QUALITY RECOGNITION SYSTEM
Act 325 of 1978

AN ACT to provide for and implement a suggestion awards program and a quality recognition system; and to prescribe the duties of certain state departments and agencies.

History: 1978, Act 325, Imd. Eff. July 11, 1978;—Am. 1998, Act 119, Eff. July 1, 1998.

Compiler's note: For transfer of powers and duties of the department of civil service related to the suggestion awards program from the department of civil service to the director of the department of management and budget, see E.R.O. No. 1996-5, compiled at MCL 38.1171 of the Michigan Compiled Laws.

The People of the State of Michigan enact:

38.1161 Definitions.

Sec. 1. As used in this act:

(a) "Board" or "recognition board" means the recognition board established in section 2.

(b) "Department" means the department of management and budget.

(c) "Director" means the director of the department or his or her designee.

(d) "Process improvement" is a recommended improvement that is concisely written and identifies a problem, situation, or opportunity for improvement, together with a recommendation for a remedy. The improvement must be implemented and bring about measurable organizational success for this state.

(e) "Retired state employee" means an individual who has retired from state service and is receiving a retirement benefit from either the defined benefits or defined contributions retirement plans sponsored by this state.

(f) "State employee" means a classified member of the state civil service or an unclassified employee of the executive, legislative, or judicial branch of state government.

(g) "Value added behavior" means a positive contribution by a person that advances the implementation of a process improvement or otherwise assists in the advancement of overall organizational success.

History: 1978, Act 325, Imd. Eff. July 11, 1978;—Am. 1998, Act 119, Eff. July 1, 1998.

Compiler's note: For transfer of powers and duties of the department of civil service related to the suggestion awards program from the department of civil service to the director of the department of management and budget, see E.R.O. No. 1996-5, compiled at MCL 38.1171 of the Michigan Compiled Laws.

For transfer of powers and duties of office of state employer and department of management and budget related to administration of state employee benefit programs and quality recognition system to department of civil service, see E.R.O. No. 2002-9, compiled at MCL 38.1172 of the Michigan Compiled Laws.

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38.1162 Recognition board; establishment; appointment and terms of members; vacancy; election of chairperson; duties of board.

Sec. 2. (1) The department shall establish a recognition board within the department to consist of 5 members appointed by the director. The director shall select the members from a list of state employees and retired state employees. Not more than 1 member shall be from the same state department. Not more than 1 member shall be a retired state employee.

(2) The terms of the members, except to fill vacancies occurring other than by expiration of term, shall be 2 years from the date of appointment. A vacancy in the office of a member, occurring other than by expiration of term, shall be filled by the director for the balance of the term. The members shall elect a chairperson of the board.

(3) The board shall do all of the following:

(a) Develop the guiding principles for employee, retired state employee, and department and agency recognition, including the establishment of guidelines for the type of recognition to be granted within the limits of section 5.

(b) Perform the final review of process improvements, value added behaviors, and the resulting recognition actions valued at amounts greater than $500.00 and any actions that receive a request for reconsideration.

(c) Prepare the rules for promulgation by the department under section 6 for the operation of the recognition system described under this act.

History: 1978, Act 325, Imd. Eff. July 11, 1978;—Am. 1998, Act 119, Eff. July 1, 1998.

Administrative rules: R 38.901 et seq. of the Michigan Administrative Code.

38.1163 Recognition administrator; appointment; responsibilities; report.

Sec. 3. (1) The director shall appoint a recognition administrator from the employees of the department.

(2) The recognition administrator shall be responsible for all of the following:

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(a) The administrative supervision and promotion of the employee, retired state employee, and department and agency recognition systems in a cooperative relationship with the recognition board and all state departments.

(b) The provision of support services to all state department and agency recognition systems.

(c) The final review of process improvements, value added behaviors, and the resulting recognition actions valued at $500.00 or less.

(d) The submission of quarterly reports on recognition activities to the appropriation committees in the house of representatives and the senate, to the house and senate fiscal agencies, and to the department.

(e) The submission to the board of process improvements, value added behaviors, and the resulting recognition actions valued at more than $500.00.

(3) Information to be contained in the report required under subsection (2)(d) shall be established by the recognition board.

History: 1978, Act 325, Imd. Eff. July 11, 1978;—Am. 1998, Act 119, Eff. July 1, 1998.

38.1164 Committee; establishment by head of each department; appointment of members; review; report.

Sec. 4. (1) The head of each state department shall establish a committee with an uneven number of members who are employees of that state department and who shall be appointed by the head of that state department. The committee shall have no less than 3 members and not more than 11 members based on the need as determined by the head of the state department. The committee shall review the process improvements, value added behaviors, and the resulting recognition actions of significant impact that pertain to the operations of that state department.

(2) The committee without undue delay shall report to the recognition administrator concerning each process improvement and value added behavior reviewed and the resulting recognition action taken or recommended. Information to be contained in the report shall be established by the board.

History: 1978, Act 325, Imd. Eff. July 11, 1978;—Am. 1998, Act 119, Eff. July 1, 1998.

Administrative rules: R 38.901 et seq. of the Michigan Administrative Code.

38.1165 Recognition; types; distribution.

Sec. 5. The types of recognition granted under section 2 or 3 shall be developed in guidelines by the recognition board. Recognition shall be distributed in an equitable fashion to all state employees and retired state employees who are involved in recommending, initiating, and implementing the improvement and to those who demonstrate value added behaviors. The tangible value of recognition for any single process improvement implemented shall not exceed $5,000.00.

History: 1978, Act 325, Imd. Eff. July 11, 1978;—Am. 1986, Act 310, Eff. Mar. 31, 1987;—Am. 1998, Act 119, Eff. July 1, 1998.

38.1166 Rules.

Sec. 6. The department may promulgate rules pursuant to the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328, to implement and administer this act, and to equitably phase out the current suggestion system. Operational guidelines shall be established and implemented by approval of the recognition board.

History: 1978, Act 325, Imd. Eff. July 11, 1978;—Am. 1998, Act 119, Eff. July 1, 1998.

Administrative rules: R 38.901 et seq. of the Michigan Administrative Code.

38.1167 Staff to assist board and recognition administrator.

Sec. 7. The department shall provide the necessary staff to assist the board and the recognition administrator in the performance of their duties under this act.

History: 1978, Act 325, Imd. Eff. July 11, 1978;—Am. 1998, Act 119, Eff. July 1, 1998.

38.1168 Cost of administering act and recognition.

Sec. 8. The cost of administering this act and the granting of recognition under section 5 shall be included within the annual appropriation of the department.

History: 1978, Act 325, Imd. Eff. July 11, 1978;—Am. 1998, Act 119, Eff. July 1, 1998.

38.1169 Retired state employee as recipient of recognition; effect.

Sec. 9. A retired state employee who is the recipient of recognition under this act will be treated as a self-employed person for tax purposes and shall receive recognition from the appropriated fund for the recognition system as administered by the department. The retirement system from which the state employee

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is a retirant shall not be held responsible for any payment, and no adjustment or recalculation of benefit level will occur due to a retired state employee receiving recognition under this system.

History: Add. 1998, Act 119, Eff. July 1, 1998.

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