

Allocations from the Salary Adjustment Fund

Consultation with the Joint Legislative Commission
On Governmental Operations

Office of State Budget and Management

February 23, 2005

Salary Adjustment Fund Allocations

Section 31.16(a) of House Bill 1414 (Budget Bill) specifies that up to five million dollars (\$5,000,000) of unexpended appropriations in the Reserve for Compensation Increases may be transferred to the Salary Adjustment Fund and used for the following purposes:

- (1) Salary range revisions to provide competitive salary rates for affected job classifications in response to changes in labor market salary rates as documented through data collection and analysis according to accepted human resource professional practices and standards.
- (2) Reallocations of positions to higher-level job classifications to compensate employees for more difficult duties at competitive salary rates as documented through data collection and analysis according to accepted human resource professional practices and standards.

The Office of State Personnel (OSP), in consultation with the Office of State Budget and Management (OSBM), sent instructions to agencies detailing how funds for this purpose were to be requested. OSP Human Resource Partners followed-up with agencies to resolve issues before requests were finalized and submitted. OSP and OSBM reviewed all requests to ensure they met the statutory requirements contained in Section 31.16(a). Based on the statutory requirements, OSP and OSBM recommend that \$4,484,450 be distributed from the Fund at this time. A summary of recommended agency allocations is included in Attachment A.

Attachment A
Recommended Agency Allocations

Agency	Annual Amount From Gen. Fund	Annual Amount with 13.465%** Benefits
Administration	\$ 18,393	\$ 20,870
Administrative Office of Courts	\$ 220,622	\$ 250,329
Agriculture	\$ 41,850	\$ 47,485
Commerce	\$ 138,663	\$ 157,334
Community College	\$ 108,528	\$ 123,141
Corrections	\$ 498,087	\$ 565,154
Cultural Resources	\$ 33,622	\$ 38,149
Environment and Natural Resources	\$ 327,416	\$ 371,503
Health and Human Services	\$ 881,329	\$ 1,000,000
Insurance	\$ 53,135	\$ 60,290
Justice	\$ 447,953	\$ 508,270
Juvenile Justice	\$ 401,919	\$ 456,037
Labor	\$ 15,583	\$ 17,681
Public Instruction	\$ 3,986	\$ 4,523
Revenue	\$ 228,405	\$ 259,160
Secretary of State	\$ 56,110	\$ 63,665
State Auditor	\$ 241,331	\$ 273,826
State Budget	\$ 25,576	\$ 29,020
State Controller	\$ 126,075	\$ 143,051
State Personnel	\$ 63,480	\$ 72,028
State Treasurer	\$ 20,213	\$ 22,935
Total General Fund Requests	\$ 3,952,276	\$ 4,484,450

**** Note: The benefit percentage of 13.465% is derived from Social Security 7.65% and Retirement 5.815%.**