

## State of Wisconsin

# OFFICE OF STATE EMPLOYMENT RELATIONS

### - COMPENSATION & LABOR RELATIONS BULLETIN -

**Date:** March 13, 2007

**Locator No:** OSER-0159-CLR/LR

**Subject:** Process for Approval of Best Practices Pilot Programs/Agreements under Labor Management Cooperation Memoranda of Understanding

**Purpose:** The purpose of this bulletin is to provide agencies with the process which must be followed in order to implement agreements or pilot programs established under the provisions of Memoranda of Understanding (MOU) related to Labor Management Cooperation (LMC) under either the Wisconsin State Employees Union (WSEU) or Wisconsin Professional Employees Council (WPEC) labor agreements.

**This bulletin supersedes collective bargaining bulletin number CLR/CBB-116, dated April 24, 2002, which is obsolete and should be destroyed.**

**Background:** During negotiation of the 1999-2001 labor agreement between the State of Wisconsin and AFSCME Council 24, WSEU, MOU 33 was included in the WSEU Agreement to acknowledge and promote labor management cooperation. As reflected in MOU 33, the parties agreed they had a mutual interest in cooperating in a supportive environment to achieve mutually agreed upon results. The objective of “mutual gain” was stressed, along with the recommendation that project teams, committees, or work groups be created, as the need arises, to facilitate the problem solving process. In addition, the MOU provides that the Employer (OSER) and AFSCME Council 24 (WSEU) may agree to pilot unique solutions not specifically authorized by other language of the contract in order to solve workplace problems.

Essentially the same MOU was added to the 2005-2007 WPEC Agreement, promoting labor management cooperation. However, as well, the WPEC LMC MOU provides 200 hours without loss of pay annually to the WPEC President for use in coordinating or participating in LMC projects, subject to certain restrictions.

**Effect:** The intent of the LMC MOUs is to allow local worksite union/management teams to independently develop action plans for solving unique workplace issues. This collaborative, independent approach to developing innovative solutions has proven to be highly successful in achieving mutual gains at the worksite. OSER and WSEU and WPEC are fully supportive of this approach and share the goal of creating a permanent change in the way we do business at every state worksite to that of a collaborative, mutually supportive work environment. Additionally, and consistent with promoting that independence, there is a need for responsible oversight.

**Approval Process:** To ensure that compliance with applicable laws, rules, and the collective bargaining agreement(s) is maintained and to keep the parties fully informed, the following approval process is established:

1. This approval process applies only to pilot programs/agreements wherein there is an impact on benefits to be awarded beyond those set forth in the Master Agreement, e.g., compensation in time or cash for meeting a defined standard such as reduced or zero sick leave use, for a given period, under a sick leave reduction program. (See 9., below, regarding pilot programs/agreements, which do not affect benefits.)
2. Such pilot programs/agreements must consider and address in the proposal any differences with the Master Agreement and applicable local agreements.

3. Such pilot programs/agreements must include a sunset date that is no later than the expiration date of the current Master Agreement. If the Master Agreement is extended, such pilot programs/agreements are likewise extended.
4. OSER, along with the designated representatives of the agency and the applicable union (WSEU or WPEC), must be a signatory to all pilot programs/agreements, as defined in #1 above, prior to their implementation. **Requests for approval/signature of pilot programs/agreements should be submitted to OSER, Division of Compensation & Labor Relations, 101 East Wilson Street, 4<sup>th</sup> Floor, P.O. Box 7855, Madison, WI 53707-7855. Requests must include the name(s) of the designated agency representative who is able to respond to questions and who will be contacted once review of the agreement/pilot program has been completed by OSER.**
5. Pilot programs/agreements that award additional compensation (cash or time) must be supported by a justified need at each worksite, e.g., documented significant sick leave use/abuse resulting in overtime costs, etc. This justification must be included with the agreement/pilot program description at the time it is submitted to OSER for review/approval prior to implementation.
6. Pilot programs/agreements must be monitored and appropriate data collected to justify continuing the pilot program(s). Data must be made available to OSER and/or the Union upon request. Please visit the “Working Together” website at <http://workingtogether.state.wi.us/>, to see examples of pilot programs/agreements implemented at various work sites.
7. OSER will notify the designated agency representative, as well as Central and/or University Payroll offices, of those pilot programs/agreements that have been approved thus enabling affected employees to receive award credit, as appropriate.
8. Only WSEU or WPEC represented employees may participate in authorized pilot programs/agreements until such time as other labor agreements or the Compensation Plan/Administrative Rules authorize participation for other represented and nonrepresented employees, respectively. If that occurs, a separate agreement/pilot program must be developed with and signed by affected parties.
9. Pilot programs/agreements that are created under the provisions of a LMC MOU which do not involve the awarding of additional time and/or cash incentives to employees, e.g., a system for alternative disciplinary measures, do not require signature approval by OSER or the applicable union prior to implementation. All such programs must include a sunset date and, for informational purposes, must be communicated to OSER and the appropriate union.

Following the above approval process will provide assurance to all parties that the “best practices” created under the authority of a LMC MOU comply with applicable laws, rules, or agreement(s). It will also serve to inform the parties of the significant issues being addressed and allow those “best practices” to be exported, as appropriate, to other worksites facing similar issues.

**Referral of Questions:** Questions concerning the contents of this bulletin should be directed to Kathy Kopp (608) 266-0711 or e-mail [Kathy.Kopp@wisconsin.gov](mailto:Kathy.Kopp@wisconsin.gov).

Questions concerning the Labor Management Cooperation Program should be directed to Mark Wild at (608) 266-9564 or e-mail [Mark.Wild@wisconsin.gov](mailto:Mark.Wild@wisconsin.gov).