



Karrl Couvillon

# FY16 Executive Budget

## Schedule 17 Department of Civil Service



Louisiana Senate  
Finance Committee  
May 18, 2015

# FY16 Executive Budget

## Schedule 17 — Department of Civil Service

### **17-560: State Civil Service**

- Administration — Provides administrative support to State Civil Service and the Commission, including legal, accounting, purchasing, and property control. Hears civil service employee appeals and maintains the official personnel and position records of the state.
- Human Resources Management — Develops, implements, and evaluates systems for job evaluation, pay, employment, promotion and personnel management. Establishes rules, policies, and practices.

### **17-561: Municipal Fire and Police Civil Service**

- Administration — Administers a merit-based system of civil service for firefighters and police officers in all municipalities in the state having populations of not less than 7,000 nor more than 500,000 inhabitants and in all parish fire departments and fire protection districts regardless of population.

### **17-562: Ethics Administration**

- Administration — Provides staff support for the Louisiana Board of Ethics which administers and enforces the state's conflicts of interest statutes, campaign finance disclosure requirements and lobbyist registration and disclosure laws. The Ethics Administration enforces compliance by government officials, public employees, candidates, and lobbyists and provides public access to disclosed information.

### **17-563: State Police Commission**

- Administration — A constitutionally created entity that provides a separate merit system for the commissioned officers of Louisiana State Police. The program administers entry-level law enforcement exams and promotional exams, processes personnel actions, issues certificates of eligibles, and schedules appeal hearings and pay hearings.

### **17-565: Board of Tax Appeals**

- Administrative — Provides an appeals board to resolve disputes between taxpayers and the Department of Revenue. Reviews and makes recommendations on tax refund claims, claims against the state, industrial tax exemptions, and business tax credits.
- Local Tax Division — Provides an appeals board to resolve disputes between taxpayers and local taxing authorities. Reviews and makes recommendations on tax refund claims against local tax authorities.

# FY16 Executive Budget

## Schedule 17 — Departmental Statistics

- Significant statistics for the Department of Civil Service:
  - State Civil Service - From FY08 to FY14, the number of full-time equivalent state employees has decreased from 93,099 to 61,761.
  - State Civil Service - The overall turnover rate in the classified state service has increased from 14.56% in FY10 to 23.78% in FY14. This includes both voluntary and involuntary separations. According to State Civil Service, this significant increase is primarily due to lay-offs and retirements resulting from facility closures. The voluntary turnover rate in the classified service for FY14 was 14.53%.
  - For FY14, the following employee ratings were determined in the classified service:
    - Exceptional - 4,757
    - Successful - 31,294
    - Needs Improvement/ Unsuccessful – 388
  - Ethics Administration - The number of matters referred for investigation by the Ethics Administration has increased from 189 in FY10 to 576 in FY14.

# Department of Civil Service

## FY15 Existing Operating Budget vs. Proposed FY16 Budget

<b>Total Funding</b>	<b>FY15 EOB as of 12</b>	<b>FY16 Recommended</b>	<b><i>Difference</i></b>
Civil Service	\$ 18,998,058	\$ 19,875,223	\$ 877,165
<b>Total Positions</b>	161	169	8
<b>Other Charges Positions:</b>	<b>0</b>		

### FY16 Non-Discretionary Funding

Total Non-Disc.: \$4,026,859

**Percent Non-Disc: 20.3%**

Total Non-Disc. SGF: \$331,818

Non-Disc. T.O.: 0

### FY16 Discretionary Funding

Total Discretionary: \$15,848,364

**Percent Discretionary: 79.7%**

Total Discretionary SGF: \$4,929,308

Discretionary T.O.: 169

# Department of Civil Service

## Non-Discretionary/Discretionary Funding by Agency

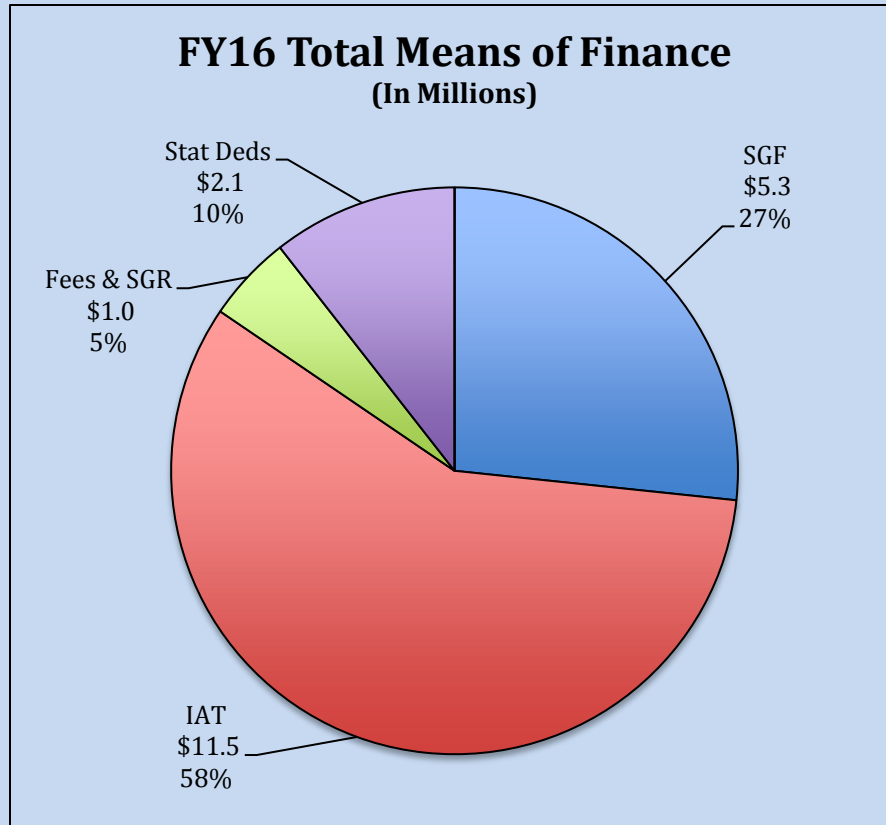
### **Non-Discretionary Funding:**

\$1.5 m. — State Civil Service  
\$2.1 m. — State Examiner  
\$0.3 m. — Ethics Administration  
\$0.03 m. — State Police Commission  
\$0.1 m. — Board of Tax Appeals

### **Discretionary Funding:**

\$10.4 m. — State Civil Service  
\$0.0 m. — State Examiner  
\$4.2 m. — Ethics Administration  
\$0.5 m. — State Police Commission  
\$0.8 m. — Board of Tax Appeals

# FY16 Dept of Civil Service Means of Finance



## Major Non-SGF Sources of Funding:

Non-SGF sources of revenue include Interagency Transfers, Fees and Self-Generated Revenues, and Statutory Dedications. State Civil Service operates using transfers from all state budget units with classified employees and Fees and Self-generated Revenues from non-budgeted units with classified employees. The Municipal Fire and Police Civil Service operates solely on monies within its statutory Dedication, the Municipal Fire and Police Civil Service Operating Fund (S). Revenue is collected from two and one-half hundredths of one percent of the gross direct insurance premiums received in the state in the preceding year by insurers doing business in the state. The Ethics administration is funded with state general fund and Fees and Self-generated Revenues derived from filing fees for all political action committees authorized by R.S. 18:1505; legislative lobbying registration fees authorized by R.S. 24:53I; and for executive lobbying registration fees authorized by R.S. 49:74G. Additionally, funds are collected for providing copies of reports, transcripts, and other documents. The State Police Commission is funded with State General Fund and Interagency Transfers from the Department of Public Safety. The Board of Tax Appeals is funded with State General Fund, Interagency Transfers, and Fees and Self-generated Revenues. The Interagency Transfers are from the Department of Revenue based on a reduction in distributions of local use tax to parish collectors. The Fees and Self-generated Revenues are derived from filing fees (\$250 per dispute, charged only on disputes over \$5,000); from charges for copies of hearing transcripts; and from local cases filed with the board pursuant to the Uniform Local Sales Tax Code.

# FY15 Existing Operating Budget vs. FY16 Recommended

## Schedule 17 Civil Service — Total Expenditures

<b>Expenditure Category</b>	<b>FY15 Existing Operating Budget</b>	<b>FY16 Recommended Budget</b>	<b>Difference</b>
Personal Services	\$15,165,591	\$16,374,657	\$1,209,066
Operating Expenses	\$920,286	\$1,045,308	\$125,022
Professional Services	\$319,962	\$217,343	(\$102,619)
Other Charges	\$2,522,791	\$2,203,869	(\$318,922)
Acquisitions & Major Repairs	\$69,428	\$34,046	(\$35,382)
<b>Total Expenditures</b>	<b>\$18,998,058</b>	<b>\$19,875,223</b>	<b>\$877,165</b>

# FY16 Department of Civil Service

## Selected Standard Statewide Adjustments

**Annualization of FY15 Mid-Year Reduction Plan — (\$0.0 million) Total and (0) T.O.**

**Performance/Salary Adjustments:**

\$0.1 million Total — Annualize Classified State Employees Performance Adjustment

\$0.2 million Total — Salary Base Adjustment

(\$0.0 million) Total — Attrition Adjustment

**Retirement Adjustments:**

\$24 thousand Total — La. State Employees' Retirement System Rate

(\$11 thousand) Total — La. State Employees' Retirement System Base

**Group Insurance Adjustments (tied to OGB rate increase):**

\$92 thousand Total — Group Insurance Rate Adjustment for Active Employees

\$78 thousand Total — Group Insurance Rate Adjustment for Retirees

**Other:**

\$29 thousand Total — Risk Management

\$30 thousand Total — Office of Technology Services

(\$125 thousand) Total — Non-recurring Carry-forwards

**(\$51 thousand) Total — GEMS Savings**

**\$0.0 SGF and (0) T.O. — Office of State Human Capital**



# Department of Civil Service

## Significant FY16 Budget Issues in the Department of Civil Service :

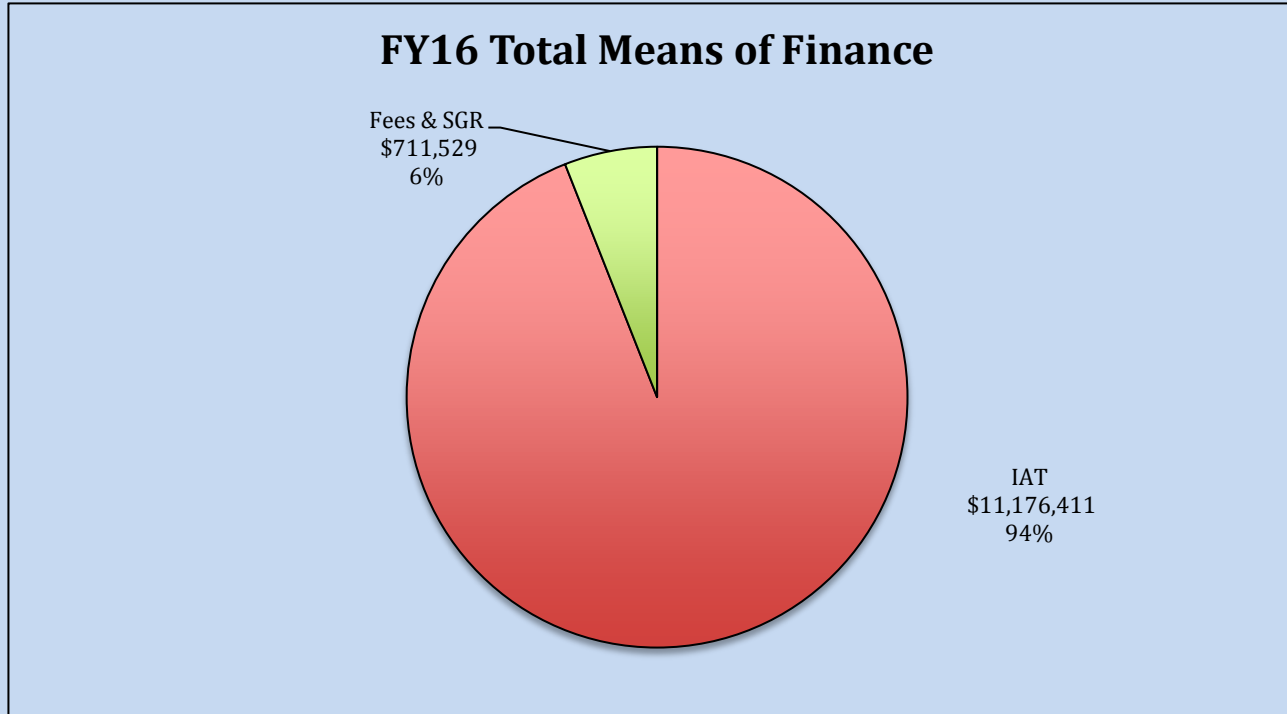
- \$574,552 Total + 5 positions – State Civil Service will receive additional funding and positions to centralize applicant screening and position allocation within its Human Resources Management Program. These functions will be eliminated from other state agencies. State Civil Service estimates that it can save \$1.5 million statewide through this recentralization. Twenty T.O. positions will be eliminated statewide as a result of this recentralization.
- (\$205,123) Total + 3 positions - State Civil Service will realize a savings by terminating a contract with LSU for the state's Comprehensive Public Training Program (CPTP) and bringing those services into their agency. State Civil Service estimates that it can provide the training in-house at a cost that is \$205 thousand less than the current LSU contract of \$435 thousand.

# Department of Civil Service

## 17-560: State Civil Service

<b>Total Funding</b>	<b>FY15 EOB as of 12-1-14</b>	<b>FY16 Recommended</b>	<b><i>Difference</i></b>
State Civil Service	\$ 11,059,538	\$ 11,887,940	\$ 828,402

<b>Total Positions</b>	92	100	8
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<b>FY16 Non-Discretionary</b>	<b>FY16 Discretionary</b>
\$1,455,164	\$10,432,776

# Department of Civil Service

## 17-560 State Civil Service

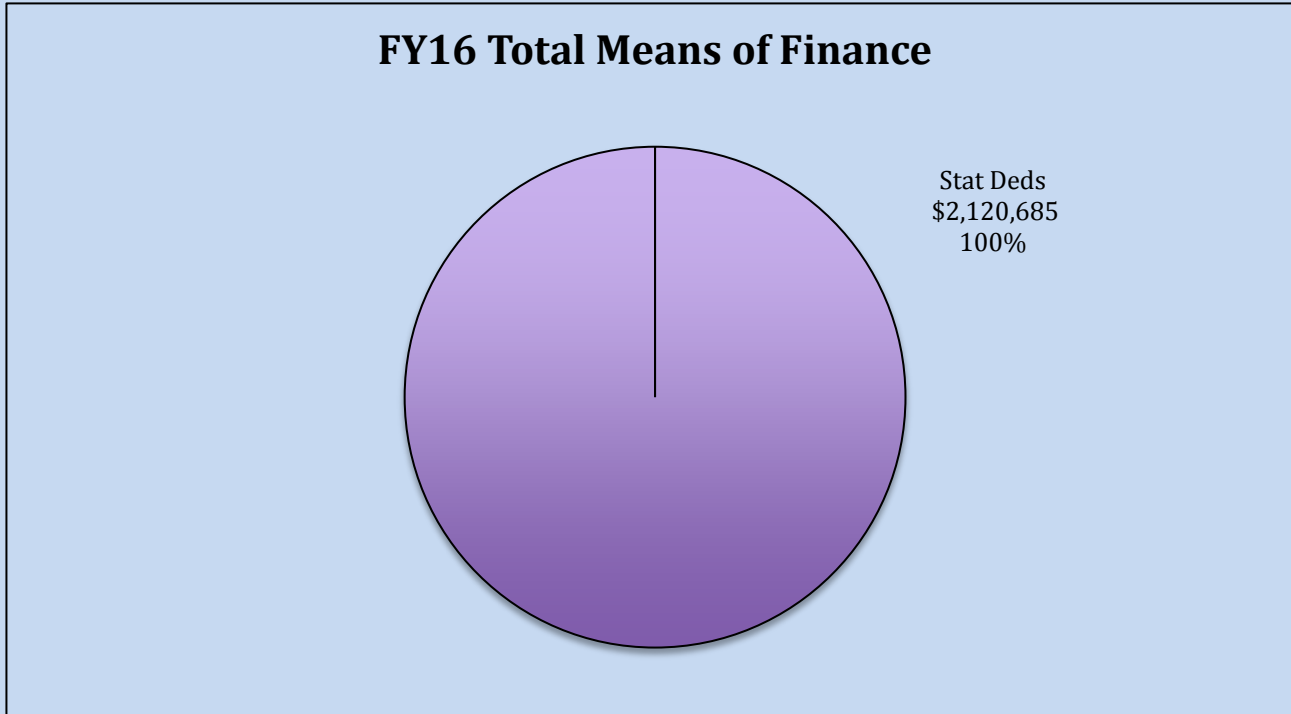
### Significant FY16 Budget Issues in Civil Service – State Civil Service:

- For FY16, the Executive Budget eliminates 727 T.O. positions, with 68 of those being filled positions.
- From FY08 to FY15 state employee headcount for appropriated agencies has decreased from 93,713 to 57,781.
- The new Office of State Human Capital Management is being created as an ancillary agency. State agencies will be charged a prorated share of \$25 million for operating cost of the new agency which will employ 311 individuals. The administration has stated that 57 vacancies will be eliminated with the creation of this agency in FY16. This will also result in a savings of \$4.4 million in FY16 according to the administration. Agency employees will consolidate functions such as FMLA processing, unemployment insurance, terminations, vacancy processing, new hire training, health insurance, and retirement issues.
- State Civil Service has issued an official statement expressing concerns that the placement of the new Office of State Human Capital Management under the direct control of the Division of Administration may allow for political influence on human resource decisions, including pay, hiring and terminations.

# Department of Civil Service

## 17-561: Municipal Fire and Police Civil Service

<b>Total Funding</b>	<b>FY15 EOB as of 12-1-14</b>	<b>FY16 Recommended</b>	<b><i>Difference</i></b>
State Examiner	\$ 2,063,929	\$ 2,120,685	\$ 56,756
<b>Total Positions</b>	19	19	-

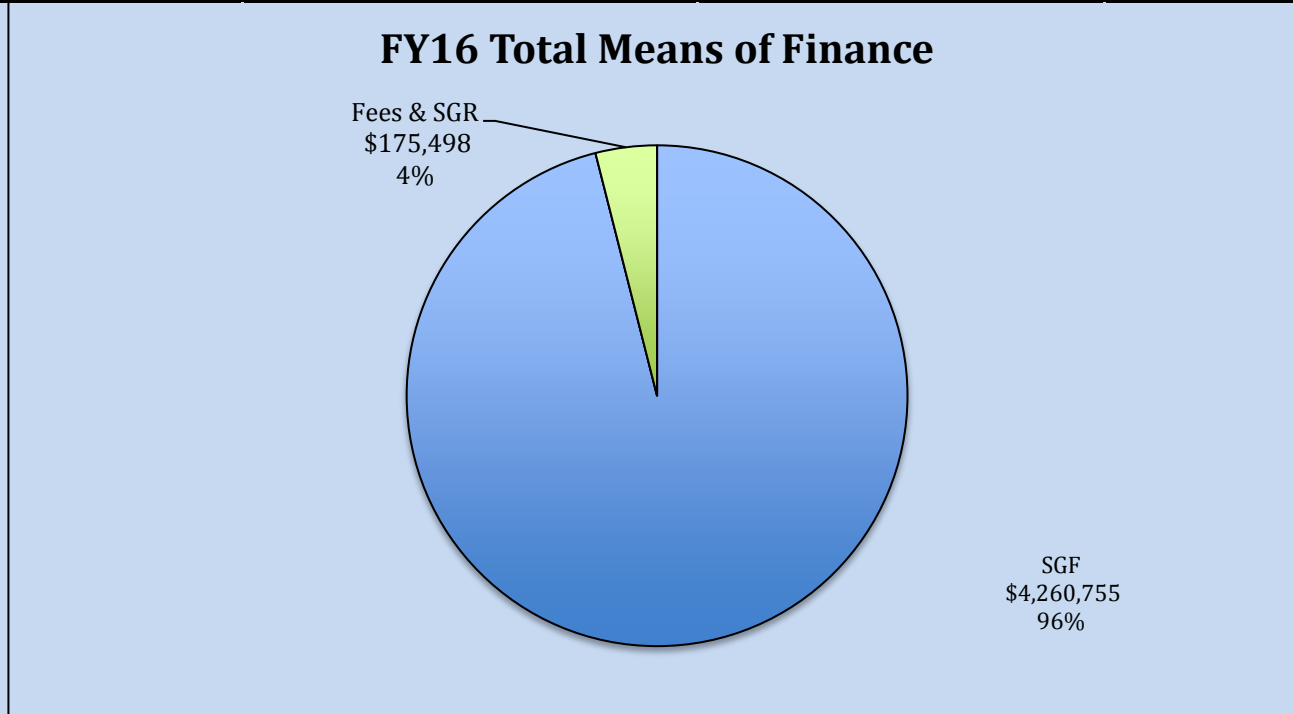


<b>FY16 Non-Discretionary</b>	<b>FY16 Discretionary</b>
\$2,120,685	\$0

# Department of Civil Service

## 17-562: Ethics Administration

Total Funding	FY15 EOB as of 12-1-14	FY16 Recommended	Difference
Ethics Administration	\$ 4,549,542	\$ 4,436,253	\$ (113,289)
Total Positions	40	40	-



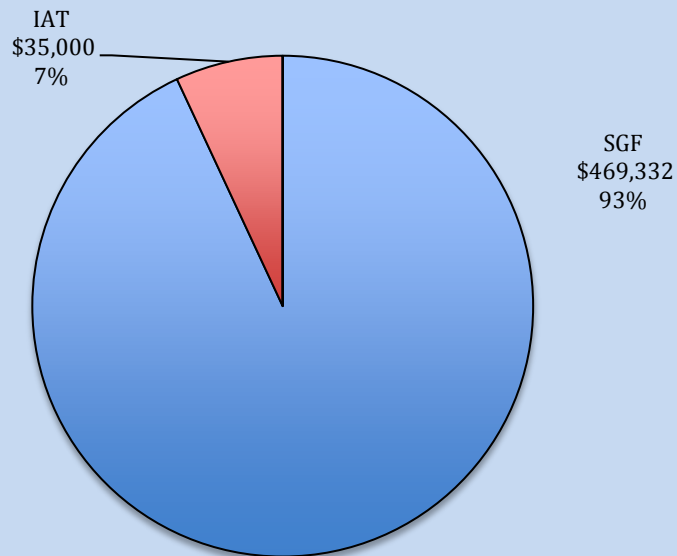
FY16 Non-Discretionary	FY16 Discretionary
\$284,812	\$4,151,441

# Department of Civil Service

## 17-563: State Police Commission

Total Funding	FY15 EOB as of 12-1-14	FY16 Recommended	Difference
State Police Commission	\$ 467,151	\$ 504,332	\$ 37,181
Total Positions	3	3	-

**FY16 Total Means of Finance**

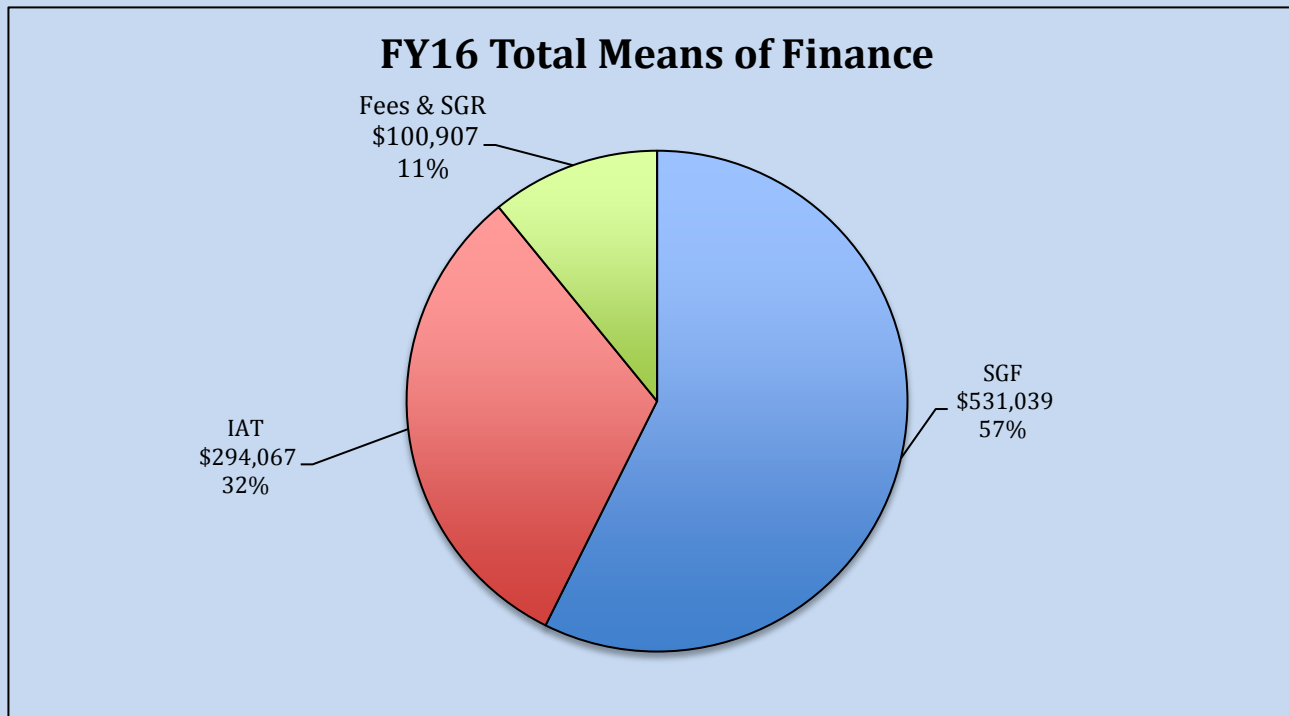


FY16 Non-Discretionary	FY16 Discretionary
\$27,760	\$476,572

# Department of Civil Service

## 17-565: Board of Tax Appeals

<b>Total Funding</b>	<b>FY15 EOB as of 12-1-14</b>	<b>FY16 Recommended</b>	<b><i>Difference</i></b>
Bd. Of Tax Appeals	\$ 857,898	\$ 926,013	\$ 68,115
<b>Total Positions</b>	7	7	-



<b>FY16 Non-Discretionary</b>	<b>FY16 Discretionary</b>
\$138,438	\$787,575