

OFFICE OF STATE EMPLOYMENT RELATIONS

GOVERNOR'S BUDGET RECOMMENDATIONS

Source of Funds	FY05 Adjusted Base	FY06 Recommended	% Change Over FY05	FY07 Recommended	% Change Over FY06
GPR	4,886,800	4,707,000	-3.7	4,707,000	0.0
PR-O	1,304,600	1,299,900	-0.4	1,114,500	-14.3
TOTAL	6,191,400	6,006,900	-3.0	5,821,500	-3.1

FULL-TIME EQUIVALENT POSITION SUMMARY

Source of Funds	FY05 Adjusted Base	FY06 Recommended	FTE Change From FY05	FY07 Recommended	FTE Change From FY06
GPR	52.00	49.00	-3.00	49.00	0.00
PR-O	6.50	6.50	0.00	4.50	-2.00
TOTAL	58.50	55.50	-3.00	53.50	-2.00

AGENCY DESCRIPTION

Pursuant to Chapter 230, Wisconsin Statutes, the office oversees the state civil service system, which includes recruitment, examination and selection, classification, compensation, labor-management relations, collective bargaining, affirmative action, and other functions related to personnel management and employee relations. The agency also provides fee-based human resource services to Wisconsin local governmental units through the Wisconsin Personnel Partners program. The office is headed by a director who is appointed by and serves at the pleasure of the Governor. The office includes three divisions: Affirmative Action, Merit Recruitment and Selection, and Compensation and Labor Relations.

MISSION

The mission of the office is to provide innovative human resources leadership and strategic direction to Wisconsin state government in order to maximize the quality and diversity of the state's work force.

PROGRAMS, GOALS, OBJECTIVES AND ACTIVITIES

Note: Goals, objectives and activities have been modified to better reflect the office's mission.

Program 1: State Employment Relations

Goal: Use information technology and human resources effectively and efficiently to build a skilled and diverse work force.

Objective/Activity: Employ WiscJobs to streamline the state hiring processes.

Goal: Lead work force planning to build a skilled and diverse work force.

Objective/Activity: Enhance state employment recruitment and retention by streamlining the state's job classifications.

Objective/Activity: Use turnover and relevant market data to focus compensation efforts on critical job categories that provide essential services to the public.

Objective/Activity: Increase the number of minorities and women in state job groups in which they are currently underrepresented.

Goal: Strengthen partnerships to build a skilled and diverse work force.

Objective/Activity: Limit to one year the state's liability for back pay in appeals of discharges.

Objective/Activity: Continue and expand the Labor-Management Cooperation program to reduce costly grievances and arbitrations and to promote pilot projects to improve agency business operations and employee productivity.

Objective/Activity: Increase Wisconsin Personnel Partners customer base.

PERFORMANCE MEASURES

HISTORICAL DATA

Prog. No.	Performance Measure	Actual 2000	Actual 2001	Actual 2002
1.	Employ SHRS (now WiscJobs) to establish baseline data on sequences in state agency personnel recruitments to identify critical events and potential time line reductions as a means to streamline future hiring processes.	No baseline data available	Baseline data not established. SHRS unable to produce reports. WiscJobs being created to replace SHRS	Reporting features available by November 2002. Use initial reports from WiscJobs to establish baselines ¹
1.	Enhance state employment recruitment and retention by streamlining the state's job classifications closer to the national average of 1,890.	2,210	2,090	1,977
1.	Use turnover data to focus retention efforts on critical job categories which provide essential services to the public.	No baseline data available	SHRS automated hiring system did not supply data	Directed 2001-03 market compensation adjustments to approximately 7,670 employees in 54 critical job classifications, based on turnover and market data
1.	Limit to one year the state's liability for back pay in appeals of discharges.	No process in place	Prioritize backlog of cases	Goal achieved. Cases over two years old arbitrated
1.	Increase the number of minorities and women in state job groups in which they are currently underrepresented.	18 job groups underutilized by minorities and women	16 job groups underutilized by minorities and women	17 job groups underutilized by minorities and women

Note: Based on fiscal year.

¹Reporting features allowing calculation of baselines in new WiscJobs system became available late in fiscal year 2001-02.

2003 AND 2004 GOALS AND ACTUALS

Prog. No.	Performance Measure	Goal 2003	Actual 2003	Goal 2004	Actual 2004
1.	Employ SHRS (now WiscJobs) to establish baseline data on sequences in state agency personnel recruitments to identify critical events and potential time line reductions as a means to streamline future hiring processes.	Goals were not determined due to unavailability of baseline data	104 days to fill a position (time between vacancy posting and date of hire)	Goals were not determined due to unavailability of baseline data	94 days to fill a position (time between vacancy posting and date of hire)
1.	Enhance state employment recruitment and retention by streamlining the state's job classifications closer to the national average of 1,890.	1,900	1,979	1,890	1,815
1.	Use turnover data to focus retention efforts on critical job categories which provide essential services to the public.	Establish baseline data file	Identified 70 critical classifications covering about 12,000 employees for market-based compensation adjustments	Analyze data on turnover rates in critical occupation areas to focus retention	Targeted market compensation adjustments to 70 critical classifications covering about 12,000 employees
1.	Limit to one year the state's liability for back pay in appeals of discharges.	Negotiate one-year limit for adjudication of arbitrations	Language on one-year limit was negotiated and included in the WSEU 2001-03 contract	Arbitrate backlog generated from delay in budget and negotiations	48 WSEU discharge arbitrations filed in 2003 or earlier were pending at the end of fiscal year 2003-04 ¹
1.	Increase the number of minorities and women in state job groups in which they are currently underrepresented.	15 job groups underutilized by minorities and women	15 job groups underutilized by minorities and women	14 job groups underutilized by minorities and women	24 job groups underutilized by minorities and women ²

Note: Based on fiscal year.

¹Protracted bargaining of 2003-05 contracts presented a significant obstacle to resolving the discharge backlog.

²The increase in underutilized job groups is largely attributable to significant improvement in the diversity of the applicant pool for state jobs, rather than a decrease in number of members of affirmative action groups employed by the state.

2005, 2006 AND 2007 GOALS

Prog. No.	Performance Measure	Goal 2005	Goal 2006	Goal 2007
1.	Reduce the number of days to fill a position (time between vacancy posting and date of hire). ¹	91 days	86 days	82 days
1.	Increase the percentage and/or number of applications submitted on-line. ²	10%	15%	20%
1.	Increase the percentage and/or number of exams offered on-line. ³	5%	10%	20%
1.	Enhance state employment recruitment and retention by streamlining the state's job classifications. ⁴	Reduce number of job classifications to 1,715 or fewer	Reduce number of job classifications to 1,615 or fewer	Reduce number of job classifications to 1,515 or fewer
1.	Use turnover and relevant market data to focus compensation efforts on critical market job categories that provide essential services to the public. ⁵	Determine if market-based compensation adjustments for 2003-05 raised compensation in critical classes to 90th percentile of labor market	Identify critical classes for market-based compensation adjustments in 2005-07 collective bargaining and compensation plan	Determine if market-based compensation adjustments for 2005-07 brought compensation in critical classes to 90th percentile of labor market
1.	Limit to one year the state's liability for back pay in appeals of discharges.	Ensure prompt adjudication of the negotiated time limit for discharge arbitrations	Eliminate backlog of discharge cases filed through end of fiscal year 2003-04	Eliminate remaining backlog in discharge cases and implement negotiated one-year time limit for discharge arbitrations
1.	Expand Labor-Management Cooperation (LMC) program to reduce costly grievances and arbitrations and to promote pilot projects to improve agency business operations and employee productivity. ⁶	Conduct 4 to 6 LMC "Best Practice" forums	Conduct 4 to 6 LMC "Best Practice" forums; expand LMC to at least one non-WSEU bargaining unit; reduce grievances appealed to arbitration by 25% over previous year	Conduct 6 to 10 LMC "Best Practice" forums; expand LMC to one additional non-WSEU bargaining unit; reduce grievances appealed to arbitration by 25% over previous year
1.	Increase the number of minorities in targeted state job groups in which they are currently underrepresented. ⁷	13 job groups underutilized by minorities and	1% or more ⁸	1% or more ⁸

Prog. No.	Performance Measure	Goal 2005	Goal 2006	Goal 2007
		women		
1.	Increase the number of women in targeted state job groups in which they are currently underrepresented. ⁹		1% or more ¹⁰	1% or more ¹⁰
1.	Increase Wisconsin Personnel Partners customer base. ¹¹	3% 177 customers	4% 183 customers	4% 189 customers

Note: Based on fiscal year.

¹Performance measure has been changed to allow measurement of progress toward streamlining the state hiring process.

²Performance measure was added to track public utilization of WiscJobs, the state's Web-based hiring system.

³Performance measure was added to track state agency utilization of the on-line examination functions of WiscJobs, the Web-based hiring system.

⁴Performance measure was changed to eliminate obsolete reference to national average of 1,890 classifications, which has been surpassed.

⁵Performance measure was changed to capture market-based compensation strategies for which turnover and market data are utilized.

⁶Performance measure was added to track relationship between grievance numbers and LMC programming.

⁷Performance measure was modified to allow measurement of progress in state's employment of minorities in key underutilized groups which statistical analysis showed as having most critical need.

⁸Increase the total number of minorities in the following state job groups: administrators, fiscal professionals, information system professionals, natural resources professionals, attorneys and law enforcement.

⁹Performance measure was added to track progress in state's employment of women in key underutilized groups which statistical analysis showed as having most critical need.

¹⁰Increase the total number of women in the following state job groups: doctors, dentists and veterinarians; corrections; law enforcement; psychologists; and tech-health and related.

¹¹Performance measure was added to allow measurement of planned expansion of the Wisconsin Personnel Partners program.

OFFICE OF STATE EMPLOYMENT RELATIONS

GOVERNOR'S BUDGET RECOMMENDATIONS

RECOMMENDATIONS

1. Budget Efficiency Measures
2. Attorney Consolidation
3. Program and Segregated Revenue Transfers
4. Wisconsin Personnel Partners Program
5. Standard Budget Adjustments

**Table 1
Department Budget Summary by Funding Source (in thousands of dollars)**

	ACTUAL FY04	ADJUSTED BASE FY05	AGENCY REQUEST		GOVERNOR'S RECOMMENDATION	
			FY06	FY07	FY06	FY07
GENERAL PURPOSE REVENUE	\$4,843.4	\$4,886.8	\$5,134.3	\$5,134.3	\$4,707.0	\$4,707.0
State Operations	4,843.4	4,886.8	5,134.3	5,134.3	4,707.0	4,707.0
PROGRAM REVENUE (2)	749.6	1,304.6	1,299.9	1,307.2	1,299.9	1,114.5
State Operations	749.6	1,304.6	1,299.9	1,307.2	1,299.9	1,114.5
TOTALS-ANNUAL	5,593.0	6,191.4	6,434.2	6,441.5	6,006.9	5,821.5
State Operations	5,593.0	6,191.4	6,434.2	6,441.5	6,006.9	5,821.5

(2) Includes Program Revenue-Service and Program Revenue-Other

**Table 2
Department Position Summary by Funding Source (in FTE positions) (4)**

	ADJUSTED BASE FY05	AGENCY REQUEST		GOVERNOR'S RECOMMENDATION	
		FY06	FY07	FY06	FY07
GENERAL PURPOSE REVENUE	52.00	52.00	52.00	49.00	49.00
PROGRAM REVENUE (2)	6.50	6.50	6.50	6.50	4.50
TOTALS-ANNUAL	58.50	58.50	58.50	55.50	53.50

(2) Includes Program Revenue-Service and Program Revenue-Other

(4) All positions are State Operations unless otherwise specified

**Table 3
Department Budget Summary by Program (in thousands of dollars)**

	ACTUAL FY04	ADJUSTED BASE FY05	AGENCY REQUEST		GOVERNOR'S RECOMMENDATION	
			FY06	FY07	FY06	FY07
1. State employment relations	\$5,593.0	\$6,191.4	\$6,434.2	\$6,441.5	\$6,006.9	\$5,821.5
TOTALS	5,593.0	6,191.4	6,434.2	6,441.5	6,006.9	5,821.5

**Table 4
Department Position Summary by Program (in FTE positions)**

	ADJUSTED BASE FY05	AGENCY REQUEST		GOVERNOR'S RECOMMENDATION	
		FY06	FY07	FY06	FY07
1. State employment relations	58.50	58.50	58.50	55.50	53.50
TOTALS	58.50	58.50	58.50	55.50	53.50

1. Budget Efficiency Measures

Source of Funds	Agency Request				Governor's Recommendation			
	FY06		FY07		FY06		FY07	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	-427,300	-2.00	-427,300	-2.00
PR-O	0	0.00	0	0.00	0	0.00	-192,700	-2.00
TOTAL	0	0.00	0	0.00	-427,300	-2.00	-620,000	-4.00

The Governor recommends reducing expenditure and position authority in the office's state operations appropriations in the amounts shown to create additional operational efficiencies and balance the budget by: (a) eliminating 2.0 FTE information technology positions; and (b) reducing program staff by 2.0 FTE positions.

2. Attorney Consolidation

Source of Funds	Agency Request				Governor's Recommendation			
	FY06		FY07		FY06		FY07	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	0	-1.00	0	-1.00
TOTAL	0	0.00	0	0.00	0	-1.00	0	-1.00

The Governor recommends improving the provision of state legal services by consolidating attorneys under the secretary of the Department of Administration on January 1, 2006. The Department of Administration secretary will determine the assignment of attorneys to individual agencies. To achieve this, the Governor recommends transferring 1.0 FTE position to the Department of Administration. The Governor further recommends retaining the funding associated with the position in the office to purchase legal services from the Department of Administration. See Department of Administration, Item #3.

3. Program and Segregated Revenue Transfers

The Governor recommends transferring balances to the general fund from the following appropriations: (a) \$15,000 PR in FY06 from s. 20.545(1)(i); (b) \$10,000 PR in FY06 from s. 20.545(1)(jm); and (c) \$10,000 PR in FY06 from s. 20.545(1)(ka).

4. Wisconsin Personnel Partners Program

Source of Funds	Agency Request				Governor's Recommendation			
	FY06		FY07		FY06		FY07	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-O	60,000	0.00	60,000	0.00	60,000	0.00	60,000	0.00
TOTAL	60,000	0.00	60,000	0.00	60,000	0.00	60,000	0.00

The Governor recommends providing expenditure authority to enhance personnel services for local governments, such as training, recruiting, compensation planning and labor relations.

5. Standard Budget Adjustments

Source of Funds	Agency Request				Governor's Recommendation			
	FY06		FY07		FY06		FY07	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	247,500	0.00	247,500	0.00	247,500	0.00	247,500	0.00
PR-O	-64,700	0.00	-57,400	0.00	-64,700	0.00	-57,400	0.00
TOTAL	182,800	0.00	190,100	0.00	182,800	0.00	190,100	0.00

The Governor recommends adjusting the office's base budget for: (a) turnover reduction (-\$80,600 in each year); (b) removal of noncontinuing elements from the base (-\$60,000 in each year); (c) full funding of continuing position salaries and fringe benefits (\$316,100 in each year); and (d) reclassifications and semiautomatic pay progression (\$7,300 in FY06 and \$14,600 in FY07).