



## **INDIANA EDUCATION EMPLOYMENT RELATIONS BOARD**

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### **IEERB's 2020 Last, Best Offer Requirements**

If parties cannot ratify an agreement during mediation, they must exchange Last, Best Offers (LBOs). LBOs must then be sent to IEERB at [impasse@ieerb.in.gov](mailto:impasse@ieerb.in.gov). LBOs must be compliant with IEERB format, information, and documents. IEERB shall review submitted LBOs to ensure that the LBO is in the required format and contains the required information and documents. Failure to substantially comply with the requirements of an LBO, or failure to provide the format, information, or documents requested by IEERB during its review, could result in rejection of the submitted LBO and acceptance of the opposing party's LBO.

These LBO requirements are for school employers that receive a DOE Certification. School employers who do not will receive modified Last, Best Offer requirements. Moreover, in special circumstances, such as the granting of an impasse stay, Last, Best Offer modifications can be requested.

Within 14 days of the declaration of impasse, the school employer should have submitted Bargaining Revenue and Expense Disclosures (BRED). A school employer shall be precluded from relying on any numbers not provided to the board and the exclusive representative, unless the school employer can demonstrate a good faith showing as to why the information and documents were not available at that time. If the BRED provided a state tuition revenue different from DOE,<sup>1</sup> the parties should complete the LBO using both the School Employer Estimate AND the DOE estimate. If no such number was provided, neither party should complete the applicable section, just the section for LBO using the DOE estimate.

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<sup>1</sup> If the school employer would like to argue at fact-finding that the school employer's revenue available for bargaining from the school funding formula will be different than the Indiana Department of Education's (DOE) Certification for education fund revenue pursuant to I.C. § 20-29-6-12.5(b) (DOE Certification), the school employer must list that amount on its Bargaining Revenue and Expense Disclosures. Failure to list its estimated school funding formula revenue signifies a waiver to use a different number for the financial implication factor during fact-finding.

### **Instructions (for one- year CBAs)**

**Please read carefully as requirements have changed.**

LBOs will be in a three-part format, which must be filled out and submitted as indicated in the chart provided below.

- 1. LBO Overview**
- 2. Narrative (index completed then narrative attached)**
- 3. Exhibits (index completed then exhibits attached)**

It is strongly recommended that the parties simultaneously submit the LBOs electronically and in a binder. Parties should label and divide all sections and exhibits with dividers clearly labelled with exhibits labelled and individually separated by dividers (e.g., LBO Overview, Narrative, Exhibit Index, Ex. 1A, Ex. 1B, Ex. 1C).

Unless otherwise indicated, all financial information and documents listed below refer to those of the school employer.

This document lists only the required format, information, and documents (with some recommendations). The fact-finder may require additional information or documents. Ultimately, it is the parties' responsibility to prove why their LBO is the best solution for the impasse.

**Parties are strongly encouraged to include any additional information or documents that support their LBO, and to provide clear analysis explaining their LBO.**

**NOTE: Parties bargaining a two-year CBA must contact the IEERB Executive Director for additional instructions before submitting their LBO.**

**[Party Name] LBO Overview Part I: Deficit Financing**

Required Information Description	Required Information	Check if different than BRED	Exhibits	IEERB USE ONLY
Total LBO cost <sup>2</sup>				
Number of teachers <sup>3</sup> covered by Education Fund (EDU)				
Number of teachers covered by other funds <sup>4</sup>				
Total budgeted FY 2021 EDU revenue				
September 2020 Final ADM DOE Certification				
Estimated February 2021 ADM Tuition Support				
<i>(If applicable)</i> ½ CY 2020 County Auditor Form 22(s) of Operating referendum tax levy revenue				
<i>(If applicable)</i> ½ CY 2021 estimated Operating referendum tax levy revenue				
<i>(If applicable)</i> ½ CY 2020 County Auditor Form 22(s) of School Safety referendum tax levy revenue				
<i>(If applicable)</i> ½ CY 2021 estimated School Safety referendum tax levy revenue				
Teacher Appreciation Grant estimate				
Other estimated EDU miscellaneous revenue for FY 2021				
Budgeted non-bargained teacher salary and wages				
Estimated teacher costs under status quo CBA				
Total budgeted FY 2021 EDU, Operating referendum tax levy fund, and School Safety referendum tax levy fund non-LBO <sup>5</sup> expenses				

<sup>2</sup> This number includes **ALL** proposed LBO salary, wages, and salary and wage related fringe benefits for all bargaining unit members for the proposed contract period, **not increases from the prior year**. Do not count expenses unless paid out of Education Fund (EDU).

<sup>3</sup> As a reminder, teacher is defined as a bargaining unit member for purposes of these requirements.

<sup>4</sup> Other grants may fully or partially fund bargaining unit members.

<sup>5</sup> Teacher Appreciation Grants (§ IC 20-43-10-3.5), School Performance Base Increases (pursuant to IC §

Total amount to fund LBO <sup>6</sup>				
Difference <sup>7</sup>				

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20-43-10-3), and Supplemental Master's Payments (pursuant to IC § 20-28-9-1.5(a)) are not bargainable.

<sup>6</sup> Total claimed FY 2021 EDU revenue + Operating referendum levy tax + Total school safety referendum tax levy revenue + Operations funds transfer (if resolution passed by local school board).

<sup>7</sup> Total amount to fund LBO – Total cost of LBO. If this number is negative, the LBO results in deficit financing and cannot be accepted.

**\*\*Only to be completed where BRED provides for different state tuition number\*\***

**[Party Name] LBO Overview Part IA: Deficit Financing Overview Using School Employer Estimate**

<b>Required Information Description</b>	<b>Required Information</b>	<b>Exhibits</b>	<b>IEERB USE ONLY</b>
Party Estimate of state tuition support claimed on BRED	\$	Ex. __, Pg. __	
Total claimed FY 2021 EDU misc. revenue	\$	Ex. __, Pg. __	
Total claimed FY 2021 Operating Referendum tax levy revenue	\$	Ex. __, Pg. __	
Total claimed FY 2021 School Safety Referendum tax levy revenue	\$	Ex. __, Pg. __	
Total claimed Operations Fund transfers to EDU	\$	Ex. __, Pg. __	
Total claimed FY 2021 EDU non-LBO expenses	\$	Ex. __, Pg. __	
Total claimed FY 2021 Operating Referendum non-LBO expenses	\$	Ex. __, Pg. __	
Total claimed FY 2021 School Safety Referendum non-LBO expenses	\$	Ex. __, Pg. __	
Total claimed FY 2021 EDU transfers to Operations Fund	\$	Ex. __, Pg. __	
Total amount to fund LBO (see Footnote 6)	\$	Ex. __, Pg. __	
Difference (see Footnote 7)	\$	Ex. __, Pg. __	
Percentage of LBO cost compared to EDU revenue + Operating Referendum revenue +School Safety Referendum revenue	%	Ex. __, Pg. __	

**[Party Name] LBO Overview Part II: Financial Trends**

<b>Required Information Description</b>	<b>Required Information</b>	<b>Exhibits</b>	<b>IEERB USE ONLY</b>
Percentage of LBO cost compared to EDU revenue + Operating Referendum revenue + School Safety Referendum revenue	%	Ex. ____, Pg. ____	
Percentage of FY 2020 teacher CBA cost compared to EDU FY 2020 revenue	%	Ex. ____, Pg. ____	
<i>(Recommended)</i> Percentage of FY 2019 teacher CBA costs compared to FY 2019 General Fund (GF)/EDU revenue	%	Ex. ____, Pg. ____	
<i>(Recommended)</i> Percentage of FY 2018 teacher CBA costs compared to FY 2018 GF revenue	%	Ex. ____, Pg. ____	

**[Party Name] LBO Overview Part III: ADM**

<b>Required Information Description</b>	<b>Required Information</b>	<b>Exhibits</b>	<b>IEERB USE ONLY</b>
<i>(Recommended)</i> September 2017 ADM		Ex. , Pg.	
<i>(Recommended)</i> September 2018 ADM		Ex. , Pg.	
<i>(Recommended)</i> September 2019 ADM		Ex. , Pg.	
<b>Current ADM (September 2020)</b>		Ex. , Pg.	
<b><i>(Recommended)</i> February 2021 ADM (projected)</b>		Ex. , Pg.	
<i>(Recommended)</i> September 2021 ADM (projected)		Ex. , Pg.	
<i>(Recommended)</i> February 2022 ADM (projected)		Ex. , Pg.	
<i>(Recommended)</i> 5- year enrollment projections (Kindergarten only)		Ex. , Pg.	

**[Party Name] LBO Overview Part IV: Budget History of Education/General Fund**

<b>Required Information</b>	<b>CY 2021 (est.)</b>	<b>CY 2020</b>	<b>CY 2019</b>	<b>CY 2018</b>	<b>Exhibits</b>	<b>IEERB USE ONLY</b>
GF/EDU 1782 Budget Amounts	\$	\$	\$	\$	Ex. ____, Pg. ____	
Revenues	\$	\$	\$	\$	Ex. ____, Pg. ____	
Expenses	\$	\$	\$	\$	Ex. ____, Pg. ____	
GF/EDU Cash Balances	\$	\$	\$	\$	Ex. ____, Pg. ____	
Rainy Day Fund Balances	\$	\$	\$	\$	Ex. ____, Pg. ____	
Operating Referendum Fund Balances	\$	\$	\$	\$	Ex. ____, Pg. ____	
School Safety Referendum Fund Balances	\$	\$	\$	\$	Ex. ____, Pg. ____	



**[Party Name] NARRATIVE INDEX**

<b>Required Information</b>	<b>Narrative Page</b>	<b>Exh. &amp; Pg #s</b>	<b>IEERB USE ONLY</b>
Summary of Proposed CBA			
<i>(If applicable)</i> Summary of Agreed Sections of CBA			
Explanation of why LBO is in the public interest			
Explanation of the Fiscal Rationale/Financial Implication of the LBO			
Summary of current teacher salary, wages, and benefit amounts (recommend using December 1, 2020, or later)			
Summary and explanation of any current non-bargained teacher salary increases (see Footnote 5)			
Summary and explanation of proposed teacher salary, wages, and benefit amounts, including any non-bargained increases			
<i>(Rec.)</i> Summary and explanation of changes between CY 2020 EDU revenues and expenditures and estimated CY 2021 EDU revenues and expenditures			
Explanation of percentage of LBO cost to EDU revenue, including reason(s) for any change(s) from prior year(s)			
Explanation of ADM projections			
Description of changes, trends, or unique features of district/budget relevant to the fiscal rationale/financial implication of the LBO			
Changes from prior CBA			
Explanation of changes from prior CBA			
Explanation of Rainy Day Fund or other cash funds that have been used to fund previous CBAs			
Salary, wages, and benefits of other employees doing comparable work			
Explanation of similarities/differences between LBO and comparables			
Explanation of any differences with BRED (for school employers only)			

**[Party Name] EXHIBITS**

Exhibits must be named and numbered as listed below. Additional exhibits should be placed in the appropriate category and numbered sequentially (e.g., Fall 2019 ADM - Ex. 3E)

Category	Name	No.	IEERB USE ONLY
1. Proposed CBA	Proposed CBA <sup>8</sup>	1A	
	560 IAC 2-4-3.1(b) Verification	1B	
	Redlined CBA (compared with prior CBA)	1C	
	The two most recent agreed-upon CBAs	1D	
2. CY 2021 Financial Information	Final Approved DLGF 1782 Notice, including any changes OR Certified EDU budget by line item (if available) Otherwise, EDU Budget Estimate (DLGF Budget Form 1) OR Line-Item Budget Estimate Report (from Gateway) for Education Fund, Operations Fund, Rainy Day Fund, and Debt Services Fund	2A	
	EDU Estimate of Miscellaneous Revenue (DLGF Budget Form 2) OR Estimate of Miscellaneous Revenue Report (from Gateway)	2B	
	EDU Budget Estimate – Financial Statement – Proposed Tax Rate (DLGF Budget Form 4B OR report from Gateway)	2C	
	<i>(If applicable due to a referendum)</i> County auditor Form 22(s) and certification 2020 pay 2021 net assessed values pursuant to IC 6-1.1-17-1	2D	
	<i>(Recommended)</i> Current Year Financial Worksheet (DLGF Budget Form)	2E	
	<i>(Recommended)</i> EDU Budget Report (DLGF Budget Form 4) OR Budget Summary (from Gateway)	2F	
	<i>If applicable due to referendum)</i> Approved public question for Operating Referendum	2G	
	<i>If applicable due to referendum)</i> Approved public question for School Safety Referendum	2H	
3. FY 2021 Financial Information	September 2020 Final ADM DOE Certification	3A	
	List of current teacher salary, wages, and benefit amounts	3B	

<sup>8</sup> The parties are strongly encouraged to use IEERB's rubric as well as the findings and comments in the compliance report for the prior CBA to ensure compliance of the proposed CBA.

	List of proposed teacher salary, wages, and benefit amounts	3C	
	<i>(Recommended)</i> 2020 Basic Grant Monthly Distribution using known ADM in formula run (no earlier than October 1, 2020) (DOE form DOESA545)	3D	
4. CY 2020 Financial Information	<i>(If applicable)</i> County auditor Form 22(s) and certification 2019 pay 2020 net assessed values pursuant to IC 6-1.1-17-1	4A	
	Monthly financial report, such as Appropriation Report and Detailed Revenue Report, showing current EDU revenue and expenses by line item ( <i>recommend</i> October 1, 2020 or later)	4B	
	Final Approved DLGF 1782 Notice, including any changes OR Certified EDU budget by line item	4C	
	Superintendent's fiscal indicators report to local board of finance required by IC 5-13-7-8	4D	
5. FY 2020 Financial Information	EDU Budget Report (DLGF Budget Form 4) OR Budget Summary (from Gateway)	5A	
6. ADM Information	ADM Report or chart showing enrollment numbers by grade level for September and February (estimated)	6A	

### List of Abbreviations

- ADM = average daily membership (student count)
- BRED = School employer Bargaining Revenue and Expenses Disclosures, which are due 14 days after the declaration of impasse
- CBA = Teacher collective bargaining agreement
- CY = Calendar year: January 1 – December 31 of that year
- DOE = Indiana Department of Education
- DOE Certification = DOE certification of estimated education fund revenue available for bargaining from the school funding formula (state tuition support) pursuant to IC 20-29-6-12.5(b)
- DLGF = Indiana Department of Local Government Finance
- EDU = School employer's Education fund
- From DOE = Available through DOE's online school finance report portal at: <http://www.doe.in.gov/finance/school-financial-reports>
- From Gateway = Available through DLGF's Gateway budget report portal: [https://gateway.ifionline.org/report\\_builder](https://gateway.ifionline.org/report_builder)

- FY = Fiscal year: July 1 of prior year – June 30 of current year (e.g., FY 2020 = July 1, 2019 – June 30, 2020)

**List of Abbreviations** (cont.)

- GF = School employer's General fund (Prior to 2019)
- GF/EDU = School employer's General fund (prior to January 1, 2019) and School employer's Education fund (after December 31, 2018)
- IAC = Indiana Administrative Code
- IEERB = Indiana Education Employment Relations Board
- IC = Indiana Code
- LBO = Last, Best Offers
- Party Estimate = A party's estimate of general fund revenue available for bargaining from the school funding formula (state tuition support) listed on the party's Bargaining Status Form: At Impasse
- Rec. = Recommended
- School Performance Base Increase = Base increase derived from School Performance Award Stipend
- Teacher Appreciation Grant = effective and highly effective bonuses for qualified teachers distributed by IDOE pursuant to § IC 20-43-10-3.5
- Teacher = bargaining unit member
- Verification = Signed verification stating that all information is correct and that the LBO does not place the employer in deficit financing, as required by 560 IAC 2-4-3.1(b).