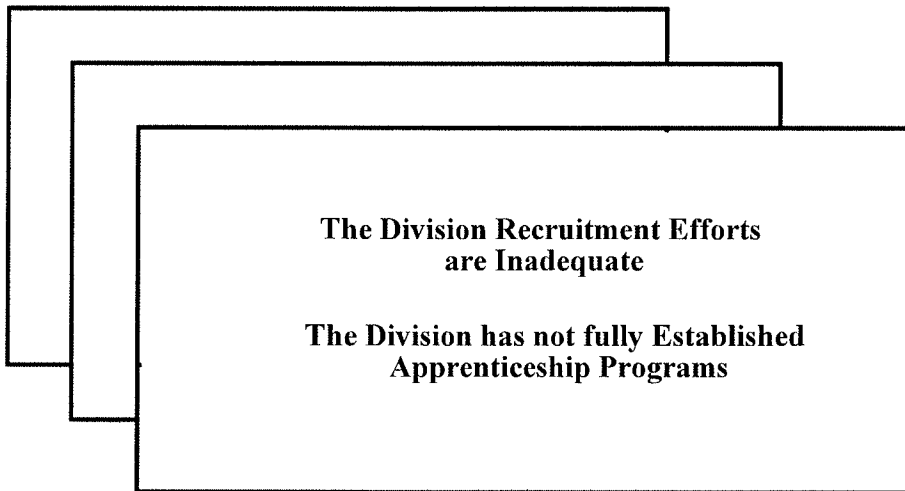


STATE OF WEST VIRGINIA
UPDATE OF THE
FULL PERFORMANCE EVALUATION
OF THE
DIVISION OF PERSONNEL

OFFICE OF LEGISLATIVE AUDITOR
Performance Evaluation and Research Division
Building 5, Room 751
State Capitol Complex



**The Division Recruitment Efforts
are Inadequate**

**The Division has not fully Established
Apprenticeship Programs**

CHARLESTON, WEST VIRGINIA 25305

(304) 347-4890

PE 96-21-62

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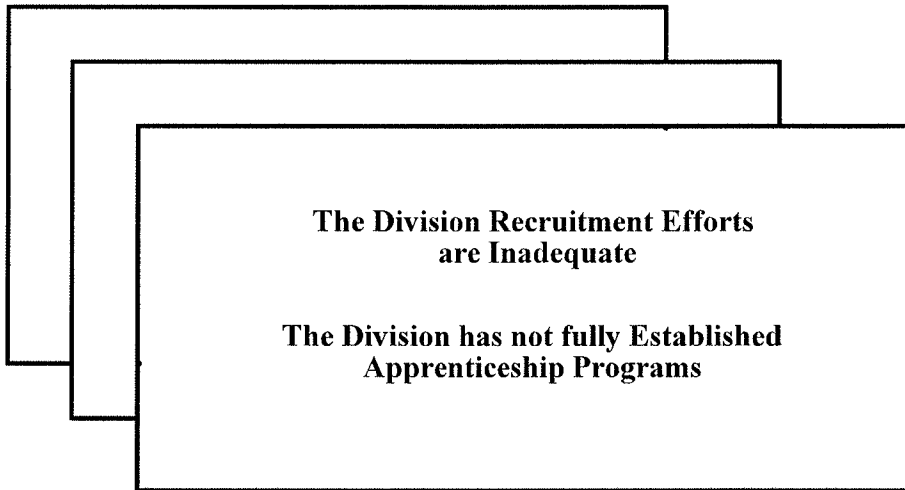
Antonio E. Jones, Ph.D., Director
Performance Evaluation and Research Division

Harvey Burke, Research Manager
Michael Midkiff, Senior Analyst
Chris Nuckols, Research Analyst

February 1997

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EXECUTIVE SUMMARY

This performance evaluation is an update of issues reported on during the 1995 Interim period. The West Virginia Division of Personnel is the state's personnel agency. Responsibilities include the recruitment of applicants for state employment and the development of policies regarding the management of the state's workforce. In addition the agency is tasked with maintaining a Personnel Management Information System and the development of apprenticeship programs for those state agencies with apprenticable occupations, as well as providing training to the state government's workforce

The 1995 performance evaluation identified the following six areas of concern.

Issue Area 1: The Division Of Personnel Has Failed To Consolidate All Personnel Functions Into A Cost-Effective Centralized Agency.

Recommendation 1: Not Applicable

Issue Area 2: The DOP as of June 30, 1995 Accumulated a Surplus Balance of Approximately \$2 Million by Assessing Agencies for Classified-Exempt and Vacant Positions and Neglecting to Reduce the Fee to Reflect the Cost of its Operations.

Recommendation 2: Not Applicable

Issue Area 3: DOP Recruitment Efforts Are Inadequate.

Recommendation 3: Not Applicable

Recommendation 4: Non-Compliance

Recommendation 5: Non-Compliance

Issue Area 4: The Division of Personnel has never fully implemented a Computerized Personnel Management Information System.

Recommendation 6: Not Applicable

Issue Area 5: DOP Has Not Fully Established Apprenticeship Programs, As Mandated By The WV Code.

Recommendation 7: Not Applicable

Recommendation 8: Non-Compliance

Issue Area 6: The Division Of Personnel Policy Regarding Increment Pay Conflicts With §5-5 Of The WV Code and Was Written Without Proper Authority.

Recommendation 9: Not Applicable

This update uses the following designation of compliance with the recommendations made in the original review.

TABLE 1 Levels of Compliance
<u>In Compliance</u> - The Division has corrected the problems identified in the final draft of the audit report.
<u>Partial Compliance</u> - The Division has partially corrected the problems identified in the final draft of the audit report.
<u>Planned Compliance</u> - The Division has not corrected the problem but has provided sufficient documentary evidence to find that the agency will do so in the future.
<u>In Dispute</u> - The Division does not agree with either the problem identified or the proposed solution.
<u>Non-Compliance</u> - The Division has not corrected the problem identified in the final draft of the audit report.

The Performance Evaluation and Research Division made 9 recommendations regarding this report. Six of those require statutory changes and three require action by the Division of Personnel. To date the Division of Personnel has made positive changes in only one issue area which they are able to affect.

Review Objective, Scope and Methodology

This report is an update of the 1995 West Virginia Division of Personnel performance evaluation and is conducted in accordance with the West Virginia Sunset Law, West Virginia Code, Chapter 4, Article 10. The objectives of a performance evaluation are to determine:

- whether the Division is acquiring, protecting and using its resources economically and efficiently; whether the Division has complied with laws and regulations;
- whether the desired results and benefits established by the Legislature are being achieved; and
- the effectiveness of the Division's program and functions.

This update will assist the Joint Committee on Government Operations in making one of three recommendations:

- the department, agency or board be terminated as scheduled;
- the department, agency or board be continued and reestablished;
- the department, agency or board be continued and reestablished, but the statutes governing it be amended in specific ways to correct ineffective or discriminatory practices or procedures, burdensome rules and regulations, lack of protection of the public interest, overlapping of jurisdiction with other governmental entities, unwarranted exercise of authority either in law or in fact any other deficiencies.

This performance evaluation is an update of issues reported on during the 1995 Interim period. The objective of the original evaluation was to determine if the procedures used by the DOP are consistent with the legislative purpose for creating the agency. In particular, the evaluation focused on whether the DOP provides the services which it is tasked with in §29-6. The scope of the audit included the policies and procedures, and compliance with the state's law over the 1989 to 1995 period.

The methodology included personal interviews with DOP staff and officials from agencies which utilize the services of the DOP. In addition comparisons were made of similar agencies from around the country and the latest literature regarding civil service systems was reviewed as well as the policies and procedures used by the DOP to effectuate the intent of §29-6. Every aspect of this review complied with Generally Accepted Government Auditing Standards.

Issue Area 1: The Division Of Personnel Has Failed To Consolidate All Personnel Functions Into A Cost-Effective Centralized Agency.

Recommendation 1

The Legislature should legally recognize the present defacto situation by decentralizing the personnel functions the agencies in state government and create a merit system organization which is designed to support the user agencies' personnel offices in the following areas: Merit rules and regulations, Training and Classification and Compensation.

Level of Compliance: Not Applicable

Requires Legislative action.

Issue Area 2: The DOP as of June 30, 1995 Accumulated a Surplus Balance of Approximately \$2 Million by Assessing Agencies for Classified-Exempt and Vacant Positions and Neglecting to Reduce the Fee to Reflect the Cost of its Operations.

Recommendation 2

The Legislature should define DOP's responsibilities and services provided to classified-exempt positions and determine DOP's budgetary needs through appropriation.

Level of Compliance: Not Applicable

Requires Legislative action.

Issue Area 3: DOP Recruitment Efforts Are Inadequate.

Recommendation 3

The Legislature should determine if recruitment is an agency responsibility or the responsibility of the DOP. If this is to be the responsibility of individual agencies then the DOP should reduce fees. If it is the responsibility of the DOP then DOP should utilize a full-time recruiter to work with agencies, colleges and universities, and vocational schools to recruit highly qualified

applicants.

Level of Compliance: Not Applicable

Requires Legislative action.

Recommendation 4

DOP should utilize existing Job Service Offices to give tests and provide information for state employment.

Level of Compliance: Non-Compliance

The Division has taken no action regarding this recommendation

Recommendation 5

The DOP should advertise occasionally through the media as the BEP does giving the process and locations to apply for state employment.

Level of Compliance: Non-Compliance

The DOP has not complied with the recommendations but has made one improvement in the recruitment process through the development of an Internet web page.

Issue Area 4: The Division of Personnel has never fully implemented a Computerized Personnel Management Information System.

Recommendation 6

The Legislature should require both the DOA and the DOP to conduct a detailed analysis of what each system will provide to the state to determine which HRIS system will meet its needs.

Level of Compliance: Not applicable

Requires Legislative action. The Division is still developing its own Human Resource Computer System but the joint project to develop an integrated system with the Department of Administration has been canceled.

Issue Area 5: DOP Has Not Fully Established Apprenticeship Programs, As Mandated By The WV Code.

Recommendation 7

The Legislature should consider clarifying the statute regarding Apprenticeship programs establishing financial responsibility, requiring a certain number of apprenticeship programs per year. In addition, the Legislature could consider utilizing the surplus monies, accumulated by the DOP, to fund the apprenticeship program if they continue to be funded by the current funding system.

Level of Compliance: Not Applicable

Requires Legislative action.

Recommendation 8

The DOP should report each year the success of the program to the Legislature with accurate figures of personnel participating, costs incurred, and attrition rates of personnel who participate.

Level of Compliance: Non-Compliance

The Division of Personnel has taken no action regarding this issue.

Issue Area 6: The Division Of Personnel Policy Regarding Increment Pay Conflicts With §5-5 Of The WV Code and Was Written Without Proper Authority.

Recommendation 9

The Legislature should consider legislation to clarify:

- a) Whether permanent part-time state employees are eligible to receive increment pay; and,
- b) Whether years of service as an elected or appointed officials of the State, faculty members at State colleges and universities, state trooper, or any employee of the State whose salaries are fixed by statute or statutory schedule should count in calculating increment pay, if such employees subsequently satisfy the definition set forth in §5-5 of an eligible employee.

Level of Compliance: Not Applicable

Requires Legislative action. However, the Division of Personnel does indicate that legislation clarifying the annual increment statute or authorizing the promulgation of a legislative rule would be highly desirable.

Appendix A

