

**State of Michigan  
DEPARTMENT OF CIVIL SERVICE  
Civil Service Commission Meeting  
May 23, 2002**

Present: Susan Grimes Munsell, Chairperson  
Robert P. Hunter, Commissioner  
Sherry L. McMillan, Commissioner  
James P. Pitz, Commissioner  
John F. Lopez, State Personnel Director

**CALL TO ORDER**

1. The meeting of the Civil Service Commission was opened by Civil Service Commission Chairperson Susan Grimes Munsell at 10:05 a.m., in Conference Room A, Lower Level, Capitol Commons Building, 400 S. Pine Street, Lansing, Michigan.
2. Chairperson Susan Grimes Munsell introduced the new Civil Service Commissioner, Sherry L. McMillan.
3. On motion duly made and supported, the Commission approved the minutes of the meeting of December 18, 2001.

**COMMISSION BUSINESS**

1. On motion duly made and supported, the Commission approved the following retirement resolution for Rosemary Cronin-Mattice:

Whereas, Rosemary Cronin-Mattice has decided to retire from State Government after 27 years of service, all of which were with the Department of Civil Service, and

Whereas, Rosemary demonstrated commitment and dedication throughout her career as a public servant, gaining the respect and admiration of her colleagues, and

Whereas, Rosemary, in her capacity as Deputy Director of the Office of Technical Services pursued the implementation of state-of-the-art information technology to enhance departmental services, and

Whereas, Rosemary performed in an exemplary manner while serving as Acting Director of the Office of Technical Services during the Director's assignment to the HRMN project, and

Whereas, Rosemary, with her experience, knowledge, and foresight, demonstrated a commitment to excellence in her interactions with staff and customers, and

Whereas, Rosemary, when she departed, took with her a variety of knowledge and perspectives on the Department of Civil Service, and

Whereas, Rosemary will be remembered for her kindness and compassion for others, and

Whereas, Rosemary, in her retirement, will have more time to spend with her husband, Lee, their children, and grandchildren, and

Whereas, Rosemary will be further able to indulge in her love of reading, learning, and travel and expand her horizons in other areas of interest, be it therefore

Resolved, that the Michigan Civil Service Commission does hereby extend to Rosemary Cronin-Mattice its heartfelt appreciation for her dedicated efforts and many accomplishments during her years of service.

Resolved, that the Commission extends to Rosemary its warmest wishes for much health and happiness throughout her retirement.

### **INFORMATIONAL REPORTS**

1. The Commission received the following report from John F. Lopez, State Personnel Director:

#### Employment Relations Board Reappointment

The Civil Service Commission approved the reappointment of Richard Warner as a member of the Employment Relations Board. Mr. Warner's term expires on April 30, 2005.

#### Unclassified Position Report

Civil Service Commission Rules require me to report on the establishment or abolition of positions in the unclassified service. Since the last commission meeting, I approved the following three requests:

*Department of Community Health:* I received a February 6, 2002, request from the Department of Community Health to establish an unclassified position. The position serves as the Deputy of Strategic Budget Initiatives. This request was approved on February 14, 2002.

*Department of Education:* I received February 20, 2002, request from the Department of Education to establish an unclassified position. The position serves as the Chief of Staff/Director of Communications for the Office of the

Superintendent. At the same time, the department abolished its unclassified Administrative Assistant position. This request was approved on February 25, 2002.

*Department of Consumer and Industry Services:* I received an April 10, 2002, request from the Department of Consumer and Industry Services to establish an unclassified position, to serve as Director of the Bureau of Worker's and Unemployment Compensation. This position was created in accordance with Executive Order No. 2002-1. It combines the Unemployment Agency, Bureau of Worker's Compensation, Worker's Compensation Board of Magistrates, and the Wage and Hour Division in the Bureau of Safety and Regulation. At the same time, the Department requested the abolishment of two unclassified positions; the directors' positions in the Bureau of Worker's Compensation and the Unemployment Agency. This request was approved on April 19, 2002.

### Regulations

Civil Service Commission Rules require that I report to the commission on the promulgation of regulations, which are issued to implement commission rules.

Since the last commission meeting, the following regulations have been promulgated:

**Regulation 2.05, Workplace Safety.** This regulation was promulgated to implement commission rule 2-20. Both the rule and the regulation were issued to promote the safety and security of employees, visitors, clients, and other individuals conducting state business or receiving services from the state. The regulation also provides direction regarding situations where there is an imminent risk of danger, reporting obligations, actions to stop violence, discipline, and education and training.

Since the last commission meeting, the following regulations have been revised and reissued:

**Regulation 2.03, Leave of Absence.** New language was added to clarify that school leave may only be utilized during an employee's scheduled work time.

**Regulation 4.08, Working out of Class.** Language was revised to include the new Rule language, and to specify that the regulation governs all state employees.

**Regulation 5.07, Performance-Pay Programs.** Revisions include the new rule language, require certification that the Department of Civil Service has reviewed and approved a current position description with requests for

approval of appointments and reappointments of SES and SEMAS employees, and establish a standard for pay upon reclassification for Staff Attorneys reclassified to the senior level.

**Regulation 5.09, Annual, Personal, and School Participation Leave:** New language has been added to clarify that school leave may only be utilized during an employee's scheduled work time.

**Regulation 5.12, Severance Pay:** This regulation was revised to reflect the establishment of a Special Severance Fund of \$250,000 for nonexclusively represented employees who are indefinitely laid off on or after October 1, 2001

**Regulation 6.01, Employee-Organization Initiated Conference with Department of Civil Service to Initiate Changes in Existing Rules and Procedures:** This regulation was repealed and replaced by new Regulation 6.01 - Limited-recognition Organizations.

**Regulation 6.02, Procedure on Unfair Labor Practices:** Proof of service requirements are added. The new regulation also authorizes administrative dismissal of deficient charges. Standard E clarifies the representation authorized for unfair labor practice charges.

**Regulation 6.03, Procedure of Dues Deduction:** The amended regulation makes minor clarifications to the procedures for collecting dues and service fees. Dues determination provisions are deleted because collective bargaining agreements now provide them.

**Regulation 6.04, Procedure on Exclusive Recognition:** Standards C and D codify current practices in holding representation elections, including proper showings of interest, eligible voters, and petition bars.

**Regulation 6.05, Employment Relations Board Procedures: Impasse Panel:** Provisions regarding split impasse decisions are clarified.

**Regulation 6.06, Employment Relations Board Procedures:** Framework for Annual Coordinated Compensation Plan Determination: Standards A, B, and C provide more detailed guidance on the scheduling, submissions, and procedures for participation in the coordinated compensation process.

**Regulation 6.07, Procedures for Investigating Complaints Regarding Prohibited Subjects of Bargaining:** Standard B amends the requirements for a proper complaint and the grounds for administrative dismissal of insufficient complaints.

**Regulation 6.08, Designation and Review of Excluded Positions:** Interim provisions from the current regulation are deleted.

**Regulation 8.01, Grievance and Appeal Procedure:** Section 7 on authorized representation is updated to reflect provisions that were part of Regulation 2.04.

In addition, I repealed Regulation 2.04, Procedure on Administrative Leave for Employee Relations Activities of Employees Not Covered by Negotiated Labor Agreements. The provisions of Regulation 2.04 were moved to other regulations.

2. Joseph Slivensky, Director, Bureau of Administrative Services, and Janet McClelland, Chief Deputy Director, presented a report on the Early Out Retirement Program.

Mr. Slivensky summarized the early retirement plan and its resultant statewide impact. He reported that approximately 8,200 employees submitted applications to retire under the plan, and an estimated 385 of those employees withdrew their applications. Mr. Slivensky noted that 12.5% of the state workforce is retiring under the early retirement plan, and discussed the challenges for the remaining workforce.

Janet McClelland reported on the impact of the early retirements on the Department of Civil Service. Thirty one of the Department's 181 employees, and seven Department of Information Technology employees assigned to Department of Civil Service, are opting for the early retirement. The department requested and received approval for some extensions to the November 1, 2002, deadline for departure under the early retirement plan. Ms. McClelland noted that Civil Service will begin consolidating and realigning the organization to deal with the impact.

Chairperson Munsell announced that State Personnel Director John F. Lopez has decided to take the early retirement, but will remain until January 1, 2004. She reported that retirement extensions were also granted for Diane Hardman, Executive Secretary to the Civil Service Commission and the State Personnel Director – extended until January 1, 2004; Rich Huneke, Director of the HRMN Project – extended until April 1, 2003; Carol Mowitz, Director of Human Resources Services Bureau, Group B – extended until July 1, 2003; and Nate Lake, Director of the Office of Performance Excellence – extended until July 1, 2003.

Janet McClelland noted that Civil Service will follow the 1:4 formula recommended by the budget office for filling retirement positions, and has received approval to fill 7 additional positions from the vacancy pool. The main focus of additional staff will be to coordinate the Human Resource community to fill the 2,000 positions from the 1:4 formula. Ms. McClelland stated the Department losing a very knowledgeable, experienced group of managers and staff that will be sorely missed, and that the time during the transition will be used to have a knowledge transfer occur and to recruit for

some new talent. Civil Service will also do everything possible to assist the departments that are similarly impacted.

3. Debbie Burda, Human Resources Director for the Department of State, and Jim Farrell, Department of Civil Service, Bureau of Human Resource Services, presented a report on Human Resources Consultant Training.

Mr. Farrell reported on this collaborative effort between DCS, OSE and agency human resources directors to develop a strategic plan to move HR services in a new direction, and to provide new services more effectively. Following discussions with the human resource directors and OSE to identify key areas for technical training, a curriculum was developed which included selection, classification, disability management, labor relations, benefits and retirement, compensation, and safety & health. They also developed a general overview track to give a basic foundation in each of these areas, and developed an advanced technical training track. The first session has gone through the generalist training, and the advanced training should begin in the fall.

Debbie Burda stated that the goal of the consulting piece of the project focused on providing Human Resources, Civil Service, and Office of State Employer staff with training and practice in strategic partnering, process improvement, consulting, and change management and implementation. Project staff worked with faculty from the School of Labor and Industrial Relations at MSU to design the program. Agency teams are grouped together in cohorts of 25 or 26 people which go through the entire training program together. Teams will leave with a finished project they can incorporate into the way that they do business, and skills they can use on a daily basis.

### **NEW BUSINESS**

1. Joyce VanCoevering, Director of Agency Services, and Rhonda Whiting from the Travel Program, Department of Management and Budget, presented the Proposed Travel Expense Reimbursement Rates for FY 2002-2003. Ms. VanCoevering stated the only recommended change in the rates is the in-state standard breakfast reimbursement rate, from \$7.00 to \$7.25. She summarized the methodology used to determine the rates, and the results from a survey of travelers and limited recognition organizations. The Department of Management and Budget, Vehicle and Travel Services Schedule of Travel Rates for Classified and Unclassified Employees Proposed Rates Effective October 1, 2002, is by reference, a part of the record of this meeting.

On motion duly made and supported, the Commission approved the proposed travel expense reimbursement rates for FY 2002-2003.

2. D. Daniel McLellan, General Counsel, reported that a letter of understanding between the Office of State Employer and SEIU Local 31-M having to do with union leaves of absence for employees in the Human Services Support Unit was given interim approval by the State Personnel Director with the Consent of the Commission Chair.

On motion duly made and supported, the Commission confirmed the interim approval granted by the State Personnel Director with the consent of the Chair on February 13, 2002, regarding the Letter of Understanding between the Office of State Employer and SEIU Local 31-M which pertained to union leave.

3. D. Daniel McLellan reported on the Amendments to Rule 2-14, Veterans' Affairs and Military Leave, which were given interim approval by the State Personnel Director with the consent of the Commission Chair, retroactive to September 11, 2001. The proposed change in the rule extends the pay differential benefit continuation provisions to employees called to active duty from a maximum of 30 days to all active-duty time between September 11, 2001, and December 31, 2002. Additionally the military leave provisions are extended to employees in limited-term appointments.

On motion duly made and supported, the Commission approved Resolution G-3 regarding the Amendments to Rule 2-14:

**Section 1.** The amendments to the Civil Service Rule 2-14, Veterans' Preference and Military Leave, approved by the State Personnel Director on January 11, 2002, retroactive to September 11, 2001, and published in CS-6969, are approved effective immediately for all nonexclusively represented employees.

**Section 2.** The amendments are to be applied retroactively to all nonexclusively represented classified employees in indefinite and limited-term appointments who were members of a reserve component of the armed services and were called to active military duty by compulsory call of the President or the Governor after September 11, 2001.

4. On motion duly made and supported, the Commission adopted Resolution G-4, approving Letters of Understanding regarding military leaves of absence:

**Section 1.** The Office of the State Employer and each of the following exclusive representatives have submitted a letter of understanding (attached) regarding military leaves of absence under the applicable primary collective bargaining agreement:

UAW International Union and its Local 6000

AFSCME Council 25  
SEIU Local 31-M  
Michigan Corrections Organization  
Michigan State Employees Association  
Michigan Public Employees, SEIU Local 517 (MPES)  
United Technical Employees Assn., a Division of MPES

The State Personnel Director, with the consent of the Chair, granted interim approval on March 21, 2002.

**Section 2.** Each letter of understanding is approved.

**Section 3.** Each approved letter of understanding shall remain in effect through December 31, 2002, unless otherwise agreed to between the parties and approved by the Civil Service Commission.

5. Mr. McLellan briefed the Commission on the proposed amendments to the Compensation Rules. The proposed amendments to Rule 5-6.3 – *Premium for Department of Consumer and Industry Services Insurance Examiners Working out of State*, and 5-6.4 – *Premium for Department of Treasury Auditors Working and Residing Out of State*, specify the amount of out-of-state premium in the rule. New Rule 5-6.8 authorizes additional compensation for extracurricular program services provided by employees of the Schools for the Deaf and Blind.

On motion duly made and supported, the Commission approved the proposed amendments to Civil Service Rule 5-6 (Revision A, April 16, 2002, circulated in CS-6972, dated April 17, 2002), effective immediately.

6. D. Daniel McLellan stated that Resolution G-6, regarding Letters of Understanding between Office of State Employer and the UAW and AFSCME, covers the same issues for the Schools for the Deaf and Blind as the amendments to the Compensation Rules.

On motion duly made and supported, the Commission adopted Resolution G-6, approving Letters of Understanding regarding the Michigan Schools for the Deaf and Blind:

**Section 1.** The letter of understanding between the State Employer and the International Union UAW and its Local 6000 regarding extracurricular responsibilities at the Michigan Schools for the Deaf and Blind, submitted on March 26, 2002, is **approved**.

**Section 2.** The letter of understanding between the State Employer and the International Union UAW and its Local 6000 regarding pay for substitute teaching during preparation periods at



the Michigan Schools for the Deaf and Blind, submitted on March 26, 2002, is **approved**.

**Section 3.** The letter of understanding between the State Employer and the AFSCME Local 25 regarding extracurricular responsibilities at the Michigan Schools for the Deaf and Blind, submitted on April 17, 2002, is **approved**.

7. John Gnodtke, Assistant General Counsel for the Department of Civil Service briefed the Commission on agenda item G-7. At the December 2001, meeting the Commission granted extensions to 55 secondary agreements to allow bargaining for new secondaries. OSE has now submitted 44 Secondary Agreements on behalf of the departments and AFSCME, MCO, MPE, MSEA, and UAW for approval. Mr. Gnodtke noted that the State Personnel Director has granted further extensions of some secondary agreements so that negotiations can continue.

Mr. Gnodtke stated that Resolutions G-7a and G-7b, provide that the secondary agreements with MPE and MCO will take effect immediately. The resolutions before the Commission for AFSCME, MSEA and UAW proposed secondary agreements provide for the Commission's tentative approval, to take effect upon receipt by the State Personnel Director of certification of ratification by the membership. Mr. Gnodtke reported that staff reviewed all of the proposed amendments for language violating rules and regulations governing prohibited subjects of bargaining. Staff recommends that the Commission approve all 44 agreements as submitted with a clarification that the Commission does not approve two boxed comments in the UAW and Lottery secondary agreement, which included former language that the Commission struck out of the agreements in December, 2001.

On motion duly made and supported, the Commission approved Resolution G-7a (revised), G-7b (revised), G-7c (revised), G-7d (revised), and G-7e (revised):

**Resolution G-7a (revised) – Office of State Employer and the Michigan Public Employees – Scientific and Engineering Unit**

1. On December 18, 2001, the Civil Service Commission approved a new primary collective bargaining agreement (CBA) between the Office of the State Employer (OSE) and the Michigan Public Employees (MPE), effective January 1, 2002.
2. The OSE, on behalf of the MPE, Department of Community Health, and Department of Consumer and Industry Services, has submitted requests that the Civil Service Commission approve new secondary CBAs for the two

agencies. The bargaining unit members have ratified the tentative agreements.

Therefore, after consideration of the proposals of Civil Service staff and the parties:

- A. The Civil Service Commission **approves** the two submitted secondary CBAs as the secondary CBAs in the following agencies from May 23, 2002, until December 31, 2004:

Community Health

Consumer & Industry  
Svcs.

- B. Before publishing the text of the secondary CBA, the parties may undertake any of the following so long as the substantive provisions of the published Secondary CBA as approved by the Civil Service Commission are not altered:

- (1) Change the organization, numbering, and formatting of the secondary CBA.
- (2) Correct typographical, punctuation, and grammatical errors.
- (3) Correct references that are incorrect or obsolete.

**Resolution G-7b(revised) – Office of State Employer and Michigan Corrections Organization – Security Unit**

1. On December 18, 2001, the Civil Service Commission approved a new primary collective bargaining agreement (CBA) between the Office of the State Employer (OSE) and the Michigan Corrections Organization (MCO), effective January 1, 2002.
2. Under the previous primary CBA for the Security Unit, the MCO had negotiated one secondary CBA with the Department of Community Health. At its December 18, 2002, meeting, the Civil Service Commission extended until March 30, 2002, the secondary CBAs that was scheduled to expire on January 1, 2002. The State Personnel Director subsequently approved another extension until May 31, 2002.
3. The OSE, on behalf of the MCO and Department of Community Health, has submitted a request that the Civil Service Commission approve a new secondary CBA for the Department of Community Health. No ratification is required.

Therefore, after consideration of the proposals of Civil Service staff and the parties:

- A. The Civil Service Commission **approves** the submitted secondary CBA as the secondary CBA in the Department of Community Health from May 23, 2002, until December 31, 2004.
- B. Before publishing the text of the secondary CBA, the parties may undertake any of the following so long as the substantive provisions of the published Secondary CBA as approved by the Civil Service Commission are not altered:
  - (1) Change the organization, numbering, and formatting of the secondary CBA.
  - (2) Correct typographical, punctuation, and grammatical errors.
  - (3) Correct references that are incorrect or obsolete.

**Resolution G-7c (revised) - Office of State Employer and American Federation of State, County, & Municipal Employees – Institutional Unit**

1. On December 18, 2001, the Civil Service Commission approved a new primary collective bargaining agreement (CBA) between the Office of the

State Employer (OSE) and the American Federation of State, County, and Municipal Employees (AFSCME), effective January 1, 2002.

2. Under the previous primary CBA for the Institutional Unit, the AFSCME had negotiated secondary CBAs with various agencies. At its December 18, 2002, meeting, the Civil Service Commission extended until March 30, 2002, six secondary CBAs that were scheduled to expire on January 1, 2002. The State Personnel Director subsequently approved another extension until May 31, 2002.
3. The OSE, on behalf of the AFSCME and four agencies, has requested that the Civil Service Commission approve new secondary CBAs for four agencies. Ratification by unit members is still required for some agencies.

Therefore, after consideration of the proposals of Civil Service staff and the parties:

- A. The Civil Service Commission, subject to necessary ratification by unit members, **approves** the submitted secondary CBAs as the secondary CBAs in the following agencies until December 31, 2004:

Career Development  
Corrections

Education

Military & Veterans Affairs

- B. An approved secondary CBA will become effective upon receipt by the State Personnel Director of proper notice of the ratification by relevant unit members.
- C. Before publishing the text of the secondary CBA, the parties may undertake any of the following so long as the substantive provisions of the published Secondary CBA as approved by the Civil Service Commission are not altered:
  - (1) Change the organization, numbering, and formatting of the secondary CBA.
  - (2) Correct typographical, punctuation, and grammatical errors.
  - (3) Correct references that are incorrect or obsolete.

**Resolution G-7d (revised) - Office of State Employer and Michigan State Employees Association – Labor and Trades and Safety and Regulatory Units**

1. On December 18, 2001, the Civil Service Commission approved a new primary collective bargaining agreement (CBA) between the Office of the State Employer (OSE) and the Michigan State Employees Association (MSEA), effective January 1, 2002.
2. Under the previous primary CBA for the Labor & Trades and Safety & Regulatory Units, the MSEA and Police Officers Association of Michigan (POAM), respectively, had negotiated secondary CBAs with various agencies. The MSEA now represents both the Labor & Trades and Safety & Regulatory Units.
3. On December 18, 2002, the Civil Service Commission extended secondary CBAs scheduled to expire on January 1, 2002, in 18 agencies until March 30, 2002. The State Personnel Director subsequently approved another extension until May 31, 2002.
4. The OSE, on behalf of the MSEA and 17 agencies, has requested that the Civil Service Commission approve new secondary CBAs for 17 agencies. Ratification by unit members is still required for some agencies.

Therefore, after consideration of the proposals of Civil Service staff and the parties:

- A. The Civil Service Commission, subject to necessary ratification by unit members, **approves** the submitted secondary CBAs as the secondary CBAs in the following agencies until December 31, 2004:

**1. Safety & Regulatory and Labor & Trades Units:**

- |                       |                             |                |
|-----------------------|-----------------------------|----------------|
| Agriculture           | Environmental Quality       | State          |
| Attorney General      | Family Independ. Agency     | State Police   |
| Community Health      | Lottery                     | Transportation |
| Cons. & Ind. Services | Management & Budget         | Treasury       |
| Corrections           | Military & Veterans Affairs |                |
| Education             | Natural Resources           |                |

**2. Labor & Trades Unit:**

- Strategic Fund/MEDC

- B. An approved secondary CBA will become effective upon receipt by the State Personnel Director of proper notice of the ratification by relevant unit members.
- C. Before publishing the text of the secondary CBA, the parties may undertake any of the following so long as the substantive provisions of the published Secondary CBA as approved by the Civil Service Commission are not altered:
  - (1) Change the organization, numbering, and formatting of the secondary CBA.
  - (2) Correct typographical, punctuation, and grammatical errors.
  - (3) Correct references that are incorrect or obsolete.

**Resolution G-7e (revised) - Office of State Employer and United Auto Workers – Human Services and Administrative Support Units**

1. On December 18, 2001, the Civil Service Commission approved a new primary collective bargaining agreement (CBA) between the Office of the State Employer (OSE) and the United Auto Workers (UAW), effective January 1, 2002.
2. Under the previous primary CBA for the Human Services & Administrative Support Units, the UAW had negotiated secondary CBAs with various agencies. On December 18, 2002, the Civil Service Commission extended until March 30, 2002, twenty-three secondary CBAs that were scheduled to expire on January 1, 2002. The State Personnel Director subsequently approved another extension until May 31, 2002.
3. The OSE, on behalf of the UAW and 20 agencies, has requested that the Civil Service Commission approve new secondary CBAs for the 20 agencies.
4. Civil Service staff recommends that the Civil Service Commission not approve two boxed comments in the proposed secondary CBA for the Bureau of State Lottery in Article 12 §D.2. and Article 13 §C.2. The boxed comments reproduce class clusters language that the commission deleted from the previous secondary CBA at its meeting on December 12, 2001. Ratification by unit members is still required for some agencies.

Therefore, after consideration of the proposals of Civil Service staff and the parties:

- A. The Commission clarifies that in approving the submitted Lottery secondary CBA it is not approving the two boxed comments in Article 12 §D.2. and Article 13 §C.2.

B. Except as noted above, the Civil Service Commission, subject to necessary ratification by unit members, **approves** the submitted secondary CBAs as the secondary CBAs in the following agencies until December 31, 2004:

**1. Administrative Support:**

Attorney General	Management & Budget
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**2. Administrative Support & Human Services Units:**

Agriculture	Education	MSHDA
Career Development	Environmental Quality	Natural Resources
Civil Rights	Family Indep. Agency	State
Community Health	History, Arts, & Libraries	State Police
Cons. & Ind. Services	Lottery	Transportation
Corrections	Military & Veterans Affairs	Treasury

C. An approved secondary CBA will become effective upon receipt by the State Personnel Director of proper notice of the ratification by relevant unit members.

D. Before publishing the text of the secondary CBA, the parties may undertake any of the following so long as the substantive provisions of the published Secondary CBA as approved by the Civil Service Commission are not altered:

- (1) Change the organization, numbering, and formatting of the secondary CBA.
- (2) Correct typographical, punctuation, and grammatical errors.
- (3) Correct references that are incorrect or obsolete.

8. John Gnodtke briefed the Commission on the staff recommendation that the Commission approve Resolution G-8. The resolution approves Letters of Understanding between the OSE and the MCO, MPE, MSEA, SEIU Local 31-M, UAW and UTEA that will change co-payments for HMO members to a \$10 office visit charge, a \$50 emergency room charge and \$5 and \$10 for generic and brand name drugs. He noted that AFSCME and OSE are negotiating a LOU and NEREs are expected to have similar changes to their HMO co-payments.

On motion duly made and supported, the Commission approved Resolution G-8, Letters of Understanding between the OSE and MCO, MPE, MSEA,

SEIU Local 31-M, UAW and UTEA, regarding charges for employees enrolled in a health maintenance organization.

9. John Gnodtke stated that Resolution G-9 deals with a Letter of Understanding between AFSCME Council 25 and the Office of State Employer that would allow certain bargaining unit employees at the Michigan Youth Challenge Academy to accrue compensatory for working overtime and for working on holidays.

On motion duly made and supported, the Commission approved Resolution G-9, the Letter of Understanding between Office of State Employer and the American Federation of State, County and Municipal Employees (AFSCME), concerning compensatory time for Institutional Unit employees at the Youth Challenge Academy, Department of Military and Veterans Affairs.

### **COMMISSION APPEALS**

1. In closed session by teleconference on February 28, 2002 the Commission considered 12 decisions of the Employment Relations Board. In closed session by teleconference on March 28, 2002, the Commission considered 8 decisions of the Employment Relations Board. In closed session by teleconference on April 25, 2002, the Commission considered 11 decisions of the Employment Relations Board. In closed session on May 23, 2002, the Commission considered 5 decisions of the Employment Relations Board. Copies of the Review Sheets indicating the Commission's actions on these decisions are on file in the Department of Civil Service.

### **ADJOURNMENT**

The meeting was adjourned at 11:10 a.m.

### **NOTE**

1. Copies of any written statements, reports, or staff proposals which were presented to the Commission may be obtained by contacting the Department of Civil Service, Executive Office, Capitol Commons Center, Lansing, Michigan. (517-373-3020.)

I, John F. Lopez, State Personnel Director, hereby certify that the foregoing are the Minutes of the Civil Service Commission Meeting of May 23, 2002.

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**State of Michigan  
DEPARTMENT OF CIVIL SERVICE  
Civil Service Commission Meeting  
August 22, 2002**

Present: Susan Grimes Munsell, Chairperson  
Robert P. Hunter, Commissioner  
Sherry L. McMillan, Commissioner  
James P. Pitz, Commissioner  
John F. Lopez, State Personnel Director

**CALL TO ORDER**

1. The meeting of the Civil Service Commission was opened by Civil Service Commission Chairperson Susan Grimes Munsell at 10:10 a.m., in Conference Room A, Lower Level, Capitol Commons Building, 400 S. Pine Street, Lansing, Michigan.
2. On motion duly made and supported, the Commission approved the minutes of the meeting of May 23, 2002.

**COMMISSION BUSINESS**

1. On motion duly made and supported, the Commission approved the following retirement resolutions.

**Whereas, Theodore J. Benca** has decided to retire from State Government after over 26 years of service, of which 4 years were with the House of Representatives, Office of the Speaker, and over 22 years were with the Department of Civil Service, and

Whereas, Ted demonstrated commitment and dedication throughout his career as a public servant, gaining the respect and admiration of his colleagues, and

Whereas, Ted demonstrated extensive knowledge of the Department of Civil Service and state government and imparted that knowledge with wit and creativity, and

Whereas, Ted, in his capacities as Legislative Liaison, Executive Secretary to the State Ethics Board, and Deputy Director of Labor Relations and Commission Affairs continuously pursued efficiency and excellence in governmental relations, and

Whereas, Ted, in his capacity as Deputy Director of the Department of Civil Service provided exemplary and invaluable leadership in the development and implementation of the Human Resource Management Network (HRMN) system, and

Whereas, Ted, kept the Department's dress code bar high with his dapper attire and debonair demeanor, and

Whereas, Ted, in his retirement, can pursue his "second career" in private industry, and

Whereas, Ted will be able to spend more time with his wife, Connie, and can further indulge in his love of golf, travel, and cruising in the family car, a Jaguar, be it therefore

Resolved, that the Michigan Civil Service Commission does hereby extend to Ted Benca its heartfelt appreciation for his dedicated efforts and many accomplishments during his years of service.

Resolved, that the Commission extends to Ted its warmest wishes for much health and happiness throughout his retirement.

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**Whereas, Sheila Hayter** has decided to retire from State Government after 29 years, of which over 12 years were with the Department of Civil Service, and

Whereas, Sheila demonstrated commitment and dedication throughout her career as a public servant, gaining the respect and admiration of her colleagues, and

Whereas, Sheila, in her capacity as a Personnel Management Analyst demonstrated a commitment to excellence in the provision of human resource services, and

Whereas, Sheila, in her capacity as the "candy provider" of the Department, shared massive amounts of treats with all visitors, and

Whereas, Sheila, when she departed, took with her a variety of knowledge and perspectives on the Department of Civil Service, but especially, her strong interpersonal skills, and

Whereas, Sheila, in her retirement, will have more time to spend with her husband, Ralph, her daughters, and grandchildren, and

Whereas, Sheila, in her retirement, will be able to assist in the home schooling of her grandchildren, further enjoy boating and camping, and can pursue her teaching career with Lansing Community College, be it therefore

Resolved, that the Michigan Civil Service Commission does hereby extend to Sheila Hayter its heartfelt appreciation for her dedicated efforts and many accomplishments during her years of service.

Resolved, that the Commission extends to Sheila its warmest wishes for much health and happiness throughout her retirement.

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Chairperson Munsell noted that eight other retirees were not present, and referenced the individual resolutions for those employees for action by the Commission under one motion. The Chairperson read the following general resolution into the record.

**Whereas, Theodore Benca, Linda Block, Susan Burnett, Sandra Dailey, Joyce Getter, James Hartford, Sheila Hayter, Katie Shell, Harry Trier, and Wayne Pelmeur** have decided to retire from State Government after serving from 26 to 33 years individually, and a cumulative total of **286** years of state service, and

Whereas, these employees demonstrated commitment and dedication throughout their careers as public servants, gaining the respect and admiration of their colleagues, and

Whereas, these employees, in their many capacities within the department including administrative support, information technology, personnel management, office management, and executive leadership continuously pursued excellence in the creation and delivery of state-of-the-art technology and customer service, and

Whereas, these employees, with their vast array of experience, knowledge, expertise, and foresight, took the lead in initiating many changes to improve departmental operations and core services, and

Whereas, these employees, when they departed, took with them a variety of knowledge and perspectives on the Department of Civil Service, but most of all, their dedication to the continuous evolution of human resource services, and

Whereas, these employees, in their retirements, will have more time to spend with their families and to further indulge in other interests, be it therefore

Resolved, that the Michigan Civil Service Commission does hereby extend to all of these employees its heartfelt appreciation for their dedicated efforts and many accomplishments during their years of service.

Resolved, that the Commission extends to them its warmest wishes for much health and happiness throughout their retirement.

### INFORMATIONAL REPORTS

1. The Commission received the following report from John F. Lopez, State Personnel Director:

#### Unclassified position report

Civil Service Commission Rules require me to report on the establishment or abolition of positions in the unclassified service. Since the last commission meeting, I approved the following request:

I received a July 22, 2002, request from the Department of Consumer and Industry Services to establish an unclassified position. The position serves as the director of the Right-of-Way Authority, which is a Type 1 agency authorized by P.A. 48 of 2002. This request was approved on August 8, 2002.

#### Regulations:

Civil Service Commission Rules require that I report to the commission on the promulgation of regulations, which are issued to implement commission rules.

Since the last commission meeting, the following regulations have been revised and are in the process or have been reissued:

#### • **Regulation 3.02, Student Assistants in the Classified Service.**

Summary: The regulation was revised to reinstate provisions inadvertently omitted from a previous version addressing reclassification of Student Assistants under certain conditions, including during a hiring freeze.

#### • **Regulation 3.07, Appointments and Job Changes.**

Summary: The regulation was revised to clarify that recall names prevent a lateral job change from a limited-term appointment type to an indefinite appointment type. In addition, the regulation now provides that appointing authorities may make appointments to limited term positions for a period of up to two years. Appointments beyond the initial two years require the approval of the

Department of Civil Service, and any appointments lasting more than a total of four years must be approved by the State Personnel Director.

• **Regulation 3.10, Promotion or Lateral Job Change Within a Department of Current Employees Under Hiring Restriction Conditions.** Summary: The regulation was revised to clarify that recall names prevent a lateral job change from a limited-term appointment type to an indefinite appointment type.

• **Regulation 4.03, Establishing and Reclassifying Positions in the State Transitional and Departmental Trainee Classifications.** Summary: The regulation was revised to clarify and standardize existing processes for use of the transition classes.

• **Regulation 5.01, General Salary Schedule Administration.** Summary: The regulation was revised to address working-out-of-class compensation in a preauthorized classification series and pay upon appointment to and reclassification from transition classifications. The regulation also requires that exceptions to the regulation be approved by the State Personnel Director.

In addition, the Equitable Classification Plan, Group 2 Professional Specialist Position Evaluation System was revised in response to current departmental staffing needs and to provide greater consistency in the use of the specialist classification concepts.

#### State Officer's Compensation Commission

In the August 6, 2002, primary election, Michigan citizens voted to adopt an amendment to the state constitution governing the operation of the State Officers' Compensation Commission (SOCC). The changes take effect on September 20, 2002. In summary, the following changes will occur:

- The SOCC will now determine the salaries and expense allowances of the attorney general and the secretary of state, in addition to those previously determined by SOCC.
- New qualifications for SOCC members may be determined by the legislature.
- SOCC determinations must be approved by the majority of each house.
- Concurrent legislative resolutions may reduce the SOCC's recommended salary and expense allowance by the same proportion for all offices.

- The legislature may not reduce salary or expense determinations to below the amounts in place when the determinations are made.
- Once approved by the legislature, the salaries and expense allowances become effective for the legislative session immediately following the next general election.

Director Lopez noted that in the past Civil Service has provided administrative assistance to the SOCC. We will not know whether Civil Service will continue to be involved in the process until the Legislature writes the requirements and qualifications.

### **NEW BUSINESS**

1. D. Daniel McLellan, General Counsel, Department of Civil Service, briefed the Commission on proposed Rule 2-2: Oath of Office. Currently the constitutional provision that requires legislative, executive, and judicial officers to take and subscribe to an oath of office does not include classified state employees. Mr. McLellan reported that a recent survey of 24 appointing authorities showed that 20 require their classified employees to sign the oath of office, and 4 do not.

Department of Civil Service staff recommends the Commission adopt this rule requiring all newly hired classified employees to take and subscribe to the same oath of office required by the Michigan Constitution for state officers. A letter from the UAW in opposition to the rule change was provided to the Commission, and is by reference a part of the record of this meeting.

On motion duly made and supported, the Commission adopted Resolution G-1:

*Proposed draft Civil Service Rule 2-2, Oath of Office (Revision A, July 23, 2002, circulated for comment in CS-6978, dated July 24, 2002) is approved, effective immediately.*

2. D. Daniel McLellan briefed the Commission on Proposed Rule 5-15: Electronic Funds Transfer. Mr. McLellan noted that currently about 71% of classified employees use electronic funds transfers to deposit their paychecks into their financial institutions. Draft Rule 5-15 requires new employees hired after October 1, 2002, to be paid by electronic funds transfer. The rule provides for a waiver if payment by EFT causes an undue hardship for the employee. Chairperson Munsell noted that the Commission received one comment opposing this draft rule from the UAW. That letter is by reference a part of the record of this meeting.

On motion duly made and supported, the Commission adopted Resolution G-2:

*Proposed draft Civil Service Rule 5-15, Electronic Funds Transfer (Revision A, July 25, 2002, circulated for comment in CS-6979, dated July 25, 2002) is approved, effective immediately.*

3. D. Daniel McLellan reported that last year the Voluntary Work Schedule Adjustment Plan (VWSAP) was placed in some collective bargaining agreements. The OSE is now requesting that the VWSAP for non-exclusively represented employees be extended through September 27, 2003. Plan A of VWSAP permits an employee to reduce the number of hours worked (between one and 16 hours per pay period) without any change in benefits or reduction in leave accruals. Plan C permits an employee to take an unpaid leave of absence for up to three months without a break in service.

In response to a question asked by Commissioner Robert Hunter regarding the number of participants in the plans, Janine Winters, Director, Office of State Employer, reported that approximately 8 employees statewide participate in Plan C, and less than 1000 participate in Plan A. She noted the program continues to be voluntary, and is subject to management approval.

On motion duly made and supported, the Commission approved Resolution G-3:

*The Voluntary Work Schedule Adjustment Plan (VWSAP) for nonexclusively represented employees scheduled to expire on September 28, 2002, is continued in effect until September 27, 2003.*

4. D. Daniel McLellan briefed the Commission regarding the Governor's Executive Order 2002-13, transferring administration of the health screening program, group insurance plans, pretax benefit program, COBRA and other insurance continuation programs, and the quality recognition program, back to Civil Service effective October 1, 2002. Civil Service staff recommends Commission approval of the resolution accepting those transfers.

On motion duly made and supported, the Commission approved Resolution G-4:

A. *BACKGROUND*

1. *In 1995, at the request of the Governor, the Department of Civil Service and the Office of the State Employer convened a joint working group to review the location of certain functions, services and*

*programs administered by the Department of Civil Service that were discretionary or delegable by the Commission under by Article 11, Section 5, of the Michigan Constitution of 1963.*

2. *In Executive Order 1996-5 and a Civil Service Commission Resolution dated October 15, 1996, the Governor and the Commission authorized the transfer of the Deferred Compensation Plans, the Suggestion Awards Program, and certain employee benefit programs from the Department of Civil Service to other executive state agencies.*
3. *A recent review of the various programs administered by the Office of the State Employer supports returning the administration of some of the employee benefit programs to the Department of Civil Service to take advantage of additional efficiencies and to maximize opportunities for overall coordination following implementation of the statewide Human Resource Management Network (HRMN).*
4. *In Executive Order 2002-13, effective October 1, 2002, the Governor has authorized the transfer to the Department of Civil Service of all of the powers, duties, functions, and responsibilities of the Office of the State Employer and the Department of Management and Budget related to the administration of the following programs:*
  - A. *The employee Quality Recognition System, authorized in Michigan Compiled Laws, §38.1161 (the “**Quality Recognition System**”).*
  - B. *The following benefit programs:*
    - (1) *Health screening program;*
    - (2) *Group insurance plans for medical, dental, vision, disability, life, and long-term care benefits;*
    - (3) *Pretax benefit programs; and*
    - (4) *COBRA and other insurance continuation programs**(collectively, the “**State Employee Benefit Programs**”).*

**B. COMMISSION FINDINGS**

1. *The Civil Service Commission finds that the transfers authorized by the Governor in Executive Order 2002-13 will result in enhanced accountability, more effective overall coordination of the administration of the transferred programs, and enhanced service to the operating departments and classified employees.*



2. *The Civil Service Commission finds that the transfers authorized by the Governor in Executive Order 2002-13 and consented to here do not conflict with the plenary authority of the Civil Service Commission granted to it under Article 11, Section 5, of the Michigan Constitution of 1963.*

*THEREFORE, the Michigan Civil Service Commission RESOLVES as follows:*

1. *Effective October 1, 2002, the Department of Civil Service shall accept the transfer of all the authority, powers, duties, functions, and responsibilities of the Office of the State Employer and the Department of Management and Budget related to the administration of the Quality Recognition System and the State Employee Benefit Programs, as authorized in Executive Order 2002-13.*
2. *Effective October 1, 2002, the Department of Civil Service shall accept the transfer of all records, personnel, property, and funds of the Quality Recognition System and the State Employee Benefit Programs used, held, employed, available to, or to be made available to the Office of the State Employer and the Department of Management and Budget for the powers, duties, functions, and responsibilities transferred to the Department of Civil Service.*
3. *The State Personnel Director is authorized to do each of the following:*
  - A. *To direct and administer the transfers required by this resolution and Executive Order 2002-13, in cooperation with the Director of the Office of the State Employer and the Director of the Department of Management and Budget.*
  - B. *To execute such agreements, documents, or contracts on behalf of the Civil Service Commission or the Department of Civil Service as may be necessary to implement this resolution and Executive Order 2002-13.*
  - C. *To enter into agreements with the Office of the State Employer and the Department of Management and Budget regarding personnel, facilities, equipment, records, property, or funds of the Office of the State Employer or the Department of Management and Budget to be transferred by this resolution and Executive Order 2002-13 for the purpose of facilitating the required transfers and maintaining efficient and continuous program services during and after the transfers.*
  - D. *To take any further action deemed necessary or useful to implement this resolution and Executive Order 2002-13.*

5. D. Daniel McLellan stated that a Letter of Understanding between Office of State Employer and AFSCME regarding co-pays for HMO members contains changes that have been approved by the Commission in all of the other collective bargaining agreements. The State Personnel Director, with the consent of the Commission Chairperson, has given interim approval.

On motion duly made and supported, the Commission confirmed the interim approval of the Letter of Understanding between the Office of State Employer and AFSCME Council 25 for the Institutional Unit regarding Article 22, Section D, Health Maintenance Organizations.

6. Mr. McLellan briefed the Commission on the Interagency Memorandum of Understanding between Department of Management and Budget and Department of Civil Service. The memorandum of understanding addresses changes in group insurance benefits for pension recipients under the State Employees, State Police, and Judicial Retirement Systems. The State Personnel Director, with the consent of the Civil Service Commission Chairperson, granted interim approval on June 12, 2002.

On motion duly made and supported, the Commission confirmed the interim approval granted by the State Personnel Director regarding the Interagency Memorandum of Understanding between Department of Management and Budget and Department of Civil Service regarding Group Insurance Benefits.

7. On motion duly made and supported, the Commission confirmed the interim approval granted by the State Personnel Director with the consent of the Civil Service Commission Chairperson, regarding the MORC Privatization Impact Agreement between the Office of State Employer and the UAW.
8. On motion duly made and supported, the Commission approved the Letter of Understanding between the Michigan State Employees Association and the Office of State Employer regarding Article 43, Compensation, Section X, Safety Shoes.
9. On motion duly made and supported, the Commission approved the Letters of Understanding between AFSCME and the Department of Community Health regarding voluntary overtime at various facilities.
10. On motion duly made and supported, the Commission approved the Secondary Agreement between AFSCME Council 25 and the Family Independence Agency for the Institutional Unit, subject to receipt of a completed signature page.

**COMMISSION APPEALS**

1. In closed session by teleconference on June 27, 2002, the Commission considered six decisions of the Employment Relations Board. In closed session on August 22, 2002, the Commission considered one decision of the Employment Relations Board. Copies of the Review Sheets indicating the Commission's actions on these decisions are on file in the Department of Civil Service.

**ADJOURNMENT**

The meeting was adjourned at 10:40 a.m.

**NOTE**

1. Copies of any written statements, reports, or staff proposals which were presented to the Commission may be obtained by contacting the Department of Civil Service, Executive Office, Capitol Commons Center, Lansing, Michigan. (517-373-3020.)

I, John F. Lopez, State Personnel Director, hereby certify that the foregoing are the Minutes of the Civil Service Commission Meeting of August 22, 2002.

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**State of Michigan  
DEPARTMENT OF CIVIL SERVICE  
Civil Service Commission Meeting  
October 16, 2002**

Present: Susan Grimes Munsell, Chairperson  
Robert P. Hunter, Commissioner  
Sherry L. McMillan, Commissioner  
James P. Pitz, Commissioner  
John F. Lopez, State Personnel Director

**CALL TO ORDER**

1. The meeting of the Civil Service Commission was opened by Civil Service Commission Chairperson Susan Grimes Munsell at 9:35 a.m., in Conference Room A, Lower Level, Capitol Commons Building, 400 S. Pine Street, Lansing, Michigan.
2. On motion duly made and supported, the Commission approved the minutes of the meeting of August 22, 2002.

**COMMISSION BUSINESS**

1. Chairperson Munsell read the following resolution into the record as an expression of appreciation to 24 retiring employees for their dedication and significant contributions to the Department of Civil Service. The Chairperson presented individual resolutions to the 17 retiring employees in attendance, and staff will deliver resolutions to the 7 retirees not in attendance

On motion duly made and supported, the Commission adopted the resolutions.

"Whereas, Steve Anderson, Monica Bauman, Marie Brown, Karen Danik, Jim Davis, Robert Freeman, Jesse Gonzales, Barry Horne, Lanet Holstrom, Mary Lindsay, Jan Lownsbery, Mike May, Arnold Morrison, Bob Pearson, Peggie Price, Bob Proctor, Carol Root, Dianna Salter, Judy Snyder, Bernie Starks, Dick Stout, Joyce Sweet, Madge Uehlein and Carole Wilcox have decided to retire from State Government after serving from 18 to 37 years individually, and a cumulative total of over 593 years of state service, and

"Whereas, these employees demonstrated commitment and dedication throughout their careers as public servants, gaining the respect and admiration of their colleagues, and

"Whereas, these employees, in their many capacities within the department including administrative support, information technology, personnel management, office management, and administrative leadership continuously pursued excellence in the creation and delivery of state-of-the-art technology and customer service, and

"Whereas, these employees, with their vast array of experience, knowledge, expertise, and foresight, took the lead in initiating many changes to improve departmental operations and core services, and

"Whereas, these employees, when they departed, took with them a variety of knowledge and perspectives on the Department of Civil Service, but most of all, their dedication to the continuous evolution of human resource services, and

"Whereas, these employees, in their retirements, will have more time to spend with their families and to further indulge in other interests, be it therefore

"Resolved, that the Michigan Civil Service Commission does hereby extend to all of these employees its heartfelt appreciation for their dedicated efforts and many accomplishments during their years of service.

"Resolved, that the Commission extends to them its warmest wishes for much health and happiness throughout their retirement."

### INFORMATIONAL REPORTS

1. The Commission received the following report from John F. Lopez, State Personnel Director.

Unclassified Position Report: Civil Service Commission Rules require me to report on the establishment or abolition of positions in the unclassified service. Since the last commission meeting, I approved the following requests:

I received an August 26, 2002, request from the Department of Attorney General to establish two unclassified positions. These positions will serve as the Communications Specialist for and the Administrative Assistant to the Attorney General. This request was approved on September 20, 2002.

I received a September 18, 2002, request from the Department of Consumer and Industry Services to establish an unclassified position. The

position serves as the Chief Deputy Director for the Department of Consumer and Industry Services. This request was approved on September 20, 2002.

### Regulations

Civil Service Commission Rules require that I report to the commission on the promulgation of regulations, which are issued to implement commission rules.

Since the last commission meeting, the following regulation has been revised and reissued:

Regulation 2.01, Implementing a Reduction in Force for Nonexclusively Represented Employees. Summary: The regulation was revised to clarify the application of employment preference with regard to new language in Standard F, "Frozen Positions". This change makes clear that frozen positions must be considered in the application of preference.

### Employee Benefits Transfer to DCS:

We entered into an agreement with the Department of Management and Budget to delineate the respective roles, responsibilities, and resources of our respective agencies pursuant to the transfer of the Employee Benefits and Quality Recognition Systems programs and the State Sponsored Group Insurance Fund (SSGIF) from the Office of the State Employer to the Department of Civil Service on November 10, 2002.

In addition to delineating the transfer of funds, contracts, employee targets and FTEs, office space, and equipment, it was agreed that the Department of Management and Budget will continue to provide accounting services to the Department of Civil Service for the State Sponsored Group Insurance Fund for a period up to eighteen months.

### Secondary Agreements:

At the May 23, 2002 Commission meeting, you gave tentative approval to proposed secondary agreements for the AFSCME, MSEA, and UAW. All of these secondary agreements have now been ratified.

## **NEW BUSINESS**

1. Ms. Carol Mowitz, Department of Civil Service, Bureau of Human Resource Services, presented the recommendations of the Coordinated Compensation Panel on behalf of the Employment Relations Board. The Coordinated Compensation Proposal for Fiscal Year 2004 was provided to

the Commission and the parties, and is by reference a part of the record of this meeting.

Ms. Mowitz summarized the recommendations before the Commission for approval:

**The Panel recommends Commission approval of the following.**

- A three percent across-the-board pay increase to be effective October 1, 2003.
- An increase from \$12 to \$15 per prescription co-pay for brand name drugs for persons enrolled in the State Health Plan effective January 1, 2004.
- An increase in the maximum annual dental benefit from \$1,250 to \$1,500, effective October 1, 2003.
- Renewal of the Professional Development Fund for MSC employees with funding of \$150,000, and renewal of the Professional Development Fund for B & A unit employees with funding of \$50,000.

**In addition, the Panel recommends Commission support of the following:**

- A six-month extension of the compensatory time pilot program for Registered Nurse Managers 12 and 13 in the Department of Community Health, through April 1, 2003.
- A consensus recommendation of the ASEM and OSE to continue researching potential vendors to offer reduced rates for PRK and Lasik Vision Surgery.
- A consensus agreement between the MAGE and OSE for the OSE to conduct a study of the recruitment and retention of Registered Nurse Managers in the Department of Community Health, to be completed by July 1, 2003.
- The Panel's recommendation to OSE to include pharmacists in its next salary survey.

**The Panel recommends denial of the following:**

- A special increase for Pharmacist Managers recommended by Mr. Carey Abbott.

On motion duly made and supported, the Commission approved the Coordinated Compensation Proposal for Fiscal Year 2004 as presented.

2. Mr. John Gnodtke, Assistant General Counsel, Department of Civil Service, briefed the Commission and presented staff recommendations on items G-2 through G-8.

On motion duly made and supported, the Commission approved the following Resolution G-2 regarding the approval of a Secondary Collective Bargaining Agreement between the Department of Career Development and the Michigan State Employees Association (Labor and Trades and Safety and Regulation Unit):

1. On December 18, 2001, the Civil Service Commission approved a new primary collective bargaining agreement (CBA) between the Office of the State Employer (OSE) and the Michigan State Employees Association (MSEA), effective January 1, 2002.
2. The OSE, on behalf of the MSEA and the Department of Career Development, has requested that the Civil Service Commission approve a new secondary CBA for the agency. The bargaining unit members have ratified the tentative agreement.

Therefore, after consideration of the proposals of Civil Service staff and the parties:

- A. The Civil Service Commission approves the submitted secondary CBAs as the secondary CBAs in the Department of Career Development from October 16, 2002, until December 31, 2004:
  - B. Before publishing the text of the secondary CBA, the parties may undertake any of the following so long as the substantive provisions of the published Secondary CBA as approved by the Civil Service Commission are not altered:
    - (1) Change the organization, numbering, and formatting of the secondary CBA.
    - (2) Correct typographical, punctuation, and grammatical errors.
    - (3) Correct references that are incorrect or obsolete.
3. On motion duly made and supported, the Commission approved the following Resolution G-3 regarding the approval of a secondary collective bargaining agreement between the Department of Information Technology



and the Michigan State Employees Association (Labor and Trades and Safety and Regulatory Unit):

1. On December 18, 2001, the Civil Service Commission approved a new primary collective bargaining agreement (CBA) between the Office of the State Employer (OSE) and the Michigan State Employees Association (MSEA), effective January 1, 2002.
2. The OSE, on behalf of the MSEA and the Department of Information Technology, has requested that the Civil Service Commission approve a new secondary CBA for the agency. The bargaining unit members have ratified the tentative agreement.

Therefore, after consideration of the proposals of Civil Service staff and the parties:

- A. The Civil Service Commission approves the submitted secondary CBAs as the secondary CBAs in the Department of Information Technology from October 16, 2002, until December 31, 2004:
  - B. Before publishing the text of the secondary CBA, the parties may undertake any of the following so long as the substantive provisions of the published Secondary CBA as approved by the Civil Service Commission are not altered:
    - (1) Change the organization, numbering, and formatting of the secondary CBA.
    - (2) Correct typographical, punctuation, and grammatical errors.
    - (3) Correct references that are incorrect or obsolete.
4. On motion duly made and supported, the Commission approved Resolution G-4, Letter Of Understanding between the State Employer and the SEIU, Local 31-M regarding Bureau of Workers and Unemployment Compensation work locations confirming the August 26, 2002, interim approval granted by the State Personnel Director with the consent of the Chair.
  5. On motion duly made and supported, the Commission approved Resolution G-5, Letter of Understanding between the Office of State Employer and Michigan State Employees Association regarding Motor Carrier Officer Compensation, confirming the September 9, 2002 interim approval granted by the State Personnel Director with the consent of the Chair.
  6. On motion duly made and supported, the Commission approved Resolution G-6, Letter of Understanding between the Office of State Employer, the

Department of Natural Resources and the Michigan State Employees Association, regarding Seasonal Positions and Transfer Lists, confirming the September 12, 2002 interim approval granted by the State Personnel Director with the consent of the Chair.

7. On motion duly made and supported, the Commission approved the following Resolution G-7, regarding the Approval of a Secondary Collective Bargaining Agreement Between the Department of Information Technology and the United Auto Workers (Human Services and Administrative Support Units).
  1. On December 18, 2001, the Civil Service Commission approved a new primary collective bargaining agreement (CBA) between the Office of the State Employer (OSE) and the United Auto Workers (UAW), effective January 1, 2002.
  2. The OSE, on behalf of the UAW and the Department of Information Technology, has requested that the Civil Service Commission approve a new secondary CBA for the agency. The bargaining unit members have ratified the tentative agreement.

Therefore, after consideration of the proposals of Civil Service staff and the parties:

- A. The Civil Service Commission approves the submitted secondary CBAs as the secondary CBAs in the Department of Information Technology from October 16, 2002, until December 31, 2004:
  - B. Before publishing the text of the secondary CBA, the parties may undertake any of the following so long as the substantive provisions of the published Secondary CBA as approved by the Civil Service Commission are not altered:
    - (1) Change the organization, numbering, and formatting of the secondary CBA.
    - (2) Correct typographical, punctuation, and grammatical errors.
    - (3) Correct references that are incorrect or obsolete.
8. On motion duly made and supported, the Commission approved the Letter of Understanding between the Office of State Employer and AFSCME Council 25, designating Local 188 as the representative of employees at the School for the Blind.

**PUBLIC COMMENT**

1. John Denniston, President, MSEA, read the following prepared statement into the record.

"I am here today representing MERIT, the coalition of unions supporting passage of Proposal 3, to inform the members of the Civil Service Commission that they will be filing a complaint with the Michigan Department of State alleging that state resources are being used to campaign against the ballot proposal.

We verified yesterday that supervisors in the Department of Corrections have been distributing anti-proposal 3 literature at staff meetings of probation and parole agents across the state.

This is clearly a violation of the Michigan Campaign Finance Act and it is not an isolated instance, but appears to be a well-organized effort to change the outcome of the ballot proposal.

In the complaint, we will allege that regional supervisors were given anti-proposal 3 material taken directly from the Governor's web site and asked to distribute information at staff meetings.

This is not the first instance of apparent violations and there have been reports of staff from the Office of the State Employer and the Department of Management and Budget using state resources for meetings and to produce materials.

The Coalition is also requesting that the State Civil Service Commission and the Office of the State Employer immediately issue a strongly worded directive to all supervisors and employees directing them to not use any state resources or time to campaign for or against the ballot issue.

It is important that the Civil Service Commission and the Office of the State Employer maintain neutrality as is pertains to ballot issues.

We will file the complaint as soon as it is determined how individual workers can be protected from reprisals, since state employees do not have whistle blower protections afforded other workers.

An additional complaint will be filed against Stephanie Comai, director of e-Michigan, to clarify if material now posted on the Governor's segment of the state web site is in violation of the Campaign Finance Act.

Once written material is posted to the state web site it may lose the protections afforded under the Act that are given to elected officials to speak out for or against ballot issues.

The Act clearly allows elected and appointed officials to disseminate information of a factual nature, but the August 13 posting on the Governor's web site goes beyond those protections.

The fact that some state agencies are downloading that information and using it verbatim to campaign against the proposal is proof that the web site is using state resources to determine the outcome of a ballot issue.

It is clear that the act prohibits the use of computer hardware or software to take sides in a ballot issue.

Until this issue is clarified I think that in the spirit of the law that material on state web sites, both pro and con, about ballot issues should be removed.

It is this lack of neutrality by state government that has led to Proposal 3 being placed on the ballot for public review."

2. Ms. Janine Winters, Director, Office of State Employer responded that she felt both labor and management are doing their best to try to control the dissemination of information and other activities surrounding things like ballot proposals, and particularly the ballot proposal in question. Ms. Winters stated what happened in Corrections should not have happened but that it was not an organized effort and was the only instance she was aware of. She stated that immediate steps were taken to stop that activity as soon as they were made aware of it, and steps have been taken to block other inappropriate communications such as union e-mails regarding the ballot proposal being sent to state employees at the work site. Ms. Winters added as an example, that OSE was recently made aware that notices advertising a meeting in a state facility about the ballot issue, jointly sponsored by the UAW and MSEA, were posted throughout Cadillac Place. OSE felt those were a violation, and asked that they be removed.

Ms. Winters indicated she would have no problem with issuing a strong statement reminding supervisors and employees that state resources are not to be used to campaign for against the proposal. She called upon the unions to help in this effort because many of the situations OSE is dealing with are directly the result of e-mails from union officials to employees at the work site, on work time.

Ms. Winters guaranteed the Commissioners that immediate action would be taken to stop any additional inappropriate communications by either management or the unions.

In conclusion, Ms. Winters stated that the OSE will work with the unions, and asked that the unions also work with them.

### **ADJOURNMENT**

The meeting was adjourned at 10:10 a.m.

*Note: These Minutes will become final upon approval by the Civil Service Commission Meeting.*

**State of Michigan  
DEPARTMENT OF CIVIL SERVICE  
Civil Service Commission Meeting  
December 12, 2002**

Present: Susan Grimes Munsell, Chairperson  
Robert P. Hunter, Commissioner  
Sherry L. McMillan, Commissioner  
James P. Pitz, Commissioner  
John F. Lopez, State Personnel Director

**CALL TO ORDER**

1. The meeting of the Civil Service Commission was opened by Civil Service Commission Chairperson Susan Grimes Munsell at 11:00 a.m., in Conference Room A, Lower Level, Capitol Commons Building, 400 S. Pine Street, Lansing, Michigan.
2. Chairperson Munsell announced that Commissioner McMillan's appointment to the Civil Service Commission has been extended until December 31, 2010. In addition, she noted that Jan Winters was in attendance in her new role as Deputy Director in the Department of Civil Service, directing the activities of Hearings, Employee Relations & Mediation, HRMN, Technical Complaints, and Employee Benefits.
3. On motion duly made and supported, the Commission approved the minutes of the meeting of October 16, 2002.

**NEW BUSINESS**

1. Carol Vargovich, Chief Financial Officer, Department of Civil Service, reported on financial activities that occurred in fiscal year 02, the certification of the fiscal year 02 payroll, appropriation adjustments to the 03 fiscal year, and the proposal for the fiscal year 04.

On motion duly made and supported, the Commission approved Resolution G-1A, as follows:

The Civil Service Commission, in fulfillment of the Constitutional requirement to certify the aggregate payroll of the classified service for the preceding fiscal year, certifies a payroll of \$3,920,131,344, as recorded in the state's Michigan Administrative Information Network as

of November 08, 2002, for the fiscal period October 1, 2001, to September 30, 2002.

On motion duly made and supported, the Commission approved Resolution G-1B, as follows:

1. On December 5, 2002, Governor John Engler issued Executive Order (EO) 2002-22. EO 2002-22 provides for statewide expenditure reductions approximately \$460 million and other transfers for the current fiscal year FY 02-03, in order to meet reduced revenue estimates. As part of the statewide reductions, EO 2002-22 provides that the general fund appropriations for the Department of Civil Service be reduced by **\$250,400** for FY 02-03.
2. Prior to the issuance of EO 2002-22, the State Personnel Director had authorized additional FY 02-03 budget reductions totaling **\$632,100**.
3. The Civil Service Commission recognizes that impending revenue shortfall and the prior actions of the State Personnel Director and, consistent with its constitutional authority, hereby reduces the previously-approved FY 02-03 budget for the Department of Civil Service by **\$2,196,460**.
4. The State Personnel Director is authorized to take any action necessary to implement the provisions of this Resolution so that expenditures of the Department of Civil Service are reduced as specified for FY 02-03.

On motion duly made and supported, the Commission approved Resolution G-1C, as follows:

The Civil Service Commission approves the fiscal year 04 budget proposal for the Department of Civil Service totaling \$36,312,000.

2. Carol Mowitz, Compensation Director, Department of Civil Service, briefed the Commission on the Unclassified Salary Proposal for Fiscal Year 2004.

On motion duly made and supported, the Commission approved the staff recommendation to transmit the following compensation recommendations for unclassified positions to the Governor and Legislature for Fiscal year 2004:

- A 3 percent merit increase.
  - Salary adjustments of up to 10 percent based on performance and other relevant factors
  - Approval by the legislature of line-item funding necessary to support these recommendations.
3. D. Daniel McLellan, General Counsel, Department of Civil Service, reported on the staff recommendation that the commission approve a resolution to accept the transfer of the executive direction and management of the HRMN System into the Department of Civil Service, effective 12/29/02.

On motion duly made and supported, the Commission approved Resolution G-3:

“A resolution of the Michigan Civil Service Commission Regarding the HRMN System Executive Order:

#### A. DEFINITIONS

1. The “HRMN System” means the Michigan statewide Human Resource Management Network System that delivers payroll, personnel, employee benefits, and other human resource functionality and data exchange, and includes, but is not limited to, the standards, guidelines, processes, procedures, practices, rules, regulations, hardware, and software for the operation of the HRMN System.
2. The “executive direction and management of the HRMN System” means the authority, power, duty, and responsibility for all of the following:
  - A. To establish, implement and enforce policy standards, guidelines, processes, procedures, practices, rules, and regulations for the operation of the HRMN System, consistent with applicable law.
  - B. To manage the HRMN System to achieve the business needs for payroll, personnel, employee benefits, and other human resource functions for the State of Michigan.
  - C. To direct and manage the program development and implementation of changes in the HRMN System.



- D. To acquire technology development, services and software for the HRMN system through agency operating agreements between the Department of Civil Service and the Department of Information Technology.
- E. To acquire and manage contracts for the HRMN System.
- F. To standardize or centralize agency personnel transactions in the HRMN System.

## B. BACKGROUND

1. The HRMN System is under the joint executive direction of the directors of the Department of Civil Service, the Office of the State Employer, the Department of Management and Budget, the Office of the State Budget within the Department of Management and Budget, and the Department of Information Technology.
2. The HRMN System is managed by an informal HRMN Systems Coordination Committee consisting of representatives from the Department of Civil Service, the Department of Information Technology, the Office of the State Employer, the State Budget Office with the Department of Management and Budget, and the Department of Treasury.
3. In executive Order 2002-19, effective December 29, 2002, the Governor transferred all of the authority, powers, duties, functions, and responsibilities of the Department of Management and Budget, the Office of the State Employer, the Department of Treasury, and the Department of Information Technology related to the executive direction and management of the HRMN System to the Department of Civil Service.

## C. COMMISSION FINDINGS

1. The Civil Service Commission finds that the transfers authorized in Executive Order 2002-19 and the resulting centralization of the executive direction and management of the HRMN System within the Department of Civil Service will result in streamlined business processes, improved service, focused development planning, enhanced flexibility and responsiveness, and improved coordination among all user agencies of the HRMN System.
2. The Civil Service Commission finds that the transfers authorized by the Governor in Executive Order 2002-19 and consented to here do not conflict with the plenary authority of the Civil Service Commission granted to it under Article 11, Section 5, of the Michigan Constitution of 1963.

THEREFORE, the Michigan Civil Service Commission RESOLVES as follows:

1. Effective December 29, 2002, the Department of Civil Service shall accept the transfer of all the authority, powers, duties, functions, and responsibilities of the Department of Management and Budget, the Office of the State Employer, the Department of Treasury, and the Department of Information Technology related to the executive direction and management of the HRMN System, as authorized in Executive Order 2002-19.
2. The State Personnel Director is authorized to do each of the following:
  - A. To direct and supervise the implementation required by this resolution and Executive Order 2002-19, in cooperation with the Director of the Office of the State Employer, the Director of the Department of Management and Budget, the State Treasurer, and the Director of the Department of Information Technology.
  - B. To execute such agreements, documents, or contracts with the Office of the State Employer, the Department of Management and Budget, the Department of Treasury, and the Department of Information Technology on behalf of the Department of Civil Service as may be necessary to implement this resolution and Executive Order 2002-19, including, but not limited to, agreements regarding (1) the delegation of powers or duties to the Department of Civil Service or the State Personnel Director, (2) the transfer of personnel, facilities, equipment, records, property, or funds to the Department of Civil Service for the purpose of operation, maintenance, or management of the HRMN System, and (3) service levels, activities, staffing, operations, and infrastructure support to be provided for the support or operation of the HRMN System.
  - C. To take any further action deemed necessary or useful to implement this resolution and Executive Order 2002-19. "
4. D. Daniel McLellan reported that the Troopers and Sergeants Unit went through ACT 312 arbitration, and has submitted their proposed collective bargaining agreement for October 1, 1999 through September 30, 2002. Staff reviewed the proposed CBA and found nothing that violates the rules on prohibited subjects of bargaining. Director Lopez, with the consent of the Commission Chairperson, gave interim approval to the agreement in order for it to be transferred to the Legislature. The Legislature has waived the notice requirement to permit the increases to take effect at a time other than the start of a fiscal year.

On motion duly made and supported, the Commission confirmed the interim approval of the Collective Bargaining Agreement between the Office of State Employer and the Michigan State Police Troopers and Sergeants Unit for the period October 1, 1999, through September 30, 2002.

5. On motion duly made and supported, the Commission approved the Letter of Understanding between the Office of the State Employer and the Michigan State Police Troopers Association regarding utilization of scheduled overtime.
6. D. Daniel McLellan briefed the Commission on the extension of amendments to Rule 2-14, Military Pay. In May 2002, the Commission approved a change in the military leave provisions which extended the pay differential and benefit continuation provisions to nonexclusively-represented employees who were called to active duty after September 11, 2001, to cover all active-duty time between September 11, 2001, and December 31, 2002. The same provisions were also extended to nonexclusively-represented employees on limited-term appointments. Governor Engler asked that the Commission continue these provisions through the remainder of the fiscal year to provide continued, uninterrupted provision of these benefits for employees who are on military leave, and provide the new administration with an opportunity to evaluate further continuation of the provisions.

Staff recommends that the Commission approve these provisions through September 30, 2003, and authorize the State Personnel Director to approve letters of understanding for all current collective bargaining agreements that will provide the same military leave provisions to the exclusively-represented employees.

On motion duly made and supported, the Commission approved Resolution G-6, (Rev B), December 12, 2002 as follows:

The amendments to the Civil Service Rule 2-14, Veterans' Preference and Military Leave (Rev B, December 11, 2002) are approved effective immediately for all nonexclusively represented employees.

The State Personnel Director is authorized to approve on behalf of the Civil Service Commission any letter of understanding agreed to between the Office of the State Employer and an exclusive representative that provides substantially the same extension of military leave pay differential and benefit continuation for exclusively-represented employees as authorized for nonexclusively-represented employees in the approved amendments to Rule 2-14 (Rev B, December 11, 2002.)

## COMMISSION APPEALS

1. In closed session by teleconference on September 26, 2002, the Commission considered 23 decisions of the Employment Relations Board. In closed session on December 12, 2002, the Commission considered 13 decisions of the Employment Relations Board. Copies of the Review Sheets indicating the Commission's actions on these decisions are on file in the Department of Civil Service.

## ADJOURNMENT

The meeting was adjourned at 11:25 a.m.

## NOTE

1. Copies of any written statements, reports, or staff proposals which were presented to the Commission may be obtained by contacting the Department of Civil Service, Executive Office, Capitol Commons Center, Lansing, Michigan. (517-373-3020.)

I, John F. Lopez, State Personnel Director, hereby certify that the foregoing are the Minutes of the Civil Service Commission Meeting of December 12, 2002.

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