

Chapter 5

COMPENSATION AND FRINGE BENEFITS

5-1 CIVIL SERVICE COMPENSATION PLAN

5-1.1 Application

- (a) **General application.** All eligible employees in the classified service receive compensation and fringe benefits in accordance with the compensation plan, except as provided in subsection (b).
- (b) **Collective bargaining agreement.** All employees in the classified service are covered by these rules, except that employees covered by an approved collective bargaining agreement differing from the compensation plan are governed by the collective bargaining agreement, where different.

5-1.2 Amendments to Compensation Plan

The civil service commission may amend the compensation plan at any time, consistent with article 11, section 5, of the constitution. The state personnel director may submit to the

commission recommended amendments to the compensation rules at any time. The director shall also submit to the commission for its review (1) any proposed collective bargaining agreement or amendment agreed to by the state employer and an exclusive representative, (2) any recommendation of the impasse panel, and (3) any recommendation of the coordinated compensation panel.

5-1.3 Coordinated Compensation Plan

The coordinated compensation panel shall send a recommended coordinated compensation plan for all nonexclusively represented classified employees to the civil service commission. The panel shall consider negotiated collective bargaining agreements, any impasse panel recommendations, and any recommendations of the employer or employees. The panel shall send its recommendation on or before the date set by the state personnel director.

[Rule 5-1 last amended effective January 1, 2002]

5-2 HOURS OF SERVICE

5-2.1 Work Period

- (a) **Standard work period.** The standard biweekly work period for a full-time employee in the classified service is the equivalent of 80 hours of work.
- (b) **Alternative work periods.** The state personnel director may issue regulations that establish alternative work periods and measures of equivalent full-time service. The regulations may conform the compensation plan to the alternative periods and measures.

5-2.2 Service Hours toward Benefits

A career employee in the classified service earns credit for hours paid in a biweekly work period for accruing fringe benefits. An employee cannot receive credit for paid service in excess of 80 hours in a biweekly work period. A noncareer employee is not eligible for fringe benefits and cannot accrue credit hours toward benefits.

[Rule 5-2 last amended effective March 18, 2001]

5-3 COMPENSATION SCHEDULES

5-3.1 Compensation Schedules

The civil service commission shall approve compensation schedules that establish the rates of compensation for each class of positions in the classified service. The rates of compensation authorized are for full-time employment. Payment for part-time service is proportionate to the time actually worked. If a new classification is added to the classification plan, the state personnel director shall initially establish

the rates of compensation for the classification.

5-3.2 Departmental Salary-range Subdivisions

An appointing authority, with the prior written approval of the state personnel director, may implement departmental salary-range subdivisions within a salary range. A salary-range subdivision must fall within the range of rates of compensation approved by the civil service commission for the classification. The salary-range subdivision must be based on relevant, job-related departmental considerations, such as job complexity, level of responsibility, market conditions, or reporting relationships. The appointing authority shall publish all approved salary-range subdivisions for its affected employees.

5-3.3 Individual Compensation

The appointing authority shall assign the individual level of compensation for each classified employee as provided in the compensation plan. The individual level of compensation must fall within the range of rates of compensation approved by the civil service commission for the employee's classification level. If the appointing authority implements an approved salary-range subdivision, the individual level of compensation of an employee subject to the subdivision must also fall within the approved departmental range of rates for the subdivision. Any exception must be approved by the state personnel director.

5-3.4 Operation of Compensation Schedules

An employee in the classified service cannot be paid less than the minimum nor more than the maximum authorized in the compensation plan, unless authorized by the state personnel director.

- (a) **Initial appointment.** On initial appointment, an employee is paid the minimum salary step in the salary range unless the appointing authority chooses to pay a higher initial salary as authorized in the compensation plan.
- (b) **Schedules with steps.** If the compensation plan creates steps in the pay range, an employee receives pay increases in the amounts and at the intervals provided for in the compensation schedule for the employee's classification level. An employee under an *unsatisfactory* probationary, interim, or follow-up rating is not eligible for a step increase.
- (1) **Effective date.** Any pay increase is effective at the beginning of the first pay period after the employee becomes eligible.
- (2) **Advancement.** An employee advances in pay by successive steps of the pay range for the employee's classification level, as provided in the compensation plan, unless a special increase is granted in accordance with the compensation plan.
- (3) **Reduction of pay.** An appointing authority may, for cause reduce the pay of an employee receiving more than the minimum step for the classification level.
- (4) **General schedule revision.** If the compensation schedule is amended, an employee is paid at the salary step corresponding in length of service to the step at which that employee was being paid in the previous salary range for the classification level.
- (c) **Performance-pay programs.**
- (1) **Salary range.** For each class of positions in a performance-pay program, the civil service commission shall approve a salary range that includes (1) a minimum point, (2) one or more control points, and (3) a maximum point:
- (A) **Minimum point.** The minimum point is the lowest base salary payable to an employee in the classification.
- (B) **Control point.** The control point is the highest base salary payable to an employee in the classification.
- (C) **Maximum point.** The maximum point is the maximum total salary, including both base salary and any lump sum awards, payable to an employee in the classification during a fiscal year.
- (2) **Performance-pay awards.**
- (A) **Awards authorized.** If an employee's position is included in a performance-pay program, the appointing authority, with the approval of the state personnel director, may award the employee an increase in base salary or a lump sum award, or both, in accordance with the compensation plan. The director may set limits on the amount of performance pay that may be awarded in a fiscal year.
- (B) **Performance ratings.**
- (1) If the employee receives a *needs improvement* annual rating or an *unsatisfactory* interim or follow-up rating, the employee is not eligible

for a base salary or lump sum award.

- (2) If the employee receives an *unsatisfactory* interim or follow-up rating, the appointing authority may reduce the employee's base salary in accordance with the compensation plan.

- (d) **Conversion of performance-pay schedule to step schedule.** If a classification is converted from a performance-pay schedule to a schedule with steps, an employee whose position is converted must be placed at a step at least equal to the employee's base salary under the performance-pay plan at the time of conversion in accordance with the regulations.
- (e) **Salary rate for temporary projects.** Upon request of an appointing authority, the state personnel director may approve alternative or supplemental compensation that exceeds the scheduled maximum rate of pay for an employee assigned to a temporary project. The appointing authority must receive written authorization for the project pay from the department of civil service before the employee is assigned to the project. Temporary project pay may not exceed two years without the written authorization of the state personnel director.
- (f) **Red-circled pay treatment.** The state personnel director may authorize an employee's salary to be red-circled. An employee whose pay is red-circled continues to be paid at the employee's red-circled salary rate until the scheduled maximum salary of the employee's classification or classification level equals or exceeds the red-circled salary rate. An employee whose salary is red-circled is not eligible for any portion of a general

wage adjustment that exceeds the maximum of the employee's classification or classification level.

5-3.5 Salary Rate upon Change in Classification, Return from Layoff, or Reinstatement

An employee who moves from one classification to another and who returns from layoff or is reinstated after separation is paid in the new classification at the appropriate salary step in accordance with the compensation plan.

5-3.6 Payment at Death of an Employee

The appointing authority shall pay the final wages due a deceased employee in accordance with a primary and secondary beneficiary designation filed by the employee under regulations issued by the state personnel director. In the absence of a valid beneficiary designation, payment is made only in accordance with the instructions of a court.

5-3.7 Compensation from Other State Sources

A classified employee who concurrently occupies more than one position in the state service cannot be credited with more than 80 hours in pay status for any purpose, except salary. Salary is prorated and paid by each department on the basis of time actually worked for each department.

5-3.8 Pilot Compensation Plans

The civil service commission may approve pilot compensation plans for individual classifications. A pilot compensation plan may be limited to a classification or group of classifications in one or more departments or programs, upon approval of the state personnel director.

5-3.9 Approval and Disapproval of Disbursements for the Classified Payroll

The state personnel director shall certify each payroll for the classified service. Payroll certification is based on computerized payroll system edits of payroll calculations and personnel transactions and the audit of personnel transactions for compliance with civil service rules and regulations. The director shall establish edit requirements and audit procedures. The director may delete from the payroll any item that cannot be certified under this rule and shall give notice of the action, together with the reason for the action, to the appointing authority concerned.

[Rule 5-3 last amended effective January 1, 2002]

5-4 ADDITIONAL COMPENSATION: OVERTIME, ETC.

5-4.1 Additional Compensation

An appointing authority may require an employee to work under special conditions. An eligible employee working under the following special conditions is paid the pay premiums provided in this rule in accordance with the regulations.

5-4.2 Overtime

- (a) **Eligibility.** The compensation schedules must identify each classification that is eligible for overtime pay. Overtime pay is paid to eligible employees for time in pay status in excess of 8 hours in a day and 40 hours in a week or as otherwise provided in the regulations.
- (b) **Rate.** The overtime rate of pay is one and one-half times the employee's

regular rate of pay, as defined in the regulations. The regulations may provide for accrual of compensatory time at the premium rate instead of a cash payment.

5-4.3 On-call

- (a) **Eligibility.** The compensation schedules must identify each classification that is eligible for on-call pay. On-call pay is paid to an eligible employee who is scheduled to be available to return to duty, work-ready, within a specific time.
- (b) **Rate.** The on-call rate of pay is one hour of straight time pay for each 5 hours of on-call time.

5-4.4 Callback

- (a) **Eligibility.** The compensation schedules must identify each classification that is eligible for callback pay. Callback pay is paid to an eligible employee who is not on scheduled on-call status but is called back to duty outside of normal working hours.
- (b) **Rate.** Callback pay is paid at the overtime rate of pay. An eligible employee is paid for a minimum of 3 hours unless called back within 3 hours of the employee's regular starting time.

5-4.5 Shift Differential

- (a) **Eligibility.** The compensation schedules must identify each classification that is eligible for shift differential premium. The shift differential premium is payable to an eligible employee for each shift in which more than 50 percent of the employee's regularly scheduled shift falls between 4:00 p.m. and 5:00 a.m.
- (b) **Rate.** The shift differential premium is 5 percent of an employee's regular rate.

5-4.6 Exclusions and Exceptions

- (a) **Exclusions for SES and ECP Group 4.** An employee in the senior executive service or ECP Group 4 is not eligible to accrue compensatory time or to receive additional compensation for (1) overtime, (2) on-call time, (3) special shift, or (4) callback. However, if an employee otherwise qualifies, the employee is eligible for other premium pay provided in the compensation plan.
- (b) **State police.** Notwithstanding the exclusion in subsection (a), a state police command officer participating in the high visibility patrol program and a state police lieutenant 14 or 15 (enlisted) is eligible to accrue compensatory time up to a maximum of 80 hours. The compensatory time will be paid at the employee's current rate at retirement.
- (c) **Exceptions for ECP Groups 1, 2, and 3.** The state personnel director is authorized to grant eligibility for (1) overtime, (2) on-call time, (3) special shift, or (4) callback pay to employees in ECP Groups 1, 2, and 3 who are otherwise ineligible for these special pay premiums.

[Rule 5-4 last amended effective March 18, 2001]

5-5 ADDITIONAL COMPENSATION: PRISON EMPLOYEES

5-5.1 Prison Employee Premium

- (a) **Eligibility.** An employee who meets any of the following eligibility criteria is paid a special prison premium rate:
- (1) An employee assigned regular and recurring responsibility for custody

or supervision of prisoners in the department of corrections.

- (2) An employee in a position located at a correctional or a mental health facility who handles, on a regular and recurring basis, the personal, financial, or other matters affecting the well-being of prisoners of the department of corrections.
 - (3) An employee whose work location is within the security perimeter of a correctional facility or within a facility of the department of community health housing corrections prisoners, thereby placing the employee in an environment where physical confrontation could occur.
- (b) **Exception.** An employee is not eligible for prison rate if the employee's classification or a predecessor classification was granted a special 5 percent increase in Part 1B of the minutes of the civil service commission meeting on December 14, 1978. The state personnel director shall list the current ineligible classifications in the regulations.
- (c) **Rate.** The prison premium rate is \$0.40 an hour. The prison rate is paid for all hours in pay status, including holidays and leave time.

5-5.2 High Security Retention Premium

- (a) **Eligibility.** An employee who meets the following eligibility criteria is paid a high security retention premium.
- (1) An employee who is classified as a Forensic Security Supervisor 11-14 at the department of community health center for forensic psychiatry.

- (2) An employee in an eligible classification who works in an eligible facility:
- (A) **Eligible classifications.** An employee in the following classifications is eligible:
- (1) Corrections Security Inspector 13.
 - (2) Corrections Shift Supervisor 11, 12, or 13.
 - (3) Deputy Prison Warden 14.
 - (4) Assistant Resident Unit Supervisor 11.
 - (5) Resident Unit Manager 13, if the employee's office is in a housing unit considered a high security work unit.
- (B) **Eligible facilities.** An employee in the following facilities is eligible:
- (1) A correctional facility designated as level 4, 5, or 6 by the department of corrections. A level 4, 5, or 6 work unit or an administrative segregation work unit at another facility (i.e., regional, multiple, levels 3, 2, and 1) is **not** eligible.
 - (2) Huron Valley Center.
 - (3) An employee who receives the prison employee premium of \$0.40 an hour who has 2 years of continuous service, and is employed at one of the facilities listed in subsection (a)(2)(B).

- (b) **Rate.** The high security retention premium is \$0.50 an hour. The high security retention premium of \$0.50 an hour and the prison employee premium of \$0.40 an hour cannot be paid simultaneously.

[Rule 5-5 last amended effective May 24, 2001]

5-6 ADDITIONAL COMPENSATION: MISCELLANEOUS

5-6.1 High Structures and Tunnels Premium

- (a) **Eligibility.** An employee who works (1) on a structure over 40 feet in height that requires scaffolding or safety harnesses or (2) in a pressurized tunnel (new construction or reconstruction) is paid a hazard premium.
- (b) **Exclusions.** Work performed from safety buckets (aerial equipment) is not eligible for hazard premium pay. Work performed in caissons is not eligible for hazard premium pay.
- (c) **Rate.** The hazard premium is \$1.00 an hour for each hour of exposure. A minimum of 4 hours of hazard premium is paid for each day of exposure. The hazard premium is not paid for holidays or leave time used.

5-6.2 Explosive Materials Premium

- (a) **Eligibility.** An employee of the department of state police assigned to handle and dispose of explosives is paid an explosives premium.

- (b) **Rate.** The explosives premium is \$103.85 per biweekly pay period.

5-6.3 Premium for Department of Consumer and Industry Services Insurance Examiners Working out of State

- (a) **Eligibility.** An employee who (1) is employed as an Insurance Examiner in the department of consumer and industry services, (2) is classified as an Auditor 9-12 or Auditor Manager 13, and (3) is required to work outside of the state of Michigan for extensive periods, is paid an out-of-state location premium.
- (b) **Rate.** The out-of-state premium is \$10.00 per day.

5-6.4 Premium for Department of Treasury Auditors Working and Residing out of State

- (a) **Eligibility.** An auditor employed in the department of treasury whose principal work location and residence are outside of the state of Michigan is paid an out-of-state location premium.
- (b) **Rate.** The out-of-state location premium is \$25.00 per day.

5-6.5 Other Employees Residing out of State

- (a) **Eligibility.** Any other classified employee whose primary work location and residence are outside of the state of Michigan may be paid an out-of-state location premium.
- (b) **Rate.** The civil service commission shall determine the amount of the out-of-state location premium.

5-6.6 Emergency Response Compensation

- (a) **State Police.**
- (1) **Eligibility.** A state police command officer is paid an emergency response compensation.
- (2) **Rate.** The emergency response compensation is \$3.75 per day.
- (b) **Conservation Officer–Law Supervisors 13-16.**
- (1) **Eligibility.** A Conservation Officer–Law Supervisor 13-16 is paid an emergency response compensation.
- (2) **Rate.** The emergency response compensation is \$3.00 per day.

5-6.7 Conservation Officer 13 Premium

An employee classified as a Conservation Officer–Law Supervisor 13 who is identified by the department of natural resources and approved as eligible by the department of civil service may be credited with an additional 1.2 hours of straight time compensation for each biweekly pay period.

5-6.8 Premium for Department of Education Schools for the Deaf and Blind Employees Providing Extracurricular Program Services

- (a) **Eligibility.** An employee of the Schools for the Deaf and Blind who provides coaching or other extracurricular program services is paid an extracurricular activities premium.

- (b) **Rate.** The civil service commission shall approve the payment of premiums for the extracurricular program services.

5-6.9 Jury Duty

An employee summoned to jury duty or subpoenaed as a witness for the people to give testimony related to state employment is paid the difference between any jury or subpoena fee received and the employee's regular pay during the period of required attendance.

5-6.10 Severance Pay

(a) **Eligibility.**

- (1) **Employees.** The following employees are eligible for severance pay if they meet the criteria in subsection (a)(2) and are not disqualified by the criteria in subsection (a)(3):

(A) An "agency based" employee of the department of community health laid off because of deinstitutionalization of the department of community health resident population after October 1, 1996.

(B) A nonexclusively represented employee who is indefinitely laid off on or after October 1, 2001.

- (2) **Criteria.** An employee is eligible if the employee was (1) laid off for at least 6 months, (2) was laid off in satisfactory employment status, and (3) was not separated from a temporary or limited-term appointment.

- (3) **Disqualification.** An otherwise eligible employee is disqualified from receiving severance pay for any of the following reasons:

- (A) The employee dies before accepting payment.
- (B) The employee is hired in any position in the classified service.
- (C) The employee refuses recall to state employment located within a 75-mile radius of the agency from which the employee was laid off.
- (D) The employee is recalled to an indefinite appointment in a position covered by a collective bargaining agreement, in which case the agreement controls.
- (E) The employee is hired for any position outside of the classified service and the initial base hourly rate for the position is 75 percent or more of the employee's final base hourly rate in the position from which the employee was laid off.

- (b) **Time limits.** The appointing authority shall notify an employee of the employee's severance pay option 6 months and 12 months after the layoff.

- (1) The employee may accept in writing the lump sum severance payment at any time after the first notice until 14 calendar days after the second notice. The employee is deemed to have rejected severance pay if the employee does not timely accept the severance pay in writing.

- (2) If the employee accepts severance pay, the appointing authority shall pay the employee within 60 calendar days and remove the employee's name from all recall and layoff lists.

- (3) Acceptance of severance pay constitutes a break in service and terminates any rights to continuous service credits for any purpose, including annual leave accrual and longevity.
- (c) **Severance pay rates.** The severance payment for an eligible employee who accepts severance pay is determined by the regulations and the following table:

Years of Service	Weeks of Severance Pay
1	1
2	2
3	3
4	4
5	5
6	7
7	9
8	11
9	13
10	15
11	18
12	21
13	24
14	27
15	30
16	33
17	36
18	39
19	42
20	45
21	48
22	51
23 or more	52

- (d) If an employee receives a severance payment, the employee may be rehired in the classified service only under the conditions provided in the regulations.

[Rule 5-6 last amended effective May 23, 2002]

5-7 EXPENSE REIMBURSEMENT

5-7.1 Travel Expense Reimbursement

- (a) **Eligibility.** An employee who incurs expenses for official travel is eligible for reimbursement in accordance with the standardized travel regulations issued by the department of management and budget and the state personnel director.
- (b) **Rates.** An employee is reimbursed at the rates approved by the civil service commission.
 - (1) **Recommendation.** The director of the department of management and budget and the state personnel director shall jointly recommend to the commission the travel reimbursement rates. The joint recommendation must be submitted no later than April 30 of each year, for the fiscal year beginning October 1 of the same year.
 - (2) **Comments.** Before submitting the recommendation, the director of the department of management and budget shall solicit comments from employees and limited recognition organizations regarding travel reimbursement rates, methods, indices, and the rate-setting process.
 - (3) **Action by the commission.** The civil service commission shall review the recommendation and shall approve, reject, or modify the recommendation.
 - (4) **Exceptions.** For reasons of business necessity, the director of the department of management and budget and the state personnel director are authorized to approve

individual exceptions that vary from the approved travel reimbursement rates or the standardized travel regulations.

5-7.2 Moving Expense Reimbursement

(a) Eligibility.

- (1) **Employees.** An employee who receives a lateral job change for the convenience and benefit of the state is eligible for reimbursement of moving expenses in accordance with the standardized travel regulations. An employee who is displaced because of a reduction in force and exercises employment preference is not eligible for reimbursement of moving expenses.
- (2) **New employees.** An appointing authority may pay the moving expenses of a new employee not previously on the state payroll, in accordance with the standardized travel regulations.

- (b) **Rates.** The rates for reimbursement of moving expenses are established in the standardized travel regulations.

5-7.3 Miscellaneous Reimbursements

(a) Safety Shoes.

- (1) **Eligibility.** Employees who are required by their employer to wear safety shoes or boots while performing their job duties are eligible for reimbursement of the actual cost of the safety shoes.
- (2) **Limits.** An employee may be reimbursed, at the employee's option, a maximum of either (1) \$80

annually or (2) \$160 every two years.

(b) Uniform cleaning allowances.

- (1) **Eligibility.** An employee classified as a Motor Carrier (Sergeant) 13, Motor Carrier (Lieutenant) 14, or State Properties Security Supervisor 10, is eligible for a uniform cleaning allowance.
- (2) **Rate.** The uniform cleaning allowance is a maximum of \$450 per year. The appointing authority may pay the allowance on a prorated periodic basis.

(c) State Police Uniform or Cleaning Allowance.

- (1) **Eligibility.** An enlisted employee the department of state police at or above the Lieutenant level is eligible for either a uniform cleaning allowance (if uniformed) or a clothing allowance (if not uniformed), as authorized by the appointing authority.
- (2) **Rate.** The uniform cleaning allowance is a maximum of \$525 per year. The clothing allowance is a maximum of \$900 per year. The appointing authority may pay the allowance on a prorated periodic basis.

(d) Physical fitness awards.

The department of state police may implement a physical fitness awards program for nonexclusively represented employees that is substantially equivalent to the program applicable to exclusively represented troopers and sergeants. Awards are limited to sick leave credits deposited into an dispersed from a sick leave bank.

[Rule 5-7 last amended effective October 1, 2001]

5-8 LONGEVITY PAYMENT

An employee who is expected to complete or has completed the equivalent of 6 years of full-time currently continuous employment in a fiscal year is eligible for an annual longevity payment on October 1 of that fiscal year in the amount provided below:

Years of Full-time Service Expected to be Completed During the Fiscal Year	Annual Longevity Payment Due on October 1 of the Fiscal Year
6 – 9	\$260
10 – 13	\$300
14 – 17	\$370
18 – 21	\$480
22 – 25	\$610
26 – 29	\$790
30 & over	\$1,040

An employee with a break in continuous service but more than 6 years total employment is eligible for a longevity payment based on total years of service after completing the equivalent of 5 years of full-time currently continuous employment. The longevity payment is paid at the time and in the manner provided in the regulations.

[Rule 5-8 last amended effective March 18, 2001]

5-9 SUPPLEMENT TO WORKERS' DISABILITY COMPENSATION

5-9.1 Duty-incurred Disability Payment

Eligibility for workers' disability compensation is established under the Michigan Workers' Disability Compensation Act. In addition, an appointing authority shall pay a supplemental payment authorized in this rule to an eligible injured employee.

5-9.2 General Supplement up to Two-thirds

- (a) **Eligibility.** A classified employee who is disabled by injury or illness for which the employee is eligible for state workers' disability compensation payments is eligible for this supplement.
- (b) **Rate.** The appointing authority may allow a supplemental wage payment that, together with the workers' disability compensation payment, equals two-thirds of the regular salary or wage, subject to the limitations authorized in the regulations.

5-9.3 Special Supplement up to Full Weekly Net Wage

- (a) **Eligibility.**
 - (1) **Employees.** The following employees are eligible:
 - (A) An employee of the department of corrections in a correctional facility who is injured during a riot or as a result of an assault

- by a prisoner housed in the correctional facility.
- (B) An employee of the department of state who is injured as a result of an assault while performing employment duties, rendering direct services to the public.
 - (C) An employee of the department of community health who is injured as a result of an assault by a recipient of mental health services.
 - (D) An employee of the family independence agency who is injured during the course of employment as a result of an assault by a recipient of social services at the W. J. Maxey Training School campus in Whitmore Lake or any of its affiliated facilities, the Adrian training school in Adrian, the Arbor Heights Center in Ann Arbor, Camp Nokomis in Prudenville, Camp Shawano in Grayling, or a similar facility under the jurisdiction of the family independence agency established or funded by the state.
 - (E) A person employed by the department of military and veterans affairs who is injured during the course of employment as a result of an assault by a recipient of social services at the Grand Rapids veterans facility at Grand Rapids, the D. J. Jacobetti veterans facility at Marquette, or any other veterans facility operated by the department of military and veterans affairs.
- (2) **Limitations.**
- (A) The supplement is payable to an employee who is injured as the result of (1) a direct assault, (2) aiding another employee who is assaulted, or (3) responding, when officially obligated, to an alarm signaling an assault.
 - (B) The supplement cannot exceed 100-weeks.
 - (C) The supplement cannot be paid if the employee receives any similar workers' disability compensation supplement authorized by statute, including supplements authorized in Michigan Compiled Laws (MCL) §791.263a, MCL §38.1181, MCL §330.1113, MCL §400.1c, and MCL §333.2229.
- (b) **Rate.** An eligible employee receives full wages from the employing department until workers' compensation benefits begin. After benefits begin, the employee receives a supplement that, when added to the workers' compensation benefits, equals the weekly net wage of the employee at the time of the injury. This supplement is paid only while the person is on the department's payroll and receiving workers' compensation benefits. Fringe benefits normally received by an employee remain in effect while the employee receives this supplement.

[Rule 5-9 last amended effective March 18, 2001]

5-10 PAID HOLIDAYS AND LEAVE

credited in accordance with the following leave table:

5-10.1 Paid Holidays

A full-time career employee is allowed 8 hours paid absence from work on 12 approved state holidays. A less than full-time career employee is allowed paid holiday absence in proportion to the time actually in pay status, in accordance with the regulations.

- (a) **Procedure.** The state personnel director shall establish the appropriate dates for holiday observances and additional standards for determining employee eligibility.
- (b) **Work on a holiday.** An appointing authority may require an employee to work on a paid holiday. Such an employee is compensated in accordance with any applicable provisions governing compensation for overtime and shift differential.

Years of Service	Hours of Annual Leave Accrued (for 80 hours of service)	Maximum Accumulation (total hours of annual and personal leave)
Less than 1	4.0	256
1 – 5	4.7	256
5 – 10	5.3	271
10 – 15	5.9	286
15 – 20	6.5	301
20 – 25	7.1	306
25 – 30	7.7	316
30 – 35	8.4	316
35 – 40	9.0	316
40 – 45	9.6	316
45 and above	10.2	316

5-10.2 Paid Leave

(a) **Leave accrual and accumulation.**

(1) **Annual and personal leave.**

- (A) Upon entry into the classified service, an eligible employee is credited with an initial annual leave grant of 16 hours, which is immediately available for use, upon approval of the appointing authority. The 16 hours of annual leave cannot be credited to an employee more than once in a calendar year.
- (B) After completion of 720 hours of paid service in the initial appointment, an eligible employee has annual leave

- (C) An employee paid for less than 80 hours in a biweekly pay period is entitled to a prorated amount of annual leave. Paid service in excess of 80 hours in a biweekly pay period is not counted.
- (D) In addition to annual leave, an eligible employee with at least 6 months of continuous satisfactory service on October 1 of each year is credited with 16 hours of personal leave.
- (E) An employee may accumulate credited annual and personal leave hours up to the combined maximum authorized in the leave table in subsection (a)(1)(B). Any annual or personal leave hours earned above the maximum accrual cannot

be credited and the hours are lost.

- (2) **School participation leave.** An eligible employee who has completed 1,040 hours of satisfactory service is credited with 8 hours of school participation leave each October 1. School participation leave credits not used by the last pay period of the fiscal year are lost.
- (3) **Sick leave.** A career employee in the classified service is credited with 4 hours of sick leave with pay for each completed 80 hours of service. An employee paid for less than 80 hours in a biweekly pay period is entitled to a prorated amount of sick leave. Paid service in excess of 80 hours in a biweekly pay period is not counted.

(b) Leave use and limitations.

- (1) **Crediting and use of annual, personal, and school participation leave credits.** An employee is credited with annual, personal, and school participation leave in accordance with the compensation plan. An employee may use annual, personal, and school participation leave when approved by the appointing authority in accordance with the compensation plan.
- (2) **Crediting and use of sick leave.** An employee is credited with sick leave in accordance with the compensation plan. An employee may use sick leave in accordance with the compensation plan. An appointing authority may require an employee to present medical certification of physical or mental fitness to continue working. The appointing authority may require an employee to be examined at state

expense by a physician selected by the appointing authority.

- (3) **Other limitations.** Annual, personal, school participation, and sick leave cannot be authorized, accumulated, or credited in excess of limits established in the compensation plan.
- (4) **Special credit for annual leave and longevity.** Solely for the purpose of annual leave and longevity credit, a career employee is allowed state service credit for the following:
 - (A) Service in a nonelective excepted or exempted position in a principal department, the legislature, or the supreme court, that immediately precedes entry or return to the classified service.
 - (B) Up to five years of honorable service in the armed forces of the United States completed before entry into the classified service. When an employee who has received additional annual leave and longevity separates from the classified service and subsequently returns, military service previously credited is recognized as prior service, subject to requalification for the benefits of this rule.

[Rule 5-10 last amended effective March 18, 2001]

5-11 GROUP INSURANCE PLANS

5-11.1 Types of Group Insurance Plans

- (a) **Types of group insurance plans.** The employer may provide eligible employees with the following group insurance plans as approved by the civil service commission:
- (1) A medical benefit plan.
 - (2) A dental benefit plan.
 - (3) A vision benefit plan.
 - (4) A life insurance plan.
 - (5) An accidental death benefit plan.
 - (6) A long-term disability income protection plan.
- (b) **Recommendations.** The employer, limited recognition organizations, and nonexclusively represented employees may annually recommend changes in the group insurance plans in the coordinated compensation process. The coordinated compensation panel shall make a final recommendation to the civil service commission.
- (c) **Action by the commission.** The civil service commission shall review the final recommendation of the coordinated compensation panel and may approve, reject, or modify the recommendation of the coordinated compensation panel.
- (d) **Publication.** The employer or plan provider shall make available to employees documentation describing each group insurance plan approved by the civil service commission.

- (e) **Administration.** The employer is responsible for implementing and administering the group insurance plans approved by the civil service commission. The employer shall provide an expedited administrative review of employee complaints regarding group insurance plan coverages, exclusions, and costs. The employer's administrative review process is the exclusive procedure for reviewing employee complaints regarding group insurance plan coverages, exclusions, and costs.
- (f) **Other benefits.**
- (1) The employer may establish and administer flexible spending accounts authorized under federal law.
 - (2) The employer may authorize payroll deduction of premiums for other insurance or benefit programs if the employee pays 100 percent of the total cost.

5-11.2 Eligibility for Group Insurance Plans

Classified employees are eligible for group insurance benefits approved by the civil service commission in accordance with the following eligibility table:

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EMPLOYEE STATUS					
CAREER APPOINTMENTS (INDEFINITE AND LIMITED-TERM):					NONCAREER APPOINTMENTS
↓ BENEFIT PLAN	FULL-TIME	PART-TIME	INTERMITTENT	SEASONAL	
HEALTH PLAN	Eligible	Eligible	Eligible	Eligible	Not Eligible
DENTAL PLAN	Eligible	Eligible (if working > 40% of full-time)	Eligible (if working > 40% of full-time)	Eligible if working full-time at least 8 months per year	Not Eligible
VISION PLAN	Eligible	Eligible (if working > 40% of full-time)	Eligible (if working > 40% of full-time)	Eligible if working full-time at least 8 months per year	Not Eligible
LIFE INSURANCE PLAN	Eligible	Eligible (if working > 40% of full-time)	Eligible (if working > 40% of full-time)	Eligible (if working > 40% of full-time)	Not Eligible
ACCIDENTAL DUTY DEATH	Eligible	Eligible	Eligible	Eligible	Not Eligible
LONG-TERM DISABILITY PLAN	Eligible	Eligible (if working > 40% of full-time)	Eligible (if working > 40% of full-time)	Eligible if working full-time	Not Eligible

5-11.3 Costs of Group Insurance Plans

- (a) **Costs.** The employer shall annually determine the total cost per employee to provide each group insurance plan benefit approved by the civil service commission. During the coordinated compensation process, the employer may propose that the cost of each group insurance plan be paid in part or in whole by an employee.
- (b) **Costs for part-time employees hired after December 31, 1999.** Notwithstanding any apportionment of costs approved by the civil service commission, an eligible part-time career employee is required to pay one-half of the total cost of the medical, dental, vision, and life insurance plans if (1) the employee has a regular work schedule of

less than 50 percent of full-time and (2) the employee was hired into the classified service after December 31, 1999.

[Rule 5-11 last amended effective March 18, 2001]

5-12 MAINTENANCE ALLOWANCE

When allowances are made for maintenance or other purposes, they are considered as part of compensation, unless specifically excepted by the civil service commission. A payment of allowance for maintenance, such as meals, lodging, domestic or other personal services, medical care or treatment, laundry, or other services is made in accordance with the compensation plan.

[Rule 5-12 last amended effective March 18, 2001]

5-13 RETIREMENT

A classified employee is eligible for retirement benefits as provided by law.

[Rule 5-13 last amended effective March 18, 2001]

5-14 COORDINATION OF BENEFITS

The state personnel director, in consultation with the employer, shall coordinate the civil service compensation plan with statutory benefit plans such as workers' disability compensation, duty and nonduty disability retirement, and social security disability.

[Rule 5-14 last amended effective March 18, 2001]

[End of Chapter 5]