

MICHIGAN CIVIL SERVICE COMMISSION
Public Meeting
March 19, 2014

Present: Thomas M. Wardrop, Chair
James Barrett, Commissioner
Charles Blockett, Jr., Commissioner
Robert W. Swanson, Commissioner
Matthew Fedorchuk, Deputy Director

1. CALL TO ORDER

The meeting of the Civil Service Commission (Commission) was opened by Chair Thomas M. Wardrop at 10:07 a.m., in Conference Room A, Lower Level, Capitol Commons Center, 400 S. Pine Street, Lansing, Michigan.

Approval of Minutes

Chair Wardrop requested a motion to approve the minutes of the January 15, 2014 meeting. On motion duly made and supported, the minutes of the January 15, 2014 Civil Service Commission meeting were approved.

2. AMENDMENTS TO AGENDA

There were no amendments to the agenda.

3. INFORMATIONAL REPORTS

State Personnel Director's Report

The Commission received the following report from Deputy Director Matt Fedorchuk on behalf of Acting State Personnel Director Janet McClelland.

Unclassified Positions Report

Civil Service Commission Rules require the State Personnel Director to report on the establishment or abolishment of positions in the state unclassified service. Since the last report, the following approvals were processed:

Department of Insurance & Financial Services

On January 14, 2014, a request was received to establish an exempt unclassified position to serve as the Economic Development Advisor to the Director. This request was approved effective January 5, 2014.

Quality of Life – Department of Natural Resources

On February 6, 2014, a request was received to establish an exempt unclassified position to serve as the Outdoor Adventure Center Director. This request was approved effective March 24, 2014.

Department of Treasury

On February 14, 2014, a request was received to establish an exempt unclassified position to serve as the Senior Advisor to the State Treasurer. The request was approved effective February 2, 2014.

4. UNFINISHED BUSINESS

There was no unfinished business.

5. NEW BUSINESS

A. Proposed Fiscal Year 2014 and Fiscal Year 2015 Travel Rates

Rhonda Whiting of the Department of Technology, Management and Budget Travel Program asked the Commission to approve the extension of Fiscal Year 2014 travel rates, and approve an increase in meal rates for Fiscal Year 2015.

A motion was made to approve Agenda Item 5.A., the Proposed Fiscal Year 2014 and Fiscal Year 2015 Travel Rates. On motion duly made and supported, the motion was unanimously approved.

B. Letter of Understanding (LOU) between the Office of the State Employer (OSE) and the Michigan Corrections Organization (MCO)

General Counsel John Gnodtke stated that Agenda Item 5.B. is the review of a LOU between the OSE and the MCO regarding overtime provisions for Corrections Transportation Officers. Interim approval was previously granted.

A motion was made to approve Agenda Item 5.B., the LOU between the OSE and the MCO. On motion duly made and supported, the motion was unanimously approved.

C. Meal/Receipt Reimbursement Pilot – Standardized Travel Regulations (STR) (Interim Approval Granted)

Mr. Gnodtke stated that Agenda Item 5.C. is an extension of a pilot program involving receipts and travel reimbursement. Interim approval was granted previously by the Acting State Personnel Director with consent of the Chair to extend this program to NEREs.

A motion was made to approve Agenda Item 5.C., Meal/Receipt Reimbursement Pilot – STR for NEREs. On motion duly made and supported, the motion was unanimously approved.

6. PUBLIC COMMENT

Mr. Nick Ciaramitaro, Director of Legislation and Public Policy for Michigan AFSCME Council 25 and MSEA AFSCME Local 5, stated his concerns as he did at the January 15, 2014 Commission meeting regarding the outsourcing of food services in the Department of Corrections (DOC). Mr. Ciaramitaro stated that since the contract with Aramark has been implemented, there have been prison protests, food strikes, warnings from DOC to Aramark and fines of \$98,000 for contract violations. Mr. Ciaramitaro gave the Commission a copy of his testimony, along with a letter from the DOC to Aramark and Aramark's response. Mr. Ciaramitaro asked the Commission to use its constitutional authority to discontinue the contract between the DOC and Aramark.

Mr. Mel Grieshaber, Executive Director of the Michigan Corrections Organization (MCO), reminded the Commission that the MCO does not represent food services employees. The MCO represents the corrections officers. Mr. Grieshaber believes that as the police force in the prisons, corrections officers keep staff, prisoners and the surrounding community safe. Mr. Grieshaber believes that many of their concerns that were addressed to the Commission previously have come to fruition. The DOC has issued approximately three dozen stop orders in the prisons since December 2013. Since Aramark has been involved in food services in prisons for many years, Mr. Grieshaber questioned the validity of Aramark experiencing "growing pains" and asked the Commission to reject the Aramark contract.

Mr. Marty Fittante addressed the Commission on behalf of Senator Thomas Casperson. As stated previously to the Commission, Senator Casperson's principal concern is safety for those employees serving the prisons and those individuals within the prison. Mr. Fittante stated that the letters shared with the Commission regarding Aramark's violations are very troubling and support the concerns held by Senator Casperson. Mr. Fittante stated that it is Senator Casperson's hope that the Commission will reject the Aramark contract.

Jan Winters, Director of the Office of the State Employer (OSE), and Russ Marlan, Administrator of the Executive Bureau with the DOC, addressed the Commission. Ms. Winters stated that the DOC is forcefully addressing the concerns that have been brought to the attention of the Commissioners. The letters given to the Commission outline those actions that have been taken by the DOC regarding any deficiencies.

Mr. Marlan stated that 2013 appropriations required the DOC to pursue contracting out food services in prisons. The DOC set the savings threshold at 10%, which was twice as much as Civil Service requires. Bids were sent to the Department of Technology, Management and Budget for review and Aramark was granted the contract. Aramark assumed responsibility for the food services programs on December 8, 2013. The DOC has diligently been monitoring Aramark. Prior to signing the contract with Aramark, Director Daniel Heyns had personal conversations with other state directors that use Aramark for food services. Director Heyns felt confident after those discussions and discussions with Aramark management that any issues would be resolved as Aramark transitioned. The DOC understands that the consistency and stability of the food services program in the prisons is vitally important in maintaining safe and secure correctional facilities. The DOC has eight contract monitors throughout the state and wardens report any deficiencies to the contract manager in Lansing, who in turn share that information with Aramark. Included in the contract with Aramark is the DOC's right to impose fines. Aramark did receive a \$98,000 fine. Following that fine, Aramark pledged to improve, and has asked for additional communication with the DOC. An added step in monitoring Aramark is that the Director, Chief Deputy Director, and contract manager meet every Monday on any deficiencies and contract issues that came up during the previous

week. In addition, Director Heyns has a personal conversation with the vice president of Aramark weekly to address issues. Mr. Marlan assured the Commission that the DOC will continue to monitor the Aramark contract and will address each deficiency.

Commissioner Charles Blockett, Jr. asked what was wrong with the quality of food service provided by state employees. Mr. Marlan responded that nothing was wrong, but that the Fiscal Year 2013 budget required the DOC to solicit bids for food services. Commissioner Blockett asked if cheaper is better. Mr. Marlan responded that the DOC was trying to achieve an equal or enhanced level of service with taxpayer savings, acknowledged that there had been serious contract issues, and that the DOC was being diligent to ensure compliance with contractual requirements. Commissioner Blockett asked if a Yugo was the standard of service that was being strived for. Mr. Marlan stated that the DOC would make sure that the quality was where the DOC wanted it, which was being worked on every day. Commissioner Blockett expressed concern that public health and safety were not being considered in contracting decisions and that the quality from contractors should be the same as with current state employees.

Commissioner Robert W. Swanson asked Mr. Marlan about the comment by Mr. Fittante that there have been additional serious violations by Aramark since the February 27, 2014 letter. Mr. Marlan responded that the contract requires compliance with staffing ratio numbers and recently, a few more stop orders have been issued but the DOC is continuing to be diligent in monitoring those contracts to make sure Aramark is adhering to all requirements.

Commissioner Swanson asked how the DOC determines the amount of a fine. Mr. Marlan stated that he would look into the specific basis for the amounts.

Commissioner James Barrett asked when it would be expected that Aramark will perform at the quality standards stipulated in the contract. Mr. Marlan responded that the expectation is that Aramark will always perform at the quality of standards indicated in the contract.

Mr. Bob Kopasz, Chair of the State Employees Retiree Association, thanked the Commission for removing Item 5.A., Interagency Memorandum regarding retiree health benefits from the January 15, 2014 Civil Service Commission agenda. Mr. Kopasz stated that a meeting was held in February 2014 with the Office of the State Employer and Civil Service Commission staff and all the parties will continue to meet.

ADJOURNMENT

There being no further items for Commission approval or public comments to be heard, Chair Wardrop called for a motion to adjourn. On motion duly made and supported, the meeting was adjourned at 10:34 a.m.

I, Matthew Fedorchuk, Deputy Director, hereby certify that the foregoing are the Minutes of the Civil Service Commission meeting of March 19, 2014.

Matthew Fedorchuk
Deputy Director