INTRODUCTION

In response to certain pay disparities brought to our attention by the Wisconsin State Employees Union (WSEU), the Department of Employment Relations (DER) agreed to modify the FY 98-99 WSEU grid implementation. This modification of the WSEU grid implementation will be retroactive to July 5, 1998. This modification is necessary to implement the FY 98-99 WSEU grids consistent with the mutual intent of the parties expressed during the 1997-99 bargaining process.

Attached are replacement pages for DER Bulletins CC/PP-131/CBB-74 (24.0430 & 24.0447) and CC/PP-137, both dated June 4, 1998. These revised pages reflect the grid modification described in this bulletin. The amended language is found in Section II. C. 7. of CC/PP-131/CBB-74; and Section III. C. 7. of CC/PP-137. This amended language was the only change to the grid implementation language of either bulletin. Please discard the corresponding original pages of these bulletins and replace with these revised pages.

NOTE: The attached replacement page for CC/PP-137 modifies the FY 98-99 grid implementation for nonrepresented WSEU-related employees in an identical manner to the modification of the WSEU grids described in this bulletin. There were no nonrepresented employees on central payroll affected by the modification to the WSEU-related grids. For the sake of simplicity, this bulletin will only refer to WSEU grid implementation.

AFFECTED EMPLOYEES

Employes affected by the modification of the WSEU grid implementation are the following:
Any permanent employee (employment types 01, 02 and 06) in pay status on July 5, 1998, in any WSEU bargaining unit to whom both of the circumstances specified below apply:

1) The employee had less than one full year of grid seniority as of July 5, 1998,

and

2) The employee’s base pay rate was at the applicable FY 97-98 PSICM when the FY 98-99 WSEU grids were implemented July 5, 1998.

The modification requires that affected employees be paid at the applicable FY 98-99 PSICM as of July 5, 1998. The DOA Central Payroll has identified a total of *314 affected employees in the following agencies:

- DOA (Administration)
- DOC (Corrections)
- DHFS (Health and Family Services)
- DNR (Natural Resources)
- DOT (Transportation)
- DPI (Public Instruction)
- DWD (Workforce Development)
- OSPD (Office of the State Public Defender)

*NOTE: This count does not include employees on manual payroll systems; No UW System employees were affected by the grid implementation modification.

**REQUIRED ACTION**

DOA Central Payroll will be sending a listing of affected employees to the involved agencies. Those agencies will be required to make any necessary corrections to the base pay rates of affected employees; Back pay will be due affected employees for the period during which their base pay rates were incorrect (i.e., from July 5, 1998 to the date on which their rates are corrected). Many of the affected employees are already paid at the appropriate level because in the interim they have attained permanent status and the appropriate PSICM rates. Since the modification to grid implementation is retroactive to July 5, 1998, however, back pay will be due those employees for the time period during which they were underpaid. Agencies also will be required to process back pay for any affected former employees who have separated from state service since July 5, 1998.

In addition, agencies will need to review the personnel transactions of all affected employees to make sure that the pay-setting for any personnel transactions that occurred after July 5, 1998, e.g., pay on promotion, reflects the retroactive pay corrections. All back pay due affected employees will need to be processed manually by the agencies as soon as it is administratively feasible to do so. We realize that this is a busy time for payroll offices and apologize for the extra work this will cause some agency payroll staff.

**EXAMPLE**

On the next page is a detailed description of a typical situation involving an employee affected by the grid implementation modification.
Example:

Justine Brown was hired as a Resident Care Technician 1 effective 10/27/97. Upon hire, Justine's base pay was set at $8.831 (the FY 97-98 minimum of pay range 06-07). She was placed on a twelve-month probationary period. Upon completion of the first six months of probation, Justine's base pay increased, effective 4/26/98, to $9.096 (the FY 97-98 PSICM of pay range 06-07).

What happened to Justine’s base pay under the original grid implementation:

On 7/5/98, Justine had less than one full year of grid seniority. Since she was serving a probationary period when the FY 98-99 Technical grid was implemented, her base pay rate was set at $9.140 (the FY 98-99 minimum of pay range 06-07) in accordance with the original instructions provided in DER Bulletin CC/PP-131/CBB-74 (see Section II. C. 7. on the original page 3).

What will happen to Justine’s base pay under the modified grid implementation:

Effective 7/5/98, Justine had less than one full year of grid seniority and her base pay rate was at the FY 97-98 PSICM prior to the implementation of the FY 98-99 Technical grid. Because of these circumstances, Justine is an employee who is affected by the modification to the grid implementation described in this bulletin.

Since Justine successfully completed her twelve-month probation period, her base pay was increased, effective 10/25/98, to $9.414 (the FY 98-99 PSICM of pay range 06-07). Her base pay was correct as of that date. Because the grid implementation modification is retroactive to 7/5/98, however, Justine was underpaid during the period from 7/5/98 through 10/24/98. The agency must determine how much Justine was underpaid during that period and process a lump sum payment for Justine in the amount of the underpayment.

REFERRAL OF QUESTIONS

Questions about the information provided in this bulletin may be directed to Jeanne Meyer, Division of Compensation and Labor Relations, at (608) 267-5164; by e-mail at jeanne.meyer@der.state.wi.us; or by FAX at (608) 267-1020.