged and contributions given to the LERA since 2004. Total related expenses in 2010 and 2009 for this effort were \$2,162 and \$5,312, respectively.