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A Classification Compliance Review Report on the

State's Inspector and Investigator Positions

January 2006
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Overall Conclusion

The State Auditor's Office's State Classification Office reviewed 1,849 inspector and investigator positions and found that 1,755 (95 percent) of these positions were classified correctly. Agencies took appropriate action in resolving misclassified positions. Agencies have reported that they will spend \$2,864 to properly classify these positions.

Background Information

Texas Government Code, Sections 654.036 (2) and (3), specifies that the State Auditor's Office's State Classification Office "shall advise and assist state agencies in equitably and uniformly applying the [classification] plan and conduct classification compliance audits to ensure conformity with the plan."

Key Points

Ninety-five percent of inspector and investigator positions were identified as correctly classified.

Of the 1,849 inspectors and investigators positions reviewed, 1,755 (95 percent) were identified as correctly classified. Of the 94 employees in positions that were identified as misclassified, 38 (40 percent) had their job duties changed so they could remain in their current titles and be properly classified.

Agencies will spend \$2,864 to properly classify positions.

Collectively, agencies will spend \$2,864 to properly classify positions that were misclassified. In many cases, agencies were able to reclassify positions without changing the salaries. Two positions required annual salary increases of \$824 and \$2,196, and one reclassification resulted in a \$156 decrease in annual salary.

Proper classification of positions ensures efficient and effective use of resources.

Misclassified positions can pose a business risk to agencies through their effect on services and budgets. If employees are classified in positions at too high of a level for the work they perform, agencies may be paying the employees more than their job duties warrant. If employees are classified in positions at too low of a level for the work they perform, employees could be underpaid. This could affect the employees' morale and lower their motivation, thus affecting services to the citizens of Texas. In addition, it could result in higher turnover, which could be costly for the agencies.

Summary of Objective, Scope, and Methodology

The objective of this classification compliance review was to determine whether agencies conform to the Position Classification Plan by ensuring proper classification of positions.

The scope of this review included employees classified within the Inspector, Investigator, and Seed Analyst class series. We also reviewed positions that agencies identified as performing similar work but that were classified in other class series.

The State Auditor's Office's State Classification Office uses the classification method of job evaluation when reviewing positions and determining proper classifications. These determinations are primarily based on the comparison of duties and responsibilities being performed with the state job description for each position.

Detailed Results

Chapter 1

Inspector and Investigator Positions

Of the 1,849 inspector and investigator positions reviewed, 1,755 positions (95 percent) were classified correctly. The positions reviewed included

Inspectors, Investigators, and Seed Analysts (see Table 1). We also reviewed positions that agencies identified as performing similar work but that were classified in other class series.

Table 1

Positions Reviewed	
Class Series	Number of Employees
Inspector	836
Investigator	980
Seed Analyst	18
Other Classes	15
Total	1,849

Chapter 1-A

Classification

Most agencies appropriately classified their inspector and investigator positions. Of the 1,849 inspector and investigator positions reviewed, 1,755 (95 percent)

were identified as correctly classified.

As Table 2 shows, of the 94 employees in positions that were identified as misclassified, 38 (40 percent) had their job duties changed so they could remain in their current titles and be properly classified.

Table 2

Analysis of Misclassified Positions				
Class Series ^a	Number of Employees Who Moved Up to a Higher Class Title within the Same Class Series ^b	Number of Employees Who Moved Down to a Lower Class Title within the Same Class Series ^c	Number of Employees Who Moved to/from a Different Class Series ^d	Number of Employees Who Had Their Duties Changed to Remain in Their Current Class Titles
Inspector	0	3	19	23
Investigator	2	20	12	15
Seed Analyst	0	0	0	0
Total Misclassifications	2	23	31	38

^a A class series is a category of job or "class" titles.
^b For example, an employee classified as an Investigator II has been reclassified to an Investigator IV.
^c For example, an employee classified as an Investigator IV has been reclassified to an Investigator II.
^d For example, an employee classified as an Inspector II has been reclassified to an Investigator II, or an employee classified as a Program Specialist II has been reclassified to an Investigator III.

Collectively, agencies will spend \$2,864 to properly classify positions that were misclassified. In most cases, agencies were able to reclassify positions without changing the salaries. Two positions required annual salary increases of \$824 and \$2,196, and one reclassification resulted in a \$156 decrease in annual salary. After agencies made the necessary adjustments, a total of 1,834 employees remained in or were reclassified to the investigator, inspector, and seed analyst classifications. See Appendix 2 for an agency breakdown.

Importance of Proper Employee Classification

The proper classification of positions ensures efficient and effective use of resources. Misclassified positions can pose a business risk to agencies through their effect on services and budgets. If employees are classified in positions at too high of a level for the work they perform, agencies may be paying the employees more than their job duties warrant. If employees are classified in positions at too low of a level for the work they perform, employees could be underpaid. This could affect the employees' morale and lower their motivation, thus affecting services to the citizens of Texas. In addition, it could result in higher turnover, which could be costly for the agencies.

Appendices

Appendix 1

Objective, Scope, and Methodology

Objective

The objective of this classification compliance review was to determine whether agencies conform to the Position Classification Plan in ensuring proper classification of positions.

Scope

The scope of this review included employees classified within the Inspector, Investigator, and Seed Analyst class series at agencies. We also reviewed positions that agencies identified as performing similar work but that were classified in other class series.

Methodology

In determining whether positions were appropriately classified, we reviewed the following:

- State job descriptions
- Surveys completed by employees and verified by their supervisors
- Internal salary relationships

The State Auditor's Office's State Classification Office uses the classification method of job evaluation when reviewing positions and determining proper classifications. These determinations are primarily based on the comparison of duties and responsibilities being performed with the state job description for each position.

When determining proper classification, the State Classification Office does not focus on specific differences between one level and the next in a class series (for example, Investigator I versus Investigator II). We consider whether an employee is appropriately classified within broad responsibility levels, such as Staff Investigator versus Senior Investigator.

Additionally, an agency's internal job evaluation process and career ladders should not drive determinations of proper classification. The State's classification and compensation system is intended to provide an overall framework of appropriate pay for specific duties performed. An agency's job evaluation process and career ladders should support the overall concept of the State's system.

The State Classification Office has an automated job evaluation process. We populated a database with information about the employees whose positions were reviewed. Staff in agency human resources departments verified the

information in the database to ensure that all positions were included. Employees were then asked to complete online surveys. Employees were allowed to add duties they perform that were not listed in the survey, and they also identified the percentage of time they spend performing their duties. Supervisors were asked to complete their reviews of the employees' surveys.

Completed survey results were entered into the automated job evaluation system, which made an initial determination of whether the positions were appropriately classified, and agencies were given an opportunity to review and address potential misclassifications. To address each potential misclassification, agencies could reclassify an employee to a class title consistent with the work performed, change an employee's duties to conform to the assigned class title, or provide justification to explain why an employee was appropriately classified.

We made follow-up calls to determine and validate proper classification of positions and to gather additional information to resolve discrepancies.

Demographic and salary comparison graphs for the agencies' inspector and investigator positions can be found at the following Web site:
<http://sao.hr.state.tx.us/Compensation/classaudit.html>.

Project Information

This review was conducted under the requirements of Texas Government Code, Section 654.036 (3).

The following employees of the State Auditor's staff prepared this report:

- Juliette Torres, CCP, PHR (Project Manager)
- Sharon Schneider, PHR
- Dennis Ray Bushnell, CPA (Quality Control Reviewer)
- Susan A. Riley, CPA (Assistant State Auditor)

Final Classifications

The table below provides the number of positions classified within each class series after agencies made the necessary adjustments.

Table 3

Agency No.	Agency	Inspector	Investigator	Seed Analyst	Total Positions
242	Commission on Judicial Conduct	0	3	0	3
302	Office of the Attorney General	0	193	0	193
303	Building and Procurement Commission	1	0	0	1
304	Comptroller of Public Accounts	0	15	0	15
305	General Land Office	9	0	0	9
320	Texas Workforce Commission	0	40	0	40
329	Real Estate Commission	0	13	0	13
332	Department of Housing and Community Affairs	2	18	0	20
362	Lottery Commission	0	9	0	9
370	Texas Residential Construction Commission	2	0	0	2
401	Adjutant General's Department	4	0	0	4
405	Department of Public Safety	304	28	0	332
409	Commission on Jail Standards	3	0	0	3
411	Commission on Fire Protection	6	0	0	6
450	Savings and Mortgage Lending Department	0	7	0	7
452	Department of Licensing and Regulation	11	45	0	56
454	Department of Insurance	17	69	0	86
456	Board of Plumbing Examiners	0	8	0	8
458	Alcoholic Beverage Commission	0	5	0	5
472	Structural Pest Control Board	0	16	0	16
473	Public Utility Commission	0	10	0	10
476	Racing Commission	0	5	0	5
479	State Office of Risk Management	0	2	0	2
481	Board of Professional Geoscientists	0	1	0	1
503	Texas Medical Board	0	41	0	41
504	Board of Dental Examiners	0	6	0	6
507	Board of Nurse Examiners	0	19	0	19
508	Board of Chiropractic Examiners	0	1	0	1
513	Funeral Service Commission	2	2	0	4
514	Optometry Board	0	1	0	1
515	Board of Pharmacy	3	10	0	13
520	Board of Examiners of Psychologists	0	2	0	2
529	Health and Human Services Commission	0	175	0	175

Table 3

Agency No.	Agency	Inspector	Investigator	Seed Analyst	Total Positions
533	Executive Council of Physical and Occupational Therapy Examiners	0	2	0	2
537	Department of State Health Services	128	11	0	139
539	Department of Aging and Disability Services	124	15	0	139
551	Department of Agriculture	126	0	18	144
554	Animal Health Commission	76	1	0	77
578	Board of Veterinary Medical Examiners	0	3	0	3
601	Texas Department of Transportation	0	42	0	42
665	Juvenile Probation Commission	0	4	0	4
694	Texas Youth Commission	0	31	0	31
696	Department of Criminal Justice	18	121	0	139
701	Texas Education Agency	0	4	0	4
802	Parks and Wildlife Department	0	2	0	2
	Totals	836	980	18	1,834^a

^a This total reflects 15 fewer positions than the number reviewed because 15 positions remained classified, or were reclassified, outside of the inspector, investigator, and seed analyst class series.

Copies of this report have been distributed to the following:

Legislative Audit Committee

The Honorable David Dewhurst, Lieutenant Governor, Joint Chair

The Honorable Tom Craddick, Speaker of the House, Joint Chair

The Honorable Steve Ogden, Senate Finance Committee

The Honorable Thomas “Tommy” Williams, Member, Texas Senate

The Honorable Jim Pitts, House Appropriations Committee

The Honorable Jim Keffer, House Ways and Means Committee

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The Honorable Rick Perry, Governor



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