



Scott Walker, Governor

Gregory L. Gracz, Director

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October 25, 2011

Co-Chairpersons and Members of the  
Joint Committee on Employment Relations  
Room 113 South, State Capitol  
Madison, WI 53703

Dear Co-Chairpersons and Committee Members:

In accordance with s. 230.12, Wis. Stats., I am submitting for your approval the 2011-2013 Compensation Plan with an effective date of January 1, 2012. The Compensation Plan previously included all nonrepresented classified positions and the following unclassified positions: elective offices, appointive executive salary group (ESG) positions, and certain non-ESG positions in the executive branch. Due to 2011 Wisconsin Act 10, it will now also include provisions for all classified positions formerly covered by collective bargaining agreements, except those in the public safety bargaining unit, plus unclassified Assistant District Attorneys and Assistant State Public Defender Attorneys.

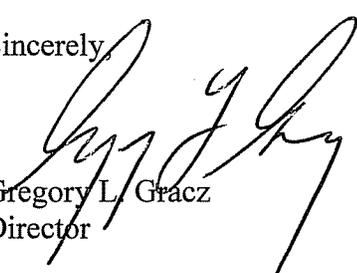
The following represents a brief overview of the most significant recommendations being submitted for your consideration, with Attachment A providing a brief summary of all the substantive changes proposed. The full text of the proposal is also attached, with changes noted by underscoring and strike-through as appropriate (Attachment B).

1. **General Wage Adjustments:** There are no General Wage Adjustments recommended for the biennium.
2. **Various Agency Funded Changes:** Progression adjustments, some reimbursements, and many of the various types of supplemental pay that appeared in collective bargaining agreements have been added to the Compensation Plan. A new supplemental pay add-on was also created. However, eliminating some supplemental pay provisions that were determined unnecessary and changing overtime calculations to be based on hours worked per the Fair Labor Standards Act (some collective bargaining agreements required it to be based on hours in pay status) should result in a substantial net savings at many of the agencies.
3. **Benefit Provisions:** Due to Act 10, pension and health insurance premium amounts will no longer be included in the Compensation Plan.
4. **New Unclassified Positions:** Included for your approval is the recommended ESG level of one division administrator and the Non-ESG levels for unclassified Chief Legal Counsel, Legislative Advisor, and Communication Director positions created in Act 10.

5. **Pay Administration Provisions:** All broadband pay schedules will now be covered by Section I of the Compensation Plan. The Education and Assistant State Public Defender Attorney schedules will be converted to broadband schedules in this Plan. To accommodate nonbroadband schedules from collective bargaining units, pay administration provisions are also created in Sections C and E. The pay administration language also includes a provision allowing the OSER Director to determine if a pay range reassignment warrants a pay increase for affected employees.
6. **Mileage Reimbursement:** Instead of having mileage reimbursement set at a specific amount, we are recommending that the OSER Director be allowed to change the rate when necessary to an amount not to exceed two cents less than the rate at which federal employees are reimbursed.
7. **Discretionary Merit Compensation:** Changing Discretionary Compensation Adjustments to Discretionary Merit Compensation is proposed. The main differences in the two systems is that under Discretionary Merit Compensation, the criteria for granting base-building increases or lump sum payments will be limited to merit, equity or retention. Second, the delegation for granting increases/payments will be removed from the agencies and OSER will instead review and approve them. In addition, under Discretionary Merit Compensation most classified employees in nonbroadband pay schedules will also be eligible for merit-related lump sum payments.
8. **Compensation Plan Expansion:** A number of provisions have been added to the Compensation Plan that normally would not have been included. Statutes and Administrative Code that would normally address these provisions are either inadequate or not appropriate for the unique situations and classifications under the seventeen bargaining units that will now be covered by the Compensation Plan. Because we acknowledge that moving so many provisions from the collective bargaining agreements to the Compensation Plan may result in unintended outcomes, we included language that will allow OSER to rectify such problems during the life of the Compensation Plan.
9. **Nonrepresented Pay Schedules:** A new pay range is created for the classifications of Director of Nursing and Health Services Nursing Coordinator, currently assigned to pay range 81-02, to more accurately reflect the labor market for these classifications. To create parity with a 2% increase in represented pay ranges that occurred during the 2007-2009 biennium, nonrepresented classified pay ranges were also increased by 2%, except that only the maximum of pay range 81-01 was increased. The minimum of pay range 81-01 was not increased because it is tied to pay schedule 90 minimums, which affect the pay of constitutional officers.

I recommend the Committee approve the attached 2011-2013 Compensation Plan as proposed. I look forward to responding to any questions the Committee or its staff may have about these recommendations.

Sincerely,



Gregory L. Gracz  
Director

Attachments: Attachment A: Summary of Changes  
Attachment B: 2011-2013 Compensation Plan

## Changes for the 2011-2013 Compensation Plan

### Section A

- 2.02 is revised to state which schedules are eligible, ensuring eligibility does not go beyond what was provided in previous Compensation Plans.
- 2.03 is revised to add annual progressions from WPEC and PERSA to the nonrepresented progressions.
- 2.04 is created to add the Excise Tax Agents, Special Agents, and Criminal Analysts progression from WPEC.
- 2.05 is created to add thirteen 12-month progressions from WSEU.
- 2.06 is created to add three 18-month progressions from WSEU.
- 2.07 is created to add progressions from SEA and WSP.
- 2.08 is created to add the Division of Motor Vehicle progression from WLEA.
- 2.09 is created to maintain the current adjusted prevailing rates for Trades employees.
- 4.01 is revised to add a definition of “compensatory time.”
- 4.03 is revised to make all overtime based on hours worked, and to pay overtime for all FLSA nonexempt employees in accordance with FLSA, except for Fire/Crash Rescue Specialists.
- 4.07 is revised to add SEIU employees to the responsibility pay language.
- 4.08 is revised to add spray painting and leadworker add-ons from Trades.
- 4.12 is revised to add WSEU employees to the supplemental pay for Psychologist doctorate or equivalent.
- 4.14 is revised to add WEAC employees to the supplemental pay for teaching.
- 4.15 is revised to add WPDA employees to the supplemental pay for medical board certification.
- 4.16 is revised to add SEA employees to the supplemental pay for engineering licenses or certifications.
- 4.17 is revised to add WPEC employees to the CPA add-on.
- 4.18 will now also cover WPEC employees receiving a General Appraiser add-on.
- 4.19 is revised to add WPEC employees to the Revenue Field Auditor add-on.
- 4.21 is revised to add WSEU employees to the power plant add-on.
- 4.22 is revised to add WSEU employees to the firearms requirement add-on.
- 4.23 is revised to add WSEU employees to the AALAS certification add-on.
- 4.24 is revised to add WSEU employees to the Veterinary Technician add-on.
- 4.25 is revised to add WPEC employees to the Insurance Examiner add-on.
- 4.26 is revised to add WSEU employees to the DNR specialized duties add-on.
- 4.27 is revised to add WPEC employees to the Financial Examiner add-on and to increase the amounts from \$1.20 to \$1.50 per hour at each level for certain classifications.
- 4.28 regarding supplemental pay for nonrepresented employees to match supplemental pay pilot programs for subordinates is deleted.
- 4.28 is created to add a bilingual skills add-on.
- 4.29 is created to add a WSEU flight pay add-on.

- 4.30 is created to add a WSEU aircraft mechanic add-on.
- 4.31 is created to add a WSEU Fire/Crash Rescue Relief Lead Worker add-on.
- 4.32 is created to add a WSEU add-on for Job Coach at Central Wisconsin Center.
- 4.33 is created to add a WSEU Fire/Crash Rescue skills add-on.
- 4.34 is created to add a WSEU plumbing specialty add-on.
- 4.35 is created to add a WSEU/WSP fire duty readiness add-on.
- 4.36 is created to add a WSEU AODA treatment program add-on.
- 4.37 is created to add a WPDA oral surgery add-on.
- 4.38 is created to add a WLEA motorcycle pay add-on.
- 4.39 is created to add a WEAC special activities add-on.
- 4.40 is created to add a WEAC Exceptional Education Needs/Special Education certification add-on.
- 4.41 is created to add a WSEU Bureau of Child Welfare 'on call' add-on.
- 4.42 is created to add a WSEU DOC clinical services add-on.
- 4.43 is created to add WEAC add-ons related to educator mentoring, professional development teams, and being granted a master educator license.
- 4.44 is created to add a SEIU Nurse Clinician add-on.
- 4.45 is created to continue the SEIU Weekend Nurse Program and give agencies discretion in setting hours that qualify for the add-on.
- 4.46 is created to add a SEIU Nurse Clinician sign-on bonus.
- 4.47 is created to provide an add-on to Special Agent in Charge positions.
- 5.00 regarding health insurance and retirement contributions is deleted because these benefits are no longer covered by the Compensation Plan.
- 6.00 regarding Labor Management Cooperation related pilot programs is deleted.

#### Section B

- 3.03 is revised to eliminate positions of the former Department of Commerce, to add a Department of Children and Families division, and to add the Chief Legal Counsel, Legislative Advisor, and Communications Director positions created by 2011 Wisconsin Act 10.
- 5.00 regarding health insurance and retirement contributions are deleted because these benefits are no longer covered by the Compensation Plan.

#### Section C

- 3.00 is revised to provide pay on appointment to Assistant District Attorneys because they are not covered by Section I like the other attorneys.
- 5.00 is created to allow attendance at Bar Association meetings and activities without loss of pay.
- 6.00 is created to allow payment of continuing legal education credits.
- 7.00 is created to provide pay provisions regarding Assistant District Attorney work on Sundays related to domestic violence complaints.
- 8.00 is created to provide pay provisions regarding Assistant District Attorney work at Sunday intake court.
- 9.00 is created to indicate which benefits do not apply to Assistant District Attorneys who have elected county benefits under s. 978.12(5) and/or (6), Wis. Stats.

- 10.00 is created to provide Assistant State Public Defender Attorneys with the same protections provided to Assistant District Attorneys under s. 230.34, Wis. Stats.

#### Section D

- 5.00 regarding health insurance and retirement contributions are deleted because they are no longer covered by the Compensation Plan.
- 5.00 is created to authorize the Administrator of the OSER Division of Merit Recruitment and Selection to allow appointment of nonresidents to limited term appointments.

#### Section E

- 4.00 is created to provide pay administration language for permanent employees from WSEU, WPEC, SEIU, SEA, WSP and WLEA who are not covered by the broadband pay provisions of Section I.

#### Section F

- 3.05 is revised to change mileage reimbursement from a specific amount to an amount not to exceed two cents per mile less than the rate at which federal employees are reimbursed. 3.05 is also revised to clarify that employees allowed to telecommute are not eligible to receive mileage reimbursement for trips to a location that would have been the assigned headquarters.
- 7.02 is revised to remove reimbursement for calls made to the employee's home when traveling.

#### Section G

- 6.00 is created to provide reimbursement for commercial motor vehicle licenses and school bus endorsements when possession was not part of the initial conditions of employment.
- 7.00 is created to allow reimbursement of costs not covered by health insurance for tests or vaccinations for Lyme Disease, rabies, Hepatitis B and C, tuberculosis, or HIV.
- 8.00 is created to temporarily cover costs of training and development that had been approved under a collective bargaining agreement but which may not be covered under Administrative Code.
- 9.00 is created because it is acknowledged that language from collective bargaining agreements may have been omitted from this Compensation Plan in error or may have been inserted in a way that creates unintended outcomes. If such circumstances occur, this provision will allow those provisions to be implemented as intended until they can be corrected.
- 10.00 is created to allow grievance procedures different than those currently in statutes and the Administrative Code.
- 11.00 is created to allow agencies to distribute incentive awards provided in federal grants to state employees.

### Section I

- 4.04 is revised to allow unclassified attorneys covered by the section to be reinstated in accordance with 4.07.
- 4.06 is revised to clarify pay on demotion for a career executive versus pay on reassignment to a lower career executive position.
- 4.09 is revised to allow the OSER Director discretion as to whether or not an increase will be provided when a reallocation occurs due to a pay range reassignment.

### Section J

- Discretionary Compensation Adjustments are modified and the title changed to Discretionary Merit Compensation (DMC).
- 1.00 and 2.00(5) and (9) are revised to allow classified nonbroadbanded employees covered by the Plan, including Assistant District Attorneys, to be granted lump sum DMC.
- 2.00(1) is revised to limit criteria for DMC to merit, equity, or retention.
- 2.00(4) is revised to require that all DMC be approved by OSER. Also, any DMC recommended for Assistant District Attorneys must be approved by DOA prior to submittal to OSER for approval.
- 2.00(8) is revised to clarify when DMC can be granted upon reinstatement or restoration.
- 2.00(11) is deleted to eliminate agency delegation because all DMC recommendations must now be approved by OSER.
- 2.00(12) – now 2.00(11) – is revised to indicate funding of DMC will be suspended for the 2011-2013 biennium.

### Section K

- Section K from the 2009-2011 Compensation Plan is removed in its entirety because parity for represented market adjustments does not apply in 2011-2013.
- 2.01 is created to allow indefinite continuous service to employees only if they leave state service and then return to career executive positions or designated unclassified positions. Note: Current statutes and Administrative Code language allows this for all employees who leave and return to FLSA exempt positions.
- 2.02 is created to allow represented employees laid off prior to the effective date of the Compensation plan to retain the employment status eligibility they had at the time of layoff.
- 3.00 is created to provide exceptions to statutory and Administrative Code annual leave and sabbatical/termination provisions for supervisory/non-management Crafts Worker and Fire/Crash Rescue related positions.
- 4.00 is created to provide a fairly and more easily administered way of prorating personal holidays when an employee does not complete probation, and to continue the practice of not providing personal holidays to non-supervisory/non-management Crafts Worker employees.
- 5.00 is created to allow earning of leave credits during active duty for training. Note: This was allowed in collective bargaining agreements but not provided for in the statutes.

- 6.00 is created to allow Assistant District Attorneys leave without pay to act as a special prosecutor or when appointed as a District Attorney by the Governor.
- 7.00 is created to allow agencies to grant leave without loss of pay for diagnosis, treatment, and/or counseling to employees determined to have been held hostage.
- 8.00 is created to allow represented employees laid off prior to the effective date of the Compensation Plan to retain the restoration rights they had at the time of layoff.

#### Section Z

- Section Z is revised to include pay schedules and progressions formerly included in collective bargaining agreements.
- WSEU seniority grids and grid structures have been eliminated, and therefore, are not included in the section.
- WEAC and WSPDA pay schedules (13 and 21) have been converted to broadband pay schedules.
- Pay range 50-20 has been created for the classifications of Director of Nursing and Health Services Nursing Coordinator.
- The minimums and maximums for pay schedules 50, 56, 70, and 71, and for pay ranges 81-02, 81-03, 81-04 and 81-05 have been increased by 2%. The maximum of pay range 81-01 has also been increased by 2%. Note: This matches increases that were made in the represented pay schedules during the 2007-2009 biennium.