



STATE OF WISCONSIN DEPARTMENT OF ADMINISTRATION

Tony Evers, Governor
Joel Brennan, Secretary
Malika S. Evanco, Administrator

November 8, 2019

Joint Committee on Employment Relations
Co-Chairpersons and Members
Room 113 South, State Capitol
Madison, WI 53707

Dear Co-Chairpersons and Committee Members:

In accordance with s. 230.12, Wis. Stats., I am submitting for your approval the 2019-2021 State of Wisconsin Compensation Plan (Comp Plan), effective the first day of the pay period following approval. The Comp Plan includes pay and benefit administration for all non-represented 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 position in the executive branch. It also includes general wage adjustment provisions applying to the eligible positions from above, except for those bargaining units certified at the time of the adjustment and therefore eligible to negotiate base wages.

Following is a brief overview of the most significant recommendations being submitted for your consideration. Attachment A provides a summary of all substantive changes proposed. The full text of the proposal is provided in Attachment B, with changes noted by underscoring and strikethroughs as appropriate. A summary of the costs associated with the proposed changes are provided in Attachment C.

General Wage Adjustments (GWAs): There will be two GWAs of 2.0% - one in each fiscal year – effective January 5, 2020 and January 3, 2021. The GWAs will be provided for covered employees with satisfactory performance. In addition, satisfactorily performing attorneys who are eligible to receive progression adjustments according to s. 230.12(10) to (12), Wis. Stat., or Section C of the Plan are required to receive at least the 2.0% provided to each agency by the 2019-21 Executive Budget.

Pay Administration Provisions: Sections A and E are revised to reflect the new pay administration and pay progression provisions created for Correctional Officers/Sergeants, Psychiatric Care Technicians/Advanced, and Youth Counselors/Advanced. Section A is also revised to include: a new pay progression for Nurse Clinician 2s; an increase to the certified nursing assistant add-on; creation of a weekend certified nursing assistant program to mirror the existing program established for registered nurses; and retention payments for protective service employees within the Departments of Corrections and Health Services.

Market Increases and Attaining a \$15/hour Minimum: Following the January 3, 2021 GWA, all permanent employees of the State of Wisconsin will earn at least \$15 an hour. This reflects the Governor's stated initiative and requests from agencies to improve wages for nearly every pay schedule and range at the lower end of the pay spectrum. This objective is accomplished through GWAs, raising the minimums of lower pay ranges, and a seniority stratification to ensure pay rates are spread out by level.

Additional market increases funded by the Compensation Reserve are provided in fiscal year 2019-21 for classifications paid significantly less than counterparts in the labor market, classifications with recruitment and retention issues, and classifications in the lowest pay ranges. The Compensation Plan also provides agency-funded market and parity increases related to unique labor market issues or recruitment and retention needs, including forensic scientists at the Department of Justice.

Travel Reimbursement: The proposal increases the single maximum lodging rate from \$82 to \$94 per night. The definition for “lowest appropriate airfare” has been updated to better reflect the travel options available today and language has been added to include ridesharing services as a reimbursable expense in addition to traditional taxi services. Finally, a few points of clarification and information were added to this section to increase understanding of existing provisions.

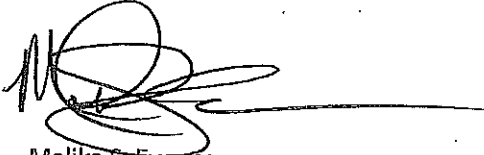
Miscellaneous: Pay ranges and progression schedules are adjusted by the GWAs. Pay ranges for the higher-level medical professionals (doctors, psychiatrists, etc.) are increased to allow for more competitive hiring rates. All pay range minimums will be at least \$15.00 after January 3, 2021. A provision is also created to establish a pilot to evaluate the merits of a bus commuter program in metropolitan areas to alleviate parking challenges.

It is estimated that the 2019-21 biennial cost of wage increases will be \$84.15 million, all funds, with fringe. The general purpose revenue (GPR) portion of this overall cost is \$39.73 million, with fringe. Attachment C provides detailed costing sheets. Although the biennial costs for health insurance exceed the amounts established for the Compensation Reserve, all GPR funded agencies anticipate they will be able to manage costs in excess of the likely pay plan supplements available in the reserve at the end of each fiscal year. This will occur through a variety of strategies including vacancy management and may require year-end appropriation adjustments through the Joint Committee on Finance.

Pay Plan for University of Wisconsin System and University of Wisconsin – Madison: Attachment D is the biennial pay plan request received by DPM from the Board of Regents in December of 2018 as required under s. 230.12(3)(e), Wis. Stats. Although the request submitted prior to the final budget sought a 3.0% increase in July of each fiscal year, it is understood and agreed that the request to JCOER is now for 2.0% in January of each fiscal year.

I recommend the Committee approve the attached 2019-21 Comp Plan as proposed. I also recommend the Committee approve the pay plan request for UW System and UW Madison. I look forward to responding to any questions the Committee or its staff may have about these recommendations.

Sincerely,



Malika S. Evancko

- Attachments:
- A. Summary of Changes
 - B. 2019-21 Compensation Plan
 - C. 2019-2021 Compensation Plan Cost Estimate
 - D. UW System and UW Madison Pay Plan Request