

## OFFICE OF STATE EMPLOYMENT RELATIONS

### GOVERNOR'S BUDGET RECOMMENDATIONS

Source of Funds	FY11 Adjusted Base	FY12 Recommended	% Change Over FY11	FY13 Recommended	% Change Over FY12
PR-O	592,100	433,000	-26.9	433,000	0.0
PR-S	5,402,100	5,245,100	-2.9	5,210,100	-0.7
<b>TOTAL</b>	<b>5,994,200</b>	<b>5,678,100</b>	<b>-5.3</b>	<b>5,643,100</b>	<b>-0.6</b>

### FULL-TIME EQUIVALENT POSITION SUMMARY

Source of Funds	FY11 Adjusted Base	FY12 Recommended	FTE Change From FY11	FY13 Recommended	FTE Change From FY12
PR-O	4.00	1.70	-2.30	1.70	0.00
PR-S	51.50	46.95	-4.55	46.95	0.00
<b>TOTAL</b>	<b>55.50</b>	<b>48.65</b>	<b>-6.85</b>	<b>48.65</b>	<b>0.00</b>

### 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: Objectives and activities have been modified.

#### **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: Fully utilize Wisc.Jobs to streamline the state hiring processes.

Objective/Activity: Increase Wisconsin Personnel Partners customer base.

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 racial/ethnic minorities and women in chronically underutilized job groups.

Objective/Activity: Reduce the number of arbitration cases.

Objective/Activity: Create greater accessibility to search arbitration case histories.

**PERFORMANCE MEASURES**

**2009 AND 2010 GOALS AND ACTUALS**

Prog. No.	Performance Measure	Goal 2009	Actual 2009	Goal 2010	Actual 2010
1.	Increase the percentage and/or number of applications submitted on-line.	58%	56.4%	65%	79.7%
1.	Increase the percentage and/or number of on-line and secure exams offered.	50%	46.9%	55%	55.3%
1.	Decrease days to score state centered examinations.	19 days	N/A	18 days	13 days
1.	Increase Wisconsin Personnel Partners new customer base.	3%	2.57%	3%	2.2%
1.	Increase accessibility of arbitration case history.	Categorize all historical arbitrations by subject matter	Due to staffing changes and budget constraints, the database project was delayed until 2010	Create searchable arbitration database by subject matter categories	Due to staffing and budget constraints, database was delayed  Database will be developed by end of FY11 and will be accessible by human resource staff across enterprise

Prog. No.	Performance Measure	Goal 2009	Actual 2009	Goal 2010	Actual 2010
1.	Use turnover and relevant market data to focus compensation efforts on critical market job categories that provide essential services to the public.	Determine if market-based compensation adjustments for 2007-09 brought compensation in critical classes to 90th percentile of labor market	<p>Surveyed bargaining units to determine if market-based adjustments met goals; results were indeterminate</p> <p>Surveys by compensation staff were on-going in both 2009 and 2010</p>	Identify critical classes for market-based compensation adjustments in 2009-11 through statistical or other analyses, such as turnover and retention data, agency input, bargaining unit input and labor market survey results, and use in bargaining process to reach new agreements with 19 bargaining units	<p>No funds were available to allocate for the compensation plan, so the normal definition of critical classes did not occur</p> <p>Surveys are still being done to determine which classes are out of line with market-based compensation for future bargaining</p>
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.	Conduct 6 to 10 LMC meetings; hire LMC project position; hold joint union/management training sessions on issues of common interest	Project was not implemented due to budget constraints	Conduct 6 to 10 LMC meetings; continue joint training sessions; negotiate pilot 3-person panel arbitration procedure for certain types of arbitration cases	Project was not implemented due to budget constraints
1.	Increase the number of minorities in chronically underutilized job groups.	1% or more <sup>1</sup>	2.6%	1% or more in job groups identified in 2009	-3.1%

Prog. No.	Performance Measure	Goal 2009	Actual 2009	Goal 2010	Actual 2010
1.	Increase the number of women in chronically underutilized job groups	1% or more <sup>2</sup>	2.4%	1% or more in job groups identified in 2009	-3.3%

Note: Based on fiscal year.

<sup>1</sup>Increase the total number of minorities in the following state job groups: administrators, patient care, information system professionals, science professionals, attorneys and law enforcement.

<sup>2</sup>Increase the total number of women in the following job groups: doctors, dentists and veterinarians; corrections; law enforcement; and tech-health and related.

**2011, 2012 AND 2013 GOALS**

Prog. No.	Performance Measure	Goal 2011	Goal 2012	Goal 2013
1.	Increase the percentage and/or number of applications submitted on-line.	70%	75%	80%
1.	Increase the percentage and/or number of on-line and secure exams offered.	60%	65%	70%
1.	Decrease days to score state centered examinations.	17 days	16 days	15 days
1.	Increase Wisconsin Personnel Partners new customer base.	3%	3%	3%
1.	Reduce caseload of arbitrations.	Modify internal process to facilitate grievance procedure more efficiently	Streamline arbitration process	Reduce the number of appeals to arbitration for written reprimands
1.	Increase accessibility of arbitration case history.	Develop searchable arbitration database on-line for agencies to use	Implement searchable arbitration database on-line for agencies to use	Expand accessibility of information for human resource and labor relations professionals
1.	Increase the number of minorities in chronically underutilized job groups.	1% or more in job groups identified in 2010	1% or more in job groups identified in 2011	1% or more in job groups identified in 2012
1.	Increase the number of women in chronically underutilized job groups.	1% or more in job groups identified in 2010	1% or more in job groups identified in 2011	1% or more in job groups identified in 2012

Note: Based on fiscal year.

## **OFFICE OF STATE EMPLOYMENT RELATIONS**

### **GOVERNOR'S BUDGET RECOMMENDATIONS**

#### **RECOMMENDATIONS**

1. Increase Employee Contributions to Pension and Health Insurance
2. Budget Efficiencies
3. Eliminate Long-Term Vacancies
4. Technical Modification
5. Transfer of Position to the Department of Health Services
6. Standard Budget Adjustments

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

	ACTUAL FY10	ADJUSTED BASE FY11	AGENCY REQUEST		GOVERNOR'S RECOMMENDATION	
			FY12	FY13	FY12	FY13
PROGRAM REVENUE (2)	\$5,007.9	\$5,994.2	\$6,372.7	\$6,335.7	\$5,678.1	\$5,643.1
State Operations	5,007.9	5,994.2	6,372.7	6,335.7	5,678.1	5,643.1
TOTALS - ANNUAL	\$5,007.9	\$5,994.2	\$6,372.7	\$6,335.7	\$5,678.1	\$5,643.1
State Operations	5,007.9	5,994.2	6,372.7	6,335.7	5,678.1	5,643.1

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

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

	ADJUSTED BASE FY11	AGENCY REQUEST		GOVERNOR'S RECOMMENDATION	
		FY12	FY13	FY12	FY13
PROGRAM REVENUE (2)	55.50	53.50	53.50	48.65	48.65
TOTALS - ANNUAL	55.50	53.50	53.50	48.65	48.65

(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 FY10	ADJUSTED BASE FY11	AGENCY REQUEST		GOVERNOR'S RECOMMENDATION	
			FY12	FY13	FY12	FY13
1. State employment relations	\$5,007.9	\$5,994.2	\$6,372.7	\$6,335.7	\$5,678.1	\$5,643.1
TOTALS	\$5,007.9	\$5,994.2	\$6,372.7	\$6,335.7	\$5,678.1	\$5,643.1

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

	ADJUSTED BASE FY11	AGENCY REQUEST		GOVERNOR'S RECOMMENDATION	
		FY12	FY13	FY12	FY13
1. State employment relations	55.50	53.50	53.50	48.65	48.65
TOTALS	55.50	53.50	53.50	48.65	48.65

(4) All positions are State Operations unless otherwise specified

**1. Increase Employee Contributions to Pension and Health Insurance**

Source of Funds	Agency Request				Governor's Recommendation			
	FY12		FY13		FY12		FY13	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-O	0	0.00	0	0.00	-13,100	0.00	-13,100	0.00
PR-S	0	0.00	0	0.00	-238,000	0.00	-236,000	0.00
TOTAL	0	0.00	0	0.00	-251,100	0.00	-249,100	0.00

The Governor recommends increasing state employee contributions towards pension and health insurance costs. Employees will generally pay 50 percent of the total required retirement contribution, which for calendar year 2011 equals 5.8 percent of salary. The Governor further recommends increasing employee contributions for health insurance from approximately 6 percent of the premium to 12.6 percent of the premium. These modifications are necessary to bring state employee compensation in line with private sector employment and reduce compensation costs.

**2. Budget Efficiencies**

Source of Funds	Agency Request				Governor's Recommendation			
	FY12		FY13		FY12		FY13	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-O	0	0.00	0	0.00	-34,600	0.00	-34,600	0.00
PR-S	0	0.00	0	0.00	-137,200	0.00	-137,200	0.00
TOTAL	0	0.00	0	0.00	-171,800	0.00	-171,800	0.00

The Governor recommends reducing funding, excluding salary and fringe benefits, in most GPR and PR appropriations by 10 percent to create additional efficiencies and balance the budget.

**3. Eliminate Long-Term Vacancies**

Source of Funds	Agency Request				Governor's Recommendation			
	FY12		FY13		FY12		FY13	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-O	0	0.00	0	0.00	-110,400	-2.25	-110,400	-2.25
PR-S	0	0.00	0	0.00	-161,300	-2.60	-161,300	-2.60
TOTAL	0	0.00	0	0.00	-271,700	-4.85	-271,700	-4.85

The Governor recommends eliminating position authority and related funding for positions that have been vacant for longer than 12 months.

**4. Technical Modification**

The Governor recommends incorporating position changes related to budget repair legislation.

**5. Transfer of Position to the Department of Health Services**

Source of Funds	Agency Request				Governor's Recommendation			
	FY12		FY13		FY12		FY13	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-O	-7,500	-0.05	-7,500	-0.05	-7,500	-0.05	-7,500	-0.05
PR-S	-142,200	-0.95	-142,200	-0.95	-142,200	-0.95	-142,200	-0.95
<b>TOTAL</b>	<b>-149,700</b>	<b>-1.00</b>	<b>-149,700</b>	<b>-1.00</b>	<b>-149,700</b>	<b>-1.00</b>	<b>-149,700</b>	<b>-1.00</b>

The Governor recommends transferring expenditure and position authority from the office to the Department of Health Services to formalize an existing interchange agreement. See Department of Health Services, Item #38.

**6. Standard Budget Adjustments**

Source of Funds	Agency Request				Governor's Recommendation			
	FY12		FY13		FY12		FY13	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-O	6,500	0.00	6,500	0.00	6,500	0.00	6,500	0.00
PR-S	521,700	-1.00	484,700	-1.00	521,700	-1.00	484,700	-1.00
<b>TOTAL</b>	<b>528,200</b>	<b>-1.00</b>	<b>491,200</b>	<b>-1.00</b>	<b>528,200</b>	<b>-1.00</b>	<b>491,200</b>	<b>-1.00</b>

The Governor recommends adjusting the office's base budget for: (a) removal of noncontinuing elements from the base (-\$37,400 and -1.0 FTE in FY12 and -\$74,400 and -1.0 FTE in FY13); (b) full funding of continuing position salaries and fringe benefits (\$558,100 in each year); and (c) full funding of lease and directed moves costs (\$7,500 in each year).