

MICHIGAN CIVIL SERVICE COMMISSION
Public Meeting
December 16, 2015

Present: Thomas M. Wardrop, Chair
James Barrett, Commissioner
Janet McClelland, Commissioner
Robert W. Swanson, Commissioner
Janine M. Winters, State Personnel Director

1. CALL TO ORDER

The meeting of the Civil Service Commission (Commission) was opened by Chair Thomas M. Wardrop at 10:18 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 September 16, 2015, meeting. On motion duly made and supported, the minutes of the September 16, 2015 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 the State Personnel Director.

Department of Military and Veterans Affairs

A request was received to establish an exempt unclassified position which will serve as the Chief Executive Officer of the Michigan Veterans Health System. This request was approved, effective October 1, 2015.

4. UNFINISHED BUSINESS

There was no unfinished business.

5. NEW BUSINESS

A. Civil Service Commission Budget

Carol Vargovich, Director of the Office of Financial and Administrative Services, presented Agenda Item 5.A.1. and 5.A.2.

Ms. Vargovich asked the Commission to approve the Certification of Aggregate Payroll of classified state employees as required by the Michigan Constitution. Ms. Vargovich reported that the aggregate payroll from October 1, 2014 to September 30, 2015, was \$5,439,304,638.

The Commission has completed processing the financial transactions for Fiscal Year 2015. All expenditures and revenues have been reconciled and balanced with the State of Michigan's accounting records.

With regard to Item 5.A.2., Ms. Vargovich indicated that the budget proposal for Fiscal Year 2017 is completed and recommended that the Commission approve the proposed budget, which is a continuation of the prior fiscal year except for pending economic adjustments for salary and wages, retirement, insurance, and workers' compensation.

On motion duly made and supported, Resolution 5.A.1., the Certification of the Aggregate Payroll for Fiscal Year 2015, was unanimously approved.

On motion duly made and supported, Resolution 5.A.2., the Budget Proposal for Fiscal Year 2017, was unanimously approved.

B. Amendments to Rule 6-3

General Counsel John Gnodtke introduced proposed amendments to Rule 6-3. There has been a recent increase in prohibited subject of bargaining complaints. Many grievances have sought effective ownership of particular duties by classes or bargaining units. The state personnel director has issued a number of decisions, upheld by the Commission and Circuit Court, restating that classification and conditions outside the bargaining unit are prohibited subjects. The rules prohibit such grievances from being filed. The proposed changes will memorialize and clarify the longstanding practice of the commission.

George Heath, SEIU Divisional Vice President, addressed the commission on his concerns related to the proposed changes, which would negatively impact bargaining unit members. Mr. Heath's concern is that job duties may be done by one classification in one bargaining unit and are then by a different classification in a different bargaining unit.

Commissioner Wardrop indicated that it is the commission's responsibility to classify.

Peter Clark, MSEA, stated that changes have been made within existing classes to now require SEIU employees to obtain a CDL. If the employee did not qualify, then that employee would not meet a condition of employment. Mr. Clark asked why was it acceptable to arbitrate certain situations in the past, but it is not acceptable today? The ability to keep the correct people doing the correct job will be lost. Mr. Clark asked the Commission to carefully consider the rule before approving it.

On motion duly made and supported, Item 5.B., Amendments to Rule 6-3 was unanimously approved.

C. Letter of Understanding between OSE and SEIU (Technical Unit)

General Counsel John Gnodtke indicated that Item 5.C. is an LOU between the OSE and SEIU on the pay range for the Transportation Aide-E classification. The state personnel director previously granted interim approval with the chair's consent. It is now before the commission for final approval.

On motion duly made and supported, Item 5.C., the LOU between the OSE and SEIU, was unanimously approved.

D. Letter of Understanding between OSE and MSEA

General Counsel John Gnodtke indicated that Item 5.D is an LOU between the OSE and MSEA for a pilot program to use the employer's email system to transmit union information to bargaining unit members. The state personnel director previously granted interim approval with the chair's consent. It is now before the commission for final approval.

On motion duly made and supported, Item 5.D., the LOU between the OSE and MSEA, was unanimously approved.

E. Collective Bargaining Agreements

General Counsel John Gnodtke indicated that Items 5.E(1) through (7), address seven collective bargaining agreements voluntarily reached between the Office of the State Employer and various exclusive representatives for bargaining units.

Item 5.E(1), Agreement between the OSE and AFSCME

Staff have reviewed all agreements and found no prohibited subjects of bargaining. Mr. Gnodtke indicated that the bargaining units with secondary agreements have requested the extension of current secondary agreements to allow negotiations over new secondary agreements. The resolutions also incorporate two letters of understanding that were just approved that were not included in the version sent out for ratification.

On motion duly made and supported, Item 5.E(1), the Collective Bargaining Agreement between the OSE and AFSCME was unanimously approved.

Item 5.E(2), Agreement between the OSE and MCO

Chair Wardrop requested a motion to approve Resolution 5.E(2), Collective Bargaining Agreement between the OSE and MCO. On motion duly made and supported, the motion was unanimously approved.

Item 5.E(3), Agreement between the OSE and MSEA

Chair Wardrop requested a motion to approve Resolution 5.E(3), Collective Bargaining Agreement between the OSE and MSEA. On motion duly made and supported, the motion was unanimously approved.

Item 5.E(4), Agreement between the OSE and SEIU (HSS)

Chair Wardrop requested a motion to approve Resolution 5.E(4), Collective Bargaining Agreement between the OSE and SEIU. On motion duly made and supported, the motion was unanimously approved.

Item 5.E(5), Agreement between the OSE and the SEIU (S & E)

Chair Wardrop requested a motion to approve Resolution 5.E(5), Collective Bargaining Agreement between OSE and SEIU. On motion duly made and supported, the motion was unanimously approved.

Item 5.E(6), Agreement between OSE and SEIU (Technical)

Chair Wardrop requested a motion to approve Resolution 5.E(6), Collective Bargaining Agreement between the OSE and SEIU. On motion duly made and supported, the motion was unanimously approved.

Item 5.E(7), Agreement between OSE and UAW

Chair Wardrop requested a motion to approve Resolution 5.E(7), Collective Bargaining Agreement between the OSE and UAW. On motion duly made and supported, the motion was unanimously approved.

Commissioner Swanson congratulated the OSE and bargaining units for their successful negotiations.

F. Coordinated Compensation Panel Recommendation (CCP)

General Counsel John Gnodtke stated that Item 5.F. is the CCP recommendation for Fiscal Year 2017. The recommendation includes a 1% base pay increase, a 1.5% lump-sum payment, some minor changes to insurance offerings that track negotiated changes for exclusively represented employees, funding for the professional development fund, changes to the sick leave policy to track the majority of represented employees, and some studies of further issues for next year's CCP.

Al Quattrin, President of MAGE, Carolyn Madding, Director of Nursing from the Hawthorne Center, and Bobbie Tignes and Casandra Craig, nurse supervisors from Kalamazoo Psychiatric Hospital, stated their concerns on a recruitment and retention problem of nursing staff. The parties believe that the problems exist due to the reduction of health benefits for state employees over the years, low wages, an unsafe work environment at facilities, and mandated overtime.

Chair Wardrop stated that the Panel recommended that MAGE meet with the Office of the State Employer to try to resolve issues. If those discussions are not successful, the parties could then address the commission next year to provide more concrete information. Chair Wardrop asked MAGE to bring back next year to the commission data on overtime hours and staff shortages.

Commissioner McClelland stated that there is a question whether the shortage of nurses is due to wages. Commissioner McClelland indicated that it would help next year to receive a salary survey with wage comparisons in the areas where the hospitals are located to see if there is a shortage in the nursing industry in general or specific issues on pay.

Commissioner Swanson stated that the Commission is in a difficult situation when the department states there is not a problem and MAGE states that there are recruitment and retention problems. The CCP recommended that the OSE, MAGE, and departments meet to come up with a joint recommendation or separate proposals. Commissioner Swanson also stated that he expects data from MAGE and the department to allow an informed decision.

Chair Wardrop stated that the CCP's specific recommendation is that the parties get a joint proposal or identify the issues and create a more fully developed record.

On motion duly made and supported, Item 5.F., the Coordinated Compensation Panel Recommendation was unanimously approved.

G. Unclassified Pay Recommendation

General Counsel John Gnodtke stated that Item 5.G. is the constitutionally required Unclassified Compensation Recommendation provided for in Article 11, Section 5. The commission considered a change for unclassified pay of up to a one-percent base wage

increase and up to a one-and-one-half-percent lump sum not rolled into the base, effective October 1, 2016.

On motion duly made and supported, Resolution 5.G., the Unclassified Pay Recommendation, was unanimously approved.

6. PUBLIC COMMENT

George Heath, President of SEIU 517M, and Joey Combs, HSS Unit President, addressed the Commission. Mr. Heath indicated that SEIU had concerns over veterans' preference. Ms. Combs stated that there is a problem with the consistency of the application of Civil Service Rule 3-8. The state does not need to changes the Veterans' Preference Program, but must actually implement it and make it easier for Michigan veterans to use it. Ms. Combs also stated that state workers who must be veterans as part of federally funded programs should not have to use their one preference opportunity on a position that already must be filled by a veteran. Ms. Combs asked the Commission to require that all state of Michigan hiring processes fully use Civil Service Rule 3-8.

Commissioner Barrett asked staff if they would like to respond.

State Personnel Director Janine M. Winters indicated there have been a number of changes and hoped that all parties are aware of those changes. In hiring processes, every posting now asks if applicants are veterans. Commission staff has met with many groups, including legislators, to review actions taken. Ms. Winters had never heard from the SEIU with these concerns and suggested a meeting to discuss all the current practices in place assisting veterans.

General Counsel John Gnodtke indicated that the notion that the rule is optional is not accurate. It is a rule that binds all hiring processes. Also, several years ago CSC implemented a military technical appeal complaint process. In five years CSC, has received two complaints and neither was substantiated. Mr. Gnodtke stated from a population perspective, the percentage of state employees who have self-identified as veterans far exceeds the ratio in the state generally. The notion that the state is not hiring veterans at all is not backed up by our hiring statistics.

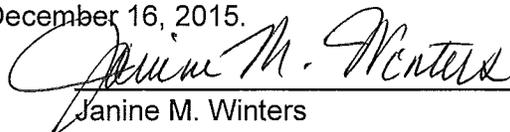
Matt Fedorchuk, Deputy Director, added that the CSC has also worked closely with the Michigan Veterans Affairs Agency on ways to bring more flexibility to internal hiring processes.

Chair Wardrop asked Ms. Combs to submit examples to the CSC and if not satisfied with the outcome, to write the Commission or address the Commission at a future meeting.

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 11:24 a.m.

I, Janine M. Winters, State Personnel Director, hereby certify that the foregoing are the Minutes of the Civil Service Commission meeting of December 16, 2015.



Janine M. Winters
State Personnel Director