



## SALARY ADJUSTMENT FUND - FY 2015-16

### Report to the Joint Legislative Commission on Governmental Operations

Prepared By:

OFFICE OF STATE HUMAN RESOURCES  
OFFICE OF STATE BUDGET AND MANAGEMENT

Pursuant to Session Law 2015-241, Section 30.12A.(a)

March 30, 2016



## **SALARY ADJUSTMENT FUND RECOMMENDATIONS - FY 2015-16**

### **Executive Summary**

#### **Legislation**

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Section 30.12A.(a) of Session Law 2015-241 specifies that funds appropriated or otherwise transferred to the General Fund Salary Adjustment by this act or any other provision of law shall be used to fund agency requests for salary range revisions, special minimum rates, grade to band transfers, and geographic site differential adjustments to provide competitive salary rates for affected job classifications or groups in response to changes in labor market rates as documented through data collection and analysis according to accepted human resources professional practices and stands. Funds shall only be used for salary adjustments that are in compliance with State Human Resources Commission policies. Funding shall not be used for other purposes including in-range adjustments, career progression adjustments, or other adjustments as these terms may be defined by State Human Resources policy.

#### **Process**

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The Offices of State Budget and Management (OSBM) and State Human Resources (OSHR) sent guidelines, instructions and recommendations to agencies in January 2016. The recommendations were determined by selecting job classifications within agencies that had salaries at least 15% below the market rate, turnover rates of 10% or higher and/or required specialized or critical business skills. In addition, agencies were allocated 5% funding for each recommended job based on the average salary and the number of employees. In order to have as many employees participate in the adjustments, a 2%-7% range was set which allowed the agencies to allot higher increases to those employees further from the market rates. Agencies partnered in determining and selecting classifications with critical business needs for inclusion and led in the employee selection with review by OSHR and OSBM.

#### **Recommendation for General Fund – Agencies**

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OSBM and OSHR recommend authorization to expend an annualized amount of \$ 22,654,573, out of the total allotted annualized amount of \$25,000,000. A summary of recommended agency allocations for the Salary Adjustment Fund (SAF) is included in Attachment A. SAF allocations will provide compensation increases to approximately 13,000 agency employees.

The remaining funds (\$2,345,427) will be allocated based on the same criteria described above when the new State Classification jobs are identified as a part of the new market study in May, 2016.

Included in Attachment A are recommended annualized allocations from all funds with benefits (\$38,452,254) based on the same criteria described above.

## Attachment A

### Salary Adjustment Fund Recommendations for FY2015-2016

Agency	Number of Employees	Average Increase (\$)	Average Increase (%)	RECOMMENDED AMOUNT SAF Appropriated Funds with Benefits	RECOMMENDED AMOUNT SAF Appropriated & Other Funds* with Benefits
Administrative Office of the Courts	n/a	n/a	n/a	\$1,500,000	\$1,500,000
Community Colleges	43	\$3,805	6.20%	\$175,195	\$201,174
Department of Administration	15	\$1,986	5.80%	\$36,639	\$36,639
Department of Agriculture & Consumer Services	221	\$1,870	5.30%	\$364,972	\$508,260
Department of Commerce	51	\$1,924	6.61%	\$120,857	\$120,857
Department of Environmental Quality	112	\$2,590	5.40%	\$168,889	\$290,062
Department of Health & Human Services (HHS)	5,482	\$1,898	5.88%	\$3,495,756	\$12,793,812
HHS - Nursing Series	1,601	\$2,795	5.00%	\$2,406,897	\$6,766,284
Department of Insurance	96	\$2,232	3.69%	\$255,090	\$263,433
Department of Justice	20	\$1,441	2.55%	\$31,382	\$35,446
Department of Labor	125	\$2,883	6.20%	\$405,241	\$443,198
Department of Natural & Cultural Resources	147	\$1,643	4.95%	\$262,206	\$358,992
Department of Public Instruction (DPI)	156	\$1,690	5.49%	\$248,741	\$324,136
DPI - Nursing Series	9	\$2,869	5.00%	\$21,001	\$21,001
Department of Public Safety	2,654	\$2,286	5.84%	\$7,393,259	\$7,434,098
DPS - Nursing Series	816	\$2,683	5.00%	\$2,692,075	\$2,692,075
DPS - SBI Agents	140	\$2,516	5.32%	\$450,713	\$450,713
DPS - ALE Agents	78	\$2,277	5.00%	\$227,286	\$227,286
Department of Revenue	248	\$2,989	7.00%	\$338,062	\$911,629
Office of Administrative Hearings	7	\$2,358	5.00%	\$20,298	\$20,298
Office of Military & Veteran's Affairs	34	\$2,348	5.70%	\$87,256	\$98,156
Office of the State Auditor	110	\$4,297	6.40%	\$577,885	\$581,193
Office of State Budget & Management	0	\$0	0.00%	\$0	\$0
Office of the State Controller	16	\$3,508	4.70%	\$69,017	\$69,017
Office of State Human Resources	0	\$0	0.00%	\$0	\$0
Office of the State Treasurer	174	\$1,962	4.94%	\$37,021	\$417,168
Secretary of State	18	\$3,417	6.30%	\$67,331	\$71,727
Statewide I/T Positions	433	\$3,677	5.30%	\$1,075,083	\$1,592,193
Wildlife Resources Commission	40	\$2,884	5.90%	\$46,679	\$143,665
2 Positions Allocated in Budget	2	n/a	n/a	\$79,742	\$79,742
<b>Grand Total</b>	<b>12,848</b>	<b>\$2,276</b>	<b>5.58%</b>	<b>\$22,654,573</b>	<b>\$38,452,254</b>

\* Other Funds = Federal and/or receipt-supported funds.

Attachment B	
TOP 25 CLASSIFICATIONS INCLUDED IN SALARY ADJUSTMENT FUND	
Classifications	Number of Participants
Health Care Technician I	2,901
Probation/Parole Officer	1,775
Professional Nurse	1,245
Licensed Practical Nurse	536
Health Care Technician II	453
Nurse Consultant	366
Juvenile Court Counselor	333
Nursing Supervisor	254
Habilitation Specialist III	214
Youth Program / Education Assistant I	207
Youth Counselor Technician	182
Disability Determination Specialist I	181
Rehabilitation Counselor I	167
Technology Support Analyst	118
Revenue Officer I	111
Educational/Development Assistant	106
Clinical Social Worker	105
Business & Technology Application Analyst	80
Administrative Support Specialist	79
Alcohol Law Enforcement Agent (ALE)	78
Business & Technology Application Specialist	74
Disability Determination Specialist II	74
Recreational Therapist	73
SBI Agent III	72
Social Worker III	70
Rehabilitation Counselor II	70
Youth Counselor	68
Research Technician	63
Youth Services Behavioral Specialist	61
Engineer	58