

## STATE PERSONNEL PRACTICES AND PROCEDURES

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A SENATE RESOLUTION DIRECTING THE STATE LEGISLATIVE COUNCIL TO MAKE A STUDY OF STATE PERSONNEL PRACTICES AND PROCEDURES.

WHEREAS, the State of North Carolina is fortunate to have numbered among its employees many devoted public servants who have served the State faithfully for many years; and

WHEREAS, it is highly desirable that the State attract to its service public spirited persons who wish to make a career of government work; and

WHEREAS, it is highly desirable to retain the services of those employees whose training and experience through the years have made their retention in government service high1y desirab1e; NOW, THEREFORE, Be it resolved by the Senate:

Section 1. The State Legislative Council is hereby requested and directed in cooperation with the State Personnel Department to make a study of the manner and methods of classifying State positions of employment and the fixing of salary scales and to make comparisons concerning the same with fields of private employment and with State employment in other States in this geographical area and to report its findings and recommendations thereon to the General Assembly of 1965.

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Sec. 2. This resolution shall become effective upon its adoption.

LEGISLATIVE COUNCIL STUDY NO. 5
(By Senate Resolution ratified 26 June 1963)

COMMITTEE FOR STUDY OF
STATE PERSONNEL PRACTICES AND PROCEDURES

| Chairman | ```Representative Gordon Greenwood P. O. Box 8 Black Mountain, North Carolina``` |
| :---: | :---: |
| Ex-Officio | T. Clarence Stone, President of the Senate <br> H. Clifton Blue, Speaker of the House of Representatives <br> Hugh S. Johnson, Jr., Chairman of the Council |
| Members from the Council | ```Senator R. E. Brantley, Vice-Chairman of the Council Representative Jyles J. Coggins Representative Hollis M. Owens, Jr. Representative Sam L. Whitehurst Senator Staton P. Williams``` |
| Others | Senator David Clark Representative Jack M. Euliss Mrs. James W. Collier |


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$1=: 1$
"A SENATE RESOLUTION DIRECTING THE STATE LEGISLATIVE COUNCIL TO MAKE A STUDY OF STATE PERSONNEL PRACTICES AND PROCEDURES."

With the cooperation of the State Personnel Department and the State Employees Associations, the Personne1 Committee of the Legislative Council has studied carefully and thoroughly the matters designated in the above caption.

The Committee wishes to acknowledge the splendid cooperation and assistance received from the State Personnel Department and the State Employees Associations, noting specifically the very capable assistance received from the following individuals:

```
Mr. John Allen, Director
    State Personnel Department
```

Mr. Ster1ing C. Manning, Assistant Director
State Personnel Department
Mr. Gardiner C. Parker
State Personne1 Department

Mr. Sam W. Badgett State Personnel Department

Mr. Clifton Beckwith, Executive Secretary North Carolina State Employees Association

Mr. Otis Banks, Executive Secretary State Highway Employees Association

The Committee acknowledges that without the cooperation of the above-mentioned individuals, a complete and thorough study could not have been accomplished.

After initial conferences, ${ }^{1}$ the Chaiman scheduled a public hearing on March $18,1964 .{ }^{2}$ One month prior to the hearing, letters soliciting their advice were forwarded to every state agency or department head, the state employees'
associations, the Chairman of the State Personnel Council, and other interested individuals. At the same time notices were forwarded to the news media of the state along with a brief statement concerning the purposes and aims of the Committee. A11 interested parties received adequate notice of the public hearing. ${ }^{3}$

Replies from department heads indicate an understanding of the Personnel Department's problems and include suggestions for improvement. These suggestions, along with any others placed before the Committee, have been carefully studied. Those which the Committee considered meritorious are recorded in the recommendations section of the report. Following the public hearing, the Committee met on several different occasions with those who were vitally interested in the conditions of state employment. ${ }^{4}$ This group discussed, studied, and generally delved into the problems confronting the Personnel Department and those state employees subject to the Personnel Act.

This report enumerates the Committee's specific findings and recommendations.

The Committee finds that in studying the classification and fixing of salary scales, various related problems must be considered. For instance, salary cannot be studied independently of the various fringe benefits accorded state employees. For this reason, the report includes several miscellaneous recommendations. The Committee finds that these miscellaneous recommendations are equal in importance to those pertaining specifically to classification or salary.

Therefore, after careful deliberation, the Committee respectfully submits the following report and recommendations for consideration by the Legislative Council.
"WHEREAS, THE STATE OF NORTH CAROLINA IS FORTUNATE TO HAVE NUMBERED AMONG ITS EMPLOYEES MANY DEVOTED PUBLIC SERVANTS WHO HAVE SERVED THE STATE PAITHFULLY FOR MANY YEARS......."

Nearing the end of 1963 , there are approximately 32,000 employees of the state who are subject to the Personnel Act. A careful check of the records of the separate agencies would reveal a gratifying number of employees who have remained in state government for ten, fifteen, or more than twenty-five years. This is substantiated by the fact that so many of our state employees have reached a high level in their salary ranges. ${ }^{5}$

During the calendar year of 1962 , there were 3,666 employees out of a total number exceeding 32,000 who re1inquished their positions with the state. Their various reasons for separation are enumerated in Exhibit "A" on Page_ 28. Annually, the state may anticipate that approximately twelve per cent of those employees subject to the Personnel Act will leave state government employment.

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"WHEREAS, IT IS HIGHLY DESIRABLE THAT THE STATE ATTRACT TO ITS SERVICE PUBLIC SPIRITED PERSONS WHO WISH TO MAKE A CAREER OF GOVERNMENT WORK......."

## FINDINGS:

The State Personne1 Department maintains a centralized recruitment, interviewing, testing, and referral service for the use of all state departments and individual applicants. Local Employment Security offices throughout the state provide a network of identical services upon request. For those departments under the Merit System, registers of qualified eligibles who have passed examinations for the various classes of positions are maintained.

In addition, the State Personnel Department recruits applicants through professional boards, societies, other organizations, and their publications. They also recruit through colleges and schools as well as service separation centers.

In recruiting potential state employees, the department stresses the public service rendered, the career aspects, and the relative stability of state employment. ${ }^{6}$

There are some specific areas where changes might significantly affect the state's ability to attract career employees. These will be enumerated under the recommendations section of the report.

## RECOMMENDATION

That the State Personnel Department carry on a more active recruitment program at service separation centers, high schools, and colleges by sending in interviewers in the same manner as private industry.



"WHEREAS, IT IS HIGHLY DESIRABLE TO RETAIN THE SERVICES OF THOSE EMPLOYEES WHOSE TRAINING AND EXPERIENCE THROUGH THE YEARS HAVE MADE THEIR RETENTION IN GOVERNMENT SERVICE HIGHLY DESIRABLE........."

Through the longevity program promulgated by the Personne1 Department and authorized by the 1961 General Assembly, employees are now entitled to additional salary benefits if they have been in state employment for fifteen years, the last three being at the top of their salary ranges. ${ }^{7}$ This policy will greatly enhance the position of the employee who has reached the top of his range, but whose position will not qualify him for re-classification into a higher salary scale. Some changes in this policy as presently administered are discussed in the recommendations section.

An employee may also anticipate promotion or other upward change-in-status. ${ }^{8}$ A survey of the personnel records would probably reveal numerous instances of employees whose faithful and able service to the state have been rewarded by promotion or upward change-in-status. ${ }^{5}$

This does not mean that all state employees are thus rewarded, meritorious or not. There are those whose qualifications, training, and performance do not merit promotion or upward change-in-status. Employees may move from one department to another and either retain present status or be elevated. ${ }^{8}$

In addition, an employee may be demoted as a result of a reduction in actual duties and level of responsibility.

For disciplinary reasons, a department head may have to penalize an employee by temporary suspension from the pay roll, transfer, demotion, or dismissal. An employee may also lose his position because of a general reduction in force. ${ }^{8}$

In the event of any disagreement between the various parties involved, any matter in dispute may be heard on appeal to the Personnel Council. Any employee or agency head may appeal from the decision of the Council and the matter shall be heard by the Governor and the decision or action of the Governor is final. ${ }^{9}$

In all matters of grievance, the State Personnel Department carefully reviews the situation and attempts to render to the employee a thoroughly just and informed decision.




Personnel administration is often difficult and taxing. Administering governmental personnel departments frequently seems even more difficult.

Since they are employees of the people of North Carolina, state employees should remain aware of their final responsibility to the people of this state. Therefore, they must possess to a high degree the special characteristics of perception, discretion, and sensible judgment. Dissatisfied employees can greatly undermine the efficiency and effectiveness of government as well as communications with those who are served by that government. This is not quite so critical in, for example, private industry where revenues are derived from private sources and where good public relations are certainly desirable, but not always essential.

Being constantly aware of the economy of the state and of the individual needs of the state's employees, the State personnel lepartment strives to achieve a balance between often conflicting needs. Finding this impossible, it must at least achieve a good relationship with all of the involved parties. Although some misunderstandings or misinterpretations occur, the department attempts to maintain a close relationship with those affected by its action. It encourages employees who have honest grievances to consult with them so that mutual understanding and satisfaction may be maintained. 10

## MANNERS AND METHODS OF CLASSIFICATION

## FINDINGS:

The manner and method of classification of state employees is generally consistent with those applied by other governmental units and private industry. ${ }^{11}$

State government positions are classified by evaluating them as objectively as possible on the basis of factors such as the following: ${ }^{12}$
a. Comparison of duties and responsibilities with those of similar positions in State government.
b. Special consideration of the most difficult, responsible, important or demanding duties and responsibilities of a position.
c. Proper consideration of the necessary education and experience background which an applicant should bring to a position in order to perform it successfully after a reasonable period of orientation or training.
d. Consideration of the work hazards involved.
e. Consideration of consequences of error.
f. The amount of supervision received (whether the employee works independently, with only general instructions from time to time, or under close supervision, with frequent, specific instruction.)
g. Supervision exercised: Number of people supervised, the kind of supervision which must be given them, and the nature and importance of decisions.

Point evaluation, factor analysis, and other types of job evaluation plans are simply variations of this technique.

Although this method of classification operates we11, annual individual classification changes and accompanying salary
adjustments produce inequities in the system. These inequities should be corrected as quickly as possible.

In order to maintain a balanced administrative structure, the State Personnel Department should accomplish a complete classification and salary study each two years. This study is essential to the proper development of the state's personnel procedures.

## RECOMMENDATION

That the Personnel Department survey all classifications subject to the Personnel Act not less than once during each two-year period in order to alleviate inequities and to achieve a proper balance between State personnel practices and those of other employers.
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$\qquad$

## THE FIXING OF SALARY SCALES

FINDINGS:

In fixing salary scales, the State Personnel Department attempts to remain competitive with other governmental and industrial personnel jurisdictions while at the same time avoiding setting the pace for salary ranges in the state. ${ }^{13}$

Salary ranges are established and revised on the basis of the following considerations: 12
a. Comparisons of salary ranges for similar work in North Carolina business and industry, local government jurisdictions, the federal government, and neighboring states.
b. Comparisons with ranges for similar types of work within the State government.
c. Turnover rates.
d. Recruitment problems.
e. Retention problems.

Salary administration presupposes a fundamentally sound system of position classification. In establishing a proper salary range for a given classification the factors listed above are all considered.

The recommendation given in the preceding section of the report applies equally to the manner of fixing salary scales.

In addition, the recommendation shown below should aleviate the problem of employees not knowing or understanding how the merit salary pay plan is administered.
$\square$ $-1+1$
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$\qquad$
$\qquad$
$+\frac{1}{4}$
-4
$\qquad$ $\stackrel{\rightarrow}{\sim}$

That Chapter 143 of the General Statutes be amended in accordance with the draft bill attached which requires that merit salary plans of the various state agencies, departments, or institutions be made a matter of record with the State Personnel Department and the employees of the various state agencies, departments, or institutions.
(Legis1ation proposed by the Committee to effectuate the above recommendation appears on Page 59 of this report.)

## THE FORTY-HOUR WEEK

FINDINGS:
State employment is not comparable to private industry or other states in the area of work schedules. 14

The Committee believes that the problem of excessive work schedules may be considered critical in some areas. In a separate report, findings and recommendations have been submitted relative to the work schedules for employees of mental institutions.

However, a substantial number of state employees now work more than forty hours a week and some of these work more than sixty hours. ${ }^{15}$ of these, many can and are being re-scheduled so that their jobs can be completed within forty hours. This is accomplished in most cases without any additional appropriation.

On the other hand, many employees involved in custodial care cannot be re-scheduled. Their work is continuous, whether it be day or night, weekday or weekend, ordinary working day or holiday. It is commendable that houseparents in our state institutions generally feel a personal obligation for constancy in their work. They do not want relief from long hours so much as they need some type of compensation for their extended and sometimes difficult schedules.

This problem is especially critical in correctional institutions where houseparents must deal with children whose lives are often abnormal and disturbing. It is also a difficult problem in the Schools for the Blind and Deaf where the houseparents must care for very young and handicapped children.

The Committee finds that all state employees can be placed on a forty-hour week or its equivalent through a reserve appropriation for allocation to the specific agencies involved. 16 This type of appropriation would require the following funds:

```
\$ 735,000 tota1 for Ju1y 1, 1965 - June 30, 1966
- 795,231 total for July 1, 1966 - June 30, 1967
```

$\$ 1,530,231$ total for the biennium
The above figures do not include retirement and social security funds which must be expended on behalf of the state.

## RECOMMENDATION

That all state employees be placed on a forty-hour week or its equivalent through the appropriation of funds by the 1965 Genera1 Assembly. A11 departments should be using a forty-hour work week or its equivalent within one year following this appropriation.


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## STATUS OF TEMPORARY EMPLOYEES

FINDINGS:

In the various departments of state government, numerous temporary employees are hired annually. ${ }^{17}$ These temporary positions are exempt from the Personnel Act. On many occasions, temporary employees are hired to deal with emergency situations, such as forest fires or unusual amounts of snow or ice on the highways. In situations of this nature, the various departments should retain their authority to seek and employ temporary he 1 p.

However, numerous employees remain classified as "temporary" over a number of years with no break in service. By virtue of his temporary designation, an employee is unable to accumulate retirement benefits, to participate in group hospitalization or life insurance plans, or receive other benefits.

Furthermore, the state is unable to maintain central records on the number of temporary employees and can exert relatively little authority. The Committee believes that this situation is detrimental to the state and the employee alike.

That the Personnel Department be granted the authority to determine whether a position should be designated "temporary" or "permanent."


## REVERSION OF SALARY FUNDS

## FINDINGS:

Over the years the General Assembly appropriates funds for salary increments and for additional personnel needs. This appropriation is the result of careful analysis of the needs as opposed to the availability of funds. Since the General Assembly intends by this method to reward faithful service or to increase efficiency, these funds are "frozen" and may be used for no other purpose. Any unused portion reverts to the General Fund at the end of each biennium. The Committee heard reports that the reversion of intended selary increments, adjustments, etc., has caused dissatisfaction among some state employees. 18

There will always be some reversion since allocated positions may remain unfilled for some time or since they may be adequately filled at a salary range lower than anticipated. 19 The Committee endorses reversions of this type and submits that it is proper for the Personnel Department in its best judginent. to administrate as economically as feasible.

However, the charts below indicate the extent to which increment and adjustment funds have been used. It should be noted that Chart 1 shnws total appropriations and expenditures for 1957 through 1964. Chart 2 gives a sampling of appropriations and expenditures for nine out of more than a hundred state agencies.
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 21
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$\qquad$



CHART 1

TOTAL APPROPRIATION
FOR SALARIES, INCREMENTS OR ADJUSTMENTS

| $1957-59$ | $\$$ | $231,257,064$ |
| :--- | :--- | :--- |
| $1959-61$ |  | $240,580,098$ |
| $1961-63$ |  | $284,286,879$ |

TOTAL LAPSED
\$ 216,684,785
$222,527,680$
18,052,418
$264,078,424$
$20,208,455$
$149,659,976$
12,053,475
Not Availab1e
Not Availab1e
(These figures include General Fund and Highway Fund Appropriations for salaries and wages of positions subject to the Personne1 Act, positions exempt from the Personnel Act, and temporary positions, as well as appropriations for salary increases and adjustments.)

CHAR'T 2
1961-63
Salaries \& Wages

|  | Budgeted |  | Unexpended |  |
| :---: | :---: | :---: | :---: | :---: |
| Revenue Department | \$ | 7,913,309 | \$ | 364,642 |
| Motor Vehicles Department |  | 16,737,484 |  | 637,525 |
| Department of Conservation and Deve lopment |  | 5,793,416 |  | 208,463 |
| Agriculture Department |  | 4,260,932 |  | 167,980 |
| Pubiic Instruction |  | $-1,450,691$ |  | 306,625 |
| Department of Administration |  | 2,335,583 |  | 22,133 |
| State Board of Health |  | 4,549,542 |  | 545,010 |
| Prison Department |  | 17,920,827 |  | 1,122,603 |
| Department of Labor |  | 1,415,036 |  | 49,131 |
| Totals | \$ | 62,376,820 | \$ | 3,424,112 |

(It should be noted that this is not an accurate measure of the money that actually reverts to the treasury because of unfilled positions. These figures are derived from budget reports. The picture is complicated considerab1y by the under- or overrealization of departmental receipts.)

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The Committee believes that state employees generally are loyal, conscientious, and aware of the fact that their incomes depend upon the economy of the state.


## RECOMMENDATION

That salary increment and adjustment funds appropriated for state employees should be allocated to all deserving employees during the biennium for which it was appropriated.

## FRINGE BENEFITS

FINDINGS:
In comparison to fringe benefits offered in other Southeastern states and private industry, North Carolina generally offers its employees excellent benefits. A comparison with Southeastern states is included as Exhibit "B" for your information.

Since the 1963 General Assembly strengthened the Retirement Act, retirement benefits are substantially increased. The Committee strongly endorses this action and recommends that the retirement system remain on its present sound actuarial basis. However, North Carolina appears to lag in the matter of employees' life and hospitalization insurance programs.

A survey made by the Committee indicates that in 1960 , fourteen of the forty-three states replying to the questionnaire offered some type of state support toward employees' hospita1ization programs. ${ }^{21}$ In June of 1964, there are twenty-three states which offer this benefit. The Committee finds that some type of employer-supported hospitalization plan is offered almost consistently throughout private industry.

Among the seven Southeastern states with which North Carolina generally compares, five offer some type of financial contribution toward their employees' hospitalization plans.

Although most state employees can obtain group 1ife and hospitalization coverage through the employees associations, the state does not contribute funds to this program. State participam tion in a program of hospitalization and life insurance might be found advisable if a thorough study were made on the matter.



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## RECOMMENDATION

That the 1965 General Assembly authorize the Legislative Council to study the advisability of state participation in a program of life and/or hospitalization insurance for state employees and other fringe benefits and report its findings to the 1967 General Assembly.

## LONGEVITY

## FINDINGS:

In view of the fact that the State Personnel Department is currently studying the present longevity plan, the Committee feels that other study would be unnecessary.

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## FINDINGS:

There are more than 32,000 state employees subject to The Personnel Act. In addition to constant and continuing tasks such as recruitment interviewing, testing and certifying, surveying classifications and salary ranges for these positions, the staff of the department must hear grievances of employees and their supervisors, fill a large portion of the positions for more than a hundred state departments and agencies, maintain excellent public relations among state employees, and so on and on the 1 ist of statutory and related duties could go.

This State is fortunate in that the staff of its Personnel Department is capable, experienced, and efficient. However, the performance of its obligations relates directly to the limitations imposed by a small staff. ${ }^{23}$ One of the chief complaints which the Conmittee received from employees and department heads was that the Personnel Department was too slow in filling the needs of the separate agencies. ${ }^{24}$ The individual employees and department heads voicing these complaints generally recognized that the limited staff of the Personnel Department primarily accounts for the existence of this problem.

In spite of the frequency of this complaint, the personnel Department remains critically short of staff. Members of the department are so acutely aware of the needs of others that they have been reluctant to ask for a substantial increase in personnel for their own department, although they are well aware of the difficulties arising from their inability to act quickly on requests.

However, notwithstanding the department's confiicting desires and needs, the Committee finds that unless some relief can be made available to the department, this situation will remain difficult. This problem is one that affects the efficiency of all state departments and should be remedied. Four additional analysts would adequately fill the department's requirements. These could be hired for a total of $\$ 24,456$ per 25
year.

## ANALYST:

3 Personne1 Analysts II
1 Personnel Analyst
I
Total - one year

## RECOMMLEMDATTON

That in ordex lo accomp1ish a two-year continuing study of classification, the Fersonnel Department's budget should be increased to authorize four additional analysts and related personnel provided sufficient space can be allocated to the department.


## AUTHORITY OF THE PERSONNEL DEPARTMENT

FINDINGS:

The State Personnel Program is, and should be, a very important element in State Government. This is being recognized more today than ever before. As a result, considerable thought is being given by the Legislative Branch, the Executive Branch, the general public, State employees, and State Employees' Associations, to changes that may strengthen and give additional support to the State Personnel Program. The changes being considered are many and varied. Some changes will no doubt be found feasible and needed while still others will not be.

The importance of a strong and adequate State Personnel Program cannot be considered of minor importance when we consider the large number of State employees under the State personnel Act and the large percentage of the total appropriation that goes toward payment of salaries for these positions. An effective Personnel program administered in close cooperation with the Executive and the Legislative Branches can only serve to represent the best interest of the citizens of North Carolina.

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## RECOMMENDATION

That the House and Senate establish committees on Personnel Management to provide a focal point for legislation involving personne1 practices in State Government.

## EXHIBITS AND FOOTNOTES

* $\star \star \star \star \star \star \star \star *$


## SEPARATION BY REASON OF STATE EMPLOYEES

## SUBJECT TO THE PERSONNEL ACT <br> Calendar Year 1962

## Reason

Number
Per Cent
Resignation
Disatisfied with work 34
Other Employment 1129
Personal Reasons 105
To Keep House 24
Family Reasons 139
Health 148
Transportation Problem 20
Non-Cooperative with Supervisor 1
Embezzlement of State Funds 1
Intoxication, Unbecoming Conduct 3
Asked to Resign 13
Moved 425
Pregnancy 169
Marriage (Primary reason only) 32
Education 168
No Reason Given 79
Other 302
Total 2792
$76.2 \%$
$\begin{array}{lll}\text { Dismissed } & 388 & 10.5 \%\end{array}$

| Reduction in Force | 53 | $1.4 \%$ |
| :--- | ---: | :--- |
| lid Not Report | 84 | $2.4 \%$ |
| Retired | 267 | $7.3 \%$ |
| leath | 82 | $2.2 \%$ |

irand Tota1 3666 100\%
enerally, there is a $12 \%$ turnover in state employment.


Exhibit "B" relates specific comparisons of fringe benefits among eight Southeastern States. General comments pertaining to fringe benefits in all fifty states appear with each chart.

More detailed information is availalbe in the office of the Legislative Council.

## TABLE I

## $1+ \pm 01019 Y S$

 (1960)general, the number of holidays granted gees from 9 to 15 days annually.
$\frac{\text { No. of Holidays }}{4}$
10
11
12
13
14
15


3 remaining states show no set annual Licy regarding holidays.


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8^{3} a^{\prime}
$$

$\frac{\text { ARM UL SICKLIER }}{(1960)}$
North Carolina is the only state which grants only 10 days sick leave per year. Other states grant 12 to 15 days, but generally limit accumulaion.


## TABLE TIL

ANNEAL LEAVG (1920)

Most states allow 12 to 15 days vacation each year, and generally an accumulation of twice the amount of leave earned annually. N. C. allows immediate eligibility of leave while most states require varying waiting periods for new employees.
Twenty-six states allow more annual leave depending upon longevity. In general, these same states require a waiting period for eligibility for annual leave.

TABLE IT
HOSPITALIzATION INSURANCE

$$
\text { JUNE, } 1964
$$

Group health insurance is available in all but the: states and is often sponsored by the Employees Association as in N. C. Of the remaining fortysix states, 23 states contribute toward employee's hospitalization plans, four paying all costs and 10 paying at least half the costs.

Detailed information regarding types of coverage offered in the separate states is available in the office of the Legislative Council.

TABLE X
LIFE INSUッHNCE

$$
\text { JUNE, } 190.4
$$

Group life insurance is not as prevalent among the states as health. Thirty-one states have plans available. Seventeen states participate in cost and two additional states pay the entire cost.

Detailed information regarding types of coverage offered is available in the Council office.




## TABLE VI

## MノlTHRY LEAVE ANJ

Leale without pay

$$
(1960)
$$

All states grant military leave， generally 15 days．The states are evenly divided regarding policies of payment of salary while on military leave．All states grant employees leave without pay，nineteen states leaving to the agencies discretionary authority for granting leave without pay to employees．

## Explanation of Symbols

M－Maternity
E－Education
H－Health
D－Disciplinary
EM－Extended Military
A－Others with Approval
F－Federal Government

| STATL | M／LLITARY <br> LEAVE FOR <br> TRAINING | SILARY <br> DEDUC． <br> FCK <br> LEAVE |  For：Léare withcut PAY |
| :---: | :---: | :---: | :---: |
| N．C | 15 C゙AL． <br> DAYS | 10 | $\begin{array}{ll}\text { M } & \mathrm{E} \\ \mathrm{H} & \mathrm{D}\end{array}$ |
| $A L A$ ． | 21 | YES | $\begin{array}{cc}\text { M } & \mathrm{E} \\ \mathrm{H} & \mathrm{D}\end{array}$ |
| FLA． | 17 | No | $\frac{M}{E}$ |
| $G H$ | 30 | No | $\stackrel{\text { M }}{\text { A }}$ |
| KEN | 15 | yes | F |
| $L A$. | 15 CAL． DAYS | No | $\begin{aligned} & \bar{M} \\ & \mathrm{E} \end{aligned}$ |
| TENN． | 15 | YES | $\begin{aligned} & \bar{M} \\ & E M \end{aligned}$ |
| $V A$ | 15 | YES | A |

$$
\begin{aligned}
& \text { TABLE VII } \\
& \text { LONGEVITY } \\
& (19600)
\end{aligned}
$$

Twenty－four states have longevity plans．However，here must be added that these plans are a relatively new development and at this date，it would be safe to assume that considerably more states have adopted similar plans． The typical plan calls for one，two， or three steps above the maximum，the first being granted after two to five years at maximum and subsequent steps at regular intervals．Each longevity step is approximately $5 \%$ of base salary．

| State | EXILANATION OF PLAN |
| :---: | :---: |
| N．C |  |
| AlA． | NONE |
| $E L A$ | STEP AFTER 10 YNS．TWO OF WHMEH HAE BEEN AT TOP OF RANGE＋WITH MERTIORDUUS SERVIC |
| $G A$ | upon adoption of adoitional INCREMENTS，GEORAIA ELMMAV TED ITS LONGEVITY iN 1963 ． |
| KEN | 2 STEPS HODITIOAIAL HT 5\％Inccense |
| $\angle A$ | lorps．SERVILE |
| TENN | NONE |
| 1＇A |  |



TABLE VIII
GIRKMEN'S COMPENSATION

$$
(1960)
$$

11 but six states provide one form of workmen's ompensation for permanent ital disability twenty-six tate provide lifetime bent.. its; N. C. for 400 weeks. ixteen states provide benefits or period of disability in uses of temporary total isability; N. C. for 400 seeks. At least 33 states rovide over 350 weeks of enefits for cases of peranent partial disability ith 7 granting benefits wring disability; N. C. for 00 weeks.


TABLE IX


> *RATE OF CONTRIBUTION COMPUTED AS PERCENTAGE OF SALARY.

1. Initial Conferences with Gordon H. Greenwood and the following people on February 13-14, 1964:
2. Mr. John L. Allen, Jr., Director State Personnel Department
3. Mr. Sterling C. Manning, Assistant Director State Personne1 Department
4. Mr. Gardiner C. Parker, Chief of Classification Division State Personne1 Department
5. Mr. Clifton Beckwith, Executive Secretary North Carolina State Employees Association
6. Mr. J. Roger Hester, President

North Carolina State Employees Association
6. Mr. Otis M. Banks, Executive Secretary North Caroiina State Highway \& Prison Employees Association (Conference attended by Mr. Banks' representative)
7. Mr. J. A. Sanders, President

North Carolina State Highway \& Prison Employees Association
41)

$$
11
$$

$\square$

$$
x-\cos =\frac{x}{2}-x
$$


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F
 $\qquad$


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## Mr. Clifton Beckwith, Executive Secretary North Carolina Employees Association

## Mrs. Peggy Dean, Stenographer North Carolina Insurance Department

Dr. William C. Archie, Director North Carolina State Board of Higher Education

Mr. Ralph Andrews, Director North Carolina Recreation Commission

Mrs. Elizabeth M. Hughey, State Librarian North Carolina State Library

Mr. Blaine M. Madison, Commissioner North Carolina Board of Juvenile Correction

Mr. Egbert N. Peeler, Superintendent
North Carolina State School for the B1ind and Deaf

On January 28, 1964, 1etters were forwarded to the Governor, all State Department Heads and other interested individuals informing them of the purpose of the study and soliciting their suggestions. Replies were received from approximately fifty of these individuals and are on file in the Legislative Council office for your inspection.

On March 2, 1964, 1etters were forwarded to the North Carolina News Media and those recipients of the January 28, 1964 letters who expressed an interest, informing them of the date of the Public Hearing and inviting any interested individuals to appear or attend.

Al1 meetings of the Personnel Committee were joined by the below-1isted individuals, who were invited and did participate fully in all discussion:

Mr. John L. Allen, Jr., Director State Personne1 Department

Mr. Sterling C. Manning, Assistant Director State Personne1 Department

Mr. Clifton Beckwith, Executive Secretary North Carolina State Employees Association

The meeting of the Committee on April 15, 1964 was attended by the following individuals:

Mrs. Ester K. Herrin, Secretary Committee on Roadblocks in Nursing

Mr. Clifton Beckwith, Executive Secretary State Employees Association

Mr. John Allen, Director State Personnel Department

Mr. Gardiner Parker
State Personne1 Department
Mr. Sterling C. Manning
State Personnel Department
Mr. Sam W. Badgett
State Personnel Department
Mr. Otis M. banks, Executive Secretary State Highway Employees Association

Mr. E. E. Lambert, Life Actuary North Carolina Insurance Department
5.

All personnel status records are retained by the Budget Officers of the various departments. The Committee believed that a thorough investigation of these records would constitute an unnecessary burden on the separate departments, therefore such a survey was not made. Personne1 Department.

In accordance with G.S. 143.36 and policy estab1ished by the State Personne1 Department in August, 1962. State Personnel Department.

See Section "H" of the Personnel Manual of the
G.S. 143-42. Appeal provided in case of disagreement.

Page 10 - "Employees Handbook, State of North Carolina" "If you have any problem or grievance concerning personal relations with other employees or your working conditions, discuss the situation with your immediate supervisor. Such a discussion will, in most cases, disclose a simple misunderstanding which can be cleared up immediately. If this does not satisfy you, discuss the matter further with your division or agency head."

"When any ruling of the State Personnel Department adversely affects you or your classification, your agency head or you may appeal the decision to the State Personnel Council. An appeal from the Council's decision may be made to the Governor and his decision is final."

Conferences held annually between the below-listed states benefit the North Carolina Personnel Department in allowing its members to remain thoroughiy acquainted with other states' personnel practices:

| North Caroiina | Kentucky |
| :--- | :--- |
| Alabama | Louisiana |
| Florida | Tennessee |
| Georgia | Virginia |

In addition to the conference, the department runs intermittent surveys and produces charts similar to those enclosed for comparison of North Carolina practices with other employees. (The next ten pages are examples of ratings of salary scales under the North Carolina Personnel Department.)


Class: Public Health Nursing Consultant


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This summary was prepared by Gardiner Parker, Chief of C1assification Division, State Personnel Department, for this report.

Statement of John L. Allen, Jr., before the Personnel Committee on Apri1 15, 1964.
14.

Listed below are average weekly hours of production workers on manufacturing payro11s in North Caroina, 1955-62:

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\begin{array}{ll}
1955-40.2 & 1959-40.8 \\
1956-39.9 & 1960-39.7 \\
1957-39.1 & 1961-40.1 \\
1958-38.9 & 1962-40.8
\end{array}
$$

More detailed information is available in the office of the Legislative Council.
15.

The next four pages indicate the number of hours exceeding forty per week as they occur in the separate agencies of the State.

| EDUCATIONAL INSTITUTIONS | $\begin{gathered} \text { Total No } \\ \text { Empl. } \end{gathered}$ | No. Over 40 Hours | \% of Total Over 40 | $411 / 2$ | 42 | 421/2 | 43 | 44 | $541 / 2$ | 45 | 451/2 | 46 | $461 / 2$ | 47 | 48 | 501/2 | 55 | 60 | Other |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Appalachian | 236 | 171 | 72\% |  |  |  | . |  |  | 171 |  |  |  |  |  |  |  |  |  |
| A \& $T$ | 340 | $217{ }^{\text {' }}$ | 64\% |  |  |  |  | 118 |  |  |  |  |  |  | 99 |  |  |  |  |
| Charlotte College | 50 | $j$ | 10\% |  |  | 3 |  | 2 |  |  |  |  |  |  |  |  |  |  |  |
| East Carolina | 412 | 217 | 52\% |  | 2 |  | 4 | 150 |  | 18 |  | 25 |  | 1 | 17 |  |  |  |  |
| Elizabeth City | 66 | - 47 | 71\% |  |  | 3 |  | 19 |  | 3 |  |  |  |  | 14 |  |  | 1 | 7 |
| Fayetteville | 71 | 42 | $59 \%$ | 5 |  |  |  | 6 |  | 16 |  |  | 1 |  | 3 | 1 | 3 |  | 7 |
| N. C. College at Durham | 185 | 11 | 6\% |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | 11 |
| Pembroke | 33 | 33 | 100\% |  |  |  |  | 32 |  |  |  |  |  |  | 1 |  |  |  |  |
| Wilmington College | 17 | 7 | 41\% | 0 |  |  |  | 7 |  |  |  |  |  |  |  |  |  |  |  |
| Winston-Salem | 81 | 57 | 70\% | 边 |  |  |  | 39 |  |  |  |  |  |  | 18 |  |  |  |  |
| UNC | 2783 | 394 | 14\% | $1 \begin{gathered} 6 \\ 0 \\ 0 \end{gathered}$ | 2 | 89 |  | 107 |  | 64 |  |  |  |  | 132 |  |  |  |  |
| N. C. State | 1675 | 73 | 4\% | $0$ |  |  |  | 10 | 39 | 16 |  |  |  |  | 7 |  |  | 1 |  |
| W. C. U. N. C. | 385 | 234 | 60\% |  |  | 1 | 7 | 177 |  | 29 | 1 |  |  |  | 119 |  |  |  |  |
| TOTALS | 6334 | 1508 | 24\% | 5 | 4 | 96 | 11 | 667 | 39 | 317 | 1 | 25 | 1 | 1 | 310 | 1 | 3 | 2 | 25 |

[^1] listed under "other" are dorm supervisors whose work schedule requires that they live on the premises.


| CORRECTIONAL SCHOOLS | Total No. Empl. | No. over 40 Hours | \% of Total Over 40 Hours | $411 / 2$ | 42 | 4272 | $431 / 2$ | 44 | 45 | $451 / 2$ | 46 | 47 | $471 / 2$ | 48 | 50 | 51 | 55 | 551/2 | 57 | 63 | 65 | 68 | 72 | 93 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| East Carolina Training Sch. | 33 | 31 | 94\% |  |  |  | . | 6 |  |  |  |  |  | 10 |  |  |  |  |  |  |  |  | 15 |  |
| Juvenile Eval. \& Treat. Cen. | 43 | 32 | 74\% |  |  |  |  | 5 | - |  |  |  |  | 27 |  |  |  |  |  |  |  |  |  |  |
| Leonard Trng. School | 45 | 41 | 91\% | - |  |  |  | 7 |  |  |  |  |  | 12 |  |  | 22 |  |  |  |  |  |  |  |
| Morrison <br> Trng. Sch. | 57 | 57 | 100\% | 运 |  |  |  | . 9 | . |  |  |  |  | $\begin{aligned} & 19 \\ & 29 \end{aligned}$ | Red | orte | d. in | Exces | S of | 48 | Hours | 5 |  |  |
| State Home \& Ind. School | 42 | 39 | 93\% | 景 | 2 |  |  | 9 |  |  |  |  |  | 6 |  |  |  |  | 6 |  |  |  |  | 16 |
| State Training School | 39 | 28 | 72\% | 2 |  |  |  | 1 | 2 |  |  |  |  | 3 | 2 |  | 1 | 1 |  |  | 4 | 12 |  |  |
| Stonewall <br> Jackson | 59 | 54 | 92\% |  |  | 2 | 6 |  | 9 | 2 | 1 | 1 | 1 |  |  | 2. |  |  |  | 30 |  |  |  |  |
| TOTALS | $318{ }^{\circ}$ | 282 | 89\% | 2 | 2 | 2 | 6 | 37 | 11 | 2 | 1 | 1 | 1 | 106 | 2 | 2 | 23 | 1 | 6 | 30 | 4 | 12 | 15 | 16 |

[^2] exception of one at State Training School who reported the budget officer working $551 / 2$ hours. Many of these employees live at the institutions and are considered as subject to call at all times.

| OTHER INSTITUTIONS | Total No. Employees | No. Over 40 Hours | \% of Total Over 40 Hours | 41 | 42 | 44 | 45 | 46 | 48 | 491/2 | 673/4 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| School for Blind \& Deaf | 132 | 115 | 87\% | 24 |  |  | 47 |  |  | 3 | 41 |
| School for Deaf | 131 | 104 | 79\% |  | $-1$ | 52 | 1 | 3 | 47 |  |  |
| Orthopedic Hospital | 116 | 116 | 100\% | 䗃 |  | 116 |  |  |  |  |  |
| Cerebral Palsy Hospital | 50 | 17 | 34\% | 感 | 17. |  |  |  |  |  |  |
| Confederate Women's Home | 13 | 11 | 85\% | $18$ |  | 2 | 4 | 1 | 4 |  |  |
| TOTALS | 442 | 363 | 82\% | 24 | 18 | 170 | 52 | 4 | 51 | 3 | 41 |

Note: Employees at the School for Blind \& Deaf who work over 48 hours are the houseparents, medical personnel, and 3 watchmen.


| Hours Per Week |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| DEPARTMENTS | Total No. Employees | No. Over 40 Hours | $\%$ of Total Over 40 Hours | 44 | 441/2 | 46 | 48 |
| Adjutant General | 39 | 1 | 3\% |  |  |  | 1 |
| Agriculture (Farms) | 662 | 78 | 12\% | $\xrightarrow[\text { ® }]{\text { ¢ }}$ | 78 |  |  |
| General Services | 171 | 17 | 10\% |  |  |  | 17 |
| Prison | 2566 | 50 | 2\% | 安 |  | 4 | 37 |
| Wildlife (Protection Game, Fish) | 297 | 251 | 84\% | 251 |  |  |  |
| TOTALS | 3735 | 397 | 11\% | 260 | 78 | 4 | 55 |

Note: Employees in Prison working over 40 hours include food service personnel, medical personnel in Central Prison, three
bours.


Figures shown are based on information obtained from a study of State Personne1 Department working with a Personnel Committee Sub-committee: (Representative Jyles J. Coggins, Chairman; Mrs. John B. Chase; Representative Jack M. Euliss.)
'The N. C. State School for the B1ind and Deaf will need approximately $\$ 85,000.00$ in order to reduce its work week to 40 hours or its equivalent.
"The N. C. School for the Deaf will need approximately $\$ 54,750.00$ in order to inaugurate a 40 -hour work week or its equivalent. It is highly recommended that the utmost efforts be made to accomplish this reduction of the work week at these two schools.
"The N. C. Orthopedic Hospital now has a 44-hour work week, but plans are now being made to inaugurate the 40 -hour week administratively with no additional money requested.
"The Confederate Womens' Home, with 13 employees and 25 patients, the youngest being 75 years old, is being placed on a 40-hour week adminstratively, to be effected May 1, 1964.
'The Cerebral Palsy Hospital is now in the process of putting all kitchen workers on a 40-hour week. A11 other workers have already been scheduled for a 40 -hour week. This has been done adminstratively.
'The State's educational institutions have a variance from 4 per cent to 100 per cent of employees working over 40 hours per week. It is believed that many of these employees'working hours can be reduced administratively, as has been demonstrated at other state institutions. A

lot of the over 40 -hour work week has been the result of the department's failure to just schedule the hours. Where necessary, it is recommended that additional personnel be secured to inaugurate the 40 -hour week.
"The Correctional Schools of the State rank next to the Department of Mental Health as to the number of employees working more than 40 hours. It is recommended that the employees' schedule be set at 40 hours per week, or its equivalent, and that this be done administratively wherever possible and that where necessary additional funds for additional personne1 be provided. It is estimated that it will take an additional 107 new employees at a cost of $\$ 711,036.00$ for the biennium 1965-67.
"We have tried to review the need of all State employees concerning the length of their work week and believe they al1 should have the same number of work hours with difference of pay reflecting the differences in the jobs. Again, we believe a goodly number of employees working more than 40 hours per week can be reduced to 40 hours per week by having their departmental heads scheduling them for the 40 hours. This has been demonstrated to be feasible in a number of instances."
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18.

Statement by Clifton Beckwith at the March 18, 1964 hearing before the Personnel Committee.
G.S. 143-36. "Duties and Powers of Director and Council as to State Employees. The State Personnel Director shall . . . . . file a report with the Governor . . . . setting the salaries and wages to be paid to each of the employees in said State department . . . . . . ."
G.S. 135-3.

Complete results of this survey are available in the office of the Legislative Council.

A 1963 survey of 342 industries in North Carolina reveals the following information relative to employer participation in life and hospitalization programs:

LIFE INSURANCE
Employee pays all costs : 112
Employer pays more than half but not all : 46
Employer pays up to half the cost 111
Employee pays all the cost 19
No plan : 54
HOSPITALIZATION INSURANCE
Employer pays all cost : 107
Employer pays more than half but not all : 50
Employer pays up to half the cost : 124
Employee pays all : 42
No plan : 19
(Source: "Fringe Benefit Practices in Major Manufacturing Industries of North Carolina", Employment Security Commission of North Carolina.)

At the present time 31 people are employed in the Personnel Department. Of these, only 8 are employed as Personnel Analysts in the Classification and Payroll Divisions.

There are approximately 100 separate agencies in state government with whom the State Personnel Department must work.
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These figures were obtained from the Director of the Personnel Department.




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INTRODUCED BY: Representative Greenwood and others

## Referred to:

A BILL TO BE ENTITLED AN ACT TO ANEND. G.S. 143-36 OF THE STATE PERSONNEL ACT RELATING TO THE PROCEDURE AND METHOD OF AWARDING EFFICIENCY OR MERIT SALARY INCREMENTS TO STATE EMPLOYEES. The General Assembly of North Carolina do enact:

Section 1. G.S. 143-36 is hereby amended by adding a new paragraph immediately following the third paragraph to reac as follows:
"Within thirty days of the effective date of
this paragraph, each agency, board, commission, department, or institution of State government subject to the provisions of this article shall file with the State Personnel Director a written description of the plan or method it is currently following in awarding or allocating efficiency or merit salary increments. At the same time, each such agency, board, commission, department, or institution shall cause a copy thereof to be distributed to each employee. The State Personnel Director, with the approval of the State Personnel Council, shall modify, alter or disapprove any such plan submitted to it which it deems not to be in accordance with the provisions of this article. After plans are filed as described above, no changes or motifications shall thereafter be

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10 Act are hereby repealed.

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[^0]:    That the State Personnel Department present a recommendation on a new longevity plan to the 1965 General Assembly.

[^1]:    Fayetteville State College reported 3 cooks working 55 hours and 1 Food Service Director working 50 $1 / 2$ hours; State College

[^2]:    Employees reported working in excess of 48 hours are counselors, nurses, maintenance and food service employees with the

