

POSITION CLASSIFICATION CHANGE PROCESS AND DOCUMENTATION

REPORT OF FINDINGS

AUGUST 1998

EXECUTIVE SUMMARY

State agency appointing authorities are delegated classification authority by legislative action. They are responsible for administering position classification consistent with applicable law, rule, policy and collective bargaining agreements. This audit measured the degree to which state agencies are meeting requirements under the delegated classification authority.

"State Policy 30.000.01, Position Management, requires state agencies to manage positions within the budgeted position classification level. However, the policy requires that position classifications be reviewed periodically to correctly reflect changing duties and provides for classification change if necessary. The policy indicates that, "decision documentation includes an accurate, current written position description, an organization chart, and a clear narrative explanation for the allocation based on relevant classification specifications to facilitate audit by the division."

The intent of this audit was to confirm the presence of, and review the quality of, decision documentation involved in position classification changes. The audit sample involved position classification changes that were processed from January 1, 1997, through April 30, 1998. We also reviewed the document retention time and the number of pay steps granted upon position classification change upward.

Two Hundred Eighty (280) position classification changes in 47 agencies were reviewed. Specific findings are as follows:

NARRATIVE JUSTIFICATION

54% were rated Excellent
22% were rated Good
10% were rated Fair
14% were missing from the file

POSITION DESCRIPTIONS

60% were rated Excellent
30% were rated Good
4% were rated Fair
7% were missing from the file

ORGANIZATION CHARTS

23% were rated Excellent
41% were rated Good
20% were rated Fair
16% were missing from the file

DOCUMENT RETENTION

Three years - 11% of the agencies
Five years - 9% of the agencies
Ten years - 2% of the agencies
Permanent - 74% of the agencies

PAY STEPS GRANTED

One step increase - 69% of the actions
One additional step - 10% of the actions
Two additional steps - 3% of the actions
Four additional steps - 4% of the actions
Seven additional steps - 4% of the actions

CONCLUSIONS AND RECOMMENDATIONS

The results of this audit reveal that agencies are generally adhering to prescribed process in position classification change. Also, when the actions are taken they are justified, documented and the additional financial costs are normally minimized.

Conclusion:

Most agencies have some type of process in place for position classification changes. Larger agencies tend to have more formalized processes. Some agencies use a management committee, labor management committee or classification review committee in the decision-making process.

Recommendation:

We recommend that agencies have a policy that indicates when a position will be reviewed, the review criteria, and what constitutes a rationale for review of duties or reclassification. Agencies should have a written procedure for position classification changes. In some agencies, this procedure may include a management group that reviews reclassification requests to ensure consistent and equitable decisions.

Conclusion:

The current statewide policy does not indicate what should be included in the "narrative justification" for position classification change. This causes inconsistency among agencies.

Recommendation:

Revise the current [HRSD policy number 30.000.01](#). Add to Section 2 Policy Clarification, subsection a) the following sentence: "At minimum, narrative explanation should contain: basis for review, information considered, analysis, and classification decision."

Conclusion:

Agencies are using the new position description form and the information is usually complete. However, some descriptions forwarded to DAS Budget and Management Division are not signed and dated. A position description is not an official document unless it is signed by the appointing authority who confirms that these are the duties, authority and responsibilities of a position.

Recommendation:

The appointing authority should sign and date the position description in all reclassification actions.

Conclusion:

Not all agencies are providing expanded organizational charts. Many did not have complete information.

Recommendation:

Ensure that all of the following data elements are reflected on organization charts submitted as part of a request: classification title and number, salary range, working title, position number and employee name. The document should also be dated.

Conclusion:

Agencies are not always maintaining complete files, consistent with policy, for position classification changes. Frequently one or more of the documents are missing from the file.

Recommendation:

Maintain a position classification change file in order to "facilitate audit by the division" as stated in [policy 30.000.01](#). Include in the file the narrative justification, position description and organization chart.

Conclusion:

Secretary of State, Archives Division, Administrative Rule 166-308-010, Section (8) requires that agencies maintain such documentation for three (3) years. Some agencies, however, maintain documentation five (5) or ten (10) years. Others maintain an ongoing, permanent file of position classification changes so that the evolution of the position can be readily seen and understood.

Recommendation:

Maintain documentation three (3) years to comply with the Secretary of State rule.

Conclusion:

A one-step increase upon classification change upward is the norm. The most common reason for an additional step given is when an employee is being compensated with a Work Out of Class differential and the position change takes a lengthy amount of time. Cases of additional step increases are considered anomalies which may have legitimate reasons. However, no documentation could be located to provide rationale.

Recommendation:

Continue following applicable policy or collective bargaining agreement regarding compensation upon position classification change. If additional steps are appropriate, clearly document the rationale for the decision.