



# STATE OF INDIANA

## STATE EMPLOYEES' APPEALS COMMISSION

Mitchell E. Daniels Jr., Governor

100 N. Senate Ave., IGCN, Room N501  
Indianapolis, IN 46204  
Telephone: (317) 232-3135

Adam M. Horst  
State Budget Director  
212 State House  
Indianapolis, IN 46204-2796

September 17, 2010

Re: Agency Overview for the State Employees' Appeals Commission

Dear Mr. Horst:

The State Employees' Appeals Commission (the "Commission") is a five member Commission, which does business pursuant to Indiana Code (IC) 4-15-1.5. The Commission meets once a month to conduct business and to consider objections filed by employees who have filed complaints about employment related problems (disciplinary actions, classification disputes, unsatisfactory conditions of employment, etc.), have had the complaint adjudicated by an Administrative Law Judge (ALJ), and have a disagreement with the decision. The Commission also considers objections filed by the State Agency if the decision of the ALJ is favorable to the employee. The Commission's jurisdiction and responsibilities come from several sources:

1. Employees of merit agencies: The Commission hears complaints from these employees pursuant to IC 4-15-2. The steps to be followed are found at IC 4-15-2-35.
2. Employees of non-merit agencies: On January 11, 2005, Governor Daniels by Executive Order 05-14 granted certain employees of non-merit agencies appeal rights to the Commission under certain circumstances. These appeals are filed directly with the Commission office.
3. Employees suspended or terminated by the Ethics Commission: On May 11, 2005, IC 4-15-2-35.5 was added to the Commission's operating Statute. This addition allows employees suspended or terminated by the Ethics Commission a right of appeal to the Commission.

IC 4-21.5, the Administrative Orders and Procedures Act (AOPA), governs the Commission's legal proceedings. The Commission acts as the Ultimate Authority for all legal proceedings conducted by an ALJ appointed by the Commission. Currently the Commission has two full-time ALJs on staff. This staffing has remained constant for the last seven years.

The Commission's accomplishments and challenges over the last two years have been many. Governor Daniels' Executive Order 05-14 mentioned above tripled the Commission caseload. For instance in 2004 the Commission received 144 appeals. In 2005 that number increased to 410 cases. The caseload has settled at 267 in 2008 and 322 in 2009. The Commission has continued to provide timely adjudication of state employee appeals even though the staff (two Administrative Law Judges) has remained the same. The Commission ALJs have continued to provide good service to employees and State Agencies by judicious use of telephone conferencing when it was determined that a telephone conference would suffice even though in-person communication is always the most desirable method of conducting a legal proceeding. A telephone conference saves a great deal of time and reduces travel expenses.

The Commission has been reporting to the Office of Management and Budget quarterly on two key performance indicators as follows:

1. What is the percentage of non-final orders issued by the Administrative Law Judges and objected to by a party that are affirmed by the Commission? This percentage has consistently been above 90% and for most reporting periods has been 100%. This high level of affirmation would tend to demonstrate that the Commission ALJs are providing accurate and thorough recitations of findings of fact and conclusions of law in addition to well thought-out non-final orders.

2. What is the percentage of complaints settled without the need for an evidentiary hearing or a filing of legal briefs by the parties? That percentage has consistently been between 85 and 95 %. If most complaints could not be settled without extensive litigation, it would be impossible for a staff of two ALJs to adjudicate the number of cases filed each year.

The Commission objective for the next biennium is to continue to operate at the current high level of efficiency with no increase in staffing but with a small increase in the budget request to cover a portion of the salary expense for an Office of Environmental Adjudication (OEA) employee who provides clerical support and for an accounting professional who provides accounting support to SEAC as well as OEA and Commission on Proprietary Education (COPE). The aforementioned support was provided free of charge to SEAC in FY 2009-10.

The budget assumptions mentioned above assume that the caseload does not again drastically increase due to some unforeseen circumstance. A drastic increase in caseload would require more travel and postage expenditures be accounted for. The organization chart continues to consist of two positions: 1) the Chief Administrative Law Judge who is graded as a Broad Band Executive and is designated as the agency head and the appointing authority as well as 2) the Administrative Law Judge who is graded as an Attorney 6.

There are no programs to be reduced, eliminated and/or replaced by other programs nor does the Commission anticipate the need to reallocate any funds to accomplish any changes.

Sincerely,

A handwritten signature in cursive script that reads "Tim Rider".

Tim Rider  
Chief Administrative Law Judge  
317-232-3137