

REGULATION

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Authority: Regulations are issued by the State Personnel Director under authority granted in the Michigan Constitution and the Michigan Civil Service Commission Rules. Regulations are subordinate to the Commission Rules.			
Subject: COORDINATED COMPENSATION PLAN			

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1. PURPOSE

This regulation establishes procedures for determining the coordinated compensation plan for all nonexclusively represented classified employees.

2. CIVIL SERVICE COMMISSION RULE REFERENCE

Note: This Section 2 reprints only selected Commission Rules for quick reference by the reader. Additional Rules (that are not reprinted below) may apply. The complete, current version of the Rules can be found at www.michigan.gov/mdcs.

Rule 1-15 Employment Relations Board

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1-15.4 Duties

The employment relations board has the following duties:

- (c) *Serve as the members of any impasse panel or coordinated compensation panel. However, the board instead may appoint one or more of its own members or other persons to serve as the panel.*

Rule 5-1 Civil Service Compensation Plan

5-1.2 Amendments to Compensation Plan

The civil service commission may amend the compensation plan at any time, consistent with article 11, section 5, of the constitution. The state personnel director may submit to the commission recommended amendments to the compensation rules at any time. The director shall also submit to the commission for its review (1) any proposed collective bargaining agreement or amendment agreed to by the state employer and an exclusive representative, (2) any recommendation of the impasse panel, and (3) any recommendation of the coordinated compensation panel.

5-1.3 Coordinated Compensation Plan

The coordinated compensation panel shall send a recommended coordinated compensation plan for all nonexclusively represented classified employees to the civil service commission. The panel shall consider negotiated collective bargaining agreements, any impasse panel recommendations, and any recommendations of the employer or employees. The panel shall send its recommendation on or before the date set by the state personnel director.

3. DEFINITION

A. Definition as used in this Regulation

1. ***Position statement*** means a written statement proposing a change to the compensation or benefits plan with supporting rationale and documentation addressing the Coordinated Compensation Panel guidelines.

4. STANDARDS

- A. Scheduling.** Determinations under these procedures must be consistent with the budget cycle established by statute and the constitutional provisions governing the timing of increases in rates of compensation for classified employees. The State Personnel Director shall annually establish and publish a schedule for the annual Coordinated Compensation Plan process before September 1. The Coordinated Compensation Panel or its designated representative may adjust deadlines for submissions and responses, with the consent of the director, as necessary to effectively and timely carry out this compensation setting process.

B. Participation. The Office of the State Employer (OSE) and limited-recognition organizations (LROs) may participate in the coordinated compensation process. Additionally, nonexclusively represented classified employees who are not members of LROs may participate upon leave granted by the Panel or its Chair. Any request to participate under this provision must be submitted in writing to the Panel before the deadline established by the State Personnel Director. The Panel or its designated representative shall respond in writing to a valid request to participate before the deadline established by the State Personnel Director. A valid employee request must contain the following:

1. The name, address, and phone number of the employee or spokesperson for an employee or group of employees.
2. A certification that no employee or group member requesting to participate is a member of an LRO.
3. The specific compensation or benefits changes proposed and the classifications of employees for whom the change is requested.
4. A brief explanation of the reasons why the requested change is necessary.

C. Procedures.

1. **Written Statement.** All parties participating in the coordinated compensation process shall submit a position statement to the Panel before the deadline established by the State Personnel Director. The LRO and employee participants shall simultaneously serve a copy of their submission on the OSE. If resubmitting a request previously considered by the Panel, an LRO or NERE must provide compelling evidence of a material change since the request's last consideration.
2. **Response Statements.** The OSE may issue a written response to a position statement filed by an LRO or a NERE participant. The OSE shall simultaneously serve a copy of any response on participating LROs and NEREs. LRO and NERE participants may also submit a written response to the OSE's response statement. LROs and NEREs must serve a copy of any response statements on the OSE. Response statements must be filed with the Panel before the deadline established by the State Personnel Director.
3. **Conference.** The Panel's Chair or the Chair's designated representative may conduct a preliminary conference with the parties before any coordinated compensation hearings. The Panel's representative shall identify the general types of information necessary to establish a relevant and material hearing record for the Panel's eventual deliberations. The Panel may reject specific requests from further consideration in the Coordinated Compensation hearing if the Panel determines that the request has previously been considered and no compelling evidence has been demonstrated to justify reconsideration.
4. **Coordinated Compensation Hearing.** At the hearing convened by the Panel, the parties may present their recommendations and respond to recommendations of other parties.

D. Guidelines.

1. **Standards.** Position statements and oral presentations of participants in the coordinated compensation plan process should address the following guidelines, which the Panel shall use in making its recommendations to the Civil Service Commission:
 - a. The public interest and welfare, including the current and forecasted financial condition of the State.
 - b. Comparison of the overall compensation received by excluded and non-exclusively represented classified state employees with the overall compensation received by exclusively represented classified state employees as the result of negotiated agreements or Impasse Panel recommendations.
 - c. Comparison of the rates of pay, the continuity and stability of employment, and the overall compensation and benefits received by excluded and non-exclusively represented classified state employees with employees performing similar services in other public and private employment.
 - d. Other appropriate considerations to the sound and rational determination of a coordinated compensation plan.
2. **Consensus Agreements.** The Panel shall also consider any recommendations that represent an agreement or consensus between the OSE and limited-recognition organizations or between the OSE and other participants in the coordinated compensation process.
3. **Post-hearing Information.** If the Panel finds good cause to consider information brought to its attention after the close of the hearing, the Panel may, in its discretion, use that information in its recommendation. Such information must be appended to the Panel's proposal to the Commission or be incorporated by reference into that document.

E. Alternative Procedures. The State Personnel Director may establish alternative procedures and schedules for the conduct of the Coordinated Compensation Plan process, after providing prior written notice, when deemed necessary.

CONTACT

Questions regarding this regulation should be directed to Compensation, Civil Service Commission, P.O. Box 30002, 400 South Pine Street, Lansing, MI 48909; by telephone at 517-373-7618; or by e-mail to MCSC-Compensation@michigan.gov.