

Service First Initiative

Since announcing his interest in modernizing Florida's state personnel system, Governor Jeb Bush has heard from over 8,000 state employees and Floridians. Through emails, letters, telephone messages and meetings with state employees, the ideas for reform were limitless. The Governor has listened and learned. And he will continue to listen and learn. Some of the best ideas offered by state employees have been used to formulate this reform initiative.

PRINCIPLES FOR MODERNIZATION

At the outset, the Governor has emphasized a set of guiding principles for enhancing our civil service system.

- Rewarding Performance
- Providing More Benefits and Choices for Employees
- Provide Greater Accountability for All State Workers
- Continue Protections Against Patronage and Discrimination

The "Service First" initiative recognizes the invaluable service state workers provide while instilling the accountability that taxpayers demand. Through Service First, state government's workforce will better reflect the realities of the new millennium and better compete for the most talented public servants.

OPTIONAL ANNUAL CASH PAYOUT FOR UNUSED LEAVE

- The Governor proposes permanent Career Service employees be given the option of receiving up to 3 days of unused annual leave each year in the form of a cash payout.
- Average payout to a Career Service employee for 3 days unused leave would be \$337.
- Cash payouts to occur in December of each year.
- Cash payouts to a Career Service employee over the course of his or her service with the state still may not exceed existing statutory cap of 240 unused hours (or 30 days), or the 1/8 of all unused hours accrued before 10/1/73 as is in current law.

ANNUAL "PAY FOR PERFORMANCE" BONUSES

- Governor has recommended an additional 1% (\$40 million) over and above the cost of living increase for pay for performance bonuses.
- Agencies would also be able to award an additional 2% in bonuses from their unused salary and expense dollars.
- Employee evaluations will be conducted quarterly, instead of annually, and performance will be determined based on these quarterly reviews.
- Peer review will be heavily weighted in the award of bonuses. Non-managerial employee input of peers will account for at least 40% of the bonus award determination. For example, an agency may allow employees to collectively vote on which individuals would receive at least 40% of the available bonus dollars as was done recently at the Department of Revenue. Alternatively, an agency may want employee peer review to count for 40% of an individual's quarterly evaluations - evaluations that would serve as the basis for the bonus award. This policy would serve as a check and balance against any perceived biases of managers and supervisors.

- Agencies would be responsible for creating “pay for performance” plans and establishing objective criteria for eligibility. For example, individuals who have been disciplined through the course of the year would be ineligible for the bonuses.
- Agency plans would be created with the input and ideas provided by state employees, and would be submitted to the Governor’s Office of Policy and Budget for approval with the Legislative Budget Requests each year. Agencies will be provided with a comprehensive list of the ideas generated by employees over the course of the past month.
- Pay for Performance bonuses may not be awarded to more than 35% of an agency’s employees, and may be awarded to entire teams or work units within an agency in recognition of exceeding goals. Agencies may award bonuses to more than 35% of its employees with approval by the Governor’s Office of Policy and Budget.

SAVINGS SHARING PROGRAM

- Individual employees or teams of employees will be eligible for “profit-sharing” for ideas or programs that result in a budget savings to the state.
- Agency heads will recommend to the Legislative Budget Commission employees who generated cost savings ideas and programs to share in a portion of these savings.
- The amount of savings bonus an employee may receive will not be capped.
- Current meritorious awards that involve savings are capped at \$25,000 or up to 10% of the savings.
- Senior Management Service would be ineligible to receive a savings bonus.

CONSIDERATION OF APPLYING SOME PORTION OF UNUSED SICK LEAVE TO EARLY RETIREMENT

- Currently, employees may receive a cash payout upon separation for unused sick leave if the employee has served 10 years. Upon separation, an employee may take no more than 60 days of his or her unused sick leave as a payout.
- Based on employee suggestions, the Governor will explore the possibility of allowing state employees who accrue sick leave over and above the lawful payout cap to redeem that sick leave for retirement credit. Proposals will be actuarially reviewed to determine their feasibility.
- This will reward employees with good attendance even after they have reached the maximum amount of unused sick leave available for payout.
- The Governor will appoint FDLE Commissioner Tim Moore to head an Interagency Working Group to evaluate alternatives for such a proposal this Legislative Session.

PROVIDE MORE MONEY FOR PERMANENT SALARY INCREASES

- The Governor proposes eliminating “rate” and allowing each agency to retain 20% of the salary of phased-out full-time employee positions identified after July 1, 2001.
- The 20% retention allocation would be used for permanent salary increases for high-performing employees.
- This will help agencies to retain quality employees they might otherwise lose to the private sector. It will also provide an incentive for agencies to strive for efficiency in their number of positions.

EXPAND THE TUITION-FREE PUBLIC UNIVERSITIES PROGRAM TO COMMUNITY COLLEGES

- State employees currently enjoy the benefits of receiving tuition-free continuing education at Florida's state universities based on available classroom space.
- Based on employee input, the Governor proposes a tailored expansion of this employee program to job-related, productivity-enhancing courses at our state's community colleges.

PROVIDE GREATER ACCOUNTABILITY FOR MANAGERS, SUPERVISORS AND CONFIDENTIAL EMPLOYEES

- Move all managers and supervisors as well as confidential employees (approximately 16,300 employees) into the Select Exempt Service. Career Service managers, supervisors and confidential employees identified for transition to SES but who are designated Special Risk would remain Career Service employees.
- Managers, supervisors, administrators, directors and confidential employees would become at-will employees, and in exchange for increased accountability would receive the increased benefits of Select Exempt Employees.
- All other state employees (102,525 employees) would remain career service, unless by way of collective bargaining employee groups seek voluntary at-will status with approval of the state.

NORMALIZE SENIOR MANAGEMENT SERVICE LEAVE AND SICK BENEFITS

- Senior management currently receives 30 days of annual leave each year, often in excess of the private sector and other governmental entities. Senior management also receives two more sick days annually than SES or Career Service employees
- Reduce Senior Management Service annual and sick leave benefits to be equivalent to Select Exempt Service.

REVISE STANDARD FOR "CAUSE" AND PROTECT EMPLOYEES AGAINST PATRONAGE AND DISCRIMINATION

- Currently, career service employees may be dismissed, suspended or demoted for "cause." "Cause" is defined in the law by a specific list of particular actions and conducts requiring agencies to pigeon-hole decisions.
- Cause would be redefined as the "sound discretion of an agency head" while protections against patronage and discrimination would remain in place. Employees may appeal to the Public Employees Relations Commission those actions that the employee believes constitutes an abuse of the agency head's sound discretion.
- An abuse of sound discretion would specifically include dismissal or disciplinary actions related to patronage, party affiliation, discrimination, arbitrariness, and other statutorily protected activities or characteristics.
- Managers will not be able to arbitrarily dismiss employees. Employees will maintain the ability to appeal a manager's decision to the PERC. The employee will carry the burden of proof to show the manager's decision was arbitrary.

STREAMLINE THE STATE EMPLOYEE GRIEVANCE PROCESS

- Currently the average number of days to complete the grievance process using PERC is 102 days.
- The Governor proposes accelerating the resolution of grievance issues for career service employees by reducing completion time by 33%.
- PERC review would be limited to approving or disapproving but not modifying those actions involving a reduction in pay, demotion, suspension or dismissal.
- Prior to the PERC appeal, employees will be able to appeal to the supervisor as well as to the Agency Head directly or his or her designate.
- With a new standard for “cause,” PERC precedent for state employee grievance cases would be replaced with new interpretations for each case based on “sound discretion.”

INCREASE THE PROBATIONARY PERIOD FOR NEW CAREER SERVICE EMPLOYEES

- In order to ensure the highest quality workforce in Florida state government, the Governor proposes extending the probationary period for permanent Career Service status from 6 months to one year.
- Increased probationary period would apply to each career service employee hired after July 1, 2001.
- This will enable agencies to better judge new employees’ performance and ensure that career service positions are filled by qualified, competent workers.

ELIMINATE BUMPING

- Bumping enables more senior employees as a matter of right to take the jobs of more junior employees in the event of a layoff.
- Bumping often has no relation to performance, focusing more on years of service.
- Bumping also results in displacing many more workers than those who were originally laid off, and often at a significant cost to taxpayers.
- In an effort to focus on performance, the Governor proposes eliminating the practice of bumping.
- However, for layoffs, the Governor would require each agency to develop a transition plan for affected employees that would include job placement assistance.

STREAMLINE THE HIRING PROCESS

- The average length of time to hire a career service employee is 60 days and a minimum of 45 days, leaving agencies little flexibility to respond to their needs and the needs of taxpayers. The length of this process also results in agencies losing good potential candidates to other employment opportunities in the private sector.
- Excessive documentation is currently required to justify each stage of the hiring process. There must be a lengthy and documented eligibility determination analysis of each candidate based on the Career Service Eligibility Determination Manual. Demographic data must be recorded for all applicants. All interviews must be documented, the selection process must be described in writing, everyone involved in the selection process must be documented, and all applicants given consideration must be rated for each selection technique applied.
- Only documentation required under reformed system would be a written justification of how the final candidate qualifies for and meets the job requirements.

- Reduction in bureaucratic hiring process would create administrative savings and greater productivity.

IMPLEMENT BROADBANDING OR JOB CLASSIFICATION REFORM

- Oftentimes the only way an employee can receive a pay raise is to receive a promotion to another job classification, even if the employee is satisfied with his or her current job.
- Florida's 1,300 job classes are overly complicated and require too much administration.
- Agencies need the ability to pay employees more for the jobs they currently hold.
- The Governor proposes reducing job classifications by 1000, and creating 12 broad pay bands to allow maximum flexibility for employees and managers.

RETAIN THE DROP PROGRAM

- Contrary to persistent rumors, the Governor supports retaining the current DROP program.

The Governor will continue to take employee ideas, and will work to advance these initiatives through the Legislative and collective bargaining process.