



Legislative Fiscal Bureau

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Joint Committee on Finance

Paper #102

Information Technology Managers in Executive Salary Group (DOA -- General Agency Provisions)

[LFB 2011-13 Budget Summary: Page 22, #12]

CURRENT LAW

Currently, the division administrator for the Department of Administration's (DOA's) Division of Enterprise Technology is assigned to Executive Salary Group (ESG) 5. The assignment to this group was established by the Office of State Employment Relations (OSER) Director and approved by the Joint Committee on Employment Relations (JCOER).

GOVERNOR

Specify that the administrator of any division in DOA having responsibility for information technology (IT) management would be assigned to ESG 7.

DISCUSSION POINTS

1. The State Budget Office indicates that this provision is intended to apply only to the division administrator of DOA's Division of Enterprise Technology. The division administrator for the Division of Enterprise Technology is currently assigned to ESG 5 (an annual salary range of \$80,826 to \$125,282). Under the Governor's recommendation, this position would move to an ESG 7 (an annual salary range of \$94,277 to \$146,131). The maximum salary range for an ESG 7 would be limited by s. 20.923(15)(b) of the statutes which limits the pay of most executive personnel to the amount provided for the Governor, which is currently fixed at \$144,400 annually.

2. Under s. 20.923(4) of the statutes, a number of unclassified positions are placed in one of eight salary groups (ESG 1 through ESG 8), with the highest currently being ESG 8, which includes the Secretaries of DOA, the Department of Corrections, and the Department of Health

Services.

3. The ESG level of unclassified personnel that are not statutorily specified are assigned by the OSER Director, with consent and approval of JCOER. The Joint Committee on Employment Relations may amend the recommendations of the OSER Director. These salary levels are then included in the state's biennial compensation plan.

4. The statutes already specify a mechanism for the assigning and modifying the ESG level of unclassified positions that are not statutorily defined, such as the division administrator of DOA's Division of Enterprise Technology. It could be further noted that no division administrator is currently assigned to ESG 7, either under s. 20.923(4) of the statutes or by OSER and JCOER assignment. If the Governor's request were to be denied, DOA could make a request to JCOER for a reclassification within the compensation plan.

5. The following positions are currently assigned to ESG 5 under the statutes and under the state compensation plan:

Statutes

- Executive Director of Educational Communications Board
- Chair and Members of the Employment Relations Commission
- Executive Director of Employment Training at the Department of Workforce Development
- Chair and Members of the Labor and Industry Review Commission at the Department of Workforce Development
- Director of the Legislative Technology Services Bureau
- Commissioner of Railroads at the Public Service Commission
- Director of State Fair Park

Compensation Plan

- Division Administrator of DOA's Division of Enterprise Technology
- Division Administrator of DOA's Executive Budget and Finance
- Division Administrator of the Division of Safety and Performance the Department of Children and Families
- Division Administrator of the Division of Adult Institutions at the Department of Corrections
- Division Administrator of the Division of Juvenile Corrections at the Department of Corrections
- Division Administrator of the Division of Community Corrections at the Department of Corrections
- Division Administrator of the Division of Long Term Care at the Department of Health Services
- Division Administrator of the Division of Mental Health at the Department of Health Services
- Division Administrator of the Division of Substance Abuse Services at the Department of Health Services
- Division Administrator of the Division of Public Health at the Department of Health Services
- Division Administrator of the Division of Legal Services at the Department of Justice
- Division Administrator of the Division of Air and Waste at the Department of Natural Resources
- Division Administrator of the Division of Forestry at the Department of Natural Resources
- Division Administrator of the Division of Lands at the Department of Natural Resources
- Division Administrator of the Division of Water at the Department of Natural Resources
- Division Administrator of the Division of Transportation Investment Management at the Department of Transportation
- Division Administrator of the Division of Transportation System Development at the Department of Transportation

- Division Administrator of the Division of Vocational Rehabilitation at the Department of Workforce Development
- Division Administrator of the Division of Workforce Solutions at the Department of Workforce Development

6. Currently, ESG 7 assignments (all statutorily) include the Director of the Historical Society and the Secretaries of Employee Trust Funds, the Department of Natural Resources, the Department of Revenue, the Department of Transportation, and the Department of Workforce Development. All of these positions are agency heads.

7. According to DOA, the current top salary of \$125,300 for the ESG 5 pay level is below the average or typical salary of Chief Information Officers (CIO) in other states. The Department argues that this salary level "will hinder Wisconsin's ability to recruit a person of the caliber needed for the Wisconsin CIO."

8. The following table shows the wages of chief information offices for the states with similar populations (three next largest and three next smallest).

Chief Information Officer Salaries for Similarly Populated States

<u>State</u>	<u>Population</u>	<u>Current Salary</u>
Wisconsin	5,686,986	\$121,700
Tennessee	6,346,105	\$150,000
Missouri	5,988,927	110,000
Maryland*	5,773,552	166,100
Minnesota	5,303,925	122,300
Colorado	5,029,196	156,000
Alabama	4,779,736	122,200
Non-Wisconsin Average		\$137,767

*As of July 1, 2011

9. The current salary of the division administrator for the Division of Enterprise Technology is \$121,700 annually. Compared to the table above, this is about \$16,100 below the average for similarly populated states. The salary range provided under the bill, would allow the DOA to provide a salary similar to this average.

10. Alternatively, it could be argued that the current salary is within \$600 of the CIO of Minnesota, which represents a similar sized population, within the same geographic region, and having capitals housed in cities with similar costs of living.

11. It could be further argued that in a period in which most state workers have not received general wage increases, that wages for executive personnel should not be increased. Therefore, the provision could be deleted.

Statutory Language

12. Under the bill, the administrator of any division in DOA having responsibility for IT management would be assigned to ESG 7. It is likely that this language refers to only one current Division, DOA's Division of Enterprise Technology. However, the creation of divisions in state agencies is not limited to legislative action, and agencies may undergo reorganizations without Legislative approval. Therefore, the language included in the bill could allow DOA to place more than one division administrator into the roll of having IT management duties that would allow the agency to increase the salary levels for multiple division administrators.

13. If the Committee wishes to approve the assignment of the Division of Enterprise Technology director to ESG 7, then it may wish to specify that only this position would be so modified.

ALTERNATIVES

1. Approve the Governor's recommendation specify that the administrator of any division in the Department of Administration having responsibility for information technology management would be assigned to Executive Salary Group 7.

2. Specify that the division administrator for the Department of Administration's Division of Enterprise Technology could be assigned to Executive Salary Group 7. [This alternative would replace the Governor's recommendation to allow the administrator of any division in the Department of Administration, having responsibility for information technology management, to be assigned to Executive Salary Group 7.]

3. Delete the Governor's recommendation.

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