

Exhibit B
Comparison of Louisiana Civil Service Systems
for Fiscal Year 1998

	State Civil Service	Municipal Fire and Police	State Police Commission
Number of employees covered	66,187	1,200	779
Number of staff	103	15	3
Ratio of staff to employees in system	1:644	1:450	1:260
Cost per employee in system	\$76.49	\$57.04	\$294.91

Source: Prepared by legislative auditor's staff using data obtained from the Executive Budget and officials at State Civil Service.

Objective Two: Assist the Office of State Police in recruiting and retaining qualified officers.

Performance Indicator	Actual 1993-1994	Existing 1994-1995	Recommended 1995-1996	Target (Existing) Existing
Number of job applicants	1,760	600	1,000	1,000
Number of tests conducted (not canceled)	4	0	4	3
Number of applicants hired	0	0	0	0
Average length of time to hire applicants for vacant	1	0	1	0
Average number of steps from receipt of exam report to date of exam	90	90	90	0
Average number of candidates who re-petitioned	30	30	30	0
Number of offers presented	1	0	1	0
Ratio of applicants recruited to offers presented	166:1	15:1*	100:1	0*

*As it appears in the 1994-1995 Executive Budget

The fiscal year 1996 Executive Budget lists a quality indicator which states that the Management Information Section developed and implemented several automated systems in fiscal year 1995. In addition, the indicator states that these systems provided benefits to internal users and external users (human resource offices statewide). However, none of the indicators measure the satisfaction of the users of these new and enhanced systems. Measuring user satisfaction would help the MIS staff to be sure these new systems are easy to use, provide the services needed, and could identify those systems and services that are no longer needed.

Staffing and Financial Information. Thirty-nine persons staffed the Administration program in late fiscal year 1995. Since fiscal year 1991, the staff size has reduced an average of 2 percent annually while the expenditures have increased at about the same rate. Total program expenditures over the past five fiscal years are as follows:

1991	1992	1993	1994	1995
\$3,311,086	\$3,345,303	\$3,701,762	\$2,171,087	\$2,900,921

Source: Prepared by legislative auditor's staff from unaudited financial statements.

Human Resource Management Program

Mission. The mission of the Human Resource Management program is expressed through its divisions and is aligned with legal mandates. The divisions and their related missions are:

- **Personnel Management Division:** to promote effective personnel management practices throughout state government, check and enforce compliance with civil service rules, and provide assistance with federal and state laws as appropriate or designated.
- **Classification and Pay Division:** to maintain an equitable and uniform job evaluation and pay system for classified employees.
- **Examining Division:** to enable agencies to meet their staffing needs in a timely fashion by hiring and promoting the best qualified applicants.

Executive Section

The Executive Section of the Administration program provides administrative support functions to the agency. These functions include legal, accounting, purchasing, mail, and property control. No performance indicators exist for this section. According to the executive budget, the performance of this section is reflected in the performance of the other sections for which it provides financial and managerial control.

Appeals Section

Objective One: Through the Appeals Section, hear and decide all appeals filed within six months of receipt.

Performance Indicator	Actual 1993-1994	Expend 1994-1995	Recommended 1995-1996	Five-Year Outlook
Number of incoming appeals	500	600	600	0
Number of final dispositions	400	493	400	133
Backlog	434	323	470	149
Average time to hear and decide appeals in months	9	10	11	1

These indicators are appropriate for measuring timeliness of hearing and deciding appeals. However, the indicators show that the Appeals Section is not meeting its objective of hearing and deciding appeals within six months. At the same time, the average time to hear and decide appeals is double the time set forth in the section's objective. In addition, the backlog indicator is constantly increasing. The department should determine if its objective of six months is realistic or if it should address the circumstances that are causing the increasing backlog.

STATE CIVIL SERVICE COMMISSION

Article X, Section 1 of the state constitution establishes the state civil service, which covers all persons holding offices and positions of trust or employment in the state. As of May 31, 1996, 86,831 classified state employees were covered by the state civil service. Members of the state police service and persons holding offices and positions of any municipal board of health or local governmental subdivisions are excluded from the state civil service.

Article X, Section 1 of the constitution establishes the State Civil Service Commission. The commission has broad rule-making powers for the administration and regulation of the classified civil service system for state employees. The constitution provides that the duties of the commission include:

- Adopting rules for regulating employment, promotion, demotion, suspension, reduction in pay, removal, certification, qualifications, political activities, employment conditions, compensation and disbursements to employees and other personnel matters and transactions
- Adopting a uniform classification and pay plan
- Imposing penalties for violation of the commission's rules
- Hearing and deciding all removal and disciplinary cases

The State Civil Service Commission is made up of seven members. One member is elected by the classified employees of the state. The remaining six are appointed by the governor from among three nominations received from each of the presidents of the following colleges and universities:

- Creighton College at Shreveport
- Dillard University at New Orleans
- Louisiana College at Pineville
- Loyola University at New Orleans
- Tulane University of Louisiana at New Orleans
- Xavier University at New Orleans

Executive: to carry out the administrative support functions of the agency.

Appeals: to maintain an appeals process to hear employees' complaints and provide decisions consistent with the basic tenets of the merit system, civil service rules, and existing jurisprudence.

Management Information Section: to operate an accurate and effective management information system.

As shown in Exhibit 3 below, the Administration program spent \$2.5 million during fiscal year 1995. The Executive section, which represented 59 percent of the Administration program's expenditures, had 36 percent of the program's staff. The department charges its operating services costs such as insurance, printing, and office supplies to the Executive section.

Exhibit 3
State Civil Service Commission
Administration Program
Spending and Staffing
Fiscal Year 1995

Section	Expenditures		Full-time Staff	
	Dollars	Percent of Total	Employees	Percent of Total
Executive	\$1,484,607	59%	10	36%
Appeals	340,481	10	5	15
Management Information	739,581	21	24	81
Total	\$2,564,669	100%	39	100%

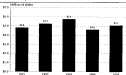
Sources: Prepared by legislative auditor's staff from the fiscal year 1995 PACS cost center responsibility report and Budget Report form 88-98 for fiscal year 1995.

Program Objectives. The objectives of this program are aligned with the responsibilities mandated by the constitution. The objectives and performance indicators used to measure achievement of the objectives are discussed on the following pages.

According to the constitution, the State Civil Service Commission appoints the director of the Department of State Civil Service. In turn, the director appoints personnel and exercises powers and duties to the extent prescribed by the commission.

Exhibit 2 below shows that expenditures have grown slightly from \$4.8 million in fiscal year 1991 to \$5.1 million in fiscal year 1995. For fiscal year 1995, 94 percent of the State Civil Service Commission's funding came from the general fund and 6 percent from self-generated revenues. The State Civil Service Commission employed 103 full-time employees (including the director) at the end of fiscal year 1995.

Exhibit 2
State Civil Service Commission
Expenditures for Fiscal Years 1991-1995



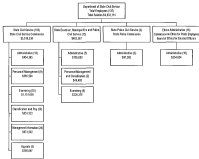
Source: Prepared by legislative auditor's staff from consolidated financial statements.

The State Civil Service Commission is divided into two programs, which are Administration and Human Resource Management.

Administration Program

Mission. The Administration Program consists of the Executive, Appeals, and Management Information System sections. The missions of the program are aligned with legal mandates and are as follows:

Exhibit 1
Department of State Civil Service
Organization Chart
Number of Employees and Salaries
Fiscal Year 1998



Source: Prepared by legislative auditor's staff from information provided by each unit within the Department of State Civil Service.

Appendix A lists the professional services contracts for each entity for fiscal years 1995 and 1996. In addition, Appendix B describes the boards and commissions associated with each entity.

For each of the entities within the Department of State Civil Service, we reviewed the performance measures as listed in the executive budget. Performance measures, or indicators, are tools used to measure the performance of a program and to help determine if a program's objectives are being achieved. There are different types of performance indicators, some of which are more important than others.

- **Input** indicators measure resource allocation and demand for service.
- **Output** indicators measure the amount of products or services provided or number of customers served.
- **Outcome** indicators measure results and assess program impact and effectiveness. Outcome indicators are the most important performance measures because they show whether or not a program is achieving the expected results.
- **Efficiency** indicators measure the cost of providing services or achieving results.

The entities within the Department of State Civil Service use mostly input and output indicators, which are the least important types of performance indicators.

Department of State Civil Service

INITIATION

Louisiana Revised Statute (LSA-R.S.) 49:190 *et seq.* provides for termination and legislative re-creation of statutory entities under departments or agencies. In addition, these laws offer the legislature a process (through standing committees) to regularly evaluate state agencies and programs for effectiveness, efficiency, and duplication of services. To facilitate its review of the Department of State Civil Service, the House and Governmental Affairs Committee, on March 13, 1996, requested the Legislative Auditor to provide information relating to this Department.

OVERVIEW

The Department of State Civil Service is a collection of entities that primarily provide services to state employees and local public safety employees. These services include:

- Hiring and recruiting
- Job classification and compensation
- Disciplinary appeals process handling

The Department of State Civil Service is composed of three autonomous civil service systems and the administrative staff of the Ethics Administration. The department has no distinct agency head. Instead, separate administrators manage each of the four entities. As illustrated in Exhibit 1 on page 3, the four entities are State Civil Service Commission; Office of State Examiner; Municipal Fire and Police Civil Service; State Police Commission; and Ethics Administration.

LSA-R.S. 36:53 transferred the Office of State Examiner, Municipal Fire and Police Civil Service to the Department of State Civil Service on June 22, 1977. Later amendments to the statute added the Board of Ethics for Elected Officials and the Commission on Ethics for Public Employees on August 3, 1982, and the State Police Commission on June 26, 1990. Each entity has its own staff and serves different types of public employees.



***STATE OF LOUISIANA
LEGISLATIVE AUDITOR***

**Department of
State Civil Service**

November 1996



Sunset Review

***Daniel G. Kyle, Ph.D., CPA, CFE
Legislative Auditor***




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Management Information Section

- Objective Two:** Through its Management Information Section, process all personnel actions received within an average of 21 days of receipt.
- Objective Three:** Through its Management Information Section, provide reports as needed on the work force.

Performance Indicator	Actual 1993-1994	Existing 1994-1995	Recommended 1994-1995	Over/Under Existing
Number of Personnel Actions	140,000	135,000	150,000	0
Average Process Time (in days)	7	7	7	0
Number of Special Reports	954	1,000	1,000	0

One performance indicator measures the timeliness of processing personnel actions by the Management Information Section (MIS). This indicator shows that the section has met and exceeded its objective to process personnel actions within 21 days. Therefore, this objective should be revised.

The performance indicator for special reporting is simply an activity indicator, which sets the number of reports prepared. Other indicators would measure the efficiency of the MIS in generating the special reports, such as the average number of days to prepare special reports or the costs of preparing each report. In addition, the section could survey its report users to determine their satisfaction with timeliness and accuracy of the reports.

- Objective Four:** Through its Management Information Section, provide for the ongoing automation of department operations.

ETHICS ADMINISTRATION

The Ethics Administration provides administrative support to the Commission on Ethics for Public Employees (Commission) and the Board of Ethics for Elected Officials (Board). The duties of the Commission and Board include:

- Authorizing investigations of unethical conduct
- Issuing advisory opinions
- Serving as judges in public hearings
- Conducting public and private hearings
- Serving as supervisory committee on Campaign Finance Disclosure
- Enforcing the Lobbyist Disclosure laws

To assist the Board and Commission, the staff of the Ethics Administration:

- (1) Conducts all investigations authorized by the Board and Commission;
- (2) Processes requests for advisory opinions;
- (3) Publishes and distributes advisory opinions issued by the Board and Commission;
- (4) Disseminates information regarding the Code of Governmental Ethics (Code) and the Campaign Finance Disclosure Act;
- (5) Presents evidence to the Commission and Board in public hearings to determine whether violations of the Code have occurred;
- (6) Represents the interests of the Commission and Board in litigation in Louisiana courts;
- (7) Monitors compliance with the Campaign Finance Disclosure Act; and
- (8) Serves as a depository for campaign finance disclosure reports.

Appendix B: Department of State Civil Service Boards and Commissions

Board or Commission	Purpose/Function	Number of Members	Number of Meetings in 1995
State Civil Service Commission	Administers and regulates the merit system for state employees within the classified service.	3	21
Board of Ethics for Elected Officials	<ul style="list-style-type: none"> Administers and enforces provisions of the Code of Governmental Ethics with respect to state and local elected officials. Administers and enforces provisions of the Elections Integrity Act and the Campaign Finance Disclosure Act. Enforces provisions of the Lobbyist Disclosure Act. 	5	10
Commission on Ethics for Public Employees	Administers and enforces provisions of the Code of Governmental Ethics with respect to all non-elected state and local governmental officials, appointees, and employees.	5	9
State Police Commission	Administers and regulates the state police classified service.	3	9

Note: Effective January 1, 1997, the Board of Ethics for Elected Officials and the Commission on Ethics for Public Officials will merge to form a single board, the Board of Ethics.

Source: Prepared by the legislator and/or the staff using the March 1995 Board, Commission, and Like Entities Report to the Legislature.

Appendix B

**Department of State Civil Service
Boards and Commissions**

State Police Commission

Contractor Name and Address	Nature of Work Performed	Fiscal Year 1985 Expenditures	Fiscal Year 1986 Expenditures
Cooperation Personnel Services, Inc. 191 Lathrop Way Suite A Sacramento, CA 95815	Entry-level and promotional exams	\$93,183	\$13,212
Michael L. Torrey 304 Parklan Baker, LA, 70714-3344	Professional transcription services		\$864
William A. Hatfield P. O. Box 2473 Baton Rouge, LA 70821	Professional legal services	\$666	
Norman W. Grubler 8060-C Penick Avenue Baton Rouge, LA 70809	Professional legal services	\$30,054	\$27,558
Bobcat Computers 1038 Main Street Baton Rouge, LA 70802	Professional computer programming		\$15,750

Source: Developed by legislative auditor's staff from professional services contract information provided by the State Civil Service, Ethics Administration, and State Police Commission.

State Civil Service (Cont.)

Contractor Name and Address	Nature of Work Performed	Fiscal Year 1994 Expenditures	Fiscal Year 1996 Expenditures
Sylvia Parsons, Inc. 4902 Canal St., Suite No. 300 New Orleans, LA 70119	Provide transcripts of sound recordings of proceedings held before the State Civil Service Commission and the Civil Service Commission referees.	\$1,900	
Sign Language Services International, Inc. 15748 Majorie Dr. Baton Rouge, LA 70810			\$140
Deaf Action Center Associated Catholic Church 1231 Prytanis Street New Orleans, LA 70130	Perform sign language interpretation services		\$78

Ethics Administration

Baton Rouge Court Reporters 11807 Newcastle Baton Rouge, LA 70816	Record and transcribe hearings for Board and Commission	\$8,075	\$1,100
Eucal Software Professionals, Ltd. 8251 Sassa Avenue Suite B Baton Rouge, LA 70809	Develop database management system for IBM AS/400 System for Ethics Administration program		\$20,000

**Appendix A: Department of State Civil Service
Professional Services Contracts
Fiscal Years 1995 and 1996**

State Civil Service

Contractor Name and Address	Nature of Work Performed	Fiscal Year 1995 Expenditures	Fiscal Year 1996 Expenditures
Automated Typing Services, Inc. 6676 Landrice Dr. Greenwell Springs, LA 70739	Provide transcripts of sound recordings of proceedings held before the State Civil Service Commission and the Civil Service Commission Referees.	\$5,654	\$5,611
Davis Consulting 2007 N. Collins Blvd. Suite No. 505 Richardson, TX 75080	Evaluate information and render opinion in the matter entitled <i>Odille Marceau, et al vs. State of Louisiana, et al.</i>	\$2,825	\$4,725
Kaufman and Associates P. O. Box 91134 Lafayette, LA 70509	Court reporting services	\$3,201	\$117
McGaha, Thompson, Pylant, Hymowitz, and Shapiro Attorneys at Law 650 Poydras St., Suite No. 2800 New Orleans, LA 70138	Represent the Department of State Civil Service regarding the investigation by the U. S. Department of Justice of employment practices of the Louisiana State Police.	\$3,399	\$2,395
Janet L. Parker and Associates Court Reporters P.O. Box 3321 Baton Rouge, LA 70821	Court reporting services	489	

Appendix A

**Department of State Civil Service
Professional Services Contracts
Fiscal Years 1995 and 1996**

In comparison to other states we contacted, Louisiana's civil service system appears to be more centralized in terms of individual agency involvement. State personnel systems in Florida, Virginia, and Texas are decentralized and each agency performs such functions as hiring and recruiting. Officials from these states said they have no central agency for hiring and recruiting. In addition, none of these states had examination requirements for hiring. In Florida and Virginia, personnel functions for the local municipalities are handled by local administrators.

Fragmentation

Other functions relating to personnel management in Louisiana are spread throughout state government. Employee benefits are handled by the Treasury and various boards. Training is handled through the Division of Administration. Worker's compensation and safety training are handled by the Office of Risk Management. The Department of Health and Hospitals, Office of Alcohol and Drug Abuse handles the employee assistance program.

The Select Council on Revenues and Expenditures in Louisiana's Future (SECURE) recommended that the state of Louisiana create a Department of Human Resource Management that will perform the following functions:

- Strategic planning for human resources
- Job classification and compensation for classified and unclassified employees
- Hiring and retaining classified and unclassified employees
- Employee appeals (for classified employees) and grievances and dispute resolution (for all state employees)
- Training and employee development
- Performance appraisal
- Employee benefits

The structure of the personnel system in Louisiana is very similar to the previous structure of the Department of Personnel in New Jersey. In New Jersey's 1993 state audit report, the department was found to have fragmented human resources policy and strategy. According to the report, programs were spread among the Department of Personnel, Office of Management and Budgeting, Division of Pensions and the Office of Employee Relations.

According to New Jersey Department of Personnel officials, the department is currently undergoing restructuring. Divisions that previously administered personnel functions to state and local government employees separately have been merged. In addition, New Jersey officials say the department is being organized by the functions performed (such as appeals and training) rather than the type of employee served (such as state or local).

Ethics Administration officials say the new legislation will affect the current administration. New responsibilities will include:

- Administration of lobbyist disclosures
- Gaming groups
- Computer database development
- Electronic filing system for Campaign Finance Disclosures
- Expanded educational and informational responsibilities

Furthermore, to perform its new responsibilities, the Ethics Administration has been awarded eight new positions for fiscal year 1996-1997.

DUPLICATION AND FRAGMENTATION OF CIVIL SERVICE SYSTEMS

Duplication

Article X, Sections 10 (A)(1) and 48 (A)(1) of the constitution grant the State Civil Service Commission and the State Police Commission identical powers to adopt rules and take action necessary to regulate certain classes of public employees. Both systems perform basically the same functions, only for different populations.

Furthermore, the State Police Commission has not adopted rules that directly relate to addressing the unique needs of commissioned law enforcement officers. An Inspector General's report dated December 1991 contained this same finding. The Commission is currently operating under rules that were taken directly from State Civil Service rules. For example, Chapter 3, Part C of the State Police Commission rules establishes that the director will:

maintain a roster of all employees who are in the **Classified Civil Service of the State.** (Emphasis added)

In addition, the three civil service systems all provide testing functions and classification plans, but for different populations of public employees. The testing functions include developing, administering, scoring, and providing test results.

Performance Indicator	Actual 1993-1994	Targeting 1994-1995	Recommended 1994-1995	Over/Under Targeting
Number of Ethics Hearings/Investigations Completed	11	15	20	3

Most of the Ethics Administration's indicators identify the work being done by the department in terms of the number of hearings held, opinions rendered, and investigations completed. These are no measures to show how efficient the Ethics Administration has been in meeting the needs of the board. However, the outcome indicator for Objective Two (a recent decline in the number of civil suits filed) shows the Ethics Administration's effectiveness in assisting the Board's deterrence of violations of the Louisiana Elections Code.

Staffing and Financial Information. At June 30, 1995, there were 14 classified employees with in the Ethics Administration program. Total salaries for fiscal year 1995 were \$354,004. According to staff officials, the staff was reduced to 12 as of April 18, 1996.

New Legislation. The legislature enacted Act 64 during the First Extraordinary Session of 1995. This law amends LSA-R.S. 42:1302 *et seq.*, and consolidates the Board and Commission into a single board. The consolidation will occur on January 1, 1997. The new board, in brief, provides for the following:

- **Membership:** Eleven members—seven appointed by the governor and confirmed by the Senate with at least one gubernatorial appointee from each congressional district; two appointed by the House; and two appointed by the Senate.
- **Jurisdiction:** to include public employees and elected officials for ethics, campaign finance, and elections integrity provisions of the law.
- **Investigatory authority:** The new Board will be able to investigate any official by a two-thirds vote of its membership or in response to a signed, sworn complaint from any elector.

Objective Two: Support the Board in its efforts to (1) serve as a deterrent to intentional violations of the provisions of the Louisiana Election Code; and (2) restore confidence in the integrity and even-handedness of Louisiana elections by disclosing campaign finance information and providing a realistic remedy for redressing meritorious complaints concerning Louisiana elections.

Performance Indicator	Actual 1991-1994	Existing 1994-1995	Recommended 1994-1995	Goal/Target Existing
Number of campaign finance disclosure (CFFD) packets distributed to confidential recipients	1,976	4,200	5,000	400
Number of CFFD reports filed	1,910	6,500	6,800	2,600
Number of CFFD-report Amendments filed	68	300	400	60
Number of requests for interception of disclosure reports filed	504	400	1,100	204
Number of disclosure reports (by candidate) notified	623	830	1,700	600
Number of telephone calls for such information	200	1,800	2,000	700
Number of candidates and political committees against whom civil suits were filed for failure to file accurate disclosure reports	40	60	111	111

Disclosure Indicators: A recent decline in the number of CFFD suits filed is a direct result of an increased effort to educate candidates and provide reminders to filing deadlines. In the 1991 general election, 234 suits were filed, compared to an average of 61 suits for the following three years.

Objective Three: Continue to support the Board of Ethics for Elected Officials in its efforts to enable the public to identify persons who are compensated for attempting to influence legislative actions; to provide disclosure of certain expenditures made by those identified persons.

Objective Four: Serve as the enforcement vehicle for alleged violations of the Lobbyist Disclosure Act.

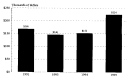
STATE POLICE COMMISSION

Article X, Section 41 of the state constitution establishes the State Police Service. In addition, Article X, Section 48 authorizes the State Police Commission to administer the laws relating to the classified state police service. State law empowers the commission to appoint a director and personnel necessary to carry out the duties of the commission. These duties include regulating employment and adopting a uniform pay and classification plan for the classified state police service. The State Police Commission serves basically the same function as State Civil Service Commission.

Members of the State Police Commission are selected in the same fashion as those for the State Civil Service Commission, as discussed on page 4. The State Police Commission became effective January 1, 1981. During fiscal year 1991, the legislature appropriated \$25,000 to the Department of Public Safety and Corrections for the operation of the commission. Beginning in fiscal year 1992, the commission had a separate budget.

Exhibit 7 below shows that expenditures have grown from \$167,567 in fiscal year 1992 to \$223,940 in fiscal year 1995.

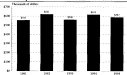
Exhibit 7
State Police Commission
Expenditures for Fiscal Years 1992-1995



Source: Prepared by legislative auditor's staff from unmodified financial statements.

Exhibit 9 below shows that the program's expenditures have grown slightly from \$555,962 in fiscal year 1991 to \$580,264 in fiscal year 1995. For fiscal year 1995, 91 percent of funding came from the general fund and 9 percent from self-generated revenue. Self-generated revenues are derived from political committees' filing fees [LSA-R.S. 18:1491, 1501] and copying charges.

Exhibit 9
Ethics Administration
Expenditures for Fiscal Years 1991-1995



Source: Prepared by legislative auditor's staff from unaudited financial statements.

Mission and Objectives. In accordance with LSA-R.S. 42:1101, 42:1131, 42:1132, 42:1134, and the Campaign Finance Disclosure Act, the Ethics Administration provides staff and support services, as well as general assistance, for the Board and the Commission.

The Ethics Administration objectives are aligned with the responsibilities mandated by statute. The objectives and performance indicators used to measure achievement of the objectives are as follows:

Objective One: Attempt to deter unethical conduct and conflicts of interest by elected officials and public employees by continuing to assist the Commission and the Board in their efforts to assure compliance with the provisions of the Code of Governmental Ethics.

As shown in Exhibit 4 below, the Human Resource Management program spent more than \$2.5 million during fiscal year 1995.

Exhibit 4
State Civil Service Commission
Human Resource Management Program
Spending and Staffing
Fiscal Year 1995

Divisions	Expenditures		Full-time Staff	
	Dollars	Percent of Total	Employees	Percent of Total
Examining	\$1,377,767	54%	35	55%
Classification and Pay	745,352	29	20	31
Personnel Management	438,869	17	5	14
Total	\$2,561,988	100%	60	100%

Source: Prepared by legislative auditor's staff from the fiscal year 1995 FAC3 cost center responsibility report and budget report, form RR-99 for fiscal year 1995.

Program Objectives. The objectives of this program are aligned with the responsibilities mandated by the commission. The objectives and performance indicators used to measure achievement of the objectives are as follows:

Personnel Management Division

- Objective One:** Conduct investigations, layoffs, and contract reviews without delay.
- Objective Two:** Issue general circulars as required.
- Objective Three:** Conduct automated and on-site compliance audits.

According to the director of the State Police Commission, her duties do not include recruiting or retaining qualified officers. She stated that one function of the commission is to test candidates for employment and provide lists of eligible candidates to the Office of State Police. Actual recruitment, employment, and retention decisions and actions are the responsibility of the Office of State Police.

Objective Three: Maintain a disciplinary and appeals process that allows timely responses to personnel problems.

Performance Indicator	Actual 2002-2004	Existing 2000-2002	Recommended 2002-2004	Desired/Target Existing
Number of appeals resolved	11	9	9	9
Number of appeals resolved/disposed	9	None	None	None
Average length of time to hear and decide appeal (in months)	4	None	4	9

The performance indicators for Objective Three include an efficiency indicator that measures the average length of time to hear and decide an appeal. The commission should establish a benchmark for the length of time needed to perform this process. The commission could then compare its present performance to the benchmark to determine if its current four month period to hear and decide an appeal is satisfactory.

Staffing. The State Police Commission administrative staff consists of three unclassified employees: a director, a deputy director, and an executive secretary. Their salaries totaled \$117,328 for fiscal year 1998.

The performance indicators listed previously primarily measure the activity of the Licensing Division. One indicator measures the efficiency of issuing certificates although its related objective, Objective Three, does not include a time frame. There are no indicators that measure the quality of the tests currently being given.

Staffing and Financial Information. As of June 30, 1995, there were 64 full-time employees in the Human Resource Management program, and total annual salaries amounted to \$2,150,683. From fiscal years 1991 to 1995, the Human Resource Management program reduced its staff size from 79 to 64 employees, or an average of 5 percent annually. According to State Civil Service officials, the staff reduction has resulted in a change in the methods used to achieve the department's objectives. For example, the Classification and Pay Division is traveling less to perform desk audits and relying more on documents that are already on hand to make classification and compensation decisions.

Total program expenditures for the Human Resource Management program for the past four fiscal years are as follows:

1991	1992	1994	1995
\$2,861,214	\$3,897,770	\$2,294,715	\$2,961,968

Source: Prepared by legislative auditor's staff from unaudited financial statements.

MUNICIPAL FIRE AND POLICE CIVIL SERVICE

Article X, Section 16 of the constitution creates and establishes the Municipal Fire and Police Civil Service. This civil service system covers firefighters and police officers of all municipalities having a population greater than 13,000 and operating a regularly paid fire and municipal police departments. This system also covers all parishes and fire protection districts operating a regularly paid fire department. In addition, LSA-R.S. 33:2531, et seq., added to this civil service system municipalities having a population not less than 7,000.

LSA-R.S. 33:2536 and 33:2436 require a fire and police civil service board in each municipality, parish or fire protection district that has a classified civil service system. Article IX, Section 17 of the Louisiana Constitution provides that appointments and promotions in the fire and police civil service shall be made only after certification by the applicable civil service board.

Mission and Objectives. According to the executive budget, the State Police Commission's mission is to provide a separate personnel system for the commissioned officers of the Louisiana State Police. The system provides essentially the same services for state police as State Civil Service provides for other state employees. The objectives of the commission are aligned with the responsibilities mandated by the constitution. The objectives and performance indicators used to measure achievement of these objectives are as follows:

Objective One: Administer a personnel system that will address unique problems of State Police.

Performance Indicator	Actual 1993,1994	Existing 1993,1994	Recommended 1995,1996	Overstated/ Existing
Number of employees covered by Commission	400	774	109	180
Number of commission staff	3	3	5	0
Ratio of commission staff to employees in system	1,340	1,260	1,110	20 per staff member
Cost per employee in system	\$3,824	\$266.81	\$107.70	(\$17.06)
Average processing time for personnel action (in days)	1	1	1	0
Number of investigations conducted	0	3	5	0
Number of general orders issued	12	2	5	0
Number of commission cases	11	24	50	0*

*No. of appeals to the 1995, 1996 Executive Budget

Most of the performance indicators are input and output type indicators. The other civil service systems (state employees and municipal public utility employees) have almost identical indicators. The cost per employee indicator is useful to compare to the other civil service systems within the Department of State Civil Service.

Exhibit B on page 23 shows that the State Police Commission is nearly four times more expensive to operate than the State Civil Service and nearly three and a half times more than Municipal Fire and Police Civil Service.



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November 30, 1996

The Honorable Charles D. Lancaster, Jr., Chairman
The Honorable John L. Dufrenoy, Jr., Chairman
and Members of the House and Senate
Governmental Affairs Committees

Dear Legislators:

This is our report on the Department of State Civil Service for the purpose of
costs review, as provided by Louisiana Revised Statute 49:150 (LRS).

I hope this information will be of help to you in your review of that department.

Sincerely,


Daniel G. Kye, CPA, CFE
Legislative Auditor

DGK:/j

(1004-100000)

For Objectives One and Two, ratios are given to show the relationship of both the jurisdictions and candidates examined to the number of office personnel. Although Office of the State Examiner officials say that all personnel have an integral part in administering the civil service system for local boards, the ratio is misleading because it assumes that all personnel perform equal amounts of work relating to the jurisdictions and candidates. As a result, the ratios, which are efficiency indicators, do not appropriately measure if there is efficient use of staff to perform the functions of the Office of the State Examiner. In addition, there is no benchmark for comparison to determine an efficient staff size for this function.

Objective Three: Continue to provide an orderly system of personnel management for each fire and police department covered by the provisions of the Municipal Fire and Police Civil Service Law. Specifically, the Office of the State Examiner will provide each local civil service board a classification plan appropriate for that jurisdiction to facilitate the proper allocation of each position within the classified service, as well as review that they are within the framework of the law.

Performance Indicator	Actual 2002-2004	Existing 2004-2005	Recommended 2005-2006	Percent (Actual/Existing)
Number of new or updated jurisdiction studies	188	193	181	93%
Number of class specifications written or revised	136	80	441	175%
Number of personnel action forms processed	2,044	4,200	4,000	100%

*Not shown in the 2004-2005 Executive Budget

The performance indicators for the classification of jobs are input and output type indicators. They only measure activities of this section. The objective is result-oriented; however, there are no performance indicators that measure efficiency. Surveying the satisfaction of the jurisdictions served could give this system a way to gauge its performance.

The performance indicators relate to the objective of providing for the overall administration of the civil service system. One performance indicator details what the system costs per employee served. Another indicator shows the ratio of jurisdictions to office personnel. These types of indicators are decision-making tools that can aid in improving the quality of services provided. However, the system has not established benchmarks (limits) for these indicators to show whether these are indicators of good or poor performance.

Objective Two: Continue to provide a testing function. Specifically, the Office of State Examiner, Municipal Fire and Police Civil Service will prepare and administer validated tests of fitness for original entrance and promotion to applicants for positions in the municipalities or fire protection districts; score the tests and then furnish the results to the local civil service board for which the tests are given within a reasonable time frame; and make appropriate testing accommodations under the Americans with Disabilities Act.

Performance Indicator	Actual 1993-1994	Existing 1994-1995	Recommended 1995-1996	Over (Under) Budget
Number of examinations administered	415	435	440	-(25)*
Number of candidates examined	6,394	7,063	7,304	-(910)*
Average number of days from receipt of exam request to date of exam	80	80	84	-4
Average number of calendar days to process grades	9	9	9	0
Number of office personnel	10	32	32	0
Ratio of candidates examined to office personnel	639.4	220.7	228.3	-(58.3)*

*As it appears in the 1994-1995 Executive Budget

Mission. The Office of the State Examiner consists of the Administration, Examining, and Personnel Management and Classification sections. In accordance with state law, the mission of this civil service system is to provide an effective, cost-efficient general personnel system for local public safety entities that is consistent with the law and professional standards, and based on merit, efficiency, fitness, and length of service.

Program Objectives. The objectives of this system are aligned with the responsibilities mandated by statute and are as follows:

Objective One: Provide for overall administration of the civil service system. Specifically, the Office of the State Examiner, Municipal Fire and Police Civil Service will respond to requests and provide advice and guidance as necessary to the 98 local boards, appointing authorities, departmental chiefs, governing bodies and employees within the system. (According to department officials, there are 90 boards.)

Performance Indicator	Actual 1994-1994	Funding 1994-1994	Recommended 1995-1994	Over/Under Funding
Number of job actions	84	87	85	1
Number of joblets created	33	34	35	2
Number of employee inquiries	6,488	7,200	7,200	128
Cost per employee inquiry	\$87.14	\$87.14	\$88.14	\$1.52
Number of requests with justifications and public response to requests for examinations, advice, and guidance by telephone, letter, and meeting	9,875	10,000*	9,988	140*
Number of board hearings recorded	30	34	33	10*
Ratio of jobholders to office personnel	4.0:1	3.8:1	4.0:1	No change*

*This figure appears in the 1995-1996 Executive Budget

According to department officials, there are 90 of these boards. State law mandates that the boards perform certain duties which include, but are not limited to, the following:

- represent the public interest in matters of personnel administration
- advise and assist employees in the classified service with reference to the maintenance and administration of personnel matters
- conduct investigations concerning administration of personnel, or concerning complaints by or against any officer or employee in the classified service
- make, after, amend and promulgate rules necessary to carry out its duties
- adopt and maintain a classification plan

The State Examiner heads the Municipal Fire and Police Civil Service. The Office of the State Examiner administers civil service programs and provides the following services to local civil service boards, and city and other governmental officials:

- assist the various boards, departments, officers, classified employees, and others in an advisory capacity
- prepare and submit a classification plan to each board for their approval
- prepare and administer tests of fitness for original entry and promotion, score the tests, and furnish the results to the board
- maintain a roster of all fire and police civil service employees

To perform its duties, the Office of the State Examiner had 15 full-time employees on staff as June 30, 1985, with total annual salaries of \$485,387. Exhibit 5 on page 17 shows that expenditures have grown from approximately \$472,000 in fiscal year 1981 to nearly \$648,000 in fiscal year 1985. For fiscal year 1985, all funding came from statutorily dedicated funds. These funds are derived from 2/100 of 1 percent of the gross direct premiums received from insurers doing business in the state in the preceding year. USA-R.S. 22-1419 requires the Insurance Rating Commission to deposit these funds with the state treasurer to be credited to the Municipal Fire and Police Civil Service Operating Fund.

Objective Five: Assure compliance with laws and jurisprudence affecting compensation.

No performance indicators listed in the executive budget directly relate to Objective Five. This objective is not easily measured. However, the department should develop indicators that show how it assures legal compliance.

Examining Division

Objective One: Continue to recruit the numbers and types of applicants needed to fill positions in state government.

Objective Two: Administer valid testing procedures to job applicants to identify the best applicants available for employment.

Objective Three: Certify applicants (and lists) to state agencies for use in filling vacant positions.

Performance Indicator	Actual 2001-2004	Existing 2001-2003	Proposed 2001-2004	Operational Existing
Number of job applicants	90,495	90,000	90,000	100,000
Number of tests given	11,187	30,000	17,000	15,000
Number of certificates issued	1,002	1,000	1,000	0
Average length of time to issue certificates (in days)	14	14	16	2

Objective One for the Examining Division does not address recruiting the "most qualified" applicants. Performance indicators could be developed that show the following:

1. The number of persons scoring in the top five percent who subsequently accept positions within state civil service
2. The percentage of supervisors who report satisfaction with candidates who are selected through the civil service examining process

Supervisors who report that new hires lack certain skills could provide this information to the department, which could, in turn, modify its tests or procedures to ensure that future applicants are tested for these skills.

Classification and Pay Division

- Objective One:** Provide a method of job evaluation and position allocation that guarantees equity for all positions in the civil service system.
- Objective Two:** Maintain salary rates that are competitive with their qualified public and private market.
- Objective Three:** Provide a salary structure and policies that assure incentives for promotion and a vehicle for the application of a pay for performance system.
- Objective Four:** Maintain a salary structure and related policies that provide the necessary controls for good fiscal management of budgeted salary funds.

Performance Indicator	Actual 2003-2004	Existing 2004-2005	Recommended 2004-2005	Over/Under's Variance
Number of job allocations processed	10,241	8,600	7,600	0,100s
Number of days to process job allocations	40	40	30	10
Number of classification studies processed	141	400	140	(140)
Number of days to process classification studies	210	140	100	40
Number of stock studies performed	100	100	100	(100)
Number of special pay studies performed	10	10	10	0
Number of salary surveys performed	25	20	20	0

As mentioned on page 11, objectives should be specific and measurable targets for accomplishment. The objectives for this division only restate the mission of the Classification and Pay division. These objectives should be revised. Once the objectives are revised, the performance indicators can be developed to measure efficiency and effectiveness.

Objective Five:	Keep state agencies aware of additions and changes to federal regulations on a timely basis.
Objective Six:	Interpret and keep rules updated and pertinent.
Objective Seven:	Staff requests to the director and Civil Service Commission fully and in a timely fashion.
Objective Eight:	Conduct and respond to pertinent surveys and provide reports to the legislature.

Performance Indicator	Actual 1991-1992	Existing 1991-1992	Recommended 1991-1992	Over/Under Existing
Number of Commission items	183	183	183	0
Number of Affirmative Action Plans adopted	111	111	111	0
Number of performance appraisal programs reviewed	0	0	0	0
Number of legislative reviews conducted	400	400	400	0

Objectives Five and Seven do not define timeliness. Furthermore, there are no performance measures that directly relate to the accomplishment of this objective. We recommend the addition of a specific time frame for notifications to state agencies. In addition, a performance measure such as the number of updates given to state agencies within the time frame specified would be a good indication of the accomplishment of the objective.

As mentioned earlier, objectives should be specific and measurable targets for accomplishment. Objectives Six through Eight are functions of the divisions. In their present form, the objectives do not set any standards that would allow the division, in turn, to create appropriate performance measures.

The indicators associated with Objectives Five through Eight are activity indicators. While these indicators are important for resource allocation decisions, they have limited use because they do not indicate whether the program's objectives have been met. Furthermore, the figures used in these indicators have remained the same for the fiscal years shown, which may mean the agency is not updating this information.

Performance Indicator	Actual 1993-1994	Existing 1994-1995	Recommended 1995-1996	Over/Under/ Variance
Number of investigations conducted	30	30	30	0
Number of general circulation issued	16	16	16	0
Number of compliance audits conducted	5	5	2	3
Number of layoffs initiated	28	None	Unpredictable	Unpredictable
Number of contracts reviewed	1,368	1,368	1,368	0

The indicators relating to these three objectives are output type indicators. In addition, these indicators do not appear to be realistic. For example, the number of investigations conducted has not changed since fiscal year 1994. The number of contracts reviewed has also remained the same. The time element (without delay) in Objective One is vague. Furthermore, no performance indicator is listed to show if investigations, layoffs, and contract reviews are conducted "without delay."

Objective Four: Maintain the state personnel manual.

Performance Indicator	Actual 1993-1994	Existing 1994-1995	Recommended 1995-1996	Over/Under/ Variance
Number of revisions to personnel manual	24	24	18	6

Objective Four is more of a goal than an objective, because there is no outcome. According to *Management*, a publication issued by the Office of Planning and Budget, goals are broad, general statements and objectives are specific, quantified, and time-based statements of accomplishment or outcome. Objective Four should be modified to include a time frame or time period for making revisions to the personnel manual. For example, the department could revise the state personnel manual annually. In addition, performance measures for this objective could include the number of staff hours per revision and the results of a survey to determine user satisfaction with the timeliness and accuracy of personnel manual revisions.

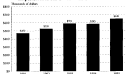
Performance Indicator	Actual 1991-1994	Targeting 1994-1995	Accomplished 1995-1996	Over/Under Targeting
Number of requests for OPR's Advisory Opinions and Compliance	144	500	600	9
Number of requests for OPR's Advisory Opinions and Compliance	173	175	200	25
Number of OPR opinion rendered	180	180	283	103
Number of OPR opinion rendered	93	90	100	10
Number of OPR advisory opinion	8,240	6,000	3,400	1,000
Number of OPR action investigations, resolutions, acceptance, and final findings	140	150	150	0
Number of ethics trust investigations	30	15	20	20
Number of OPR's Working Investigations and Resolutions	11	10	18	8
Number of OPR's Working Investigations and Resolutions	11	15	30	19
Number of Certificates and Board Decisions Appointed to Case of Appeal, First Circuit, Dependent Cases, and other Decisions	0	0	0	0
Number of appointed board and committee members/total	0	200	600-1,000	600-800
Number of Informational program activities	0	1,000	2,000	4,000

Quality Indicator: The percentage of Board and Committee decisions that are upholding the cases is 90 percent.

According to OPR's Management, objectives should be specific and measurable targets for accomplishment. However, Objective One is not specific nor does it appear to be measurable. The 12 performance indicators listed previously are a mix of input and output type indicators. While these indicators clearly identify the activities of the Ethics Administration program, there are no indicators that measure the efficiency or effectiveness of the staff in performing the functions listed on page 25.

Exhibit 5 below shows the fiscal year 1995 expenditures and staffing levels by section. The Office of State Examiner charges its operating services costs such as insurance, printing, and office supplies to the Administration section.

Exhibit 5
Office of the State Examiner
Municipal Fire and Police Civil Service
Expenditures for Fiscal Years 1991-1995



Source: Prepared by legislative auditor's staff from unaudited financial statements.

Exhibit 6
Office of the State Examiner
Municipal Fire and Police Civil Service
Spending and Staffing
Fiscal Year 1995

Sections	Expenditures		Full-time Staff	
	Dollars	Percent of Total	Employees	Percent of Total
Administration	\$308,283	48%	5	33%
Examining	277,807	43	8	53
Personnel Management and Classification	58,280	9	2	14
Total	\$644,370	100%	15	100%

Source: Prepared by legislative auditor's staff from fiscal year 1995 cost center responsibility reports provided by the Municipal Fire and Police Civil Service.