

The seal of the State Personnel Board of Mississippi is a circular emblem. It features two eagles with wings spread, perched on a shield. The shield is supported by two figures. The text "SEAL OF THE STATE OF MISSISSIPPI" is written around the top inner edge, and "PERSONNEL BOARD" is written around the bottom inner edge. A five-pointed star is positioned at the bottom center of the seal.

*Mississippi
State Personnel Board*

*Annual Report
2002*

July 1, 2001 - June 30, 2002

State Personnel Board 2002 Annual Report

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State Personnel Board Members

The Mississippi State Personnel Board provides policy guidance and administrative oversight to the State Personnel Director and staff. The Board is composed of five members, appointed by the Governor with the advice and consent of the Senate, who serve five-year terms. In addition, there are four legislative advisors to the Board, two each appointed by the Lieutenant Governor and the Speaker of the House of Representatives.

S. Tom Hall, Chairperson
State-at-Large; Representative

Mary S. Pyle, Vice-Chairperson
2nd Supreme Court District

Kemper Ehrhardt, Member
1st Supreme Court District

Leslie L. Daniels, Member
State-at-Large

Bill Cossar, Member
3rd Supreme Court District

Statewide Personnel System Overview

Mississippi's statewide personnel system includes the members of the State Personnel Board, the State Personnel Director, administrative staff and employees who comprise the operating arm of the Board, and the members of the Mississippi Personnel Advisory Council.

The Mississippi State Personnel Board was established by the Mississippi Legislature in 1980. The State Personnel Board operates under the direction of a five-member board appointed by the Governor with the advice and consent of the Senate. Its mission is to provide the State of Mississippi with a skilled work force and a system of personnel administration that enables state agencies to provide mandated public services.

The State Personnel Board administers the state personnel system in accordance with the following principles as set in statute:

1. Recruiting, selecting, and advancing employees based on objective criteria.
2. Providing equitable and adequate compensation.
3. Training employees to ensure high quality performance.
4. Retaining employees on the basis of performance.
5. Ensuring fair treatment of applicants and employees without regard to political affiliation, race, national origin, sex, religion, creed, age, or disability.
6. Ensuring that employees are free from coercion for partisan or political reasons.

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Legislative Advisors

Honorable John Read
Representative, District 112
Gautier, MS

Honorable John Reeves
Representative, District 71
Jackson, MS

Honorable Delma Furniss
Senator, District 11
Rena Lara, MS

Honorable William W. "Bill" Cannon
Senator, District 17
Columbus, MS

Personnel Advisory Council

The Mississippi Personnel Advisory Council advises the State Personnel Board in the development of policies, programs, rules and regulations which will improve public employment in the state. The council also assists in the promotion of public understanding of the purposes, policies, and practices of the state personnel system. The Council consists of personnel directors from five major state agencies. Members are appointed by and serve terms concurrent with that of the Governor. Members are:

Kathy Rudd, Chairman, Tax Commission;

Ann Thames, Department of Mental Health;

Cheryl Lunsford, Department of Corrections;

Mary McDonald, Department of Transportation;
and

Gloria Jackson, Department of Human Services

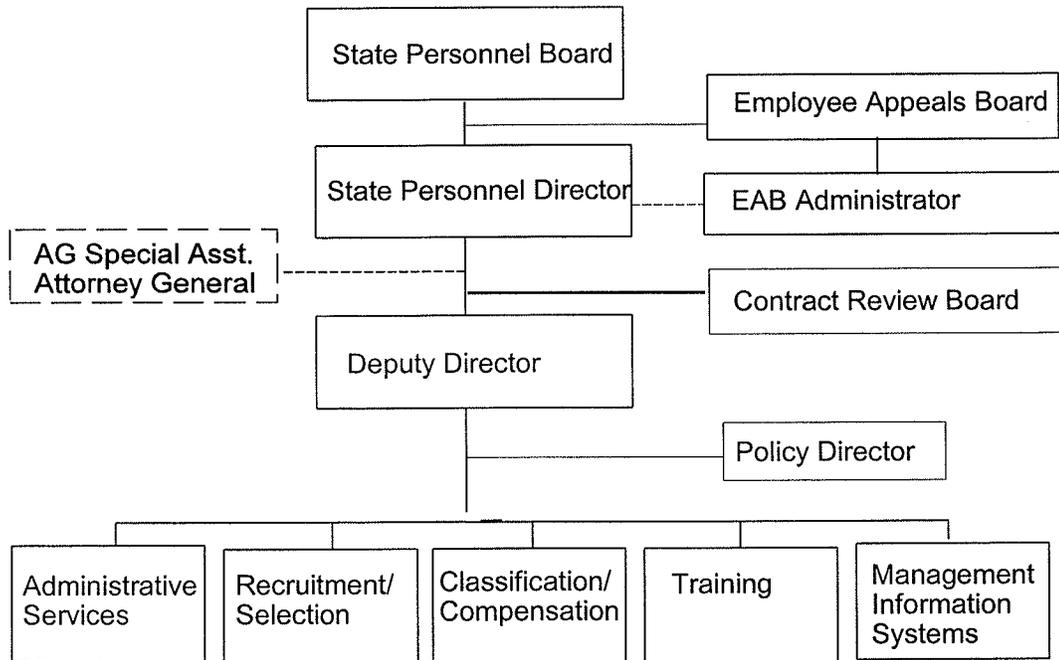
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State Personnel Board Organizational Structure

The functional areas that are designed to implement the mission of the State Personnel Board include:

- Recruitment and Selection
- Classification and Compensation
- Training
- Management Information Systems
- Policy
- General Counsel
- Administrative Services
- Contract Review Board

In addition, an independent administrative court, the Employee Appeals Board, serves under the Board to provide an impartial forum for employee hearings.



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Summary of Agency Services

OFFICE OF RECRUITMENT AND SELECTION

- Implementation of Recruitment Programs
- Applicant Counseling
- Evaluation of Applicant for Minimum Requirements of Job:
 - Education/Experience Evaluation
 - Assembled Examination
- Certification of Eligibles Process
- Authorization of Appointment of Certified Eligibles

OFFICE OF CLASSIFICATION AND COMPENSATION

- Salary Certification for New Hire and In Service Movement
- Transaction Processing for all Position and Personnel Data Changes
- Pre/Post-Audit Functions, Initial Hire
- Data Evaluations (Demographic/Fund/Status/Organizational Placement)
- Variable Compensation Plan
 - Salary Survey Process
 - Pay Range Determination
 - Establishment of Special Compensation Plans
 - Additional Compensation
- Policy Development and Administration
- Fiscal Year Budget Recommendations for:
 - Realignments
 - Experience Benchmark Awards
 - Additional Compensation
 - New Positions
 - Reallocations
 - Educational Benchmark Awards
 - Deletion of Positions
- Agency/Position Establishment and Abolishment (in accordance with legislative intent)
- Position Control
- Projection Control Files for Agencies/Position Data Projection Control Files for Program
 - Designations and Program Assignments to Positions
- Job Analysis and Position Classification
- Development and Maintenance of Class Specifications
- Organizational Staffing Patterns and Charts

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OFFICE OF TRAINING

- Management of Training Functions
- Certified Public Manager Program
- General Training Schedule
- On-Site Training

ADMINISTRATIVE SUPPORT OFFICE (In-house Operation)

- Business Office Administration
 - Budget Preparation and Expenditure Control
 - Purchasing
 - Accounting
 - Payroll
- Telecommunication Systems Administration
- Administration of Printing and Duplication Operations
- Agency Personnel Administration
- Property Control
- Mail Distribution
- Office Supplies Distribution

OFFICE OF POLICY

- Development/Revision of SPB Policies and Procedures
- Administration/Interpretation of Policies
 - Employee Counseling
 - Agency and General Public Consultation
- Distribution of Policies and Procedures
- Maintenance of State Employee Handbook
- Special Projects

MANAGEMENT INFORMATION SYSTEMS

- Design and Implement Internet Reports and Information
- Maintain and Secure SPB's Web Based Application Databases
- Support SPB's Wide Area Network and Applications
- Develop Special Information Reports From Statewide Request
- Provide Help Desk For Agency Computing Applications
- Manage Data Security For Agency's Computers and Servers
- Maintain and Upgrade SPB's Internet, WAN and LAN Hardware and Software Products

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OFFICE OF THE GENERAL COUNSEL

Legal Advisor to State Personnel Director on EEO Charges, Legislative Process, Personnel Questions and Pending Litigation

Compliance with the Fair Labor Standards Act, Civil Rights Acts, and other federal and state employment laws

Coordination of Board Policy Development and Review, Ensuring Compliance with the Administrative Procedures Act, the Open Records Act and all Laws and Regulations Governing Policy Development and the Statewide Personnel System

Legal Services Contracts Review

EMPLOYEE APPEALS BOARD

Conduct Hearings and Render Decisions on Matters Affecting the Employment Status of State Employees

PERSONAL SERVICE CONTRACT REVIEW BOARD

Promulgate rules and regulations governing the solicitation and selection of contractual services personnel which are consistent with sound business practices

Review contracts in excess of \$100,000.00 to ensure that the terms of the agreement are consistent with the rules and regulations promulgated by the board and to limit risk of loss to the state

State Personnel Board 2002 Annual Report

Employees Paid with State Funds (Full-Time and Part-Time)

| | | |
|---------------|-------|--|
| 32,000 | | State Service (Purview of State Personnel Board) |
| 1,000 | | Governor's Office and Legislative Branch |
| 20,000 | | Institutions of Higher Learning |
| 6,000 | | Community and Junior Colleges |
| <u>29,000</u> | | State Teachers and Assistant Teachers |
| 88,000 | | TOTAL |

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Overview of State Government Workforce (State Service)

The purpose of this overview is to provide a summary of personnel management and employee compensation in agencies under the purview of the State Personnel Board at the close of Fiscal Year 2002, and to provide statistical information from other southeastern states. These figures exclude Mississippi Industries for the Blind, the Gulfport Port Authority, the Institutions of Higher Learning, the Community College System, and the Minimum Foundation Program Teachers, as these entities are not under the State Personnel Board's purview.

Full-Time Employee Profile as of June 30, 1993/2001/2002

| | FY 93 | FY 01 | FY 02 |
|--|---------------|----------------|----------------|
| Total Employees | 27,459 | 31,828 | 31,556 |
| Total Female Employees | 15,126 | 18,843 | 18,751 |
| Percentage of Female Employees | 55.1% | 59.2% | 59.4% |
| Total Male Employee | 12,333 | 12,985 | 12,805 |
| Percentage of Male Employees | 44.9% | 40.8% | 40.6% |
| Percentage of White Employees | 61.3% | 54.7% | 53.7% |
| Percentage of Minority Employees | 38.7% | 45.3% | 46.3% |
| Average Service Time | 8 yrs. 3 mos. | 9 yrs. 2 mos. | 9 yrs. 4 mos. |
| Average Number of Years of Education | 14 yrs. | 14.0 yrs. | 14.0 yrs. |
| Average Age of Employees | 40 yrs. | 42 yrs. 3 mos. | 42 yrs. 7 mos. |
| Average Salary of Employees | \$19,762 | \$27,649 | \$27,662 |
| No. of Employees Earning Less than Avg. Salary | 16,986 | 19,549 | 19,382 |
| % of Employees Earning Less than Avg. Salary | 61.8% | 61.4% | 61.4% |

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Current Average Annual Full-time Salary Comparison For State Employees in the Southeastern Region July 2002

| | 07/01 | 07/02 |
|----------------------------|-----------------|-----------------|
| Virginia | \$31,000 | \$35,732 |
| Kentucky | \$32,090 | \$35,479 |
| South Carolina | \$32,239 | \$35,292 |
| Louisiana | \$29,050 | \$35,157 |
| North Carolina | \$32,772 | \$33,529 |
| Alabama | \$33,024 | \$33,389 |
| Florida | \$33,633 | \$33,154 |
| Oklahoma | \$30,001 | \$32,698 |
| Georgia | \$33,337 | \$31,666 |
| Tennessee | \$30,384 | \$31,158 |
| Arkansas | \$30,468 | \$31,121 |
| West Virginia | \$28,060 | \$29,460 |
| Missouri | \$27,871 | \$27,950 |
| Mississippi | \$27,649 | \$27,662 |
| TOTAL AVERAGE | \$30,827 | \$32,373 |

The average salary of Alabama, Arkansas, Louisiana and Tennessee is \$32,694.

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**Salary Distribution Table
Full-Time and Part-Time Employees
as of June 30, 2002**

| Salary Range | Employee Count | Percent of Total Employees | Total Salary in the Range | Percent of Total Salaries |
|---------------------------|----------------|----------------------------|---------------------------|---------------------------|
| \$70,000 and over | 368 | 1.13% | 32,876,765.78 | 3.70% |
| \$60,000 to 69,999.99 | 337 | 1.22% | 25,436,943.38 | 2.86% |
| \$50,000 to 59,999.99 | 900 | 2.77% | 48,867,661.97 | 5.50% |
| \$40,000 to 49,999.99 | 2,045 | 6.30% | 90,274,027.86 | 10.16% |
| \$30,000 to 39,999.99 | 6,301 | 19.42% | 216,608,088.99 | 24.37% |
| \$20,000 to 29,999.99 | 13,016 | 40.11% | 321,025,081.79 | 36.12% |
| \$14,000 to 19,999.99 | 7,989 | 24.62% | 136,743,085.23 | 15.39 |
| \$13,000 to 13,999.99 | 800 | 2.47% | 10,843,247.34 | 1.22% |
| \$12,000 to 12,999.99 | 177 | 0.55% | 2,220,221.42 | 0.25% |
| \$11,000 to 11,999.99 | 127 | 0.39% | 1,474,992.86 | 0.17% |
| \$10,000 to 10,999.99 | 102 | 0.31% | 1,095,995.43 | 0.12% |
| \$ 9,000 to 9,999.99 | 20 | 0.06% | 193,878.92 | 0.02% |
| Below \$ 8,999.99 | 206 | 0.63% | 1,116,199.61 | 0.13% |
| Full and Part Time Totals | 32,448 | 100.00% | \$888,776,190.58 | 100.00% |

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Comparison of Mississippi Private Sector and State Employee Salaries (Includes Full-Time and Part-Time Employees)

| | Oct/Dec 1999 | Oct/Dec 2000 | Oct/Dec 2001 | Oct/Dec* 2002 | Oct/Dec* 2003 |
|------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Private (includes retail) | (.019) \$25,948 | (.005) \$26,066 | (.029) \$26,820 | (.015) \$27,222 | (.015) \$27,630 |
| Private (excludes retail) | (.018) \$28,451 | (.009) \$28,698 | (.028) \$29,517 | (.015) \$29,958 | \$30,409 |
| State Employee | \$27,591 | \$27,444 | \$27,693 | \$27,960 | \$29,200** |

* Projected

** Includes Jan 03 payraise.

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Average Monthly Strengths and Salaries for State Employees (Includes Part-Time Employees)

| <u>Month</u> | <u>Strength</u> | <u>Avg Salary</u> |
|--------------|-----------------|-------------------|
| 01/99 | 31,147 | \$25,920 |
| 02/99 | 31,174 | \$25,952 |
| 03/99 | 31,227 | \$25,930 |
| 04/99 | 31,298 | \$25,890 |
| 05/99 | 31,566 | \$25,806 |
| 06/99 | 31,578 | \$25,776 |
| 07/99 | 31,638 | \$27,306 |
| 08/99 | 31,472 | \$27,381 |
| 09/99 | 31,556 | \$27,461 |
| 10/99 | 31,699 | \$27,450 |
| 11/99 | 31,655 | \$27,558 |
| 12/99 | 31,706 | \$27,591 |
| 01/00 | 31,837 | \$27,533 |
| 02/00 | 31,869 | \$27,520 |
| 03/00 | 31,960 | \$27,514 |
| 04/00 | 32,147 | \$27,468 |
| 05/00 | 32,167 | \$27,360 |
| 06/00 | 32,538 | \$27,330 |
| 07/00 | 32,277 | \$27,314 |
| 08/00 | 32,229 | \$27,378 |
| 09/00 | 32,306 | \$27,438 |
| 10/00 | 32,252 | \$27,450 |
| 11/00 | 32,439 | \$27,422 |
| 12/00 | 32,551 | \$27,444 |
| 01/01 | 32,455 | \$27,436 |
| 02/01 | 32,687 | \$27,387 |
| 03/01 | 32,856 | \$27,369 |
| 04/01 | 32,831 | \$27,359 |
| 05/01 | 32,556 | \$27,349 |
| 06/01 | 32,640 | \$27,376 |
| 07/01 | 32,249 | \$27,363 |
| 08/01 | 32,142 | \$27,422 |
| 09/01 | 32,265 | \$27,443 |
| 10/01 | 32,194 | \$27,452 |
| 11/01 | 32,261 | \$27,455 |
| 12/01 | 32,203 | \$27,467 |
| 01/02 | 32,238 | \$27,457 |
| 02/02 | 32,330 | \$27,438 |
| 03/02 | 32,415 | \$27,445 |
| 04/02 | 32,337 | \$27,420 |
| 05/02 | 32,272 | \$27,388 |
| 06/02 | 32,448 | \$27,391 |

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Cost for a 1% Increase Based on FY 2003 Projection

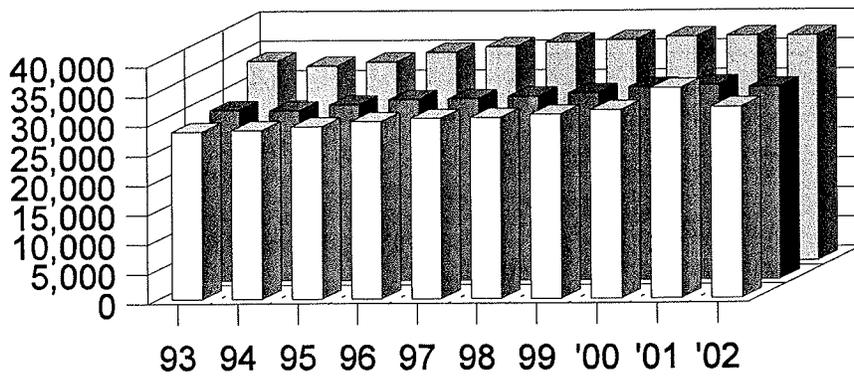
| | |
|--|-----------------|
| Total Projected Personal Services Cost, Current Level* | \$1,413,377,934 |
| Less Vacant Positions | (\$196,710,314) |
| Less Salaries Set by Statute | (\$11,802,953) |
| Minus Projectable Additional Compensation | (\$10,904,350) |
| Adjusted Total Projection | \$1,390,473,921 |
| Total Cost of 1% Increase | \$13,904,739 |
| Cost of 1% General Fund Increase (49.86%) | \$6,932,902 |
| Cost of 1% Federal Fund Increase (19.63%) | \$2,729,500 |
| Cost of 1% Other Fund Increase (30.51%) | \$4,242,335 |

*Total based on cost continuation for FY-2003 as of 08-06-2002. Rpt run 07/30/2002.
Projection includes 01/01/2003 Salary Increase.

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Position/Employee Growth

Fiscal Years 1993 - 2002



Total Authorized
 Maximum Filled
 Average Filled

| Year | Authorized | Maximum | Average |
|------|------------|---------|---------|
| 93 | 33,923 | 28,818 | 28,308 |
| 94 | 33,095 | 28,702 | 28,483 |
| 95 | 33,736 | 29,686 | 29,076 |
| 96 | 35,324 | 30,559 | 29,979 |
| 97 | 36,237 | 30,663 | 30,454 |
| 98 | 37,015 | 31,063 | 30,454 |
| 99 | 37,378 | 31,578 | 31,139 |
| 00 | 37,848 | 32,538 | 31,854 |
| 01 | 37,977 | 32,856 | 35,507 |
| 02 | 37,967 | 32,448 | 32,280 |

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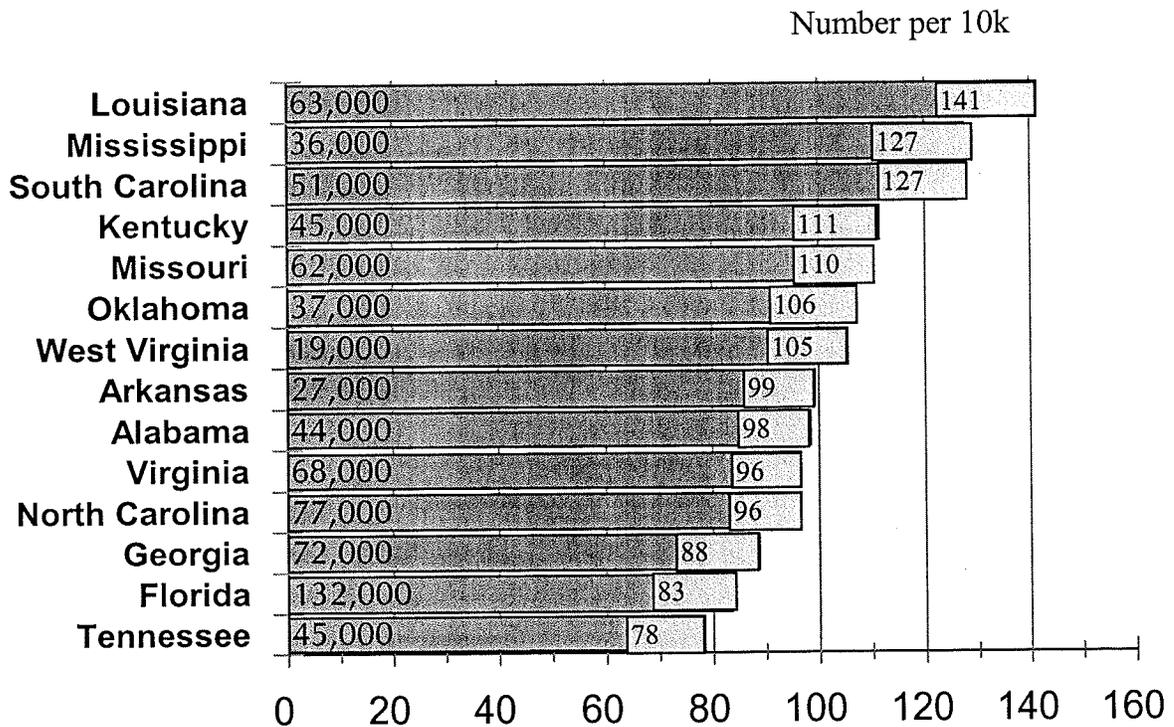
| FY 93/FY 01/ FY 02 Strength Comparison | | | | |
|---|---------------|---------------|---------------|-------------------------------|
| | June 93 | June 01 | June 02 | June 93 to June 02 Difference |
| Mental Health | 6,229 | 8,451 | 8,561 | 2,332 |
| Human Services | 3,531 | 3,555 | 3,418 | (113) |
| Department of Transportation | 3,504 | 3,329 | 3,271 | (233) |
| Department of Corrections | 2,772 | 3,753 | 3,679 | 907 |
| Department of Health | 2,791 | 2,312 | 2,260 | (531) |
| Department of Public Safety | 841 | 1,067 | 1,011 | 170 |
| Wildlife & Fisheries & Marine Resource | 1,006 | 1,028 | 1,014 | 8 |
| Employment Security | 981 | 751 | 843 | (138) |
| Rehabilitation Services | 855 | 854 | 885 | 30 |
| State Tax Commission | 840 | 765 | 742 | (98) |
| Forestry Commission | 720 | 635 | 635 | (85) |
| Department of Education | 602 | 793 | 773 | 171 |
| Military Department | <u>560</u> | <u>660</u> | <u>683</u> | <u>123</u> |
| Subtotal | 25,232 | 27,953 | 27,775 | 2,543 |
| Department of Environmental Quality | 384 | 471 | 471 | 87 |
| Division of Medicaid | 242 | 558 | 547 | 305 |
| Supreme Court | 67 | 131 | 129 | 62 |
| Gaming Commission | 0 | 137 | 127 | 127 |
| All Others* | <u>2,894</u> | <u>3,390</u> | <u>3,399</u> | <u>505</u> |
| Subtotal | 3,587 | 4,687 | 4,673 | 1,086 |
| TOTAL** | 28,819 | 32,640 | 32,448 | 3,629 |

*55 agencies ranging in size from 1 to 328 employees. Total Employees Including Escalated Positions.

**Denotes Full Time and Part Time Employees.

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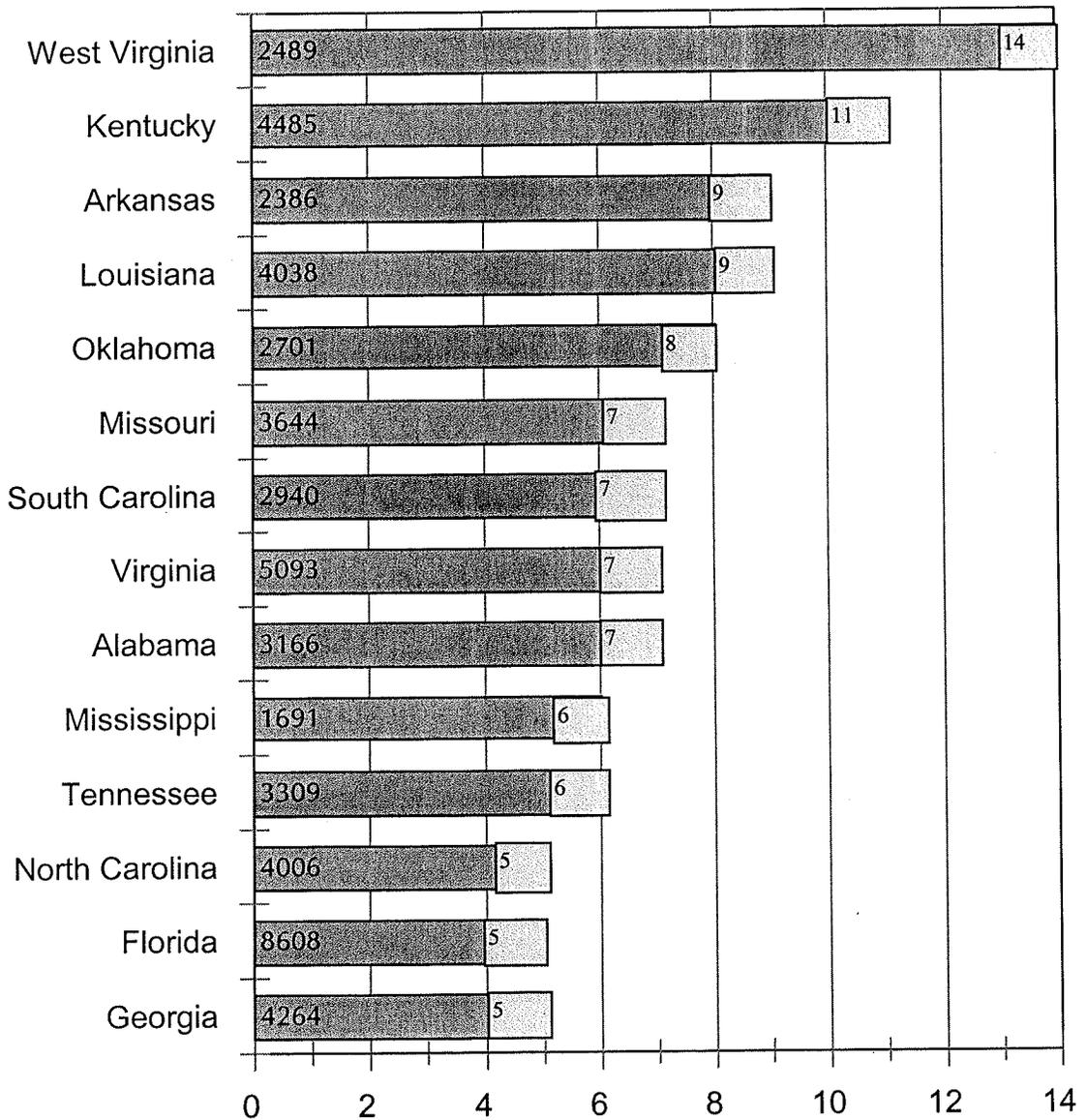
State Employees Per 10k Population 14 Southeastern States (March, 2000)



Source: The Book of States 2002, Page 398 - 507

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Financial and Other Governmental Admin State Employees Per 10k Population



Source: The Book of the States, 2002 Pages 398 - 507

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Recruitment and Selection Fiscal Year 2002 Summaries

Responsibilities of the Office of Recruitment and Selection for Fiscal Year 2002 included the recruiting, screening, evaluating, testing, and certifying of applicants for consideration by state agencies to fill vacancies in state government.

A program of equal opportunity recruitment and referral is conducted through a cooperative agreement with the Mississippi State Employment Security Commission (MESC). The Mississippi Employment Security Commission has been designated as the primary referral source for job applicants. Job information and counseling is available to applicants at local Workforce Investment Network (WIN) Job Centers throughout the state. During Fiscal Year 1999, the Office of Recruitment and Selection began announcing job vacancies through the Internet.

Activities of the State Personnel Board's Recruitment and Counseling Center included attendance at career days and provision of information to placement offices of colleges and universities. Job information and counseling sessions were also offered at the Recruitment and Counseling Center at the State Personnel Board Offices.

Thirty-nine thousand eight hundred thirty-nine (39,839) applications were received during Fiscal year 2002 from individuals seeking state government employment and from agencies for non-competitive promotions, new hires into position exempted from the selection and certification processes, and new hires or promotions into non-state service positions.

Each valid application received by the Office of Recruitment and Selection was screened and evaluated by professional evaluators for eligibility

and compliance with all job requirements. If the application was for a job which required a written or proficiency test, the applicant's score was derived from his/her performance on the test. If the application was for a job for which there was no written or proficiency test, the applicant's score was derived from a computerized scoring system which takes into consideration the relatedness and quantity of the applicant's education and experience.

Written examinations were administered on Saturdays at eight (8) locations throughout the state to minimize possible hardships encountered by applicants residing outside the Jackson metropolitan area. Examination centers in Fiscal Year 2002 were located in Columbus, Gulfport, Hattiesburg, Itta Bena, Jackson, Meridian, Oxford and Parchman. Examinations were administered by individuals sponsored by the facility providing the examination site and trained by the State Personnel Board's professional testing staff. Additionally, testing was administered at the State Personnel Board on a walk-in basis on certain week days. This afforded applicants, who preferred not to wait for the regularly scheduled Saturday session in their own geographic location, an opportunity to apply, and be tested on the same day.

Applicants were scheduled for walk-in testing on a first-come, first served, space-available basis. Typing tests were offered at Jackson, Scooba, Moorehead, Perkinston, Senatobia, Summit, and Tupelo. Typing tests were not available on a walk-in basis. Three thousand eight hundred forty-one (3,841) examinations were scheduled during Fiscal Year 2002.

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Recruitment and Selection Fiscal Year 2002 Summaries

Once the examination process had been successfully completed, the names and numerical ratings of qualified job applicants were added to the appropriate lists of eligibles. Four (4) types of lists were maintained:

1. Reduction in Force (RIF)/Re-employment

Employees in state service positions, laid off while in good standing, who submit a current Experience and Training Record within 12 months of termination date may be placed on this certificate.

2. Promotion/Transfer/Alternate Re-employment

Permanent state service status and/or probationary state service, part-time, time-limited and/or other State Personnel Board purview non-state service employees who have completed six (6) months continuous employment, may be placed on competitive promotional and transfer certificates. Former state service status and/or probationary state service, part-time, time-limited and/or other State Personnel Board purview non-state service employees who have completed at least six (6) months of the probationary period and voluntarily terminated in good standing, may, within 12 months of termination date, be placed on the alternate reemployment certificate.

3. **Open Competitive** Individuals who have applied for a position during an announced recruitment period and who meet the selection criteria for specific job classifications on

recruitment and who do not meet the criteria for other types of certificates may be placed on this certificate.

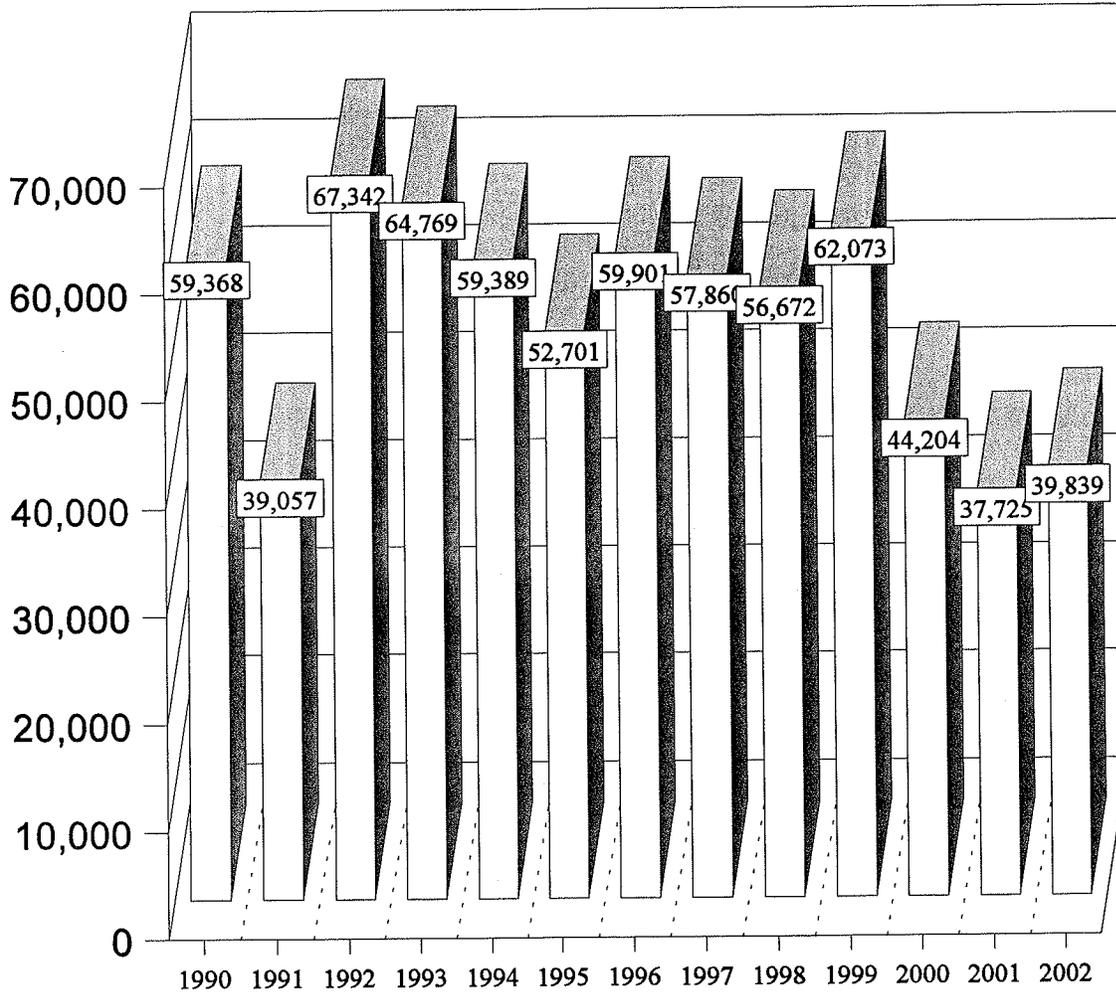
4. **Agency Only** Persons presently employed in a state service, part-time, time-limited or other State Personnel Board purview non-state service position by that agency and who have completed at least six (6) months of their probationary period and meet the selection criteria for the specific job classification, may be placed on this certificate.

When an agency had a vacancy to fill, any one of the four (4) types of certificates could be requested. If the agency requested a Type 1 Certificate, all applicants were printed on one list. If a Type 2 Certificate of Eligibles was requested, the State Personnel Board then certified the names of the ten (10) highest scoring applicants on that list of eligibles. If a Type 3 Certificate of Eligibles was requested, the names of the ten (10) highest scoring applicants on the Type 2 list as well as the names of the ten (10) highest scoring applicants on the Type 3 list were provided. In addition, a Type 4 certificate was available which provided the names of the twenty (20) highest scoring applicants who were already employees of the requesting agency.

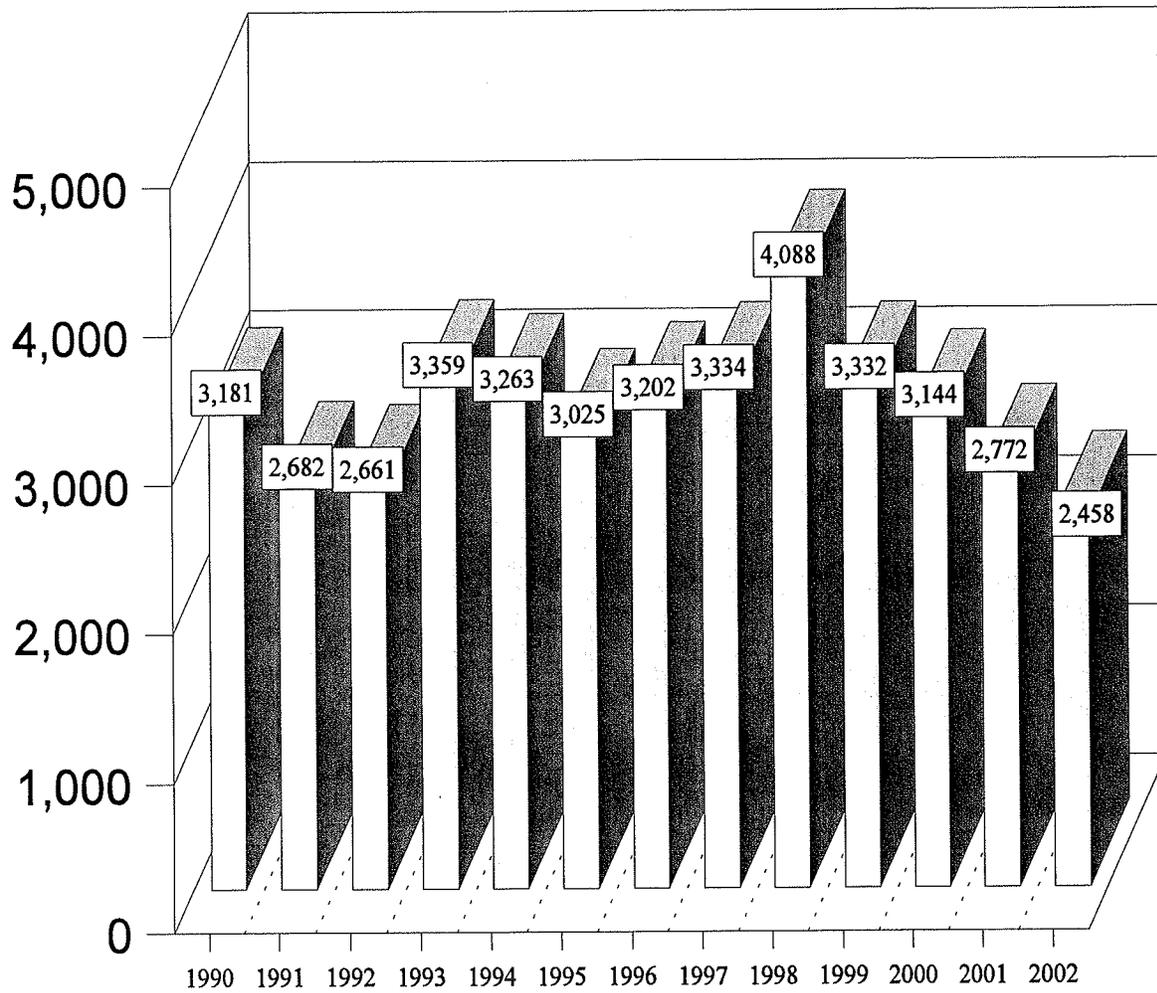
During Fiscal Year 2002, state agencies submitted 2,458 requests for Certificates of Eligibles which resulted in the appointment of 2,725 applicants.

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Applications Processed



Certificates Processed



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Recruitment and Selection Fiscal Year 2002 Summary

| | |
|--|---------|
| Counseling Sessions Conducted | 19 |
| Resumes Evaluated/Letters Written | 80 |
| Recruitment Requests Processed/Job Announcements Removed | 5,537 |
| Applications Received | *39,839 |
| Applicants Added to Lists of Eligibles | 6,869 |
| New Requests for Certificates of Eligibles | 2,458 |
| Certificate Updates (New and Supplementals) | 21,311 |
| Number of Names Certified on Certificates | 41,350 |
| Number of Appointments from Certificates | 2,725 |
| Applications Evaluated | 27,807 |
| Tests Administered | 3,841 |

Recruitment and Selection Activities

| | <u>FY 02</u> | <u>FY 01</u> |
|------------------------------------|--------------|--------------|
| Applications Received | 39,839 | 37,725 |
| Assembled Tests Scheduled | 3,841 | 8,788 |
| Applicants Referred on Certificate | 41,350 | 49,810 |
| Valid Applicants Evaluated | 27,807 | 32,003 |

* Includes profiles.

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Classification and Compensation

The Office of Classification and Compensation primarily is charged with the responsibilities delineated below. These program responsibilities are noted in Mississippi Code Annotated of 1972, as amended. Sections 25-9-103, 25-9-107, 25-9-115, 25-9-119, 25-9-133, 25-9-135, 25-9-147, and 25-9-149.

A. Maintaining a statewide classification system based on objective job analysis to provide timely and consistent classification of all state service positions and to ensure fair treatment of applicants and employees by prohibiting known non-merit selection criteria in written minimum qualifications of job classifications.

B. Developing annual recommendations to the Legislature concerning salary ranges of all job classifications under the State Personnel Board's salary setting authority in order to recruit and retain quality employees in the state work force and to provide adequate and equitable compensation to state employees.

C. Providing budget recommendations to the Department of Finance and Administration and the Legislative Budget Office on October 1, of each year. Upward reallocations or realignments necessary to fill bona fide staffing needs that cannot be adequately addressed through normal budget procedures may be authorized by the State Personnel Board on a monthly basis as needed.

D. Maintaining and/or implementing any necessary revisions to the Variable Compensation Plan.

E. Assisting in the preparation of the Variable Compensation Plan Policy outlining the policies that will govern personnel transactions during the upcoming fiscal year.

F. Administering rules and regulations governing the appointment and movement of all employees within the state service.

G. Providing position control of employment positions authorized in appropriation bills and escalations approved by the Department of Finance and Administration.

H. Developing documents to verify agency and position data. This is necessary to provide program budget information to the Legislature for manpower cost projections for the major expenditure category, Personal Services (salaries, wages and fringe benefits).

I. Assisting state agencies in the review of organizational structures, utilization of resources and personnel administration.

J. Processing personnel action requests received from agencies which include actions such as new hires, transfers, promotions, demotions, and data revisions.

K. Analyzing agency requests for hiring, promotions, reclassifications, reallocations, and other personnel actions, prior to review by the State Personnel Director or the State Personnel Board.

State Personnel Board 2002 Annual Report

Classification and Compensation, As of 6/30/02

| | |
|---|--------|
| Personnel Transactions (Computer Generated) | 81,829 |
| Organizational Chart Audits | 101 |
| Budget Requests | *60 |
| Desk Audits | 84 |
| Items Briefed to Personnel Board | 130 |

*New Positions 847

*Reallocations 941

*Occus Realigned 1,877

State Personnel Board 2002 Annual Report

Office of Training

The Office of Training of the State Personnel Board is responsible for assisting state agencies in improving the productivity, effectiveness and efficiency of state employees through the coordination and provision of appropriate training and development programs.

The Office of Training accomplishes its assigned responsibilities by:

1. Providing high quality, low-cost training programs identified through the needs assessment process as top priorities throughout state government;
2. Providing these programs on-site for agencies, whenever possible, in order to minimize employee travel time and cost to the agencies;
3. Tailoring training programs to the needs of state government in general and for on-site agency programs to the agency and/or employees targeted;
4. Providing technical assistance on training issues such as conducting effective needs assessments, planning training programs, conducting successful training programs, evaluating training, and developing comprehensive training plans. The primary aim of this assistance is to help agencies develop and carry out training plans and programs that are specific to their needs and

cost-effective and which can be maintained internally; and

5. Serving as a statewide training referral source for such training resources as contract trainers, training programs and packages, training video and audio tapes, training equipment and the like.

Training programs offered included the Certified Public Manager (CPM) Program, a rigorous, long-term, national program aimed at standardizing and professionalizing public management in Mississippi in which more than 1700 managers have participated. This program places Mississippi among the leaders nationwide in the area of management training for state employees. In addition, general training classes were offered in the areas of management and supervision, professional development, and secretarial and clerical skills.

The Basic Supervisory Course is a week-long foundational training for supervisory staff in which over 600 employees participated in Fiscal Year 2002.

The Administrative Support Certification Program, which is designed to increase the knowledge and skill level of staff who support the administrative functions of government, conducted initial sessions during this Fiscal Year, with approximately 300 employees participating.

State Personnel Board 2002 Annual Report

| TRAINING SESSIONS | FY 02 | FY 01 |
|------------------------------|--------------|--------------|
| General and Agency Sponsored | *178 | 181 |
| CPM | **31 | 30 |
| Basic Supervisory Course | **27 | 27 |
| TOTAL | 236 | 238 |

| EMPLOYEES TRAINED | FY 02 | FY 01 |
|------------------------------|--------------|--------------|
| General and Agency Sponsored | 4,395 | 3,655 |
| CPM | 775 | 750 |
| Basic Supervisory Course | 675 | 675 |
| TOTAL | 5,845 | 5,080 |

* These figure do not include training provided through an agency's personal service contracts.

** These figure represent the number of week long sessions.

State Personnel Board 2002 Annual Report

Management Information Systems

The State Personnel Board responds to the increasing informational requirements of our state agencies, elected officials and general public with the proper usage of computing applications and technology. Management Information Systems Division (MIS) plays a role in SPB's plans to provide timely and accurate information concerning state employees, applicants for state employment, and agency organizational structures and positions. MIS is responsible for the data to produce special reports such as manpower cost projections for the Legislature and state agencies; agency monthly cost trend reports; providing information requested to fulfill legal requirements such as court orders; managing data for cost trend and analysis; and producing budget-related information for legislative and executive branches. The State Personnel Board provides state agencies with data from the computer databases on a regular basis. Often these agencies will request additional information that requires special computer programming.

The State Personnel Board, Division of Finance and Administration (DFA), and Information Technology Services (ITS) have completed the design and implementation of an automated Statewide Payroll and Human Resource System (SPAHRs). This system provides the information base to support Mississippi's payroll and human resources data needs well into the 21st century. For speed and accuracy, combined payroll and personnel data is available to all authorized customers using the latest electronic media.

Management information from DFA and SPB may be obtained from a common computer database. SPAHRs is designed to minimize the dependency on the flow of paper, while maintaining the integrity required for sensitive payroll and human resource data systems. SPB joins with SPAHRs and Mississippi Executive Resource Library and Information Network (Merlin) to incorporate the latest technology in order to furnish timely accurate information for all agencies and officials. The SPB utilizes high speed fiber data links to facilitate information flow within the state computing complex.

The SPB is continuously pursuing cost effective methods of increasing service to our customers. We remain focused upon minimizing and reducing the flow of paper throughout the agency. The SPB uses the Internet and Fax servers to distribute AD Hoc reports and information to requesting agencies and individuals. Important personnel data is now available 24 hours a day via the Internet. Any agency or individual (with appropriate authorization) may obtain job or agency information directly from SPB computers instead of paper copy or host resident data.

The SPB will continue to review and expand the usage of the Internet as a vehicle to obtain and provide key personnel information. Significant resources are being invested in the development and implementation of new applications on the SPB's Web site (www.spb.state.ms.us).

State Personnel Board 2002 Annual Report

Office of Policy

The Office of Policy operates in a support capacity within the agency, maintaining responsibility for policy development/revision and interpretation of internal SPB policies and those contained in the Mississippi State Personnel Board Policy and Procedures Manual and the Mississippi State Employee Handbook. The office is also responsible for a variety of special projects.

Staff must have a working knowledge of all areas of operation of the State Personnel Board, with in-depth knowledge of the agency's policies and procedures, and particular expertise in the general policy areas, such as those addressing "Leave," "Discipline," and the "Grievance Process."

Administrative Services

The Office of Administrative Services is responsible for all business services necessary for the day-to-day operation of the Board, including, but not limited to, requisitions, purchasing, payroll, employee benefits, maintenance of all SPB personnel files, records, inventory, switchboard, mail, and accounts payable. The office is staffed by professionals with expertise in the operation of the Statewide Automated Accounting System (SAAS) and a thorough knowledge of the laws governing state purchasing and accounting operations.

Office of General Counsel

The Office of General Counsel is staffed by a Special Assistant Attorney General and an Assistant. The General Counsel provides advice and assistance to the State Personnel Board and the State Personnel Director on a variety of legal and policy matters including, but not necessarily limited to, Equal Employment Opportunity concerns, personnel policy inquiries, and issues surrounding various Federal and State laws such as the Americans with Disabilities Act and the Fair Labor Standards Act. The Office of General Counsel also acts as a resource center for certain legal inquiries forwarded from various state agencies and the general public, and is responsible for analyzing contracts submitted to the Board by state agencies for the engagement of private law firms and legal services.

State Personnel Board 2002 Annual Report

Employee Appeals Board

The Employee Appeals Board is composed of three (3) Hearing Officers appointed from each Supreme Court district in accordance with state statute. They are appointed by the five (5) members of the Mississippi State Personnel Board.

The purpose of the Employee Appeals Board is to provide a fair and impartial forum beyond the agency level. The Board holds hearings, compiles evidence, and renders decisions regarding agency actions or employee grievances.

Any permanent state service employee may appeal any action adversely affecting his or her compensation, employment status, or any grievable action set forth by policy. Any permanent state service employee, probationary employee in a state service position or non-state

service employee in, or applicant for, an authorized employment position in an agency which employs state service employees may appeal alleged acts of discrimination based on race, color, creed, religion, national origin, sex, age, disability, or political affiliation in any personnel action or unlawful employment practice. They also may appeal alleged acts of retaliation based upon the employee or applicant's reports of alleged improper government action to a state investigative body.

Proceedings before the Board are de novo and are heard before a single Hearing Officer. After a decision is rendered, either party may appeal to the Full Board. Either party may further appeal to the Circuit Court.

State Personnel Board 2002 Annual Report

| | <u>FY01</u> | <u>FY 02</u> |
|-------------------------------------|-------------|--------------|
| CASES FILED | | |
| Initial Appeals | | |
| Demotion | 4 | 4 |
| Suspension w/o Pay | 10 | 13 |
| Termination | 68 | 54 |
| Unresolved Grievances | 47 | 33 |
| En Banc | 30 | 22 |
| Circuit Court | 11 | 14 |
| TOTAL CASES FILED | 170 | 140 |
| ORDERS RENDERED | | |
| Initial Orders Rendered | | |
| Affirmed | 44 | 33 |
| Agreed | 27 | 29 |
| Dismissed/Appeal not Perfected | 10 | 9 |
| Dismissed/Lack of Jurisdiction | 20 | 9 |
| Dismissed/Motion of Appealing Party | 14 | 9 |
| Dismissed/Failed to Appear | 8 | 2 |
| Dismissed/Stale | 4 | 0 |
| Reversed | 11 | 8 |
| Partial Relief | 4 | 2 |
| En Banc Orders Rendered | | |
| Affirmed | 26 | 23 |
| Dismissed | 5 | 1 |
| Reversed | 2 | 1 |
| Partial Relief | 0 | 0 |
| TOTAL ORDERS RENDERED | 175 | 126 |

State Personnel Board 2002 Annual Report

Personal Service Contract Review Board

During the 1997 Regular Session, the Mississippi Legislature enacted legislation creating the Personal Service Contract Review Board. Section 25-9-120 of the Mississippi Code of 1972, Annotated provides that the Board is to be composed of the State Personnel Director, the Executive Director of the Department of Finance and Administration, or his designee, the Commissioner of Corrections, or his designee, the Executive Director of the Mississippi Department of Wildlife and Fisheries, or his designee, and the Executive Director of the Department of Environmental Quality, or his designee. The State Personnel Director shall be Chair and shall preside over the meetings of the Board. The Personal Service Contract Review Board meets regularly once a month and as needed in order to accommodate special requests made by agencies.

Necessary clerical and administrative support for the Board is provided by the State Personnel Board. Currently, the staff consists of one Special Assistant Attorney General, two Contract Analysts, and one Administrative Assistant. During Fiscal Year 2002, the Personal Service Contract Review Board accomplished the following:

1. Revised policies and procedures to eliminate unnecessary paperwork and undue hardship on agencies;

2. Implemented a series of statewide personal service contract procurement regulation training classes;

3. Coordinated with MMRS personnel to develop specific training for state employees regarding managed contracts in SPAHRS;

4. Approved personal and professional service contracts involving the expenditures of funds in excess of One Hundred Thousand Dollars (\$100,000.00);

5. Administered standards with respect to contractual services personnel which required invitation for public bid, requests for proposals, record keeping and financial responsibility of contractors;

6. Administered standards for the issuance of requests for proposals, the evaluation of proposals received, consideration of costs and quality of services proposed, contract negotiations, the administrative monitoring of contract performance by the agency and successful steps in terminating a contract; and

7. Authorized personal and professional service contracts to be effective for more than one year provided a funding condition was included in any such multiple year contract.

During Fiscal Year 2002, there were 202 contracts approved for execution through Fiscal Year 2007 totaling \$116,755,652.00.

State Personnel Board 2002 Annual Report

| | FY 2001 | FY 2002 |
|----------------------------|----------------------|----------------------|
| Contracts Reviewed: | 207 | 202 |
| General Funds: | \$ 49,943,402 | \$ 38,322,226 |
| Federal Funds: | \$ 65,512,855 | \$ 60,667,201 |
| Other Funds: | \$ 85,745,878 | \$ 17,766,225 |
| Total: | \$201,202,135 | \$116,755,652 |

State Personnel Board 2002 Annual Report

The Colonel Guy Groff State Variable Compensation Plan "Open to Change"

Benefits

- Flexibility to Manage Wage and Salary Administration
- Abandons Traditional Grade and Step Format
- Annual Legislative Review and Funding
- Legislative Commitment Ensures Success

Components

- Realignment - Key Feature
- Productivity Awards Based on Job Performance
- In-service, Cost of Living Increase
- Longevity
- Reallocations and Reclassifications
- Additional Compensation, i.e., Shift Differential and Overtime
- Special Compensation Plans, i.e., Experience/Educational Benchmarks

State Personnel Board 2002 Annual Report

Overview of the Variable Compensation Plan

Each position in state government is classified into one of approximately 2,000 job titles. Each job title in state service has a position description which outline the characteristics of the job and the minimum educational and experience requirements needed to be considered for appointment to that job. Each job title has an assigned salary range. The salary range is based on the Mississippi relevant labor market, and the four (4) contiguous states (Alabama, Louisiana, Tennessee, and Arkansas). The range from the entry salary to the maximum salary of a job classification is generally 50%. Since first adopted by the Legislature in 1981, the Variable Compensation Plan has been the primary instrument governing salary administration for state government employees. The following is an overview of the Variable Compensation Plan (VCP).

Realignment allows annual adjustments to the salary ranges of state jobs based on surveys of salaries for the same or similar jobs in surrounding states or the private sector in Mississippi. This component is targeted at keeping the starting and maximum salaries for state employees generally comparable with other southeastern states and the private sector in Mississippi. The key feature of realignment is the compensation of employees at a fair wage based on the prevailing regional labor market.

Productivity increases are performance based salary increases awarded at the discretion of the agency director and management. Productivity is the most flexible management tool in the VCP. When appropriated, it allows an agency director to reward employee excellence. More than any other component, productivity encourages the retention of an agency's top performers by reassuring them that their good work is being noticed and appreciated. It motivates and provides an incentive to other employees to put forth their best effort. Productivity promotes stability, thus reducing the direct and indirect costs of turnover and training. State Personnel Board regulations require that productivity increases be thoroughly documented by current performance appraisal ratings. The Performance Appraisal Review (PAR) was redesigned in 1994, effective January 1, 1996. The redesign was accomplished by an 18-member task force of professionals from a cross-section of agencies. The updated system simplified the prior appraisal process, yet retained all of the elements needed for effective supervisor/subordinate communication as well as being legally defensible.

Since productivity salary increases are restricted to only the best performers, it is one of the best methods of cost containment available to the Legislature. In the short term, the exclusion of marginal and mediocre workers from its benefits provides an immediate economic savings over nonselective salary increases. In the long term, it reduces the tendency of agencies to request reallocations to higher salaried job classes strictly to award salary increases.

State Personnel Board 2002 Annual Report

Primary Effects of the Failure to Fund Productivity

- * Disparity among agencies in that some agencies were able to participate while others were not.
- * Loss of effectiveness of the employee Performance Appraisal Review System (PAR) which was designed and marketed to state government as a "pay for performance" system.
- * Decreased ability of agencies to provide high quality services to the people of Mississippi due to the difficulty in attracting and retaining high quality, productive employees at all levels.
- * Loss of productivity and morale in state government due to the perception that the productive employee has no greater value than the unproductive employee.
- * Creation of a management system in which managers have no control over one of the most powerful managerial tools, i.e., the ability to financially reward productive employees.

Reallocations is change in job classification based on a review of the duties performed, is based upon documented need within the agency. Reallocations are concerned primarily with the job content of the position and not the salary. Reallocations are a necessary component when agencies experience reorganizations or increased responsibilities which require changes in job duties performed.

Reclassification allows agencies to automatically change the classification of employees who have successfully completed a period of training or received needed licensure or certification. Normally, the employee moves from a trainee position to the full classification, such as Correctional Officer Trainee to Correctional Officer I, and receives a salary increase consistent with the existing promotional formula.

Educational Benchmark awards provide compensation for achievement of significant, job related educational milestones which the employee has embarked upon in conjunction with the agency. The employee understands that the agency may provide a benchmark increase upon successful completion of the educational program. The amount of the benchmark is usually five percent of the employee's base salary.

Additional Compensation (overtime or callback pay) is authorized for individuals who work additional hours beyond the established work schedule. Payment of overtime is needed in order to comply with provisions of the Fair Labor Standards Act.

New Hire Flexibility allows the agencies to hire an applicant at a salary above the starting salary of the pay range based on his/her superior education and/or experience as documented by the agency.

Recruitment Flexibility exceeds the flexibility offered for new hires, and is based on documented recruitment difficulties. The award of recruitment flexibility must be approved by the State Personnel Board in all cases.

State Personnel Board 2002 Annual Report

Longevity bonuses are lump sum payments awarded to employees who have reached the maximum salary allowed for their particular job class by State Personnel Board regulations. Longevity bonuses are awarded if the Legislature appropriates specific funding for that purpose.

In summary, **realignment** is the adjustment of the recommended starting salary and mandatory maximum salary for each job classification in state government. It is based on salary surveys of equivalent or similar jobs in Mississippi and the surrounding states which are conducted by State Personnel Board staff on an ongoing basis. **Productivity** is awarded to employees who are an agency's top performers. Through the use of PAR, agency management knows who its top performers are, and good managerial practice dictates that employees who do the best work are more deserving than the marginal or mediocre worker. **Reallocation** recognizes that job responsibilities and duties of a position may change over time or as a result of reorganization. If job responsibilities are changed to a significant degree, the position's job classification can be changed as well as the salary. Reallocation also allows an agency to change the classification of an existing position to better suit the needs of the agency. Under normal circumstances, the State Personnel Board approves and implements upward reallocations at the beginning of the fiscal year; however, under special circumstances, the Board considers justifiable upward reallocations on a case-by-case basis.

State Personnel Board 2002 Annual Report

Monies Appropriated Since the Adoption of the VCP

| <u>Fiscal Year</u> | <u>Realignment</u> | <u>In-Service</u> | <u>Longevity</u> | <u>Productivity</u> |
|--------------------|---------------------------|---------------------------|------------------|---------------------|
| 82 | \$11,338,603 | \$0 | \$0 | \$26,578,284 |
| 83 | \$0 | \$0 | \$0 | *Authorized |
| 84 | \$10,339,240 | \$13,448,267 | \$0 | \$11,343,527 |
| 85 | \$0 | \$0 | \$0 | \$0 |
| 86 | \$15,956,534 | \$14,999,170 | \$248,619 | \$15,659,705 |
| 87 | \$0 | \$0 | \$0 | \$0 |
| 88 | \$0 | \$24,143,898 ¹ | \$0 | \$0 |
| 89 | \$38,079,820 ² | \$0 | \$0 | \$0 |
| 90 | \$0 | \$0 | \$0 | *Authorized |
| 91 ³ | \$16,798,567 | \$38,678,357 | \$648,799 | \$0 |
| 92 | \$0 | \$0 | \$0 | \$0 |
| 93 | \$0 | \$0 | \$0 | \$0 |
| 94 ⁴ | \$13,527,632 | \$55,905,784 ⁵ | \$0 | \$0 |
| 95 | \$25,647,207 | \$24,789,406 ⁶ | \$730,401 | \$0 |
| 96 ⁷ | \$17,550,361 | \$14,053,384 ⁵ | \$0 | \$0 |
| 97 | \$0 | \$0 | \$0 | \$0 |
| 98 | \$13,364,949 | \$17,308,689 ⁸ | \$0 | \$0 |
| 99 ^{5,9} | \$33,360,025 | \$0 | \$0 | \$0 |
| 00 ^{5,10} | \$24,763,487 | \$33,358,747 | \$0 | \$0 |
| 01 | \$0 | \$0 | \$0 | \$0 |
| 02 | \$0 | \$0 | \$0 | \$0 |

*Agencies required to fund through "Cutback Management."

1. \$75.00 per month or 4% of base salary, whichever is greater
2. 7.75% average increase for eligible positions
3. \$125.00 per month or 5% of base salary or realignment, whichever is greater, for 9 month implementation
4. \$133.33 per month or 4% of base salary or realignment, whichever is greater
5. Should an employee's base salary exceed the end step due to the Legislated pay increase, that portion exceeding end step is built into the employee's base salary.
6. In addition to realignment and \$500.00 in-service, employees with a hire date of July 1, 1993, or earlier, received a 1% anniversary date increase. (Cost: \$7,178,208)
7. Realignment or \$700.00, whichever is greater, for employees hired on or before June 30, 1994
8. In addition to realignment and \$300.00 in-service, employees with a hire date of June 30, 1996, or earlier, received a 1% anniversary date increase. (Cost: \$5,124,318)
9. Minimum realignment of \$600 and maximum realignment of \$900, to next higher step, for all job classes. Also includes a \$900 minimum realignment for Information Technology positions and an average of \$1,500 realignment for MH-DCW classifications. \$1,500 realignment for MH-DCW classifications.
10. All classifications received a minimum \$600 and maximum \$1,600 realignment. Employees hired on or before December 31, 1998, received \$900 in-service.

State Personnel Board 2002 Annual Report

Surveys mailed: 82

Surveys received: 51

Variable Compensation Plan Fiscal Year 2002 Annual Legislative Report

During Fiscal Year 2002, state agencies utilized a wide range of Variable Compensation Plan components for which funds were generally or specifically appropriated.

- I. The components contained in this table require annual funding by the Legislature. (Refer to the "Policy Section" in Annual Policy Memorandum 0202 for information regarding each component.) Please observe the following instructions for completion of this Section:
- Select "Y" (Yes) or "N" (No) to indicate if the component was utilized within your agency. (Those components which were mandated have been pre-marked.)
 - Grade each component (whether utilized or not) as a concept of compensation on a scale from "A" to "F", where "A" indicates excellence and "F" indicates failure.
 - Utilize the "Comments" section to express your favor or disfavor regarding the funding/non-funding of this component. Also, please use the "Comments" section to explain those compensation component grades which are less than "C". (Grades of "D" or "F" with no accompanying explanation will be upgraded to "C".)

Notes: Grades were calculated on a 4.0 grading system (where A = 4.0 and F = 0.0) to arrive at a numerical average.

| Component | Referenced Section | Utilized? | | Grade | | | | | Comments |
|-----------------------------|--------------------|-----------|----|-------|---|------|---|---|---|
| | | Y | N | A | B | C | D | F | |
| Inservice COLA | C.2 | 0 | 51 | | | 2.47 | | | Necessary to provide for cost of living increases, however, it should be accompanied by realignment; Needs to be funded due to the rising cost of health insurance and other living expenses. |
| General Realignment | C.1 | 0 | 51 | | | 2.76 | | | We need to be more competitive with out salaries; If this component were funded each year, we would not have as much a problem retaining employees; Without realignment, we are guaranteed to lose quality employees to the private sector. |
| Longevity Not funded. | C.4 | 0 | 51 | | | 2.29 | | | Awards long-term employees whether productive or not; Lack of longevity increases prevents agencies from rewarding employees for years of service. |
| Productivity Not funded. | C.5 | 0 | 51 | | | 2.45 | | | Causes employees to not work as a team; Would be excellent to use instead of across the board raises for unproductive employees who expect a raise because the work for the State; Funding and use would increase morale and award high performers. |

State Personnel Board 2002 Annual Report

| | | | | | | | | | |
|--|-----|----|----|--|------|------|--|--|---|
| Reallocations Funded only to specific agencies. | C.3 | 41 | 10 | | 3.33 | | | | Reallocations keep job compensation in line with duties. Small agencies should get more funding due to budgetary constraints. Large agencies can pull people from other places to fill needs. |
| No Increase to Appropriated Dollars Required agencies to stay within their FY appropriation on a 12-month basis. | C.6 | 51 | 0 | | | 2.20 | | | Special fund agencies should be allowed to increase the appropriated dollars as the Board of Directors deems necessary; A good way to ensure a balanced budget, but causes problems in funding deserved promotions, reallocations, etc. |

II. The items in this table are non-budgeted and may be used upon the approval of the State Personnel Director and/or the State Personnel Board and upon certification from the State Fiscal Officer (where applicable) that appropriate funds exist in the personnel services dollars funding category. (Refer to the "Policy Section" in Annual Policy Memorandum 0202 for information regarding each component). Please observe the following instructions for completion of this Section:

- Select "Y" (Yes) or "N" (No) to indicate if the component was utilized within your agency.
- Grade the component as a **concept of compensation (whether utilized or not)** on a scale from "A" to "F" where "A" indicates excellence and "F" indicates failure.
- Utilize the "Comments" section to discuss your concerns regarding the policies and procedures for the administration of each component. Please also use the "Comments" section to explain those compensation grades which are less than "C". (Grades of "D" or "F" with no accompanying explanation will be upgraded to "C".)

| Component | Referenced Sections | Utilized? | | Grade | | | | | Comments |
|--|---------------------|-----------|----|-------|------|------|---|---|---|
| | | Y | N | A | B | C | D | F | |
| Promotional Formula | D.2 | 41 | 10 | | 3.33 | | | | Ten-step guarantee needed; Good concept, however, agencies are not always able to give full promotional max due to budgetary constraints. |
| Upward Reallocation Addresses a bona fide staffing need outside of normal budget process. | D.3.a | 39 | 12 | | 3.35 | | | | Classification should be correct as duties/responsibilities change; Helps with recruitment and retention. |
| Lateral Reallocation | D.3.b | 18 | 33 | | 3.10 | | | | Helpful; |
| Downward Reallocation | D.3.c | 26 | 25 | | 3.12 | | | | Flexibility of job classes is helpful; A good component to reallocate positions to better serve the agency. |
| Realignment Addresses staffing crisis outside of normal realignment process due to change in labor market. | D.3.d | 4 | 47 | | | 2.78 | | | If realignment is not appropriated, non-appropriated realignment is necessary, but likely will place a greater strain on an agency that needs to adjust the hiring rate of a job outside the budgetary process. |

State Personnel Board 2002 Annual Report

| | | | | | | | | | |
|--|--------|----|----|--|------|------|--|--|--|
| Reclassification | D.4 | 30 | 21 | | 3.27 | | | | Does no good to have this authority if its use will put an agency out of compliance; A good tool to use as skills are gained and responsibilities increase. |
| New Hire Salary | D.5.a | 39 | 12 | | 3.02 | | | | Favorable component |
| New Hire Flexibility Allows agency to hire individual at 10% above starting salary when he/she exceeds the minimum level of education or experience. | D.5.b | 32 | 19 | | 3.24 | | | | Would be a valuable tool to increase the hiring rate, but we need funding to use it; Request greater new hire flexibility increases; Certain classes need more flexibility. |
| Recruitment Flexibility Allows agency to hire individual anywhere in pay range based on difficulty in recruiting. | D.5.d | 5 | 46 | | 3.02 | | | | Crucial for hard to recruit positions. |
| Agency-head Flexibility | D.5.c | 9 | 42 | | | 2.96 | | | A good concept since it deals with top-level employees within an agency and their work is critical to the agency. |
| New Appts from agencies not under SPB purview | D.6 | 8 | 43 | | | 2.92 | | | Favorable component. |
| Appts of Executive Dir. | D.7 | 7 | 44 | | | 2.90 | | | Agency head salary is set in statute and is causing the agency great problems; The salary of executive directors should be more in line with the four states and private sector. |
| Special Comp Plans Allows individuals to move up in salary range based on experience. | D.8 | 14 | 37 | | 3.02 | | | | Need to utilize for more classifications; Essential to our recruitment and retention of engineers. |
| Additional Comp Plans Compensates individuals for work performed beyond standard requirement. | D.9 | 15 | 36 | | | 2.92 | | | Other classes need to be looked at for additional compensation such as location pay and shift differential; The comp plan for nurses has been very beneficial. |
| Educational Benchmark Recognizes education, certification or licensure achievements. | D.10 | 32 | 19 | | 3.27 | | | | Keeps the workforce learning; The time limit for awarding a benchmark should be removed; Not widely used due to budgetary constraints. |
| Promotional Transfer | D.11.a | 32 | 19 | | 3.31 | | | | When agencies hire a good employee from within State government, the State benefits from maintaining the employee and any dollars spent on training. |
| Lateral Transfer | D.11.b | 26 | 25 | | 3.18 | | | | Favorable concept. |
| Demotional Transfer | D.11.c | 16 | 35 | | | 2.49 | | | Have used for disciplinary purposes and when the employee requests a transfer. |

State Personnel Board 2002 Annual Report

| | | | | | | | | | |
|-------------------------|------|----|----|--|------|------|--|--|---|
| Sal. Exceeding Agy Head | D.12 | 3 | 48 | | | 2.63 | | | Law prohibits most employees from exceeding the Agency Head; Causes problems with realignment, since subordinate employees with many years of service may otherwise exceed the salary of the Agency Head. |
| Reappointments | D.13 | 14 | 37 | | 3.00 | | | | Favorable--Allows agency to bring back employees to their former positions and salaries; Returning employees are often experienced with the agency and well trained. |
| Return After Separation | D.14 | 12 | 39 | | | 2.94 | | | Favorable concept. |
| PAR Requirements | E | 40 | 9 | | | 2.59 | | | Do not get the fullest value for PAR that we should since it is not tied to compensation; Unfair because it serves to reprimand but not to reward. |

III. Please answer the following questions regarding the Compliance Report.

- Did your agency receive assistance on the Compliance Report from the State Personnel Board staff?
Y-35; N-16

Comments regarding the Report:

- The concept is difficult to comprehend by management.**
- The electronic format is great.**

IV. Please answer the following questions concerning the Policy Memoranda and the VCP forum.

- Were the policies and procedures governing the VCP written understandably? Y-51; N-0
- Are there instances in your agency where employees with less seniority and qualifications have higher actual salaries than more senior employees in the same job class? Y-15; N-36

If so, what compensation components contributed to these disparities?

- Employees who were promoted or received educational benchmarks prior to the 100% parity may have lower salaries than those after 100% parity.**
- Employees in the same job class for years versus employees who have just been promoted, received benchmarks, etc.**
- New Hire Flex and Promotional Flex decisions made by different department heads, primarily in the 1980s. These compensation decisions now tend to be viewed from a more agency-wide perspective.**

- Please provide comments concerning the Annual VCP Forum.

- Informative and allows for exchange of information.**
- Excellent opportunity for agency personnel staff to provide input on VCP components**
- New personnel people in small agencies need some type of introductory training before attending VCP forum. When it is all new, the information makes no sense.**
- The annual VCP forum provides us the opportunity to network; share what**

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does/doesn't work well in delivery of services; gain insight from SPB staff; and gives us "heads up" to proposed changes and their impact.

4. Please provide any other comments you may have regarding administration of the VCP.

- **It is our hope that the Legislature will continue to review the various components of the VCP and consider requests for funding.**
- **Having information on-line for agencies to access is a tremendous help!**

V. Please answer the following questions regarding the separation of employees.

Did your agency conduct exit interviews for all employees leaving state government?

Y-25;N-26

If yes, please list (in summary) reasons for leaving state government.

- **Higher salaries**
- **Retirement**
- **Better opportunities for advancement**
- **To pursue employment in private sector**
- **Staying home**
- **Better jobs with additional pay, benefits, and working conditions**
- **Promotional opportunities in state government were not adequate**
- **Moving; Relocation with spouse**
- **Returned to school**
- **Lack of salary increase**
- **Flexible work schedules, more affordable health insurance, annual pay increases**
- **Job dissatisfaction**
- **Health reasons**

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List of Agency Respondents to VCP Annual Impact Report

Agriculture and Commerce
Animal Health Board
Banking and Consumer Finance
Board of Registered Prof. Geologists
Boswell Regional Center
Department of Corrections
Department of Education
Department of Health
Department of Human Services
East Mississippi State Hospital
Ellisville State School
Emergency Management Agency
Employment Security
Engineers and Land Surveyors Board
Environmental Quality
Farmers Central Market
Finance and Administration
Fire Academy
Forestry Commission
Funeral Service Board
Gaming Commission
Grand Gulf Military Monument
Hudspeth Regional Center
Information Technology Services
Insurance Department
Library Commission
Marine Resources
Medical Licensure Board
Mississippi Development Authority
Mississippi State Hospital
North Mississippi Regional Center
North Mississippi State Hospital
Oil and Gas Board
Pat Harrison Waterway District
Pearl River Valley Water Supply District
Pearl River Basin Development District
Public Accountancy
Public Contractors' Board
Public Employee's Retirement System (PERS)
Public Utilities Staff
Rehabilitation Services
Secretary of State
Soil and Water Conservation Commission
State Aid to Road Construction

State Auditor
State Personnel Board
Tax Commission
Tombigbee River Valley Water Management
Veterans' Home Purchase Board
Wildlife, Fisheries and Parks
Workers' Compensation

Agencies not responding to the VCP survey:

Agricultural Aviation Board
Architecture and Landscape Board
Archives and History
Arts Commission
Athletic Commission
Attorney General
Auctioneers' Commission
Barber Examiners
Board of Examiners for Social Workers
& Marriage and Family Therapists
Bureau of Narcotics
Central MS Residential Center
Cosmetology Board
Dental Examiners
Department of Public Safety
Department of Transportation
Division of Medicaid
Educational Television (ETV)
Fair Commission
Juvenile Rehabilitation Center
Mental Health
Motor Vehicle Commission
Nursing Board
Nursing Home Administrators
Pharmacy Board
Public Service Commission
Real Estate Commission
South Mississippi Regional Center
South Mississippi State Hospital
State Treasury
Veterans' Affairs Board
Veterans' Memorial Stadium

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Travel Report

2002 State Personnel Board Travel Log

| DATE | PV # | NAME | PLACE | COST |
|-------------------------|------|------------------|-----------------------------|------------|
| TRAINING -- 3610 | | | | |
| 07-25-01 | 24 | Leslie Lloyd | MS Municipal League Conven. | \$367.52 |
| 10-24-01 | 299 | Leslie Lloyd | MAPA Convention | \$441.67 |
| 10-31-01 | 321 | Leslie Lloyd | CPM Conference | \$365.51 |
| 11-20-01 | 362 | Leslie Lloyd | MH/MR Conference | \$295.60 |
| 12-20-01 | 452 | Leslie Lloyd | BSC Training | \$69.00 |
| 02-05-02 | 537 | Leslie Lloyd | CPM Training | \$67.62 |
| 05-02-02 | 756 | Leslie Lloyd | AACPM Conference | \$1,493.97 |
| 05-14-02 | 808 | Leslie Lloyd | BSC Instructor Retreat | \$25.18 |
| 06-13-02 | 896 | Leslie Lloyd | Training | \$45.26 |
| 05-31-02 | 863 | Angela Armstead | Coordinate Training | \$45.99 |
| 06-27-02 | 955 | Angela Armstead | Coordinate Training | \$61.32 |
| 08-10-01 | 89 | Julia Summers | Coordinate Training | \$62.10 |
| 09-05-01 | 156 | Julia Summers | Coordinate Training | \$49.68 |
| 03-12-02 | 625 | Julia Summers | Coordinate Training | \$36.50 |
| 04-09-02 | 719 | Julia Summers | Coordinate Training | \$23.36 |
| 06-06-02 | 873 | Julia Summers | Coordinate Training | \$23.36 |
| 06-19-02 | 918 | Julia Summers | Coordinate Training | \$74.46 |
| 08-09-01 | 71 | Kenisha Williams | Coordinate Training | \$7.60 |
| 09-07-01 | 165 | Kenisha Williams | Coordinate Training | \$7.94 |
| 10-04-01 | 238 | Kenisha Williams | Coordinate Training | \$8.30 |
| 11-06-01 | 330 | Kenisha Williams | Coordinate Training | \$5.87 |
| 12-11-01 | 416 | Kenisha Williams | Coordinate Training | \$5.87 |

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| DATE | PV # | NAME | PLACE | COST |
|--------------|-------------|---------------|----------------------|--------------------|
| 12-12-01 | 428 | Dianne Macon | Coordinate Training | \$60.03 |
| 01-11-02 | 493 | Dianne Macon | Coordinator Training | \$27.60 |
| 08-02-01 | 64 | Shelly Smith | Coordinator Training | \$13.80 |
| 10-03-01 | 233 | Shelly Smith | Coordinator Training | \$21.40 |
| 10-17-01 | 292 | Shelly Smith | CPM Training | \$184.33 |
| 02-06-02 | 533 | Shelly Smith | CPM Training | \$140.42 |
| 03-21-02 | 660 | Shelly Smith | MSCPM Workshop | \$26.28 |
| 05-15-02 | 820 | Shelly Smith | Coordinate Training | \$323.39 |
| 08-02-01 | 63 | Robert Gaston | BSC Training | \$315.38 |
| 10-04-01 | 239 | Robert Gaston | BSC Training | \$689.69 |
| 10-24-01 | 300 | Robert Gaston | BSC Training | \$511.58 |
| 11-27-01 | 393 | Robert Gaston | BSC Training | \$77.28 |
| 12-11-01 | 415 | Robert Gaston | BSC Training | \$475.81 |
| 12-26-01 | 456 | Robert Gaston | BSC Training | \$572.22 |
| 05-14-02 | 807 | Robert Gaston | BSC Training | \$25.18 |
| 05-15-02 | 821 | Robert Gaston | BSC Training | \$257.66 |
| 06-06-02 | 874 | Robert Gaston | BSC Training | \$61.32 |
| 06-18-02 | 903 | Robert Gaston | BSC Training | \$432.88 |
| 07-15-02 | 921 | Robert Gaston | BSC Training | \$333.16 |
| Total | | | | \$15,527.14 |

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| DATE | PV # | NAME | PLACE | COST |
|-------------|-------------|---------------------|------------------|-------------|
| 10-15-01 | 274 | Falton Mason | Hearing | \$50.71 |
| 01-07-02 | 481 | Falton Mason | Hearing | \$264.96 |
| 04-09-02 | 715 | Falton Mason | Hearing | \$442.08 |
| 05-13-02 | 795 | Falton Mason | Hearing | \$242.68 |
| 07-12-02 | 989 | Falton Mason | Hearing | \$269.74 |
| 07-18-01 | 16 | J. K. Stringer, Jr. | NASPE Conference | \$560.00 |
| 02-12-02 | 544 | J. K. Stringer, Jr. | NASPE Meeting | \$244.00 |
| 10-24-01 | 312 | J. K. Stringer, Jr. | CPM Conference | \$93.50 |
| 10-24-01 | 312 | J. K. Stringer, Jr. | MAPA Conference | \$195.80 |
| 07-31-01 | 55 | Mary Pyle | SPB Meeting | \$222.36 |
| 08-30-01 | 143 | Mary Pyle | SPB Meeting | \$220.67 |
| 09-26-01 | 216 | Mary Pyle | SPB Meeting | \$213.12 |
| 10-31-01 | 323 | Mary Pyle | SPB Meeting | \$108.33 |
| 11-27-01 | 374 | Mary Pyle | SPB Meeting | \$249.67 |
| 12-19-01 | 442 | Mary Pyle | SPB Meeting | \$108.33 |
| 02-05-02 | 521 | Mary Pyle | SPB Meeting | \$114.61 |
| 02-27-02 | 595 | Mary Pyle | SPB Meeting | \$114.61 |
| 05-07-02 | 779 | Mary Pyle | SPB Meeting | \$194.67 |
| 05-30-02 | 860 | Mary Pyle | SPB Meeting | \$181.38 |
| 06-24-02 | 937 | Mary Pyle | SPB Meeting | \$114.61 |
| 07-18-01 | 15 | John Mulholland | NASPE Conference | \$1,186.03 |
| 10-11-01 | 254 | John Mulholland | MAPA Conference | \$195.80 |
| 10-24-01 | 311 | John Mulholland | CPM Conference | \$187.00 |
| 02-11-02 | 541 | John Mulholland | NASPE Meeting | \$610.35 |
| 09-27-01 | 218 | Darla Hewitt | Job Fair | \$281.01 |
| 05-06-02 | 765 | Randy Dampeer | Job Fair | \$91.98 |