



STATE OF WISCONSIN
DEPARTMENT OF ADMINISTRATION

Scott Walker, Governor
Scott A. Neitzel, Secretary
Gregory L. Gracz, Division Administrator

February 7, 2018

Co-Chairpersons and Members of the Joint Committee on Employment Relations
Room 113 South, State Capitol
Madison, WI 53703

Dear Co-Chairpersons and Committee Members:

In accordance with s. 230.12, Wis. Stats., I am submitting for your approval the 2017-2019 Compensation Plan with an effective date of the first day of the pay period following the approval. The Compensation Plan includes pay and benefit administration for all nonrepresented and represented classified positions, except those in the public safety bargaining unit, and the following unclassified positions: elective offices, appointive executive salary group (ESG) positions, and certain non-ESG positions in the executive branch. It also includes general wage adjustment provisions applying to all of the above, except for those bargaining units that are certified at the time of the adjustment and, therefore, eligible to negotiate base wages.

The following represents a brief overview of the most significant recommendations being submitted for your consideration, with Attachment A providing a brief summary of all the substantive changes proposed. The full text of the proposal is also provided, with changes noted by underscoring and strike-through as appropriate, in Attachment B.

- 1. General Wage Adjustments:** There will be two General Wage Adjustment (GWA) of 2.0% in the second fiscal year, effective June 24, 2018 and January 6, 2019. The GWAs will be provided for covered employees with satisfactory performance, except those attorneys who will receive progression adjustments according to s. 230.12 (10) to (12), Wis. Stats., or Section C of the Plan.
- 2. Market/Parity Increases:** Market and parity increases funded by the Compensation Reserve are provided in fiscal year 2017-2018 for classifications found to be significantly lower paying than counterparts in the labor market, classifications with recruitment and retention issues, and classifications in the lowest pay ranges. The Plan also provides for market and parity increases funded by agencies related to unique labor market issues.
- 3. Other Agency Funded Changes:** Section A provides an increase to the 2-year progression for Correctional Officers, Correctional Sergeants, Psychiatric Care Technicians, and Youth Counselors, a progression for Conservation Warden and Capitol Police classifications reflective of the law enforcement market, an \$0.80 per hour add-on for certified nursing assistants previously initiated as a pilot, an expansion of sign-on bonus provisions to include any classifications approved by the Division of Personnel Management (DPM), and creation of a pay structure for Correctional Officer, Sergeant, Psychiatric Care Technicians, and Youth Counselor classifications.
- 4. New Unclassified Positions:** Included for your approval is the recommended ESG level of three division administrators: Division of Facilities Development and Management in the Department of Administration at the ESG 4 level, the Division of DNR Environmental Management at the Department of Natural Resources at the ESG 5 level, and the DHS Division of Medicaid Services at the ESG 6 level.

5. **Pay Administration Provisions:** Section E is revised to reflect new pay administration language created for Correctional Officers, Correctional Sergeants, Psychiatric Care Technicians, and Youth Counselors. Section E and I are revised to provide pay administration language for employees who return to a previous service level as an original appointment or promotion. Section I is also revised to provide additional limitations and DPM oversight of broadband pay flexibility to ensure more consistency in the statewide use of that flexibility.
6. **Travel Reimbursement:** No changes are provided.
7. **Pay Schedules:** All pay ranges and progression schedules were adjusted by the General Wage Adjustments, the warden/police progression was added, new minimums were provided for pay ranges 05-31 and 05-32 based on the new progression in Section A, the various Attorney pay ranges were deleted or revised so they have identical minimums and maximums, and Schedule 36 covering Capitol Police was broadbanded.

It is estimated that the 2017-2019 biennial cost of wage increases will be \$60,674,392, all funds with fringe. The General Purpose Revenue portion is approximately \$30,045,959, with fringe. Attachment C provides detailed costing sheets.

I recommend the Committee approve the attached 2017-2019 Compensation Plan as proposed. I look forward to responding to any questions the Committee or its staff may have about these recommendations.

Sincerely,



Gregory L. Gracz
Administrator, Division of Personnel Management

Attachments: Attachment A: Summary of Changes
Attachment B: 2017-2019 Compensation Plan
Attachment C: 2017-2019 Compensation Plan Cost Estimate