

STATE OF MINNESOTA

COUNTY OF RAMSEY

BEFORE SANDRA S. GARDEBRING
COMMISSIONER OF HUMAN SERVICES

BEFORE SISTER MARY MADONNA ASHTON
COMMISSIONER OF HEALTH

BEFORE RUDY PERPICH
GOVERNOR

IN THE MATTER OF THE PROPOSED ADOPTION OF
RULES OF THE MINNESOTA MERIT SYSTEM GOVERNING STATEMENT OF NEED
ADJUSTMENTS OF THE OFFICIAL SALARY SCHEDULE OF THE AND REASONABLENESS
MINNESOTA MERIT SYSTEM; SALARY ADJUSTMENTS AND
INCREASES; AND THE COMPENSATION PLAN.

I. The following considerations constitute the regulatory authority upon which the above-cited rule amendments are based:

1. Federal law requires that in order for Minnesota to be eligible to receive grant-in-aid funds for its various human services, public health and public safety programs, it must establish and maintain a merit system for personnel administration. See, e.g. 42 USC Ch. ^{1/}62.

1/ Also see sections of the United States Code and Code of Federal regulations cited herein where the following programs have statutory or regulatory requirement for the establishment and maintenance of personnel standards on a merit basis:

Aid to Families With Dependent Children - "AFDC" [42 USC sec. 602 (a) (5)]
Food Stamps [7 USC sec. 2020 (e) (B)]
Medical Assistance - "MA" [42 USC sec. 1396 (a) (4) (A)]
Aid to the Blind [42 USC sec. 1202 (a) (5) (A)]
Aid to the Permanently and Totally Disabled [42 USC sec. 1352 (a) (5) (A)]
Aid to the Aged, Blind or Disabled [42 USC sec. 1382 (a) (5) (A)]
State and Community Programs on Aging [42 USC sec. 3027 (a) (4)]
Adoption Assistance and Foster Care [42 USC 671 (a) (5)]
Old-Age Assistance [42 USC 302 (a) (5) (A)]
National Health Planning and Resources Development, Public Health, Service Act [42 USC 300m-1 (b) (4) (B)]
Child Welfare Services [45 CFR 1392.49 (c)]
Emergency Management Assistance [44 CFR 302.5]

2. Pursuant to such congressional action the Office of Personnel Management, acting under authority transferred to the United States Civil Service Commission from the Departments of Health, Education and Welfare, Labor, and Agriculture by the Intergovernmental Personnel Act (IPA) of 1970 and subsequently transferred on January 1, 1979, to the Office of Personnel Management by the Reorganization Plan Number Two of 1978, promulgated the Standards for a Merit System of Personnel Administration 48 Fed. Reg. 9209-9212 (March 4, 1983), codified at 5 CFR Part 900, Subpart F, which imposes on the State of Minnesota general requirements for a merit system of personnel administration in the administration of the federal grant-in-aid programs. (See, Footnote 1 Supra.)

3. Under the aforementioned grant-in-aid programs the State of Minnesota, through its appropriate agencies, is the grantee of federal programs and administrative funds and, accordingly, the State is under an affirmative obligation to insure that such monies are properly and efficiently expended in compliance with the applicable federal standards. Those standards require that in order for the agencies under the Minnesota Merit System to be eligible to receive federal grant-in-aid funds the Minnesota Merit System rules must specifically include, among other things, an active recruitment, selection and appointment program, current classification and compensation plans, training, retention on the basis of performance, and fair nondiscriminatory treatment of applicants and employees with due regard to their privacy and constitutional rights (48 Fed. Reg. 9211 (March 4, 1983), codified at 5 CFR sec. 900.603).

4. In conformance with 5 CFR Part 900, Subpart F, the Minnesota Legislature enacted Minn Stat. sec. 12.22 Subd. 3, sec. 144.071 and sec. 256.01^{2/}2, which respectively authorize the Governor, the Commissioner of Health, and the Commissioner of Human Services to adopt necessary methods of personnel administration for implementing merit systems within their individual agencies. Collectively, the resulting programs are referred to as the "Minnesota Merit System".

5. Pursuant to such statutory authority those state agencies have adopted comprehensive administrative rules which regulate administration of the Minnesota Merit System.^{3/}

6. The Minnesota Supreme Court has upheld the Authority of the Commissioner of Human Services and by implication that of the Commissioner of Health and the Governor to promulgate personnel rules and regulations. The Court quashed a writ of mandamus brought by the Hennepin County Welfare Board against the county auditor in attempting to force payment of salaries in excess of the maximum rates established by the Director of Social Welfare.^{4/} State ex rel. Hennepin County Welfare Board and another v. Robert F. Fitzsimmons, et. al., 239 Minn. 407, 420, 58 N.W. 2d 882, (1953). The court stated:

.....It is clear that the Director of Social Welfare was clearly right in adopting and promulgating a merit plan which includes initial, intervening, and maximum rates of pay for each class of position of the county welfare board system included within the plan and that plan so adopted was binding upon all county welfare boards within the stateIn our opinion the federal and state acts, properly construed, provide that the Federal Security Administrator as well as the Director of Social Welfare shall have authority to adopt rules and regulations with respect to the selection, tenure of office and compensation of personnel within initial, intervening and maximum rates of pay but shall have no authority or voice in the selection of any particular person for a position in the state welfare program nor the determination of his tenure of office and individual compensation.

^{2/} See also Minn. Stat. secs. 393.07 (5), 256.01 (4), 393.07 (3) and 256.011.

^{3/} Minnesota Rules parts 9575.0010 - 9575.1580, parts 7520.0100 - 7520.1200, and parts 4670.0100 - 4670.4300.

^{4/} "Director of Social Welfare" was the former title of the Commissioner of Human Services.

7. The above cited proposed rule amendments are promulgated in accordance with the provisions of applicable Minnesota statutes and expressly guarantee the rights of public employers and Minnesota Merit System employees in conformance with the terms of the state's Public Employment Labor Relations Act (Minn. Stat. secs. 179.61 - 179.77).

II. The justification establishing the reasonableness of the specific substantive provisions of the proposed rules, all of which concern the Minnesota Merit System operation, is as follows:

A. Adjustment of the Official Salary Schedule of the Minnesota Merit System
Minnesota Rules, parts 9575.0320, 4670.1200 and 7520.0620

New language is proposed for subpart 1 of these rules to emphasize that annual Merit System compensation plans will be based on changes in the level of salaries being paid by similar and competing employers in both government and business and the necessity for achieving equitable compensation relationships between classes of positions based on their comparable work value. In 1984, the Legislature passed Minn. Stat. Sections 471.991-471.999, known as the Local Government Pay Equity Act, which mandates that the Merit System establish equitable compensation relationships between female-dominated, male-dominated and balanced classes of employees based on their comparable work value as determined by a job evaluation study. The Merit System completed a job evaluation study of all classes of positions, determined their comparable work value and, beginning in 1986, made comparability adjustments to classes, as necessary, in order to correct compensation inequities and achieve internal pay equity. Previous language also provided that compensation plan adjustments be based on changes in the level of salary rates for competing employees in business and government. Thus, the new language does not introduce any new factor into the process of recommending amendments to Merit System compensation plans. However, due to the essential nature of the factors on which annual adjustments are based, it is both reasonable and necessary they be emphasized together in rule language.

Amendments to subpart 2 of these rules are proposed to repeal those sections which had provided for a biennial review of labor market data in odd-numbered years which would provide the basis for salary adjustments effective the following January 1. The language in subpart 2 is no longer necessary due to the new language proposed in subparts 1, 3 and 3a.

New language is proposed for subpart 3 of these rules providing for two kinds of proposed adjustments to all rates of pay for all classes of positions covered by the Merit System. The first is a proposed general adjustment to all rates of pay that will apply to most classes of positions and be based on a review of changes in the level of salary rates for similar and competing employers. The second will be varying adjustments to the rates of pay for certain specific classes of positions designed to correct compensation inequities. These proposed adjustments are based on the need for attaining the statutorily-based objective of having an internally consistent Merit System compensation plan with reasonable compensation relationships existing between classes of positions based on their comparable work value as determined by the Merit System job evaluation study. Again, the new language does not introduce any new factor into the process. Previous language provided that, in odd-numbered years, proposed compensation plan adjustments and employee salary adjustments be based on a review of changes in the level of salary rates for similar and competing employers. Since 1986, the Merit System has been making comparability adjustments for selected classes to correct compensation inequities based on comparable work value. The effective date of an amended compensation plan remains the same as under previous language. The basic change reflected in the new language is that proposed compensation plan adjustments are to be based on changes in the level of salary rates for similar and competing employers every year rather than only in odd-numbered years and that trends in the Twin City consumer price index will be considered in proposing compensation plan adjustments. As with the proposed new language in subpart 1 of these rules, it is reasonable that the factors on which compensation plan amendments are based are provided in rule language. The new language is also necessary to indicate that the

same factors on which the amendments are based are to be used every year rather than only in odd-numbered years.

Proposed new language in subpart 3a of these rules provides for the requirement that the Merit System recommend an annual general salary adjustment for all employees and specify the basis for the recommendation. The effective date of an adopted salary adjustment remains the same as in the past. In practice, the Merit System has always recommended a general salary adjustment for all employees on an annual basis. This recommendation has always been separate from recommended annual compensation plan adjustments. The previous language in parts 9575.0320, 4670.1200 and 7520.0620 referred only to general salary adjustments for all employees in even-numbered years based on changes in the Twin City consumer price index. The new language is both reasonable and necessary to clarify that the Merit System does recommend general salary adjustments for all employees annually and to specify the basis used for the recommendation.

Amendments are proposed to delete subpart 4 of parts 9575.0320, 4670.1200 and 7520.0620. That language provided that, in even-numbered years, the Merit System propose a general salary range adjustment and general salary adjustment for all employees in an amount equal to 80% of the increase in the Twin City consumer price index for urban wage earners and clerical workers between June of the current year and June of the previous year. Until 1987, the Bureau of Labor Statistics published the Twin City consumer price index bi-monthly including the month of June with the June reading becoming available on or about July 25. Beginning this year, the Bureau of Labor Statistics publishes the Twin City consumer price index semi-annually for the months of January and July with the July reading becoming available on or about August 25. Merit System staff have to know what the increase is before calculating proposed new minimum and maximum salaries and a general salary adjustment. Time must be allowed for preparation of the proposed rules by the Revisor's office and publication in the State Register. There is always the possibility that a public hearing on the proposed rules will be necessary.

Given the circumstances, the change by the Bureau of Labor Statistics in reporting Twin City consumer price index changes greatly increases the likelihood that the Merit System will be unable to have the adopted rules effective prior to January 1 or the beginning of the first payroll period in January following an even-numbered year. It is extremely critical that rules governing compensation plan amendments and employee salary adjustments be adopted in a timely fashion so that required employee salary adjustments are not delayed beyond January 1 or the beginning of the first payroll period in January following an even-numbered year. Current rule language does not provide sufficient assurance for the timely adoption of such rules and it is both reasonable and necessary to delete this language and replace it with new language as proposed for subparts 1, 3 and 3a of these rules.

Amendments are proposed to delete 9575.0320 subpart 6, 4670.1200 subpart 6 and 7520.0620 subpart 6 relating to comparability adjustments to correct compensation inequities. Proposed new language for subpart 3 of these rules makes this language unnecessary.

In summary, the amendments proposed to rule parts 9575.0320, 4670.1200 and 7520.0620 are designed to eliminate exclusive reliance by the Merit System on changes in the Twin City consumer price index on which to base proposed compensation plan adjustments and employee salary adjustments in even-numbered years, to clarify that the Merit System proposes both adjustments to its compensation plan and employee salary adjustments on an annual basis and to specify the basis for such proposed adjustments.

B. Salary Adjustments and Increases

Minnesota Rules, parts 9575.0350, 4670.1320 and 7520.0650.

An amendment is proposed to parts 9575.0350 subpart 3; 4670.1320 and 7520.0650 subpart 3 providing for a recommended general salary adjustment of 3 percent for all non-bargaining unit Merit System employees on Merit System professional, support, clerical and maintenance and trades salary schedules to be effective January 1, 1988. These amendments are necessary in order to provide competitive salary adjustments in 1988 for employees covered by the Human Services, Health and Emergency Services Merit System rules. They are also reasonable when compared to 1987-88 settlements in other public jurisdictions to which the Merit System has traditionally compared its salaries as well as to other measures of general wage increases in the economy.

The State of Minnesota has negotiated a contract with AFSCME Council 6 representing 14,634 state employees providing for general salary adjustments of 3% effective July 1, 1987 and another 3% effective July 1, 1988. The state has also negotiated a contract with MAPE representing 4,974 professional employees providing for general salary adjustments of 2% effective July 1, 1987, another 1.25% effective January 1988 and another 3% effective July 1988. Thirdly, the state has negotiated a contract with the Middle Management Association representing 2,710 employees providing for general salary adjustments of 2% effective July 1, 1987, another 1.25% January 1988 and another 3% in July 1988.

Hennepin County granted a general salary adjustment of 3% to all employees represented by AFSCME and to all supervisors and non-contract personnel effective January 1, 1987. Ramsey County granted a general salary adjustment of 4.25% to

both contract and non-contract employees effective January 1, 1987. Anoka County granted general salary adjustments of 3.75% to contract employees and 4% to non-contract employees effective January 1, 1987. Scott County granted a general salary adjustment of 5% to both contract and non-contract employees effective January 1, 1987. Washington County granted general salary adjustments of 3% to contract employees and 3.2% to non-contract employees effective January 1, 1987. St. Louis County granted a general salary adjustment of 2% to all employees effective January 1, 1987. Blue Earth County granted a general salary adjustment of 2% to non-contract employees effective January 1, 1987. Olmsted County granted general salary adjustments of 1.5% to contract employees and 2.5% to non-contract employees effective January 1, 1987, and another 2% adjustment for contract employees effective July 1, 1987. The City of St. Paul granted varying general salary adjustments of 2.5%-4.5% for contract employees effective January 1, 1987. In contrast to these adjustments, the Merit System recommended general salary adjustments for 1987, based on the change in the Twin City consumer price index for June of 1985 to June 1986, was 1%.

Given the magnitude of general salary adjustments granted to contract and non-contract employees by other public jurisdictions for 1987 and 1988 as well as other measures of salary progression as indicated above, it is reasonable to recommend that salaries of Merit System employees not covered by the terms and conditions of a collective bargaining agreement be increased by 3% effective January 1, 1988, or on the beginning date of the first payroll period following January 1, 1988, for those agencies on a biweekly or four-week payroll period.

It should be emphasized that the recommended general salary adjustment of 3% is simply that, a recommendation. It lacks the binding effect of a negotiated collective bargaining agreement. Agencies, even those where there is no collective bargaining agreement, are not required to adopt the Merit System recommended general salary adjustment but have the flexibility, under the Merit System rules, to adopt a different salary adjustment (or no adjustment at all) for agency employees. Under whatever salary adjustment is finally adopted by an agency, the only salary increases that agencies are required to make are those necessary to bring the salaries of individual employees up to the new minimum salary rate for their classification on the Merit System compensation plan adopted by the agency for that classification.

Another important point to mention is that, under Merit System rules, Merit System compensation plans do not apply to employees in a formally recognized bargaining unit. There are 40 Merit System agencies where most of the agency employees are covered by a collective bargaining agreement and employee compensation is the product of negotiation between the appointing authority and the exclusive representative. In these agencies, the only employees subject to Merit System compensation plans are those in positions that are excluded from the bargaining unit by virtue of being supervisory or confidential in nature.

C. Compensation Plan

Minnesota Rules, parts 9575.1500, 4670.4200-4670.4240 and 7520.1000-7520.1100.

Amendments proposed to these parts specifically recommend adjustments to the 1987 minimum and maximum salaries for all Merit System classes of positions covered by the Human Services, Health and Public Safety Merit System rules to be effective January 1, 1988. Amendments to these rules are necessary to provide Merit System

agencies with salary ranges for all classes that are competitive in terms of salary rates being offered for comparable work elsewhere in the public and private sector and also to comply with the provisions of Minn. Stat. Sections 471.991-471.999 requiring the establishment of equitable compensation relationships between classes of positions based on their comparable work value as determined by a formal job evaluation system.

The proposed Merit System rules require that, every year, the Merit System conduct a review of changes in the level of salary rates in the labor market and state the review should be based on data and findings of other labor market surveys and, to the extent possible, be based on similar surveys and data used in the past. The 1987 Merit System salary survey did use data and findings of other labor market surveys and was based, to the extent possible and practicable, on the same sources of data and surveys used in the past to measure changes in salary rates for comparable employment. Current compensation plans from other jurisdictions used in the 1987 survey include those from the state of Minnesota, the city of St. Paul and the counties of Hennepin, Ramsey, St. Louis, Anoka, Blue Earth, Itasca, Olmsted, Scott and Washington. Salary surveys utilized and organizations contacted to obtain salary data included the Bureau of Labor Statistics Employee Cost Index, the College Placement Council report, the Endicott Report, the Minnesota LPN Association, the Minnesota Nurses Association the Stanton survey of public jurisdictions, the Veterans Administration hospital and the Minnesota Merit System salary survey of county clerical employees, maintenance and trades employees and public health nurses employed in county public health agencies. The Merit System did consider all of the results of the above surveys in proposing amendments affecting the minimum and maximum salaries for Merit System classifications.

Proposed amendments to parts 9575.1500, 4670.4200-4670.4240 and 7520.1000-7520.1100 adjust the minimum and maximum salaries for many, but not all, Merit System classes by 3%, the same percentage adjustment that is being recommended as a general salary adjustment for employees in all Merit System classifications. This is reasonable in terms of the practice in other public jurisdictions of adjusting salary ranges by the same percentage amount as the general salary adjustment granted to all employees of the jurisdiction. They are reasonable in light of salaries being paid for comparable work by employees in other public and private organizations as evidenced by the 1987 salary survey data and by changes in general economic growth factors. They are adjustments necessary in order to maintain a competitive compensation plan providing equitable and adequate compensation for Merit System employees covered by the plan.

Some proposed amendments to 9575.1500, 4670.4200-4670.4240 and 7520.1000-7520.1100 do not propose a 3% adjustment to the minimum and maximum salaries for some classes of positions. These amendments pertain to classes of positions where a 3% adjustment is not appropriate because of a need to establish equitable compensation relationships between classes of positions based on their comparable work value or where the data collected in the salary survey does not support a 3% adjustment. Subsequent to passage of Minn. Stat. Sections 471.991-471.999 the Merit System conducted a formal job evaluation study and determined the comparable work value of all Merit System classes of positions. Classes with identical or similar comparable work values should have identical or similar salary ranges. The results of the study revealed a number of situations where classes of positions with similar comparable work values had quite disparate salary ranges. These situations represented compensation inequities and, in 1986 and 1987, the Merit System proposed a significant number of comparability adjustments to either equalize or

reduce the differences between salary ranges for classes with similar comparable work values. It is necessary to continue this process in 1988 to attain the statutorily-mandated requirement to establish equitable compensation relationships between all classes of positions. The majority of these varying adjustments are based on attaining the objective of having an internally consistent Merit System compensation plan with reasonable compensation relationships existing between classes of positions based on their comparable work value which is obviously consistent with the objective of the Local Government Pay Equity Act (Minn. Stat. Sections 471.991-471.999).

Minnesota Rules, part 9575.1500 includes the Department of Human Services Merit System compensation plan. The plan contains three separate salary schedules (designated as Plan A, B and C) for professional, support and clerical classes of positions and two separate salary schedules (designated as Plan A and B) for maintenance and trades classes of positions. It is important this be noted since the proposed adjustments for some classes are not the same on all plans.

Adjustments proposed to minimum and maximum salaries for Human Services Merit System professional classifications are 3% with the following exceptions:

1. Adult Day Care Center Supervisor minimum salaries are adjusted approximately 7% and maximum salaries are adjusted 3% on all salary schedules.
2. Chemical Dependency Coordinator, Financial Assistance Supervisor I, Gerontology Counselor, Jobs and Training Supervisor, Nutrition Project Director, Psychologist I, Psychologist II, Psychologist III, Social Worker (MSW) and Social Worker (MSW) (CPS) minimum and maximum salaries are adjusted approximately 1% on all salary schedules.

3. Collection Services Supervisor II, Systems Programmer Analyst and Staff Development Specialist minimum and maximum salaries are reduced by approximately 1% on all salary schedules.
4. Director of Business Management I, Senior Staff Development Specialist and Work Experience and Training Specialist minimum salaries are reduced by approximately 1% and maximum salaries are adjusted 3% on all salary schedules.
5. Family Service Coordinator II minimum salaries are adjusted approximately 1% and maximum salaries are reduced by approximately 3% on all salary schedules.
6. Methods and Procedures Analyst minimum salaries are reduced by approximately 4% and maximum salaries are adjusted approximately 1% on all salary schedules.
7. Public Health Nurse (Team Leader) minimum salaries on the A and B plans are reduced approximately 1% and maximum salaries on the A and B plans are adjusted approximately 3%. Minimum and maximum salaries for Public Health Nurse (Team Leader) on the C plan are adjusted approximately 1%.
8. Senior Public Health Nurse minimum salaries on the A and B plans are adjusted approximately 7% and maximum salaries on the A and B plans are adjusted 3%. Minimum and maximum salaries for Senior Public Health Nurse on the C plan are adjusted 3%.
9. Social Services Supervisor I, Social Services Supervisor II, Human Services Supervisor I, Administrative Assistant I and Administrative Assistant II minimum salaries are adjusted 3% and maximum salaries are adjusted approximately 7% on all salary schedules.
10. Social Worker and Social Worker (CPS) minimum and maximum salaries are adjusted approximately 5% on all salary schedules.

Adjustments proposed to minimum and maximum salaries for Human Services Merit System support classifications are 3% with the following exceptions:

1. Child Health Aide minimum and maximum salaries on the A plan are reduced by approximately 1%. Minimum and maximum salaries for Child Health Aide on the C plan are adjusted 3%.
2. Child Support Officer I, Collections Officer, Collection Services Supervisor I and Welfare Fraud Investigator minimum and maximum salaries are adjusted approximately 1% on all salary schedules.
3. Community Service Aide and Public Health Aide minimum salaries on the A plan are adjusted approximately 5% and maximum salaries on the A plan are adjusted approximately 1%. Minimum and maximum salaries on the B plan for these two classes are adjusted approximately 5%. Minimum salaries on the C plan for these two classes are adjusted approximately 21% and maximum salaries are adjusted approximately 10%.
4. Computer Operations Specialist minimum and maximum salaries are reduced by approximately 1% on all salary schedules.
5. Coordinator of Aging, Licensed Practical Nurse and Senior Citizen's Aide minimum and maximum salaries are adjusted approximately 5% on all salary schedules.
6. Developmental Achievement Center Instructor minimum salaries are adjusted approximately 13% and maximum salaries are adjusted 3% on all salary schedules.
7. Family Service Aide I, Family Service/Home Health Aide and Home Health Aide minimum and maximum salaries are adjusted approximately 5% on the A and B plans. Minimum salaries on the C plan are adjusted approximately 15% and maximum salaries on the C plan are adjusted approximately 5%.

8. Family Service Aide II minimum salaries are adjusted approximately 5% and maximum salaries are adjusted approximately 1% on all salary schedules.
9. Housing Rehabilitation Specialist minimum salaries are adjusted approximately 1% and maximum salaries are reduced by approximately 3% on all salary schedules.

Adjustments proposed to minimum and maximum salaries for Human Services Merit System clerical classifications are 3% with the following exceptions:

1. Administrative Secretary minimum salary on the A plan is adjusted 3% and the maximum salary is adjusted approximately 7%. Minimum and maximum salaries for Administrative Secretary on the B and C plans are adjusted approximately 1%.
2. Clerk Stenographer and Information Systems Specialist minimum salaries are reduced by approximately 1% and maximum salaries are adjusted 3% on all salary schedules.
3. Clerk Typist III minimum and maximum salaries are adjusted approximately 5% on all salary schedules.

Adjustments proposed to minimum and maximum salaries for Human Services Merit System maintenance and trades classifications are 3% with the following exceptions:

1. Automobile Driver minimum and maximum salaries on the A plan are adjusted 3%. Minimum and maximum salaries on the B plan are adjusted approximately 1%.
2. Bus Driver minimum salary on the A plan is adjusted approximately 1% and the maximum salary is adjusted 3%. Minimum and maximum salaries on the B plan are adjusted approximately 1%.

Minnesota Rules, parts 4670.4200-4670.4240 includes the Department of Health Merit System compensation plan. It also contains three separate salary schedules (designated as Plan A, B and C) for professional, support and clerical classes of positions and two separate salary schedules (designated as Plan A and B) for building maintenance classes of positions. As with proposed amendments to the Human Services Merit System compensation plan, proposed amendments for certain classes are not the same on all plans.

Adjustments proposed to minimum and maximum salaries for Health Merit System professional classifications are 3% with the following exceptions:

1. Public Health Nurse (Team Leader) minimum salaries on the A and B plans are reduced approximately 1% and maximum salaries on the A and B plans are adjusted approximately 3%. Minimum and maximum salaries for Public Health Nurse (Team Leader) on the C plan are adjusted approximately 1%.
2. Senior Public Health Nurse minimum salaries on the A and B plans are adjusted approximately 7% and maximum salaries on the A and B plans are adjusted 3%. Minimum and maximum salaries for Senior Public Health Nurse on the C plan are adjusted 3%.

Adjustments proposed to minimum and maximum salaries for Health Merit System support classifications are 3% with the following exceptions:

1. Home Health Aide minimum and maximum salaries are adjusted approximately 5% on the A and B plans. Minimum salaries on the C plan are adjusted approximately 15% and maximum salaries on the C plan are adjusted approximately 5%.
2. Licensed Practical Nurse minimum and maximum salaries are adjusted approximately 5% on all salary schedules.

3. Public Health Aide minimum salary on the A plan is adjusted approximately 5% and the maximum salary on the A plan is adjusted approximately 1%. Minimum and maximum salaries for this class on the B plan are adjusted approximately 5%. Minimum salary on the C plan is adjusted approximately 21% and the maximum salary on the C plan is adjusted approximately 10%.

Adjustments proposed to minimum and maximum salaries for Health Merit System clerical classifications are 3% with the following exceptions:

1. Clerk Stenographer minimum salaries are reduced by approximately 1% and maximum salaries are adjusted 3% on all salary schedules.
2. Clerk Typist III minimum and maximum salaries are adjusted approximately 5% on all salary schedules.

Minnesota Rules, parts 7520.1000-7520.1100 includes the Emergency Services Merit System compensation plan. It contains three separate salary schedules (designated as Plan A, B and C) for professional and clerical classes of positions.

Adjustments proposed to minimum and maximum salaries for Emergency Services Merit System professional classifications are 3% for all classes. Adjustments proposed to minimum and maximum salaries for Emergency Services Merit System clerical classifications are 3% with the following exceptions:

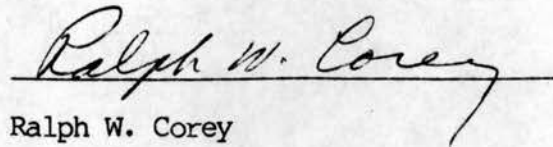
1. Clerk Stenographer minimum salaries are reduced by approximately 1% and maximum salaries are adjusted 3% on all salary schedules.
2. Clerk Typist III minimum and maximum salaries are adjusted approximately 5% on all salary schedules.

Amendments are proposed to part 9575.1500 deleting the class titles and minimum and maximum salaries for classes that have been abolished because there are no employees in these classes and the employing agency no longer intends to use the classification. The affected classes are Center Coordinator, Community Relations Specialist, Homemaker Supervisor, Personnel Director, Personnel Officer and Volunteer Services Coordinator II. These amendments are necessary and reasonable to ensure that Merit System salary schedules properly reflect current class titles that are reflective of functions actually being performed by Merit System employees.

Finally, an amendment is proposed to part 9575.1500 providing a class title and minimum and maximum salaries for the new class of Support and Collections Specialist that has been established in response to a legitimate need for such a new classification in a Merit System agency. Also the classification title of Medical Assistance Prepayment Project Manager had been inadvertently removed from the plan C professional schedule the last time amendments were made to the compensation plan rule. This classification title is now being added once more to the plan C professional schedule. As with the previous amendments, these amendments are necessary and reasonable to ensure that the Merit System compensation plan reflects appropriate class titles and salary ranges that are current.

It is anticipated that there will be no expert witnesses called to testify on behalf of the agency.

The foregoing authorities and comments are submitted in justification of final adoption of the above-cited proposed rule amendments.



Ralph W. Corey

Merit System Supervisor

Dated: *Sept. 23, 1989.*