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DEPARTMENT OF PERSONNEL SERVICES

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April 6, 2017

Ms. Lynn A.S. Araki-Regan
Budget Director, County of Maui
200 South High Street
Wailuku, Hawaii 96793

Honorable Alan M. Arakawa
Mayor, County of Maui
200 South High Street
Wailuku, Hawaii 96793

For Transmittal to:

Honorable Riki Hokama
Chair, Budget and Finance Committee
Maui County Council
200 South High Street
Wailuku, Hawaii 96793

Dear Chair Hokama:

SUBJECT: FISCAL YEAR ("FY") 2018 BUDGET (PS-2) (BF-1)

We are in receipt of your communication BF-1, which requests:

"At its meeting of March 31, 2017, the Budget and Finance Committee requested information on positions filled at a higher pay scale for State employees who transfer to the County. In particular, please describe the process utilized to fill the Grants Management Program Specialist III (position number HC-0018) as a Grants Management Program Specialist IV, resulting in a \$28,260 increase to the FY 2018 Budget. Does the step level and pay follow the employee when transferring from the State to the County, pursuant to the applicable collective bargaining agreement?"

In general, active civil service employees making an intergovernmental movement between the various jurisdictions within the state are compensated as though they receive a promotion, demotion, or transfer, as applicable to the specific situation, so the step level and pay would follow the employee when transferring from the State to the County.

In this specific case, the position in question was filled from an eligible list established via an open competitive recruitment. When the hiring department completed its review of the referred candidates, the selectee was an

Honorable Riki Hokama
April 6, 2017
Page 2

individual who was then a civil service employee at the Hawaii Health Systems Corporation (HHSC.) The selectee was employed at HHSC as a Materials Management Specialist V, SR-24, and was hired by the County as a Grants Management Program Specialist III, SR-20. Since both positions are included in Bargaining Unit 13, the applicable language from that collective bargaining agreement was followed.

The relevant contract language from the Unit 13 collective bargaining agreement regarding intergovernmental movements is as follows:

"If the result of the intergovernmental movement is that the Employee moves to a position assigned to a class with a lower pay range in the salary schedule than the previous pay range, the Employee's compensation shall be adjusted in the manner as adjustments for voluntary demotion."

The collective bargaining agreement also contains the following language regarding compensation for voluntary demotions:

"1) For voluntary demotions involving a movement of three (3) or less pay ranges, the Employee shall be compensated at the corresponding step in the lower pay range.

"2) For voluntary demotions involving a movement of more than three (3) pay ranges, the Employee shall be compensated at the step in the lower pay range which is equal to the rate for voluntary demotions involving three (3) pay ranges. If such rate falls above the maximum step in the lower pay range, the Employee shall be compensated at the maximum step of the lower pay range."

In this situation, the selectee moved from pay range SR-24, Step L, to salary range SR-20, a voluntary demotion of four pay ranges. Applying the above contract language resulted in the selectee being hired by the County of Maui at SR-20, Step M, on May 1, 2016 with a corresponding salary of \$5,599 per month.

At present, the position continues to be classified as a Grants Management Program Specialist III, SR-20, rather than a Grants Management Program Specialist IV, SR-22. As the proposed budget is forward-looking, the department may be considering reallocation of subject position to the higher class. Should that occur, and the current incumbent continue in the position, then the proposed salary would correctly reflect the rate for SR-22, Step M.

I hope this addresses your request. If you have any questions, please feel free to contact me at extension 7850.

Sincerely,



DAVID UNDERWOOD
Director of Personnel Services

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Attachment