

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS
(JOINT WITH HOUSE COMMITTEE ON WAYS AND MEANS)

The meeting was called to order by Representative Bill Buntен at
Chairperson

1:30 a.m./p.m. on January 17, 1985 in room 514-S of the Capitol.

All members were present except:

Senators Doyen, Johnston and Talkington

Committee staff present:

Research Department: Richard Ryan, Ed Ahrens, Gloria Timmer, Robin Hunn,
Laura Howard and Ray Hauke

Revisor's Office: Jim Wilson

Committee Office: Judy Bromich, Adm. Aide, Doris Fager, Committee Secretary,
and Donna Collins, Office Secretary

Conferees appearing before the committee:

Dr. Marvin Harder, Secretary of Administration

Alden Shields, State Budget Director

Sherry Brown, Chief Fiscal Analyst, Department of Administration

Dr. Harder used a flip chart to make a presentation of the Governor's pay plan. He noted as he referred to the chart that the present plan is not fiscally realistic, and has not been funded for three years. There has been a resulting lowering of employee morale, since expected salary increases could not be made.

Dr. Harder, Mr. Shields, and Ms. Brown proceeded to explain the proposed pay plan (See Attachments A and B) and answered questions from members of the committees.

There was a question concerning the advantage of building salary increases into each budget instead of using a separate bill for the total salary package, the indication being that the latter is easier for the Legislature to consider. Dr. Harder responded that he is very concerned about creating a sense of stability in the pay plan, and felt this could be done by including salaries in each agency's budget. Mr. Shields added that a separate bill could be used, but that if the plan is adopted it would be the Executive Branch's plan to include it in each budget.

In response to further questioning, Mr. Shields said the Highway Patrol is not included in the plan being presented.

When asked if a breakdown is available of benefits (in addition to salary) to each employee, Mr. Shields stated that this information can be provided.

According to conferees, the total cost of the plan is: Original Pay plan, \$17.8 million; Performance Awards, \$2.7 million and Secretarial Study, \$2 million; or a total cost of \$22.5 million.

Committee members were given ample opportunity to question Dr. Harder, Mr. Shields and Ms. Brown.

The meeting was adjourned by Representative Buntен.

GOVERNOR'S BUDGET RECOMMENDATION

Civil Service Pay Plan Revision

Governor Carlin's budget recommendations for FY 1986 provide funding for the implementation of a new civil service salary plan. The new salary plan emphasizes a job-rate concept, includes a modified pay matrix, and changes the basis upon which employees are granted step increases.

Background

In FY 1981, a new pay plan was implemented. This pay plan was designed to be performance oriented in that movement through the steps was to be based on employee performance evaluations. Under the new plan, employees could receive as much as a three-step increase for outstanding performance. During FY 1981, however, the bulk of available funding was expended for adjustments to bring the pay plan into line with the labor market and to place employees on the new matrix. Only in FY 1982 were merit increases awarded to the full extent allowed by the performance evaluation regulations.

Primarily due to fiscal constraints, no merit increases have been granted in subsequent years. This lack of funding for step movement has in itself created a significant morale problem among state employees, but concerns have also developed during the past three years about the difficulties that administration of the current merit system presents, even if "fully funded." Specifically, the suspension of movement through the steps since FY 1982 has resulted in an accumulation of employees on the first three steps of the pay ranges. As a result, newly hired employees are earning the same salary as their more experienced colleagues, a situation viewed by most of the latter group as unfair.

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On the other hand, implementation of the current evaluation system has evidenced widely varying results from agency to agency. For example, in FY 1983 one state agency rated less than one percent of its employees "outstanding," while in another agency more than 44 percent received that evaluation. Full funding of such a system raises obvious questions of equity across agency lines. With agency evaluation policies varying widely, and given that agencies overall appear to be fairly liberal in evaluating employees, the fiscal impact of full funding presents potential problems with no assurance of achieving equity.

Because of the problems outlined above, the Governor is proposing a new pay plan based upon the recommendation of the Secretary of Administration.

GOVERNOR'S PROPOSAL

The Governor's proposal to implement a new pay plan is based on the following premises:

- (1) Each job classification within the Kansas civil service can be linked to a "job rate," which is defined as the rate of pay sufficient to retain a competent employee.
- (2) The "job rate" may be operationalized as the prevailing or market rate for the job as determined through surveys, and adjusted as necessary based on other considerations such as state classification system equity, applicant availability, and fringe benefits.
- (3) The "hiring rate" or starting salary should be lower than the "job rate" in recognition of the fact that "new hires" are not performing at full performance level.

- (4) As employees gain experience in their job classes, they should be allowed to move toward the "job rate," if their job performance is satisfactory.
- (5) After attaining the appropriate "job rate" for their current job class, employees should be granted additional salary increases to retain them in state service, if their job performance is satisfactory.
- (6) Any exceptional performance awards (merit pay) should be separate from the pay plan.

The Pay Matrix

The new pay matrix is a modification of the current matrix; longevity steps have been removed, as have steps 4 and H. This new matrix consists of ten steps. (See Figure 1) Movement through the matrix will be governed by the "time-on-step" concept and upon satisfactory job performance. This concept differs substantially from a "time-in-service" concept because salary increases, i.e., movement through the pay matrix, are based on the time an individual has been on a particular step of a particular range. An employee starting at step A would reach the maximum (step G) of the salary range in 20 years, if this employee remains in his/her job class. (See Figure 1)

FIGURE 1

	6 mo.	1 yr.	2 yr.	3 yr.	4 yr.	5 yr.	10 yr.	15 yr.	20 yr.
	6	6	1	1	1	1	5	5	5
	mo.	mo.	yr.	yr.	yr.	yr.	yrs.	yrs.	yrs.
A	1	B	2	C	3	D	E	F	G
Hiring Rate					Job Rate				

<u>Step</u>	<u>Time-on-Step Requirement</u>
A	Six months
1	Six months
B	One year
2	One year
C (Job Rate)	One year
3	One year
D	Five years
E	Five years
F	Five years
G	

Each step of the pay matrix is associated with a time-on-step requirement as detailed above. The time-on-step requirement is defined as the time an employee must serve on a step in order to be eligible to move to the next step. Step A is the normal hiring step. The time-on-step (TOS) requirement for step A and step 1 is six months. The TOS requirement for steps B, 2, and C is one year. Step C has been designated as the job rate. Attainment of this step indicates that an employee is at full performance in his/her job class. This step will normally be attained after three years of service in a particular job class. Step 3 also has a one year TOS requirement. This step is designed to retain the fully-trained employee by offering relatively rapid movement beyond the job rate. The TOS requirement for steps D, E, and F is five years. These steps are designed to reward long-term service in a particular job class. The movement through these steps has been slowed down to balance the state's fiscal requirement against the employee's expectation

for salary increases. The "normal progression" detailed above will also require the employee to receive a rating of standard or better on his/her performance evaluation in addition to meeting the TOS requirement in order to move to any step on the salary range.

Implementation

On June 18, 1985, classified employees of the State of Kansas will be converted from the current pay matrix to the new pay matrix. This conversion will be based on the time that an individual has accumulated on his/her current step and salary range, on the current pay matrix, as detailed in Figure 2.

FIGURE 2

Step On Current Pay Matrix	Step On New Pay Matrix	Condition
A	1	If six months on Step A
	B	If one year on Step A
	2	If two years on Step A
	C	If three years or more on Step A
1	B	If six months on Step 1
	2	If 18 months on Step 1
	C	If 30 months or more on Step 1
B*	2	If one year on Step B
	C	If two years or more on Step B
B**	2	If six months on Step B
	C	If one year or more on Step B
2	C	If one year or more on Step 2
C	3	If one year or more on Step C
3	D	If one year or more on Step 3
D	E	If one year or more on Step D
4	E	No time requirement condition - due to Step 4 being eliminated
E	F	If one year or more on Step E
F	G	If one year or more on Step F
G	G	No time requirement condition - due to no salary movement
H	Frozen	No movement; these employees are frozen beyond the pay matrix
L1	F	No time requirement condition - due to Step L1 being eliminated
L2	SR 3 thru 6 to F	No time requirement condition - due to Step L2 being eliminated
	SR 7 thru 44 to G	No time requirement condition - due to Step L2 being eliminated
L3	SR 3 thru 19 to F	No time requirement condition - due to Step L3 being eliminated
	SR 20 thru 44 to G	No time requirement condition - due to Step L3 being eliminated
L4	SR 3 thru 5 Frozen	No time requirement condition - due to no movement
	SR 6 thru 44 to G	No condition - due to Step L4 being eliminated

*Employees NOT in a shortened range class
 **Employees in a shortened range class

In summary, employees on steps below the job rate (Step C) will be allowed accelerated movement if they meet the conditions detailed in Figure 2. This implementation recognizes that some employees have been denied an opportunity to move past the hiring rates to a rate designated as the job rate or full performance rate. Employees at the job rate or above will be allowed a one step movement if they have at least one year of service on their current step and salary range. Exceptions to this basic implementation are noted below:

- (1) Employees in a class designated as a shortened range class, who are on step B, will be allowed movement to the new pay matrix similar to employees currently on step A, i.e., shortened range employees who have been on step B of their current salary for six months will move to step 2, and shortened range employees who have been on step B for one year or more will move to step C.
- (2) Employees currently on step 4 will move to step E on the new matrix, as their step is being eliminated.
- (3) Employees currently on longevity steps will move to step F or G, whichever grants them an increase over their current salary; however, employees on step L₄ of salary ranges 3, 4, and 5 will be frozen above the matrix.
- (4) Employees on step G will stay on step G, as this will be the highest step on the new pay matrix.
- (5) Employees on step H will be frozen, as their salaries will be above the new pay matrix.

It should be noted that on implementation, some employees will not be eligible to move one step as they will not have met the condition outlined for their step. These employees will be allowed to move as soon as they meet the condition outlined for implementation. For example, an employee may be promoted to step 3 on January 18, 1985. As this employee does not have at last one year on step 3, he/she will stay on step 3 until January 18, 1986, at which time the employee will move to step D. Conversely, some employees will exceed the condition outlined for their step. These employees will not be granted additional movement. For example, an employee may have one year and 11 months on step B of their current range. This employee will move to step 2, but will not move to step C in one month; instead, once on step 2, the employee must meet the TOS requirement of step 2 before moving on to step C.

Impact

Of 25,703 employees in the classified service, 609 (those on step H and 13 employees on step L₄) will be frozen above the new pay matrix, and therefore will receive no increase. The 764 employees on step G will not receive an increase. Additionally, there will be a diverse impact on employees currently on steps L₁, L₂, L₃, and L₄ (see Attachment 3). Of these employees, 707 will receive an increase amounting to less than one percent, and 1,042 employees will receive an increase amounting to less than two percent.

A few of the job classes within the Kansas Civil Service System have been assigned to shortened ranges, meaning the hiring rate for these classes is step B instead of step A. When this change was made, the salary survey practice compared hiring rates and range maximums only. Based on this data, the shortened range designation was implemented to bring hiring rates in line with the market when hiring rates appeared to be low, but range maximums were in line. The proposed pay plan will eliminate the shortened range designation. Classes currently assigned to shortened ranges will retain their current range assignment, but on implementation of the new pay plan the hiring

rate will be moved from step B to step A, to make these classes consistent with other classes in the Kansas Civil Service. Additionally, these classes will be included in the salary survey effort to determine the need for changing their range assignments.

Fiscal Impact

The fiscal impact of the Governor's proposal on the classified service only, as estimated by the Department of Administration, is shown in Figure 3 below.

FIGURE 3

Number of Employees	Current Step Assignment	Converts To in FY 1986	Cost FY 1986	Moves To in FY 1987	Cost FY 1987	Moves To in FY 1988
4,065	A	B	\$ 3,096,588	2	\$1,649,220	C
671		2	849,720	C	291,468	3
1,394		C	2,743,344	3	715,080	D
198	1	B	83,532	2	88,536	C
434		2	349,128	C	177,360	3
871		C	1,267,476	3	436,524	D
124	B*	2	65,532	C	64,776	3
4,307		C	3,916,812	3	1,980,732	D
1,212	B**	C	708,600	3	346,500	D
886	2	C	391,884	3	396,096	D
1,960	C	3	884,760	D	918,780	-
1,026	3	D	522,732	-	-	-
909	D	E	956,448	-	-	-
969	4	E	544,356	-	-	-
1,701	E	F	1,924,968	-	-	-
445	F	G	579,540	-	-	-
764	G	G	-	-	-	-
596	H	Frozen	-	-	-	-
840	L1	F	670,716	-	-	-
86	L2	SR 3 - 6 to G	46,548	-	-	-
840		SR 7 - 44 to F	163,620	-	-	-
646	L3	SR 3 - 19 to G	449,892	-	-	-
131		SR 20 - 44 to F	41,376	-	-	-
13	L4	SR 3 - 5 Frozen	-	-	-	-
615		SR 6 - 44 to G	630,480	-	-	-
<u>25,703</u>			<u>\$20,888,052</u>		<u>\$7,065,072</u>	

*Employees NOT in a shortened range class
 **Employees in a shortened range class

These cost estimates are based on the following broad assumptions: (1) all classified employees will have at least one year of service on their current step and range assignment when the new pay plan is implemented; (2) these cost estimates are not adjusted for turnover during FY 1986.

Maintenance

Once the pay plan is established, maintenance will be required. Each year the Division of Personnel Services will conduct salary surveys and complete additional analysis necessary to maintain the integrity of the pay plan. The focus of these activities will be on the job rate assignments for specific job classes. Proper job rate assignments will be determined by comparing step C (job rate) of the assigned salary range for a specific job class to the current market rate for similar positions. The Division of Personnel Services will identify the proper market for the class being studied and will conduct the study within this market. The results of the salary survey will flag those job classes that need additional, in-depth analysis. This analysis will include the consideration of the survey results and any other factors that are pertinent to the salary range assignment of the job class in question, including such factors as internal alignment and consistency within the state classification system, applicant availability, and fringe benefit comparisons.

When it is determined, based on the above analysis, that a class requires a salary range adjustment, the change will be programmed at the front-end of the budget cycle. Additionally, if appropriate, it may be necessary to propose an adjustment to the entire pay matrix. Any such action could be included in the budget recommendation.

Conclusion

The proposed pay plan is an improvement over the current pay plan because it recognizes the value of experienced employees to the State of Kansas by differentiating them from new hires. This pay plan is designed to improve employee morale by providing reasonable expectations to employees of the State. Additionally, this pay plan incorporates the fundamental philosophy of a job rate established to reflect market conditions, thus ensuring that the State will remain competitive with other employers, and further that the job rate should be established to maintain equity within the classification system.

The adoption of the Governor's proposal will help to guarantee State employees an opportunity to advance through the pay matrix. This movement will be included annually in agency budgets, thus providing stability and predictable increases for employees.

KANSAS STATE CIVIL SERVICE BASIC SALARY PLAN
BASIC STEPS (MONTHLY RATES)

EFFECTIVE FY 1985

Range No.	NORMAL RANGE MAX.										LONGEVITY STEPS				OUTSTANDING PERFORMANCE STEPS		
	Step A	Step 1	Step B	Step 2	Step C	Step 3	Step D	Step 4	Step E	Step	Step L ₁	Step L ₂	Step L ₃	Step L ₄	Step F	Step G	Step H
3	\$ 696	\$ 712	\$ 731	\$ 750	\$ 767	\$ 785	\$ 805	\$ 826	\$ 847	\$ 872	\$ 897	\$ 921	\$ 946	\$ 888	\$ 933	\$ 981	
4	731	750	767	785	805	826	847	867	888	914	938	964	988	933	981	1,029	
5	767	785	805	826	847	867	888	911	933	958	983	1,007	1,031	981	1,029	1,080	
6	805	826	847	867	888	911	933	956	981	1,005	1,029	1,054	1,078	1,029	1,080	1,135	
7	847	867	888	911	933	956	981	1,005	1,029	1,054	1,078	1,103	1,128	1,080	1,135	1,193	
8	888	911	933	956	981	1,005	1,029	1,055	1,080	1,105	1,130	1,154	1,179	1,135	1,193	1,252	
9	933	956	981	1,005	1,029	1,055	1,080	1,108	1,135	1,159	1,184	1,209	1,234	1,193	1,252	1,315	
10	981	1,005	1,029	1,055	1,080	1,108	1,135	1,163	1,193	1,218	1,242	1,266	1,292	1,252	1,315	1,381	
11	1,029	1,055	1,080	1,108	1,135	1,163	1,193	1,222	1,252	1,276	1,300	1,325	1,349	1,315	1,381	1,449	
12	1,075	1,101	1,129	1,156	1,185	1,217	1,245	1,276	1,308	1,339	1,369	1,400	1,431	1,373	1,443	1,515	
13	1,122	1,150	1,178	1,208	1,238	1,269	1,299	1,334	1,367	1,398	1,428	1,458	1,490	1,436	1,507	1,581	
14	1,173	1,202	1,233	1,264	1,295	1,326	1,361	1,394	1,429	1,461	1,491	1,521	1,552	1,500	1,576	1,654	
15	1,225	1,257	1,287	1,320	1,350	1,388	1,419	1,457	1,490	1,520	1,551	1,581	1,613	1,565	1,642	1,724	
16	1,281	1,315	1,346	1,381	1,414	1,450	1,486	1,523	1,559	1,589	1,619	1,651	1,682	1,637	1,718	1,804	
17	1,341	1,381	1,420	1,463	1,506	1,551	1,596	1,643	1,692	1,728	1,765	1,802	1,839	1,793	1,901	2,015	
18	1,401	1,443	1,486	1,530	1,575	1,622	1,668	1,720	1,767	1,805	1,842	1,880	1,916	1,874	1,987	2,105	
19	1,464	1,508	1,552	1,599	1,646	1,694	1,744	1,797	1,849	1,886	1,923	1,959	1,996	1,959	2,078	2,203	
20	1,530	1,577	1,622	1,672	1,720	1,770	1,822	1,877	1,931	1,968	2,006	2,042	2,079	2,048	2,170	2,302	
21	1,599	1,647	1,694	1,746	1,797	1,851	1,905	1,960	2,018	2,055	2,092	2,128	2,165	2,140	2,267	2,405	
22	1,672	1,725	1,781	1,838	1,895	1,957	2,018	2,085	2,149	2,191	2,234	2,277	2,321	2,288	2,438	2,595	
23	1,746	1,804	1,860	1,922	1,980	2,045	2,108	2,178	2,246	2,288	2,332	2,374	2,417	2,393	2,547	2,713	
24	1,826	1,885	1,945	2,008	2,071	2,139	2,206	2,279	2,350	2,393	2,435	2,479	2,521	2,502	2,665	2,839	
25	1,907	1,970	2,031	2,097	2,163	2,234	2,305	2,379	2,455	2,497	2,540	2,583	2,626	2,613	2,783	2,965	
26	1,993	2,056	2,121	2,191	2,261	2,334	2,408	2,486	2,565	2,607	2,650	2,693	2,736	2,731	2,910	3,106	
27	2,072	2,140	2,208	2,281	2,351	2,428	2,503	2,585	2,666	2,715	2,765	2,814	2,862	2,841	3,025	3,221	
28	2,156	2,226	2,296	2,371	2,444	2,524	2,604	2,689	2,773	2,822	2,872	2,920	2,969	2,952	3,145	3,347	
29	2,242	2,315	2,388	2,466	2,544	2,627	2,709	2,798	2,886	2,935	2,984	3,033	3,082	3,073	3,272	3,485	
30	2,332	2,408	2,482	2,565	2,644	2,731	2,818	2,910	2,999	3,048	3,096	3,146	3,206	3,195	3,403	3,625	
31	2,424	2,503	2,583	2,666	2,751	2,841	2,928	3,025	3,121	3,169	3,218	3,268	3,316	3,322	3,539	3,771	
32	2,521	2,609	2,699	2,793	2,888	2,988	3,089	3,197	3,305	3,360	3,415	3,469	3,526	3,535	3,782	4,047	
33	2,623	2,714	2,806	2,904	3,003	3,108	3,214	3,325	3,438	3,492	3,549	3,604	3,659	3,679	3,935	4,213	
34	2,728	2,823	2,918	3,020	3,123	3,233	3,341	3,459	3,576	3,631	3,686	3,740	3,797	3,826	4,094	4,380	
35	2,837	2,936	3,035	3,141	3,247	3,361	3,476	3,597	3,719	3,774	3,828	3,883	3,940	3,977	4,257	4,551	
36	2,949	3,053	3,158	3,269	3,380	3,500	3,615	3,742	3,869	3,924	3,978	4,033	4,091	4,140	4,430	4,740	
37	3,068	3,184	3,297	3,428	3,546	3,688	3,810	3,971	4,097	4,158	4,220	4,281	4,343	4,404	4,733	5,088	
38	3,192	3,312	3,431	3,560	3,688	3,826	3,966	4,115	4,263	4,324	4,386	4,446	4,509	4,583	4,927	5,296	
39	3,319	3,442	3,567	3,702	3,835	3,978	4,122	4,278	4,433	4,493	4,555	4,616	4,678	4,764	5,123	5,506	
40	3,453	3,582	3,710	3,851	3,991	4,140	4,289	4,448	4,610	4,671	4,734	4,794	4,855	4,956	5,326	5,727	
41	3,591	3,725	3,860	4,005	4,150	4,305	4,461	4,628	4,795	4,856	4,918	4,979	5,040	5,154	5,541	5,957	
42	3,735	3,876	4,015	4,166	4,316	4,477	4,639	4,814	4,988	5,049	5,110	5,172	5,233	5,362	5,765	6,191	
43	3,883	4,029	4,174	4,332	4,489	4,657	4,825	5,005	5,186	5,248	5,309	5,371	5,432	5,577	5,994	6,441	
44	4,040	4,191	4,341	4,506	4,667	4,843	5,017	5,207	5,394	5,455	5,517	5,578	5,640	5,799	6,235	6,702	

PROPOSED PAY PLAN MATRIX

S.R.	STEP		1ST	2ND	JOB	4TH	5TH	10TH	15TH	20TH
	A	1	YEAR STEP B	YEAR STEP 2	RATE STEP C	YEAR STEP 3	YEAR STEP D	YEAR STEP E	YEAR STEP F	YEAR STEP G
3	\$ 696	\$ 712	\$ 731	\$ 750	\$ 767	\$ 785	\$ 805	\$ 847	\$ 888	\$ 933
4	731	750	767	785	805	826	847	888	933	981
5	767	785	805	826	847	867	888	933	981	1,029
6	805	826	847	867	888	911	933	981	1,029	1,080
7	847	867	888	911	933	956	981	1,029	1,080	1,135
8	888	911	933	956	981	1,005	1,029	1,080	1,135	1,193
9	933	956	981	1,005	1,029	1,055	1,080	1,135	1,193	1,252
10	981	1,005	1,029	1,055	1,080	1,108	1,135	1,193	1,252	1,315
11	1,029	1,055	1,080	1,108	1,135	1,163	1,193	1,252	1,315	1,381
12	1,075	1,101	1,129	1,156	1,185	1,217	1,245	1,308	1,373	1,443
13	1,122	1,150	1,178	1,208	1,238	1,269	1,299	1,367	1,436	1,507
14	1,173	1,202	1,233	1,264	1,295	1,326	1,361	1,429	1,500	1,576
15	1,225	1,257	1,287	1,320	1,350	1,388	1,419	1,490	1,565	1,642
16	1,281	1,315	1,346	1,381	1,414	1,450	1,486	1,559	1,637	1,718
17	1,341	1,381	1,420	1,463	1,506	1,551	1,596	1,692	1,793	1,901
18	1,401	1,443	1,486	1,530	1,575	1,622	1,668	1,767	1,874	1,987
19	1,464	1,508	1,552	1,599	1,646	1,694	1,744	1,849	1,959	2,078
20	1,530	1,577	1,622	1,672	1,720	1,770	1,822	1,931	2,048	2,170
21	1,599	1,647	1,694	1,746	1,797	1,851	1,905	2,018	2,140	2,267
22	1,672	1,725	1,781	1,838	1,895	1,957	2,018	2,149	2,288	2,438
23	1,746	1,804	1,860	1,922	1,980	2,045	2,108	2,246	2,393	2,547
24	1,826	1,885	1,945	2,008	2,071	2,139	2,206	2,350	2,502	2,665
25	1,907	1,970	2,031	2,097	2,163	2,234	2,305	2,455	2,613	2,783
26	1,993	2,056	2,121	2,191	2,261	2,334	2,408	2,565	2,731	2,910
27	2,072	2,140	2,208	2,281	2,351	2,428	2,503	2,666	2,841	3,025
28	2,156	2,226	2,296	2,371	2,444	2,524	2,604	2,773	2,952	3,145
29	2,242	2,315	2,388	2,466	2,544	2,627	2,709	2,886	3,073	3,272
30	2,332	2,408	2,482	2,565	2,644	2,731	2,818	2,999	3,195	3,403
31	2,424	2,503	2,583	2,666	2,751	2,841	2,928	3,121	3,322	3,539
32	2,521	2,609	2,699	2,793	2,888	2,988	3,089	3,305	3,535	3,782
33	2,623	2,714	2,806	2,904	3,003	3,108	3,214	3,438	3,679	3,935
34	2,728	2,823	2,918	3,020	3,123	3,233	3,341	3,576	3,826	4,094
35	2,837	2,936	3,035	3,141	3,247	3,361	3,476	3,719	3,977	4,257
36	2,949	3,053	3,158	3,269	3,380	3,500	3,615	3,869	4,140	4,430
37	3,068	3,184	3,297	3,428	3,546	3,688	3,810	4,097	4,404	4,733
38	3,192	3,312	3,431	3,560	3,688	3,826	3,966	4,263	4,583	4,927
39	3,319	3,442	3,567	3,702	3,835	3,978	4,122	4,433	4,764	5,123
40	3,453	3,582	3,710	3,851	3,991	4,140	4,289	4,610	4,956	5,326
41	3,591	3,725	3,860	4,005	4,150	4,305	4,461	4,795	5,154	5,541
42	3,735	3,876	4,015	4,166	4,316	4,477	4,639	4,988	5,362	5,765
43	3,883	4,029	4,174	4,332	4,489	4,657	4,825	5,186	5,577	5,994
44	4,040	4,191	4,341	4,506	4,667	4,843	5,017	5,394	5,799	6,235

CONVERSION OF LONGEVITY STEPS

L1

RANGE	MOVES TO	ANNUAL \$ INCREASE	NUMBER OF EMPLOYEES	TOTAL COST	APPROXIMATE PERCENT INCREASE
3	F	\$ 192	4	\$ 768	1.8%
4	F	228	16	3,648	2.1
5	F	276	91	25,116	2.4
6	F	288	75	21,600	2.4
7	F	312	73	22,776	2.5
8	F	360	11	3,960	2.7
9	F	408	0	-	2.9
10	F	408	26	10,608	2.8
11	F	468	4	1,872	3.1
12	F	408	7	2,856	2.5
13	F	456	16	7,296	2.7
14	F	468	8	3,744	2.7
15	F	540	22	11,880	3.0
16	F	576	10	5,760	3.0
17	F	780	31	24,180	3.8
18	F	828	64	52,992	3.8
19	F	876	97	84,972	3.9
20	F	960	8	7,680	4.1
21	F	1,020	72	73,440	4.1
22	F	1,164	8	9,312	4.4
23	F	1,260	49	61,740	4.6
24	F	1,308	18	23,544	4.6
25	F	1,392	40	55,680	4.6
26	F	1,488	7	10,416	4.8
27	F	1,512	33	49,896	4.6
28	F	1,560	8	12,480	4.6
29	F	1,656	4	6,624	4.7
30	F	1,764	20	35,280	4.8
31	F	1,836	3	5,508	4.8
32	F	2,100	2	4,200	5.2
33	F	2,244	10	22,440	5.4
34	F	2,340	0	-	5.4
35	F	2,436	2	4,872	5.4
36	F	2,592	0	-	5.5
37	F	2,952	0	-	5.9
38	F	3,108	0	-	6.0
39	F	3,252	0	-	6.0
40	F	3,420	0	-	6.1
41	F	3,576	1	3,576	6.1
42	F	3,756	0	-	6.2
43	F	3,948	0	-	6.3
44	F	4,128	0	-	6.3
TOTAL			840	\$670,716	

CONVERSION OF LONGEVITY STEPS

L2

RANGE	MOVES TO	ANNUAL \$ INCREASE	NUMBER OF EMPLOYEES	TOTAL COST	APPROXIMATE PERCENT INCREASE
3	G	\$ 432	3	\$ 1,296	4.0%
4	G	516	29	14,964	4.6
5	G	552	46	25,392	4.7
6	G	612	8	4,896	5.0
7	F	24	43	1,032	0.1
8	F	60	44	2,640	0.4
9	F	108	9	972	0.7
10	F	120	150	18,000	0.8
11	F	180	45	8,100	1.1
12	F	48	174	8,352	0.3
13	F	96	49	4,704	0.6
14	F	108	98	10,584	0.6
15	F	168	30	5,040	0.9
16	F	216	79	17,064	1.1
17	F	336	9	3,024	1.6
18	F	384	12	4,608	1.7
19	F	432	4	1,728	1.9
20	F	504	2	1,008	2.1
21	F	576	5	2,880	2.3
22	F	648	8	5,184	2.4
23	F	732	33	24,156	2.6
24	F	804	16	12,864	2.8
25	F	876	4	3,504	2.9
26	F	972	2	1,944	3.1
27	F	912	13	11,856	2.7
28	F	960	3	2,880	2.8
29	F	1,068	1	1,068	3.0
30	F	1,188	4	4,752	3.2
31	F	1,248	0	-	3.2
32	F	1,440	0	-	3.5
33	F	1,560	0	-	3.7
34	F	1,680	0	-	3.8
35	F	1,788	1	1,788	3.9
36	F	1,944	2	3,888	4.1
37	F	2,208	0	-	4.4
38	F	2,364	0	-	4.5
39	F	2,508	0	-	4.6
40	F	2,664	0	-	4.7
41	F	2,832	0	-	4.8
42	F	3,024	0	-	4.9
43	F	3,216	0	-	5.0
44	F	3,384	0	-	5.1
TOTAL			926	\$210,168	

CONVERSION OF LONGEVITY STEPS

L3

RANGE	MOVES TO	ANNUAL \$ INCREASE	NUMBER OF EMPLOYEES	TOTAL COST	APPROXIMATE PERCENT INCREASE
3	G	\$ 144	1	\$ 144	1.3%
4	G	204	8	1,632	1.8
5	G	264	26	6,864	2.2
6	G	312	63	19,656	2.5
7	G	384	29	11,136	2.9
8	G	468	19	8,892	3.4
9	G	516	12	6,192	3.6
10	G	588	94	55,272	3.9
11	G	672	14	9,408	4.2
12	G	516	101	52,116	3.1
13	G	588	28	16,464	3.4
14	G	660	56	36,960	3.6
15	G	732	23	16,836	3.9
16	G	804	44	35,376	4.1
17	G	1,188	23	27,324	5.5
18	G	1,284	30	38,520	5.7
19	G	1,428	75	107,100	6.1
20	F	72	15	1,080	0.3
21	F	144	29	4,176	0.5
22	F	132	6	792	0.4
23	F	228	4	912	0.8
24	F	276	3	828	0.9
25	F	360	9	3,240	1.2
26	F	456	14	6,384	1.4
27	F	324	22	7,128	1.0
28	F	384	9	3,456	1.1
29	F	480	5	2,400	1.3
30	F	588	9	5,292	1.6
31	F	648	1	648	1.7
32	F	792	1	792	1.9
33	F	900	1	900	2.1
34	F	1,032	2	2,064	2.3
35	F	1,128	0	-	2.4
36	F	1,284	1	1,284	2.7
37	F	1,476	0	-	2.9
38	F	1,644	0	-	3.1
39	F	1,776	0	-	3.2
40	F	1,944	0	-	3.4
41	F	2,100	0	-	3.5
42	F	2,280	0	-	3.7
43	F	2,472	0	-	3.8
44	F	2,652	0	-	4.0
TOTAL			777	\$491,268	

CONVERSION OF LONGEVITY STEPS

L4

RANGE	MOVES TO	ANNUAL \$ INCREASE	NUMBER OF EMPLOYEES	TOTAL COST	APPROXIMATE PERCENT INCREASE
3	FROZEN	\$ -	0	\$ -	-%
4	FROZEN	-	4	-	-
5	FROZEN	-	9	-	-
6	G	24	2	48	0.2
7	G	84	8	672	0.6
8	G	168	11	1,848	1.2
9	G	216	2	432	1.5
10	G	276	38	10,488	1.8
11	G	384	9	3,456	2.4
12	G	144	36	5,184	0.8
13	G	204	11	2,244	1.1
14	G	288	36	10,368	1.5
15	G	348	11	3,828	1.8
16	G	432	34	14,688	2.1
17	G	744	17	12,648	3.4
18	G	852	26	22,152	3.7
19	G	984	149	146,616	4.1
20	G	1,092	16	17,472	4.4
21	G	1,224	10	12,240	4.7
22	G	1,404	6	8,424	5.0
23	G	1,560	88	137,280	5.4
24	G	1,728	22	38,016	5.7
25	G	1,884	14	26,376	6.0
26	G	2,088	22	45,936	6.4
27	G	1,956	28	54,768	5.7
28	G	2,112	2	4,224	5.9
29	G	2,280	1	2,280	6.2
30	G	2,364	7	16,548	6.1
31	G	2,676	2	5,352	6.7
32	G	3,072	0	-	7.3
33	G	3,312	1	3,312	7.5
34	G	3,564	3	10,692	7.8
35	G	3,804	1	3,804	8.0
36	G	4,068	1	4,068	8.3
37	G	4,680	0	-	9.0
38	G	5,016	1	5,016	9.3
39	G	5,340	0	-	9.5
40	G	5,652	0	-	9.7
41	G	6,012	0	-	9.9
42	G	6,384	0	-	10.2
43	G	6,744	0	-	10.4
44	G	7,140	0	-	10.6
TOTAL			628	630,480	

PERFORMANCE AWARDS *3M total Cost*

The new pay plan as proposed by the Governor is performance based to the extent that step advancement depends upon satisfactory performance by the employee. In addition to that component, however, the Governor is recommending a performance award system to recognize particularly deserving employees.

Performance awards are to be limited to 20 percent of an agency's F.T.E., and each award will be \$500. Distribution is planned on or about December 1, 1985, by separate check, i.e., not as an addition to the employee's regular payroll warrant. The award will be a one-time payment only and will not become a part of the base salary. All permanent employees will be eligible for performance awards, but eligibility will be limited to employees with at least one year of service with their respective agency.

Within these parameters, agency managers will have full discretion to determine the manner in which performance awards will be distributed. This latter decision is an attempt to recognize the individuality of both agencies and agency managers. Rather than impose centrally developed criteria for performance awards, this proposal seeks to recognize legitimate differences of perspective regarding the basis upon which such awards are granted.

Furthermore, performance awards will not be directly tied to an employee's annual performance evaluation. The performance evaluation is to be viewed as a management tool to provide employees and their supervisors an opportunity to discuss what is expected of an employee and an assessment of the employee's overall performance with respect to those expectations. It is expected that employee evaluations can be much more meaningful and objective if compensation decisions are not based solely on the evaluation. In addition, the evaluation process is being revised to simplify the paperwork burden now involved and to eliminate the five current rating categories. Under the proposed system, employees may be rated as satisfactory, unsatisfactory, or exceptional. Supervisors will be expected to provide substantial justification for a rating other than satisfactory.

SECRETARIAL STUDY AND RECOMMENDATIONS

The Division of Personnel Services has completed a study of the secretarial classes and is recommending that funds be allocated to allow for the implementation of the study recommendations. These recommendations include the establishment of seven new secretarial classes that are arranged into a logical career path and assigned to appropriate salary ranges.

BACKGROUND

In March, 1983 a committee of Division of Personnel Services staff was established to evaluate seven of the secretarial classes utilized in the current classification system. The classes included in the study were Clerk Typist I, Clerk Typist II, Clerk Stenographer I, Clerk Stenographer II, Secretary I, Secretary II and Secretary III. (See Attachment 1) A study of these classes had not been undertaken since November, 1970 due to size of the task and the potential fiscal impact. Of the 27,026 classified Kansas civil service employees, 2,757 are currently in the classes addressed in this study. The objective of this study was to evaluate the secretarial classes and recommend improvements to them, paying particular attention to making these classes competitive with the private sector and providing a better career ladder.

METHODOLOGY AND FINDINGS

The committee began its analysis by reviewing position descriptions, benchmarks and class specifications from each of the secretarial classes being studied. Benchmarks are position descriptions that have been identified by the Division of Personnel Services as "typical" of the class. This analysis compared all of these documents in order to identify the work actually being performed by incumbents of each of the secretarial classes and compare this to not only the appropriate class specification but also to all of the other classes in the secretarial series. Throughout this analysis the committee was careful to include positions from a variety of state agencies to ensure that they were aware of the broad picture. Definitions of secretarial classes from a variety of sources were also reviewed in order to identify a definite line between clerk typists, clerk stenographers and secretaries.

The result of this analysis was an awareness that there has been difficulty in differentiating between levels of the secretarial classes. The current allocation process has proven itself open to a variety of interpretations, including the definition of descriptive adjectives, i.e., complex, routine, limited administrative, etc. Second, the changes in the office environment over the past fifteen years, i.e., increased use of dictating equipment causing a declining use of shorthand skills, and the increased use of word processing equipment, computer terminals and other automated office equipment, have significantly broadened the scope of secretarial duties and responsibilities, but these changes have not been reflected in the class specifications. Therefore, the class specifications no longer adequately describe the work being performed and the knowledges,

skills and abilities required in these positions. Finally, an adequate career ladder is not being provided as career progression is unclear and does not follow logically through the secretarial classes.

The next phase of the analysis was a review of material from Colorado, Missouri, Nebraska, Oklahoma, Texas, Florida and the Federal Civil Service to determine how the Kansas secretarial classes compared to those in other public sector organizations. This analysis was also undertaken in hopes of finding an established career ladder for secretarial classes suitable for use in the Kansas classification system.

The review did not identify a series of secretarial classes that could be used by the State of Kansas. The review did reveal that the secretary classification in the Federal Civil Service is based on the knowledge required in the position and the level or status of the supervisor's position.

A validation study performed by the Division of Personnel Services in August, 1982 identified the important or critical tasks included in the work performed by clerk typists, clerk stenographers and secretaries. The validation study was based on job analysis and its objective was to ensure that all test questions were appropriate for the job class in question. In general, class incumbents or subject matter experts are asked to assess the job relatedness of each test item. These individual assessments are then compiled to generate an average indicator of the appropriateness of each test question.

This analysis determined that there are six categories of work that describe the tasks performed by the secretarial classes being studied. These categories are: Administration, Communication, Information Management, Information Processing, Services and Special Studies/Activities Evaluation.

Additionally, material from secretarial associations (state and national chapters), trade newsletters and journals, and material from the Council on State Governments was reviewed to identify the current practices of a wide variety of organizations nationwide with regard to secretarial classification and to further identify any trends or innovative techniques used in the classification of secretarial positions.

The problems identified by the analysis described above (outdated class specifications, an inadequate career ladder and inconsistent allocation of secretarial positions) clearly pointed to a need for the development of new secretarial classes. Seven proposed new classes were developed by the committee: Office Assistant I, Office Assistant II, Staff Secretary I, Staff Secretary II, Administrative Secretary I, Administrative Secretary II and Administrative Secretary III. (See Attachment 2) These new classes recognize that the level of sophistication of office equipment has required secretaries to switch from a clerical support role to more of an administrative assistant role. This and other significant changes in the duties and responsibilities of the secretarial classes are incorporated into the proposed new class specifications. The proposed new classes also provide distinct and distinguishable kinds and levels of work and further arrange

this work into a logical and consistent class series, thereby establishing a better career ladder for secretarial incumbents. Finally, the proposed new secretarial classes were designed by and for a new classification method to allow for more consistent classification actions.

The new classification method identifies categories of performance, the functions accomplished and the level at which the position is to operate. The performance categories and leveling factors previously established for the Personnel series were used to level each of the six categories of work. (See Attachment 3) The resulting class specifications were based on the categories of work identified by the validation study at full performance and include Necessary At Entry - Knowledge, Abilities and Special Skills for Minimum Qualifications.

SALARY SURVEY

Having developed proposed new secretarial classes the next step was an analysis of salary survey data in order to assign each class to the appropriate salary range. Salary information was obtained from a survey conducted by Blue Cross/Blue Shield to represent the local salary market and data from a variety of salary surveys representing similar positions in other states was used as a comparison with national survey information from the Professional, Administrative, Technical and Clerical Pay (PATC) Survey. First, survey midpoints were compared to the job rate or Step C of the Kansas salary plan in order to determine the appropriate salary range for the proposed classes. In addition classes were placed on salary ranges that were consistent with the concept of a career progression and internal alignment considerations.

The new class of Office Assistant I should be assigned to salary range 7. This salary range has a job rate (Step C) that is slightly below the job rate indicated by the salary survey information.

OFFICE ASSISTANT I (Proposed)
(Clerk Typist I)

	<u>SR</u>	<u>MIN</u>	<u>MID</u>	<u>MAX</u>
Current Kansas Salaries	4	\$ 8,772	\$ 9,660 (Job Rate)	\$12,348
Proposed Kansas Salaries	7	10,164	11,196 (Job Rate)	14,316
Blue Cross/Blue Shield Survey (Topeka Metropolitan Area)	9	9,960	12,372	14,784
National Salaries	8	10,147	11,834	13,521

The new class of Office Assistant II should be assigned to salary range 9. This salary range is two ranges above the range assigned to the Office Assistant I class, and further it has a job rate (Step C) slightly below the job rate indicated by the salary survey information.

OFFICE ASSISTANT II (Proposed)
(Clerk Typist II)

	<u>SR</u>	<u>MIN</u>	<u>MID</u>	<u>MAX</u>
Current Kansas Salaries	7	\$10,164	\$11,196 (Job Rate)	\$14,316
Proposed Kansas Salaries	9	11,196	12,348 (Job Rate)	15,780
Blue Cross/Blue Shield Survey (Topeka Metropolitan Area)	11	10,458	13,312	16,154
National Salaries	10	10,778	13,084	15,390

The new class of Staff Secretary I should be assigned to salary range 12. This range is three ranges above the range assigned to the Office Assistant II and it has the job rate (Step C) that most closely approximates the job rate indicated by the salary survey information.

STAFF SECRETARY I (Proposed)
(Secretary I)

	<u>SR</u>	<u>MIN</u>	<u>MID</u>	<u>MAX</u>
Current Kansas Salaries	10	\$11,772	\$12,960 (Job Rate)	\$16,572
Proposed Kansas Salaries	12	12,900	14,220 (Job Rate)	18,180
Blue Cross/Blue Shield Survey (Topeka Metropolitan Area)	12	10,800	14,340	17,940
National Salaries	12	11,883	14,245	16,606

The new class of Staff Secretary II should be assigned to salary range 15. This range is three ranges above the proposed salary range assignment for Staff Secretary I. This range also has the job rate (Step C) that most nearly approximates the job rate indicated by the national survey data and is slightly above the job rate indicated by the Blue Cross/Clue Shield survey data.

STAFF SECRETARY II (Proposed)
(Secretary II)

	<u>SR</u>	<u>MIN</u>	<u>MID</u>	<u>MAX</u>
Current Kansas Salaries	13	\$13,464	\$14,856 (Job Rate)	\$18,972
Proposed Kansas Salaries	15	14,700	16,200 (Job Rate)	20,688
Blue Cross/Blue Shield Survey (Topeka Metropolitan Area)	14	12,108	15,588	19,308
National Salaries	15	13,572	16,530	19,489

The proposed new class of Administrative Secretary I should be assigned to salary range 18. This range is three ranges above the salary range proposed for Staff Secretary II, and thereby follows the sequence of the career ladder.

ADMINISTRATIVE SECRETARY I (Proposed)
(Secretary III)

	<u>SR</u>	<u>MIN</u>	<u>MID</u>	<u>MAX</u>
Proposed Kansas Salaries	18	\$16,812	\$18,900 (Job Rate)	\$25,260

The proposed new class of Administrative Secretary II should be assigned to salary range 21 which is three ranges above the proposed salary range for Administrative Secretary I. This range is assigned to the current Administrative Officer I class and as the delegated administrative responsibility of the Administrative Secretary II class is similar to the Administrative Officer I class this salary range assignment is appropriate as it maintains internal equity and follows the sequence of the career ladder.

ADMINISTRATIVE SECRETARY II (Proposed)

	<u>SR</u>	<u>MIN</u>	<u>MID</u>	<u>MAX</u>
Proposed Kansas Salaries	21	\$19,188	\$21,564 (Job Rate)	\$28,860

The new class of Administrative Secretary III should be assigned to salary range 22. This is a one salary range difference between Administrative Secretary II and Administrative Secretary III. The difference in these classes is distinguished only by the supervisor's position and not by differences in the level of performance categories.

ADMINISTRATIVE SECRETARY III (Proposed)

	<u>SR</u>	<u>MIN</u>	<u>MID</u>	<u>MAX</u>
Proposed Kansas Salaries	22	\$20,064	\$22,740 (Job Rate)	\$31,140

SUMMARY OF RECOMMENDATIONS

- I. The Division of Personnel Services is recommending that the following new classes be established at the proposed salary ranges effective June 18, 1985 (June 30, 1985 for University of Kansas Medical Center).

<u>Proposed Class</u>	<u>Proposed Salary Range</u>	<u>Proposed Annual Salary</u>
Office Assistant I	7	\$10,164-\$14,316
Office Assistant II	9	\$11,196-\$15,780
Staff Secretary I	12	\$12,900-\$18,180
Staff Secretary II	15	\$14,700-\$20,688
Administrative Secretary I	18	\$16,812-\$25,260
Administrative Secretary II	21	\$19,188-\$28,860
Administrative Secretary III	22	\$20,064-\$31,140

II. The Division of Personnel Services is recommending that the following classes be abolished effective June 18, 1985 (June 30, 1985 for University of Kansas Medical Center).

<u>Class</u>	<u>Salary Range</u>
Clerk Typist I	4
Clerk Typist II	7
Clerk Stenographer I	5
Clerk Stenographer II	8
Secretary I	10
Secretary II	13
Secretary III	16

IMPLEMENTATION

The estimated cost of implementation of the study recommendations is approximately \$2.2 million, excluding the cost of fringe benefits. The implementation will be accomplished as detailed below:

<u>Current Class</u>	<u>Reallocation/Promotion</u>
Clerk Typist I	Office Assistant I
Clerk Typist II	Office Assistant II
Clerk Stenographer I	Office Assistant II
Clerk Stenographer II	Office Assistant II
Secretary I	Staff Secretary I
Secretary II	Staff Secretary II
Secretary III	Administrative Secretary I

To limit the fiscal liability of the state incumbents will be placed on the new salary range at the lowest step that gives the employee an increase in pay, but not lower than Step A as provided for by K.A.R. 1-5-13.

Additional reallocations will be allowed only after the leveling procedure has been used to evaluate the secretarial function in an agency. Therefore, secretarial incumbents will not be placed into the new classes of Administrative Secretary II or Administrative Secretary III until the leveling procedure has been completed.

NOTE: The attachments referenced in this report are not attached, but are available upon request. If you desire a copy of the attachments please contact either the Division of Personnel Services or the Office of the Secretary of Administration.