



Property Management and Procurement Positions at Article VI Agencies

- The majority of employees within the scope of this review were classified correctly. Only 38 (12.4 percent) of the 306 employees reviewed were misclassified.
- The agencies with misclassified employees asserted that they would take corrective actions.

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The State Auditor's Office's State Classification Team reviewed 306 employees¹ in property management and procurement positions at eight state agencies within Article VI (Natural Resources) of the General Appropriations Act (87th Legislature).

Employees classified in jobs found within the Property Management and Procurement occupational category perform work such as administering grant development, evaluating and managing contracts, purchasing goods and services, and managing buildings and fleet operations.

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This review was conducted in accordance with Texas Government Code, Sections 654.036 and 654.038.

JOB CLASSIFICATION ANALYSIS

The majority of the 38 misclassifications resulted from agencies' classifying an employee in the incorrect job classification series based on the employee's duties. Agencies with misclassified employees asserted that they would be able to take corrective actions without changing employees' salaries.

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EDUCATION, EXPERIENCE, AND CERTIFICATIONS

Employees who were or will be correctly classified in a job classification series within the Property Management and Procurement occupational category had an average of 11.9 years of occupational experience, and slightly over half (53.6 percent) had a bachelor's degree or higher-level degree.

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¹ This included employees in job classification titles within the Property Management and Procurement occupational category and employees identified as performing similar work but had job classification titles located in another occupational category.

Background Information

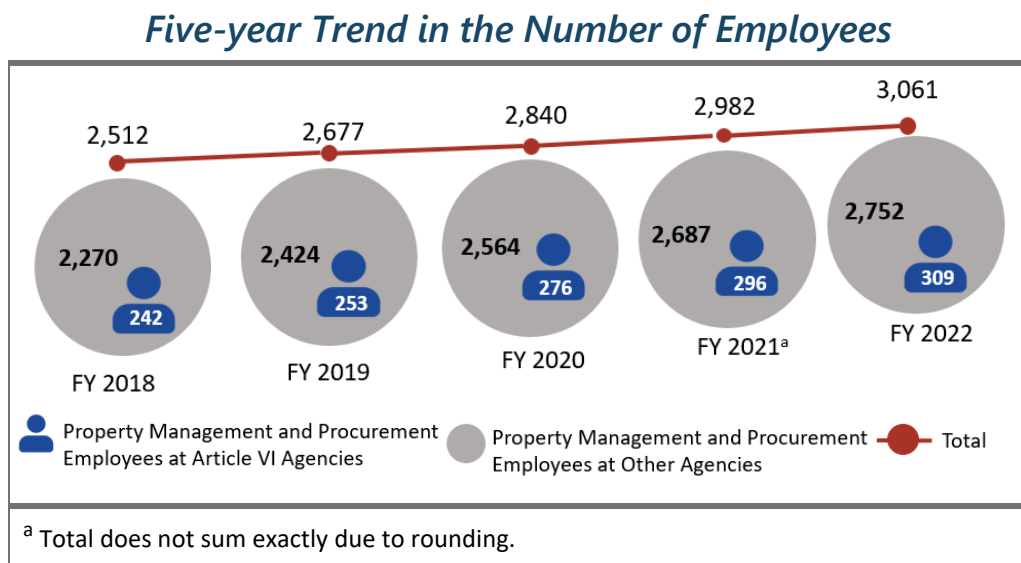
In fiscal year 2022, state agencies employed an average of 3,061.25 full-time and part-time classified employees in a job classification series within the Property Management and Procurement occupational category. Of those, 10.1 percent² were employed at state agencies within Article VI (Natural Resources) of the General Appropriations Act (87th Legislature). See text box for the state agencies included in the scope of this review.

Employees classified in jobs found within the Property Management and Procurement occupational category perform work such as administering grant development, evaluating and managing contracts, purchasing goods and services, and managing buildings and fleet operations.

As shown in Figure 1, the total number of full-and part-time employees in the Property Management and Procurement occupational category increased by 21.9 percent, from fiscal year 2018 to fiscal year 2022.

- Agencies Included
in Scope of Review**
- Animal Health Commission
 - Commission on Environmental Quality
 - Department of Agriculture
 - General Land Office
 - Parks and Wildlife Department
 - Railroad Commission
 - Soil and Water Conservation Board
 - Water Development Board

Figure 1



Sources: Uniform Statewide Payroll/Personnel System, Human Resource Information System, and Standardized Payroll/Personnel Reporting System.

² The percentage is based on the number of employees in fiscal year 2022, which is not the same as the number of employees within scope of the review. The difference is attributed to factors such as employee turnover and employees on extended leave.

Salary Range Utilization. Each job classification in the State’s Position Classification Plan corresponds to a salary range that provides the minimum, midpoint, and maximum salary rates. Texas Government Code, Section 654.014, authorizes state agencies to determine an employee’s salary rate within the applicable salary group for the employee’s job classification. State agencies may use the entire salary range when setting pay for each position.

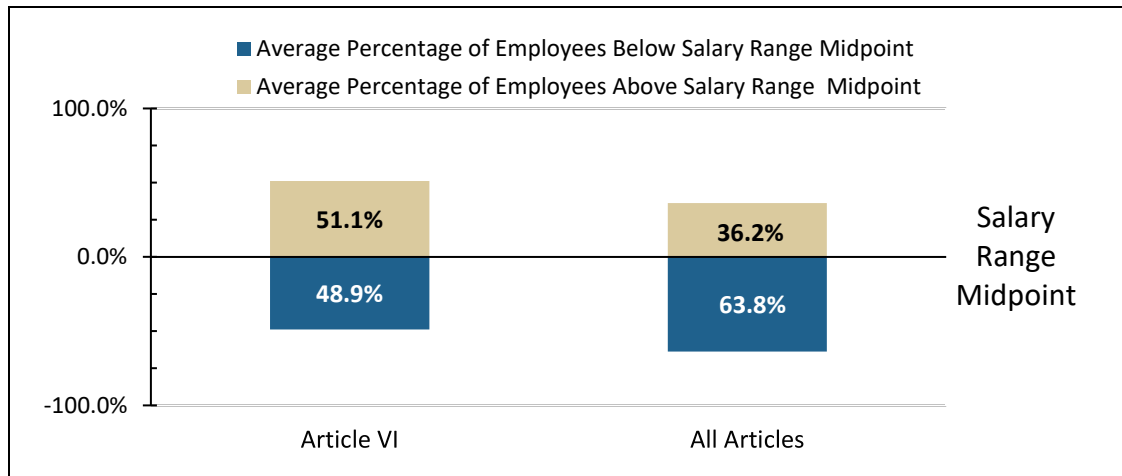
As Figure 2 indicates, the majority (51.1 percent) of full-time classified employees within the Property Management and Procurement occupational category at Article VI agencies were paid above the salary range midpoint in fiscal year 2022. By comparison, only 36.2 percent of employees within the Property Management and Procurement occupational category at all state agencies combined were paid above the salary range midpoint.

Placement of Salaries within Salary Ranges

Using the full salary range to accommodate employees’ different levels of skills and experience, as well as job performance, may help agencies improve employee recruitment and reduce turnover. Employees’ salary placement and movement within salary ranges may depend on factors such as experience, job performance, degrees and certifications, and in-demand skills.

Figure 2

Salary Range Utilization for Fiscal Year 2022



Sources: Uniform Statewide Payroll/Personnel System, Human Resource Information System, and Standardized Payroll/Personnel Reporting System.



Chapter 1 Job Classification Analysis

Most employees within the scope of this review were properly classified in accordance with the State’s Position Classification Plan. Of the 306 employees reviewed, only 38 (12.4 percent) were misclassified. Figure 3 lists the number of employees reviewed within each job classification series and the number of employees who were determined to be misclassified.

Figure 3

Job Classification Series	Number of Employees	Number Misclassified	Percentage Misclassified
Contract Administration Manager	7	1	14.3%
Contract Specialist	92	15	16.3%
Contract Technician	2	0	0.0%
Fleet Manager	4	0	0.0%
Grant Specialist	110	5	4.5%
Inventory and Store Specialist	18	6	33.3%
Property Manager	6	3	50.0%
Purchaser	64	7	10.9%
Other ^a	3	1	33.3%
Total	306	38	12.4%
^a Includes Director and Manager job classification series, which are in the Program Management occupational category.			

Employees Reviewed

Employees reviewed included those performing property management and procurement work at eight agencies included in Article VI (Natural Resources) of the General Appropriations Act (87th Legislature).

Agencies took appropriate action to address misclassified employees

The majority of the 38 misclassifications resulted from agencies' classifying an employee in the incorrect job classification series based on the employee's duties. To address the misclassified employees, agencies³ asserted that they would take the following actions:

- Reclassify 22 employees (57.9 percent) into a different job classification series that is a better reflection of the type of work being performed. For example, one employee classified as a purchaser will be reclassified as a contract specialist.
- Reclassify 11 employees (28.9 percent) within the same job classification series but at a higher salary group.
- Reclassify 3 employees (7.9 percent) within the same job classification series but at a lower salary group.
- Modify the job duties of 2 employees (5.3 percent) so the employees can remain in their current job classification titles and be properly classified.

The agencies with misclassified employees asserted that they would be able to take the actions listed above without changing employees' salaries.

Figure 4 on the next page presents a summary of employee positions reviewed at each agency by job classification series, as well as the number of employees who were misclassified.

Position Classification Plan Definitions





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.





Salary Group – A specified level within a salary schedule made up of a salary range with a minimum and maximum salary rate.





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.

³ Includes six of the eight natural resources agencies, two agencies did not have any misclassified employees.

Figure 4

Job Classification Series	Number of Employees			Percentage	
	Reviewed	 Misclassified	 Correctly Classified	 Misclassified ^a	 Correctly Classified
Animal Health Commission					
Contract Specialist	1	0	1	0.0%	100.0%
Fleet Manager	1	0	1	0.0%	100.0%
Purchaser	1	0	1	0.0%	100.0%
Totals	3	0	3	0.0%	100.0%
Commission on Environmental Quality					
Contract Specialist	45	1	44	2.2%	97.8%
Fleet Manager	1	0	1	0.0%	100.0%
Grant Specialist	33	0	33	0.0%	100.0%
Inventory and Store Specialist	4	0	4	0.0%	100.0%
Property Manager	5	2	3	40.0%	60.0%
Purchaser	27	2	25	7.4%	92.6%
Totals	115	5	110	4.3%	95.7%
Department of Agriculture					
Contract Specialist	10	9	1	90.0%	10.0%
Grant Specialist	11	1	10	9.1%	90.9%
Inventory and Store Specialist	3	0	3	0.0%	100.0%
Purchaser	3	1	2	33.3%	66.7%
Totals	27	11	16	40.7%	59.3%

Job Classification Series	Reviewed	 Misclassified	 Correctly Classified	 Misclassified ^a	 Correctly Classified
General Land Office					
Contract Administration Manager	2	0	2	0.0%	100.0%
Contract Specialist	11	0	11	0.0%	100.0%
Contract Technician	2	0	2	0.0%	100.0%
Grant Specialist	45	1	44	2.2%	97.8%
Purchaser	6	0	6	0.0%	100.0%
Totals	66	1	65	1.5%	98.5%
Parks and Wildlife Department					
Contract Administration Manager	2	0	2	0.0%	100.0%
Contract Specialist	13	4	9	30.8%	69.2%
Grant Specialist	15	3	12	20.0%	80.0%
Inventory and Store Specialist	11	6	5	54.5%	45.5%
Property Manager	1	1	0	100.0%	0.0%
Purchaser	20	4	16	20.0%	80.0%
Totals	62	18	44	29.0%	71.0%
Railroad Commission					
Contract Administration Manager	1	0	1	0.0%	100.0%
Contract Specialist	6	0	6	0.0%	100.0%
Fleet Manager	2	0	2	0.0%	100.0%
Purchaser	4	0	4	0.0%	100.0%
Totals	13	0	13	0.0%	100.0%

Job Classification Series	Reviewed	 Misclassified	 Correctly Classified	 Misclassified ^a	 Correctly Classified
Soil and Water Conservation Board					
Contract Specialist	2	1	1	50.0%	50.0%
Purchaser	1	0	1	0.0%	100.0%
Totals	3	1	2	33.3%	66.7%
Water Development Board					
Contract Administration Manager	2	1	1	50.0%	50.0%
Contract Specialist	4	0	4	0.0%	100.0%
Grant Specialist	6	0	6	0.0%	100.0%
Purchaser	2	0	2	0.0%	100.0%
Other ^b	3	1	2	33.3%	66.7%
Totals	17	2	15	11.8%	88.2%
Article VI Total	306	38	268	12.4%	87.6%
^a The percentage of misclassified employees may appear skewed for agencies that have fewer than 50 employees within the audit scope..					
^b Includes Director and Manager job classification series, which are in the Program Management occupational category.					

Chapter 2

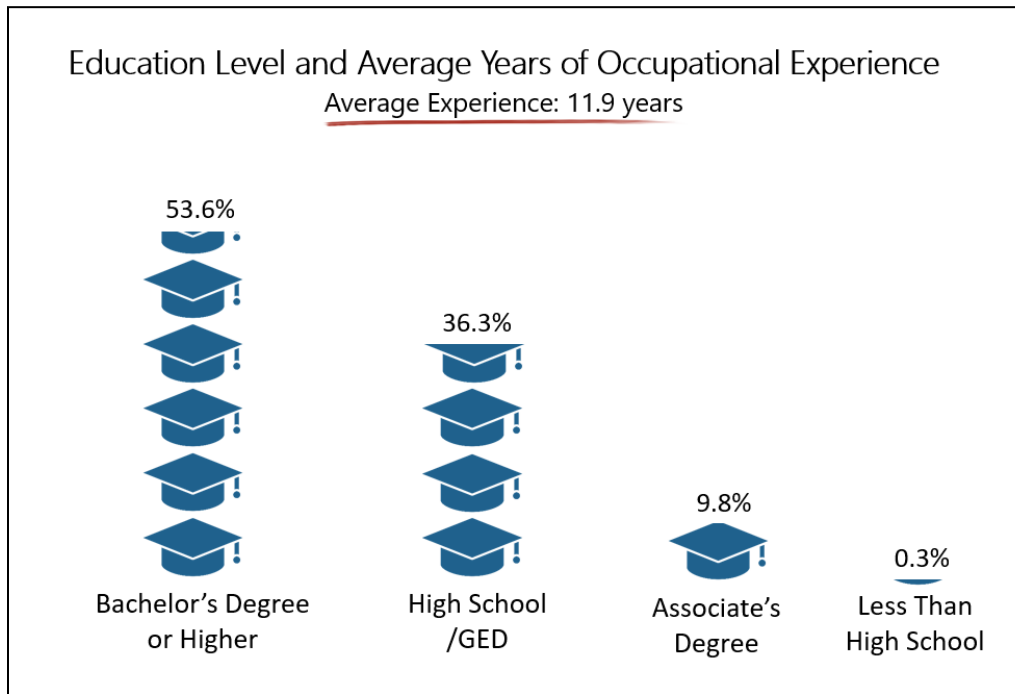
Education, Experience, and Certifications

To better understand the education, experience level, and certifications obtained by employees in property management and procurement positions, we gathered information directly from employees at Article VI agencies. This chapter summarizes those findings.

Education and Experience

Employees⁴ within the scope of this review who were or will be correctly classified in a job classification series within the Property Management and Procurement occupational category had an average of 11.9 years of occupational experience. The majority (53.6 percent) had a bachelor’s degree or higher-level degree. See Figure 5 for additional details on education levels.

Figure 5



⁴ Represents the 295 employees who were or will be correctly classified in a property management and procurement job classification title. The information excludes 11 employees who were or will be classified into a job classification series that is not within the Property Management and Procurement occupational category.

Professional Certifications for Procurement Employees

The Office of the Comptroller of Public Accounts administers a certification program for Texas “public procurement professionals,” defined as agency employees who conduct purchasing, contract development, and/or contract management activities. See the text box for definitions of these roles.

Depending on an employee’s job title and/or duties and responsibilities, the following certifications may be required for public procurement professionals:

- Certified Texas Contract Developer (formerly Certified Texas Procurement Manager)
- Certified Texas Contract Manager

Of the 152 employees who were or will be classified in either the Contract Administration Manager, Contract Specialist, or Purchaser job classification series:

- 132 employees had at least one of the certifications listed above.
- 20 employees indicated that they did not have any of the above certifications.

Procurement Roles

Purchasing – The receipt and processing of requisitions, development of specifications, development of statement of work, the issuance of purchase orders against existing statewide, cooperative or agency contracts, and the verification of the inspection of merchandise or receipt of services by the agency.

Contract Development – The term applies to actions taken prior to contract execution.

Contract Management - The term applies to actions taken following contract execution and ensuring that contract performance and practices are consistent with applicable rules, laws and the *State of Texas Procurement and Contract Management Guide*.

Source: *State of Texas Procurement and Contract Management Guide – Version 2.1*



Appendix I

Objective, Scope, and Methodology

Objective

The objective of this review was to determine whether selected state agencies are properly classifying employees in conformance with the State’s Position Classification Plan, and complying with related laws, policies, and procedures.

Scope

The scope⁵ of this review included 306 employees from agencies in Article VI (Natural Resources) of the General Appropriations Act (87th Legislature) who were classified within the Property Management and Procurement occupational category or performing procurement-related work as of February 1, 2023. The eight state agencies selected for this review were the Animal Health Commission, Commission on Environmental Quality, Department of Agriculture, General Land Office, Parks and Wildlife Department, Railroad Commission, Soil and Water Conservation Board, and Water Development Board.

⁵ The scope may exclude employees who were on extended leave, were promoted, or who left the agency during fieldwork.

The following members of the State Auditor’s staff performed the review:



- Kathy-Ann Moe, MBA, SHRM-CP (Project Manager)
- Taylor Sams, MBA, CIA, PHR, CGAP (Assistant Project Manager)
- Laura Alvarez, MBA
- Juan R. Sanchez, MPA
- Ann E. Karnes, CPA (Quality Control Reviewer)
- Sharon Schneider, CCP, PHR, SHRM-CP (Classification Manager)

Methodology

The review methodology included collecting information and documentation related to employee classifications and reviewing and analyzing survey responses completed by employees at the eight state agencies. To help ensure the accuracy of the self-reported classification information, classification analysts asked supervisors to verify the survey responses.

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

When determining proper classification, the State Classification Team does not focus on specific differences between levels in a job classification series (for example, Grant Specialist I compared to Grant Specialist II). Instead, the State Classification Team considers whether an employee is appropriately classified within broad responsibility levels, such as Staff Grant Specialist (Grant Specialist I and Grant Specialist II) compared to Senior Grant Specialist (Grant Specialist III, Grant Specialist IV, and Grant Specialist V).

The State Classification Team used an automated job evaluation process and populated a database with information regarding the employees whose positions were reviewed. Staff members in the human resources departments of the eight state agencies verified the information to ensure that all employees within the review scope were included. Employees at those state agencies were then asked to complete online surveys describing the work they perform and the percentage of time they spend performing each of their duties. Supervisors were asked to review and verify employees' survey responses.

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



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The Honorable Greg Bonnen, House Appropriations Committee

The Honorable Morgan Meyer, House Ways and Means Committee

Office of the Governor

The Honorable Greg Abbott, Governor

Board Members and Executive Directors of the Following Agencies

Animal Health Commission

Commission on Environmental Quality

Department of Agriculture

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Parks and Wildlife Department

Railroad Commission

Soil and Water Conservation Board

Water Development Board



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