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State Auditor

A Classification Compliance Audit Report on The Parks and Wildlife Department

January 31, 2012

Members of the Legislative Audit Committee:

The Parks and Wildlife Department (Department) appropriately classified within the State's Position Classification Plan 445 (83.3 percent) of the 534 positions that auditors tested. The positions tested were classified within the Clerk, Customer Service Representative, Fish and Wildlife Technician, and Natural Resources Specialist job classification series. The Department has taken appropriate action to address the 89 positions that were misclassified and reported that it will spend approximately \$95,898 annually to properly classify those positions. Specifically:

- The Department will spend approximately \$95,898 annually to properly classify 73 positions.
- The Department took action to properly classify the remaining 16 positions identified as misclassified. There was no cost associated with those reclassifications.

The Department took action to appropriately classify positions identified as misclassified.

The 534 positions audited covered two occupational categories and four job classification series. To address the 89 employee positions that were misclassified, the Department chose to:

- Reclassify 87 positions into different job classification series (see Table 2 in the attachment to this letter for additional details).
- Reclassify 2 positions within the same job classification series but at a higher salary group (see Table 3 in the attachment to this letter for additional details).

Background Information

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

The mission of the Parks and Wildlife Department (Department) is to manage and conserve the natural and cultural resources of Texas and to provide hunting, fishing, and outdoor opportunities for the use and enjoyment of present and future generations.

The Department participated in a previous statewide classification compliance review (see *A Classification Compliance Review Report on the State's Program Specialist Positions at Selected Natural Resources Agencies and Selected Business and Economic Development Agencies*, State Auditor's Office Report No. 11-706, May 2011). Department employees classified as Program Specialists who were reclassified as a result of that review were not included in the scope of this audit.

Definitions

Job Classification - An individual job within a job classification series. Each job classification has a corresponding salary group assignment appropriate for the type and level of work being performed.

Job Classification Series - A hierarchical structure of jobs arranged into job classification titles involving work of the same nature but requiring different levels of responsibility.

Occupational Category - A broad series of job families also known as job classification series characterized by the nature of the work performed.

Reclassification - The act of changing a position from one job classification to another job classification that better reflects the level or type of work being performed.

SAO Report No. 12-704

The Department will spend approximately \$95,898 annually to properly classify 73 positions.

The Department reported that, as a result of reclassifications, 73 positions will receive annual salary increases ranging from \$109 to \$11,944, with an average annual increase of \$1,314. The Department reclassified the remaining 16 misclassified positions without changing the salaries for those positions. No employees will receive a reduction in salary as a result of the reclassifications.

The Department does not review positions on an annual basis as required by statute.

The Department has a policy and procedures to review its classification of positions, and its practice is to determine proper classification of positions when new positions are created, during State Auditor's Office classification compliance audits, when hiring managers have concerns and conflicts with other divisions, and when it identifies problematic positions. Texas Government Code, Section 654.0155, requires agencies to ensure that each position is properly classified by performing annual reviews of individual job assignments.

Reviewing each position annually would help the Department ensure that positions are classified accurately and that employee salaries align with their actual responsibilities.

Importance of Proper Classification of Employee Positions

Appropriate job classifications are important in determining salary rates that are competitive for the nature of the work performed. Misclassified positions may result in an agency underpaying or overpaying employees for the nature of work being performed.

Recommendation:

The Department should review each position on an annual basis. That could be accomplished as part of annual employee performance evaluations.

Management Response:

The agency concurs with the audit recommendation. TPWD Human Resources (HR) will update the employee performance management policy to include a provision requiring supervisors to review each position's functional job description during the annual performance evaluation process. A short questionnaire will also be developed to assist supervisors in documenting applicable changes in a position's duties/functions/responsibilities, and to verify review completion. The Human Resources Director is responsible for completing the corrective actions, which we anticipate will be completed by May 1, 2012.

We appreciate the Department's cooperation during this audit. If you have any questions, please contact Nicole Guerrero, Audit Manager, or me at (512) 936-9500.

Sincerely,

John Keel, CPA
State Auditor

Attachment

cc: Members of the Parks and Wildlife Commission
Mr. T. Dan Friedkin, Chairman
Mr. Ralph H. Duggins, Vice Chairman
Dr. Antonio Falcon
Ms. Karen J. Hixon
Mr. Dan Allen Hughes, Jr.
Mr. Bill Jones
Ms. Margaret Martin
Mr. S. Reed Morian
Mr. Dick Scott
Mr. Carter Smith, Executive Director, Parks and Wildlife Department



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Attachment

Part 1

Objective, Scope, and Methodology

Objective

The objective of this classification compliance audit was to determine whether the Parks and Wildlife Department (Department) conforms to the State's Position Classification Plan in ensuring proper classification of positions.

Scope

The scope of this audit included 534 positions that auditors tested. The positions tested were classified within the Clerk, Customer Service Representative, Fish and Wildlife Technician, and Natural Resources Specialist job classification series, excluding employees who were included within the scope of a previous statewide compliance review report on Program Specialist positions (see *A Classification Compliance Review Report on the State's Program Specialist Positions at Selected Natural Resources Agencies and Selected Business and Economic Development Agencies*, State Auditor's Office Report No. 11-706, May 2011).

Methodology

The audit methodology included collecting information and documentation, performing selected tests of employee files, reviewing and analyzing surveys completed by employees and verified by their supervisors, and conducting interviews with Department management and employees.

The State Auditor's Office's State Classification Team (Classification Team) evaluates jobs on a "whole job" basis to determine proper job classifications. The determinations are primarily based on the comparison of duties and responsibilities of the majority of work being performed against the state job description.

When determining proper classification, the Classification Team does not focus on specific differences between one level and the next level in a job classification series (for example, Natural Resources Specialist I versus Natural Resources Specialist II). Instead, the Classification Team considers whether an employee is appropriately classified within broad responsibility levels, such as Staff Natural Resources Specialist versus Senior Natural Resources Specialist.

The Classification Team has an automated job evaluation process. The Classification Team populated a database with information regarding the employees whose positions were audited. Staff in the Department's human

resources department verified the information to ensure that all positions within the audit scope were included. Employees were then asked to complete online surveys describing the work they perform and the percentage of time they spend performing their duties. Supervisors were asked to review and verify employees' survey responses.

Completed survey results were entered into the automated job evaluation system, which made an initial determination of whether the positions were appropriately classified. The Classification Team reviewed all surveys to determine and validate proper classification of positions. The Classification Team made follow-up calls or sent clarification emails to gather additional information in order to determine proper classification of positions. The Department then had the opportunity to review and address potential misclassifications.

This audit did not rely on any electronic data from the Department.

Information collected and reviewed included the following:

- Surveys completed by employees and verified by their supervisors.
- The Department's compensation and salary administration policy.
- The Department's *Position Classification Manual*.

Procedures and tests conducted included the following:

- Interviewed staff at the Department regarding the classification of employee positions.
- Interviewed staff at the Department to verify the survey process and validate that a sample of employees within the audit scope received and completed a survey.
- Reviewed selected employees' personnel files.

Criteria used included the following:

- Texas Government Code, Section 654.0155.
- State job descriptions.
- *A Classification Compliance Review Report on the State's Program Specialist Positions at Selected Natural Resources Agencies and Selected Business and Economic Development Agencies* (State Auditor Office Report No. 11-706, May 2011) for audit follow-up on positions that were previously determined to be misclassified at the Department.

Project Information

Audit fieldwork was conducted from October 2011 through December 2011. We conducted this classification compliance audit under the requirements of Texas Government Code, Section 654.036 (3), and in accordance with generally accepted government auditing standards (GAGAS). Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

The Classification Team has previously issued reports related to the Department from projects that were not performed under GAGAS. The Classification Team also periodically provided the Department information in response to questions and options for handling certain issues but it did not instruct the Department regarding how it should resolve those issues. The Classification Team has considered those non-audit services and has determined that the prior reports issued and/or advice given did not impair individual or organizational independence in conducting this classification compliance audit at the Department under GAGAS.

The following members of the State Auditor's staff performed the audit:

- Juliette Torres, CCP, PHR (Project Manager)
- Thomas Andrew Mahoney
- Stacey Robbins McClure, MBA, CCP, PHR
- Namita Pai, CPA
- J. Scott Killingsworth, CIA, CGAP, CGFM (Quality Control Reviewer)
- Nicole M. Guerrero, MBA, CIA, CGAP, CICA (Audit Manager)

Positions Audited

Table 1 presents the occupational categories and job classification series audited at the Parks and Wildlife Department (Department), as well as the number of positions that were misclassified.

Table 1

Summary of Employee Positions Audited		
Occupational Category/ Job Classification Series	Number of Employee Positions Audited	Number of Employee Positions Misclassified
Administrative Support		
Clerk	100	85
Customer Service Representative	<u>18</u>	<u>1</u>
Totals for Administrative Support	118	86
Natural Resources		
Fish and Wildlife Technician	183	0
Natural Resources Specialist	<u>233</u>	<u>3</u>
Totals for Natural Resources	416	3
Totals for All Positions Audited	534	89

Analysis of Misclassified Positions

Tables 2 and 3 identify the positions that were misclassified and how the Parks and Wildlife Department (Department) addressed the misclassifications. To protect the confidentiality of the employees whose positions were misclassified, each employee was assigned a position number.

Table 2 lists the 87 employee positions that the Department reclassified into a different job classification series.

Table 2

Positions Reclassified into a Different Job Classification Series		
Position Number	Original Job Classification Title	Job Classification Title After Reclassification
47	Clerk II	Customer Service Representative I
63	Clerk II	Customer Service Representative I
66	Clerk I	Customer Service Representative I
137	Clerk I	Customer Service Representative I
208	Customer Service Representative IV	Project Manager I
248	Clerk II	Customer Service Representative I
256	Natural Resources Specialist IV	Geographic Information Specialist II
283	Clerk I	Customer Service Representative I
355	Clerk II	Customer Service Representative I
433	Clerk II	Customer Service Representative I
460	Clerk I	Customer Service Representative I
535	Clerk I	Customer Service Representative I
623	Clerk I	Customer Service Representative I
684	Clerk IV	Customer Service Representative II
711	Clerk I	Customer Service Representative I
739	Clerk III	Customer Service Representative I
766	Clerk I	Customer Service Representative I
815	Clerk II	Customer Service Representative I
820	Clerk I	Customer Service Representative I
856	Clerk II	Customer Service Representative I

Positions Reclassified into a Different Job Classification Series		
Position Number	Original Job Classification Title	Job Classification Title After Reclassification
870	Clerk III	Customer Service Representative I
871	Clerk III	Customer Service Representative I
1055	Clerk II	Customer Service Representative I
1070	Clerk II	Customer Service Representative I
1123	Clerk II	Customer Service Representative I
1160	Clerk II	Customer Service Representative I
1161	Clerk I	Customer Service Representative I
1327	Clerk II	Customer Service Representative I
1387	Clerk II	Customer Service Representative I
1389	Clerk II	Customer Service Representative I
1417	Clerk II	Customer Service Representative I
1426	Clerk I	Customer Service Representative I
1481	Clerk III	Customer Service Representative I
1496	Clerk II	Customer Service Representative I
1541	Clerk III	Customer Service Representative I
1607	Clerk I	Customer Service Representative I
1644	Clerk I	Customer Service Representative I
1700	Clerk I	Customer Service Representative I
1711	Clerk II	Customer Service Representative I
1749	Clerk II	Customer Service Representative I
1778	Clerk II	Customer Service Representative I
1821	Clerk III	Customer Service Representative I
1845	Clerk III	Customer Service Representative I
1884	Clerk I	Customer Service Representative I
1930	Clerk II	Customer Service Representative I
1944	Clerk II	Customer Service Representative I
1947	Clerk II	Customer Service Representative I

Positions Reclassified into a Different Job Classification Series		
Position Number	Original Job Classification Title	Job Classification Title After Reclassification
1988	Clerk II	Customer Service Representative I
2004	Clerk I	Customer Service Representative I
2043	Clerk II	Customer Service Representative I
2067	Clerk IV	Customer Service Representative II
2124	Clerk I	Customer Service Representative I
2245	Clerk II	Customer Service Representative I
2246	Clerk I	Customer Service Representative I
2289	Clerk I	Customer Service Representative I
2391	Clerk I	Customer Service Representative I
2405	Clerk II	Customer Service Representative I
2406	Clerk I	Customer Service Representative I
2468	Clerk IV	Administrative Assistant II
2530	Clerk II	Customer Service Representative I
2534	Clerk III	Customer Service Representative I
2549	Clerk II	Customer Service Representative I
2585	Clerk II	Customer Service Representative I
2591	Clerk I	Customer Service Representative I
2601	Clerk III	Customer Service Representative I
2673	Clerk II	Customer Service Representative I
2721	Clerk III	Administrative Assistant I
2754	Clerk II	Customer Service Representative I
2775	Clerk III	Customer Service Representative I
2794	Clerk II	Customer Service Representative I
2811	Clerk II	Customer Service Representative I
2865	Clerk III	Accounting Technician I
2901	Clerk III	Customer Service Representative I
2955	Clerk II	Customer Service Representative I

Positions Reclassified into a Different Job Classification Series		
Position Number	Original Job Classification Title	Job Classification Title After Reclassification
2976	Clerk II	Customer Service Representative I
2986	Clerk II	Customer Service Representative I
3002	Clerk I	Customer Service Representative I
3008	Clerk I	Customer Service Representative I
3012	Clerk II	Customer Service Representative I
3015	Clerk I	Customer Service Representative I
3021	Clerk I	Customer Service Representative I
3030	Clerk II	Customer Service Representative I
3038	Clerk II	Customer Service Representative I
3120	Clerk I	Customer Service Representative I
3127	Clerk II	Customer Service Representative I
3147	Clerk I	Customer Service Representative I
3200	Clerk I	Customer Service Representative I

Table 3 lists the two positions that the Department reclassified within the same job classification series but at a higher salary group.

Table 3

Positions Reclassified Within the Same Job Classification Series With a Higher Salary Group		
Position Number	Original Job Classification Title	Job Classification Title After Reclassification
748	Natural Resources Specialist I	Natural Resources Specialist III
2840	Natural Resources Specialist II	Natural Resources Specialist III