



# Oregon

John A. Kitzhaber, MD, Governor

## Department of Administrative Services

Chief Operating Office  
155 Cottage Street NE, U20  
Salem, OR 97301  
PHONE: 503-378-3106  
FAX: 503-373-7643

January 16, 2013

Senate President Peter Courtney  
Speaker Tina Kotek  
Senator Richard Devlin, Co-Chair  
Representative Peter Buckley, Co-Chair  
900 Court Street NE  
Salem, OR 97301-4048

### Re: **Legislative Report for HB 4131 (2012) State of Oregon Employee Span of Control**

Dear President Courtney, Speaker Kotek, Senator Devlin, and Representative Buckley,

Attached please find the Department of Administrative Service's (DAS) report on progress made to implement the management spans of control required in HB 4131. The bill requires DAS to report on all exceptions granted as of October 31, 2012.

Please do not hesitate to contact me if you have any questions.

Sincerely,

Michael Jordan, COO  
DAS Director

CC: Kevin Hayden, Legislative Administration  
Ken Rocco, Legislative Fiscal Office

# DAS

DEPARTMENT OF  
ADMINISTRATIVE  
SERVICES

## Oregon Department of Administrative Services

Chief Human Resources Office

### **HB 4131: *Report on Exceptions***

### **Management Span of Control Implementation**

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December 2012

Prepared by  
Chief Human Resources Office  
Department of Administrative Services

This report is available online at:  
<http://www.oregon.gov/DAS/Pages/leginfo2.aspx>

## Background

HB 4131 requires agencies with more than a hundred budgeted positions to reach a supervisory to non supervisory ratio of 1:11. The bill impacts 28 state agencies, including:

- Human Services
- Transportation
- Corrections
- Health Authority
- Employment
- Fish & Wildlife
- Justice
- State Police
- Forestry
- Youth Authority
- Revenue
- Consumer & Business Services
- Parks & Recreation
- Administrative Services
- Environmental Quality
- Military
- Agriculture
- Education
- Public Employees Retirement System
- Liquor Control Commission
- Housing & Community Services
- Water Resources
- Public Safety Standards & Training
- Public Utility Commission
- Energy
- Business Development
- State Lands
- Bureau of Labor & Industries.

Those agencies are unable to fill supervisory positions “until the agency has increased the agency’s ratio of employees to supervisory employees so that the ratio is at least one additional employee to supervisory employee.” However, impacted agencies may request approval from the Director of DAS to fill supervisory positions in emergency or unique situations.

The bill also requires the impacted agencies to either layoff or reclassify supervisory positions, as necessary, to increase the ratio by one no later than October 31, 2012, and October 31<sup>st</sup> of subsequent years until a 1:11 ratio is realized.

## Exceptions

The Chief Operating Officer asked agencies to only submit mission critical exception requests that clearly fit the criteria in the legislation to ensure that Legislative intent was met. As of October 31, 2012, the following applications for exception to fill supervisory positions were filed:

Exceptions Requested	Exceptions Granted	Exceptions Denied	Exceptions Withdrawn by Agency
132	121	1	9

Sixty percent of the exceptions granted were to allow hiring of positions directly related to public safety (ODOT – 35 positions); natural resource management (Forestry – 12 positions); and law enforcement (OSP – 26 positions).

## Increasing Ratios

The table below shows the agency ratios as of April 11, 2012 (the effective date of the bill), and as of October 31, 2012 (the statutory date for making the first change). The Oregon Department of Revenue had already successfully achieved the required ratio prior to the passage of HB 4131.

The Department of Corrections abolished positions, updated representation codes and reassigned duties in order to successfully achieve the ratio. The Bureau of Labor and Industries had lay-offs after the 2012 session which made them no longer subject to the requirements of the bill. Twenty three agencies increased their ratios by at least one:

AGENCY	TOTAL POSITIONS	SUPERVISOR Y POSITIONS	NON SUPERVISOR Y POSITIONS	RATIO as of 4-11-12	RATIO as of 10-31-12
HUMAN SERVICES, DEPT OF	7,366	699	6,667	1 to 9	1 to 10
TRANSPORTATION, DEPT OF	4,622	429	4,193	1 to 9	1 to 10
CORRECTIONS, DEPT OF	4,491	384	4,107	1 to 10	1 to 11
OREGON HEALTH AUTHORITY	4,124	475	3,649	1 to 7	1 to 8
EMPLOYMENT DEPT	1,547	139	1,408	1 to 9	1 to 10
FISH & WILDLIFE, DEPT OF	1,503	195	1,308	1 to 6	1 to 7
JUSTICE, DEPT OF	1,294	120	1,174	1 to 9	1 to 10
POLICE, OREGON STATE	1,222	189	1,033	1 to 5	1 to 5
FORESTRY, DEPT OF	1,181	157	1,024	1 to 6	1 to 7
YOUTH AUTHORITY, OREGON	1,153	121	1,032	1 to 8	1 to 9
REVENUE, DEPT OF	1,043	85	958	1 to 11	1 to 11
CONSUMER AND BUS SRVCS, DEPT OF	934	107	827	1 to 7	1 to 8
PARKS & RECREATION, DEPT OF	875	91	784	1 to 8	1 to 9
ADMINISTRATIVE SRVCS, DEPT OF	809	86	723	1 to 7	1 to 8
ENVIRONMENTAL QUALITY, DEPT OF	723	68	655	1 to 9	1 to 10
MILITARY, DEPT OF	501	50	451	1 to 9	1 to 9
AGRICULTURE, DEPT OF	470	51	419	1 to 7	1 to 8
EDUCATION, DEPT OF	394	51	343	1 to 6	1 to 7
PUBLIC EMPS RETIREMENT SYSTEM	365	36	329	1 to 8	1 to 9
LIQUOR CONTROL COMMISSION	235	27	208	1 to 7	1 to 8
HOUSING & COMM SRVCS, DEPT OF	207	26	181	1 to 7	1 to 7
WATER RESOURCES, DEPT OF	146	19	127	1 to 6	1 to 7
PUBLIC SAFETY STANDARDS & TRNG	131	15	116	1 to 7	1 to 8
PUBLIC UTILITY COMMISSION	131	17	114	1 to 4	1 to 7
ENERGY, DEPARTMENT OF	130	18	112	1 to 5	1 to 6
OR BUSINESS DEV DEPT	129	23	106	1 to 4	1 to 5
LANDS, DEPARTMENT OF STATE	107	15	92	1 to 5	1 to 6
BUREAU OF LABOR & INDUSTRIES	99*			1 to 5	

\*No longer subject to HB 4131

*Excludes: Board and commission members, Oregon University System, Judicial Branch, Legislative Branch, Lottery, SOS, and Elected Officials.*

Three agencies were granted exceptions to increasing the ratio within the required timeframe:

1. Oregon Housing & Community Service attained the increase in ratio just prior to the signing of HB 4131; therefore, technically not increasing it within the timeframe, but did so within 2012 and prior to October 31, 2012.
2. Oregon Military Department was unable to meet the requirement. Currently the Department has 478 positions of which 50 are supervisors. The Department realizes no benefit under HB 4131 for the 2,200 additional federal employees and contractors the Department of Military's supervisors manage which are not considered "budget positions." If credit were given to those employees, the Department's span of control would be well beyond the 1:11 ratio goal required by HB 4131.
3. Oregon State Police was unable to increase their ratio, but DAS has worked with the agency and it will attain their increase in ratio shortly after the October 31, 2012 deadline.

Section 2(2) of HB 4131 requires DAS to report on the plan developed to ensure state agencies subject to HB 4131 meet the requirements set out in section 1 of the bill.

Agencies worked in collaboration with the Department of Administrative Services' Classification and Compensation Unit to evaluate their missions, budgets, program needs and job duties of every supervisory position. Once those assessments were made, agencies began the process of restructuring and realigning their supervisory ranks to meet the legislative goal. The resultant reassignments and realignments were achieved through judicious and deliberate actions.

To date the Department of Corrections and the Department of Revenue are the only two agencies to meet the required 1:11 ratio. The Bureau of Labor & Industries abolished two positions which put the agency under 100 positions. The remaining agencies realize there is a long way to go, but most met the initial hurdle of increasing their supervisory spans of control by at least one.

As a result of HB 4131 and HB 2020, approximately 624 positions were impacted. Of those 624 positions, 140 had supervisory duties removed and 187 supervisory positions were slated for abolishment. The remaining 297 positions impacted were non-supervisory. Please note the numbers provided are accurate from the best information we have available in the current Position Personnel Database (PPDB) system, but that system has limitations due to its development over 21 years ago. Please see Attachment A for a detailed account of the actions taken.

For the reporting year beginning on November 1, 2012, DAS will continue to partner with the subject agencies and assist in their efforts to successfully achieve the ratio requirements by reviewing applications to hire supervisory positions and maintaining dedicated staff to answer questions and meet with agency staff to strategize the optimum use of positions while ensuring the agency's mission is met.

**Attachment A**

Executive Branch HB4131 and HB2020 Changes as of 11/5/2012.

<b>Position Movement</b>	<b>Number Affected</b>
Supervisory with Classification Change Only	7
Nonsupervisory to Supervisory	9
Nonsupervisory to Represented	142
Nonsupervisory to Confidential	52
Nonsupervisory with Classification Change Only	17
Nonsupervisory to Unrepresented	40
Supervisory to Nonsupervisory	140
Positions slated for abolishment* (Including 187 supervisory)	217
<b>Total Position Changes</b>	<b>624</b>

\*Management and unclassified (executive) service only