UW-Madison Colleagues,

Below are two letters describing the 2011-13 compensation plan, one from Department of Administration (DOA) Secretary Huebsch and the other from Office of State Employment Relations (OSER) Director Gracz.

As detailed in the letters, OSER has submitted the compensation plan to the Joint Committee on Employment Relations (JCOER). This biennial compensation plan includes several provisions that affect employee compensation and benefits. However, per the attached letters, there are only minimal changes to employee base pay and benefits.

The compensation plan provisions apply primarily to classified employees but also affect faculty and academic staff. Some of the key provisions are described below.

**Classified staff**
- Many of the recommended changes are past collective bargaining provisions that are now being incorporated into the compensation plan. This was necessary because the Budget Repair Bill (Act 10) modified the scope of collective bargaining.
- OSER is not recommending any changes to the Supplemental Health Insurance Conversion Credit (SHICC) program or current vacation allocations. The SHICC program allows employees who have at least 15 years of continuous state service to earn additional sick leave credits (that are added to Accumulated Sick Leave Conversion Credits) to pay for health insurance after retirement.
- The compensation plan does not provide any general wage increases this biennium. However, the plan recommends some limited pay flexibility in the form of “discretionary merit compensation” adjustments (DMCs) for classified staff only. We do not yet have details on how DMCs will be administered.

**Faculty and academic staff** -- The SHICC program is unchanged and there are no pay plan increases in the compensation plan recommendations. The “discretionary merit compensation” adjustments (DMCs) included in the plan do not apply to faculty and academic staff.

If JCOER approves the plan, its provisions will be effective on January 1, 2012.

Details about the compensation plan recommendations are available at [http://oser.state.wi.us](http://oser.state.wi.us) (click on “Compensation Plan Toolkit”). We will provide more details over the next several weeks but, in the meantime, if you have any questions please email us at compensationplan@ohr.wisc.edu.

Thanks.

Bob Lavigna
Director of Human Resources
UW-Madison

Links:
- [DOA - Secretary Huebsch Letter](http://example.com)
- [OSER - Director Gracz Letter](http://example.com)