

Department of Civil Service

(Amounts in thousands)

FUNDING HISTORY

	FY90	FY01	FY02	FY03
GF/GP	\$13,479.0	\$12,373.9	\$10,656.4	\$10,649.0
All Funds	\$18,686.6	\$33,560.6	\$30,088.3	\$32,217.3
		% Change -GF/GP	-13.9%	-0.1%
		% Change - All Funds	-10.3%	7.1%

KEY ISSUES

	GF/GP	All Funds
Training for State Employees	\$0.0	\$2,000.0
Adjustments to Reflect End of 1997 Early Retirement Payouts	(\$40.7)	(\$97.0)
Economic Adjustments	\$123.8	\$316.5
Staff Reductions Needed to Pay for Employee Economics (2.0 FTE's)	(\$105.5)	(\$105.5)
Other Adjustments	<u>\$15.0</u>	<u>\$15.0</u>
Subtotal	(\$7.4)	\$2,129.0
FY2003 Executive Recommendation	\$10,649.0	\$32,217.3

Department of Civil Service

The Michigan Department of Civil Service provides human resource management services to attract and retain an effective state workforce. The fiscal year 2003 budget recommendation for the department is \$32.2 million, of which \$10.6 million is general fund.

Achievements of Engler Administration

During Governor Engler's tenure, the Civil Service Commission has adopted various rule revisions to improve the state's ability to attract and retain high quality state employees. Examples include alternative selection processes, pay for performance programs, increased use of "broad banding" in employee classifications, streamlined grievance and appeal procedures, and drug testing.

In addition to these revisions, the Department of Civil Service has implemented numerous organizational and operational changes to improve the delivery of services. These include implementation of the Human Resources Management

"With implementation of the Human Resources Management Network we are positioned to take advantage of future technologies. This complex software includes payroll, employee self serve, and human resource and benefit processing for all three branches of state government."

John F. Lopez, Director, Department of Civil Service, January 24, 2002

Network, a new, state-of-the-art human resources management system; expanded use of Web-based job postings; implementation of an Internet job application process; establishment of a team-oriented service delivery system that allows customers to obtain all required services from the same organizational unit; and development of an electronic clerical examination to reduce the time required to administer and process the test. The department also transferred non-merit system functions like employee benefits, deferred compensation and the suggestion award program to the Office of State Employer and the Department of

Treasury and, in conjunction with the Office of the State Employer, established the Office of Performance Excellence for the purpose of developing a framework for statewide implementation of excellence in customer service.

Response to Revenue Decline

In response to revenue declines after the fiscal year 2002 budget was enacted, the Governor issued Executive Order 2001-9 which included \$560,860 in reductions for the Department of Civil Service. These reductions were absorbed through various administrative efficiencies throughout the department.

Summary of Fiscal Year 2003 Executive Budget

The fiscal year 2003 budget recommendation continues the reductions required by Executive Order 2001-9, and includes staff reductions of \$105,500 to pay for employee economics. In addition, the recommendation for fiscal year 2003 includes a \$2.0 million increase in training revenue to support increased training for state employees.

Program Outcomes	Fiscal Year			
	2000	2001	2002	2003
Maintain or increase the percentage of qualified workforce appointments made within one month to at least 90%:				
✎ 30 days or less	85%	90%	90%	90%
✎ 31 to 60 days	8%	5%	5%	5%
✎ 61 or more days	7%	5%	5%	5%
Increase hiring managers' satisfaction with the quality of candidates to at least 95%	78%	91%	95%	95%
To improve the skills of the state workforce, increase the number of hours employees participate in Civil Service training courses	104,660	141,259	165,300	165,300