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## STATE PERSONNEL DIRECTOR OFFICIAL COMMUNICATION **SPDOC No. 17-06**

ALL APPOINTING AUTHORITIES, HUMAN RESOURCES OFFICERS, TO: AND RECOGNIZED EMPLOYEE ORGANIZATIONS

JANINE M. WINTERS, STATE PERSONNEL DIRECTOR FROM:

DATE: AUGUST 9, 2017

PROPOSED AMENDMENTS TO RULES 2-5, 2-16, 3-2, 3-4, 3-5, 5-6, SUBJECT: 6-2, 6-3, 6-4, 6-7, 6-9, 8-3, AND 9-1

THIS DOCUMENT IS AVAILABLE UPON REQUEST IN ALTERNATIVE FORMATS. FOR FURTHER INFORMATION CALL (517) 373-3020.

The employee-relations policy in Chapter 6 of the rules has not been comprehensively reviewed since the 1990s. The current policy allows labor and management to negotiate over many topics of mutual interest. Over many years, numerous complex procedures have developed beyond those covering nonexclusively represented employees (NEREs). Permitting negotiations over some topics has led to significant limits to agencies' ability to organize, manage, and reward staff and to conduct operations efficiently and costeffectively.

Areas where differences have developed include employment preference, transfers, recall, and assignments for shifts and overtime. For example, several dozen different bumping systems that vary by union and department now regulate employment preference when layoffs occur. Union agreements have around 200 pages of varied provisions dictating how employees can be transferred based on departmental and interdepartmental transfer lists and work-location definitions. Union agreements also have around 200 pages of complex overtime-equalization provisions, which require significant resources to document compliance and can result in significant monetary penalties if mistakes are found.

The proposed amendments would streamline these areas to provide that all employees receive the same protections as NEREs. They would also provide additional employeerelations standardizations, efficiencies, or cost reductions. Staff has prepared the attached proposed revisions to Chapter 6 and other rules to implement these changes. Substantive changes include:

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- Adding a prohibited subject on the employer's right to assign staff. This would affect several contractual provisions on bumping, transfers, recall, scheduling, overtime assignment, and seniority.
- Ending mandatory statewide recall lists, while preserving agency recall lists.
- Adding a prohibited subject on employer-paid union leaves and a new rule allowing each recognized union paid leave for one employee's full-time absence.
- Adding prohibited subjects of critical-position premium and performance-pay systems.
- Standardizing the process by which employees can authorize dues deductions.
- Reorganizing and streamlining the list of prohibited subjects.
- Reinstituting rules of general applicability to allow emergent situations to be promptly addressed. A similar rule allowing these actions was rescinded in 2007.

The proposed amendments also include a new rule creating a pilot program to allow agencies to adjust compensation for a small number of critical positions occupied by NEREs to recognize outstanding performers in mission-critical positions.

Except for rule 5-6.12, any changes would not take effect until January 1, 2019, when currently approved contracts expire.

Comments on the draft amendments may be emailed to <u>MCSC-OGC@mi.gov</u> or sent to Office of the General Counsel, Michigan Civil Service Commission, P.O. Box 30002, Lansing, Michigan, 48909. Comments must be received by September 6, 2017.

Attachment