



Fast Track Proposed Regulation Agency Background Document

Agency name	State Board of Social Services
Virginia Administrative Code (VAC) citation	22 VAC 40-675
Regulation title	Personnel Policies for Local Departments of Social Services
Action title	Redefine local compensation plan
Date this document prepared	December 10, 2008

Brief summary

The regulatory action amends regulations that describe the position descriptions and compensation structure used by local department of social services (LDSS). This action allows for updates to the way local jobs are described/compensated using up to date acceptable methods. The proposed changes are being made as a result of the local compensation and classification study completed in 2007.

Statement of final agency action

The State Board of Social Services (Board) approved this fast track action on December 10, 2008.

Legal basis

Sections 63.2-217 and 63.2-219 of the Code of Virginia (Code) require that local directors and other employees are subject to the provisions of the merit system plan adopted by the Board, which is promulgating this regulatory action.

Purpose

The amended regulation is needed to make the changes in the local compensation and classification plan. Major changes in the compensation and classification plan have not occurred since the early 1980s. This regulatory action proposes changes based on the recommendations from the approved local compensation and classification study.

Rationale for using fast track process

The fast-track process is being used because there is a sense of urgency regarding the effective date of the proposed changes. The local study has been approved by the Board and the effective date for implementation is June 1, 2009. This regulatory action is expected to be noncontroversial because employees impacted by the proposed changes were involved in their development. The study was conducted by the Personnel Committee of the Virginia League of Social Services Executives (League) in cooperation with the Department of Social Services' (DSS) Division of Human Resource Management. Impacted employees have reviewed the recommended changes, made recommendations, and the recommendations were incorporated into the regulation. DSS also sent the recommended changes to all local directors for review and comment prior to submitting this regulatory action.

Substance

This action updates the classification specifications and compensation pay structure to acceptable human resource standards. Classification descriptions have been changed to include today's technology and to allow for career progression. The compensation structure has changed from a grade and step model to a broad band model. New applicable terminology has been included throughout the changes. Occupational Group Descriptions can include several levels or former classification descriptions. Pay bands are wider (190%) and include several (former pay grades). The changes allow for more flexibility at the local level and set a foundation for career growth within the LDSS.

Issues

There are no disadvantages to the public or to the Commonwealth. The advantages are that LDSS will be using a job structure that:

- Accurately reflects the occupations of the employees;
- Promotes a reliable means for classifying jobs;
- Updates terminology and titles; and
- Provides for better recruitment and retention of LDSS staff.

Regulatory flexibility analysis

The proposed regulation is the least intrusive and least burdensome alternative available to ensure that the local compensation and classification plans are updated. DSS consulted with local directors in the development of the proposed regulation.

Requirements more restrictive than federal

There are no applicable federal requirements.

Localities particularly affected

There is no locality particularly affected by the proposed regulation.

Economic impact

Projected cost to the state to implement and enforce the proposed regulation, including (a) fund source / fund detail, and (b) a delineation of one-time versus on-going expenditures	None.
Projected cost of the regulation on localities	ZERO to unknown. The LDSS cost depends on how the LDSS uses the levels and if they set up career progression. Neither is mandated.
Description of the individuals, businesses or other entities likely to be affected by the regulation	LDSS will be affected by the regulation
Agency’s best estimate of the number of such entities that will be affected. Please include an estimate of the number of small businesses affected. Small business means a business entity, including its affiliates, that (i) is independently owned and operated and (ii) employs fewer than 500 full-time employees or has gross annual sales of less than \$6 million.	Eighty-six LDSS (Seven Compensation Only deviating agencies and 79 non-deviating agencies).
All projected costs of the regulation for affected individuals, businesses, or other entities. Please be specific. Be sure to include the projected reporting, recordkeeping, and other administrative costs required for compliance by small businesses.	See “Projected Cost” response above.

Alternatives

The least burdensome or intrusive alternative would be to keep the same compensation structure and only update the classification descriptions. This was rejected as a viable alternative by the Personnel Committee of the League.

Family impact

This proposed change will not have any affect on the institution of the family and family stability.

Detail of changes

Current section number	Proposed new section number, if applicable	Current requirement	Proposed change and rationale
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22VAC40-675-10		The standard contains definitions of words and terms used in the regulation.	Proposed changes to definitions and rationale include: (i) Class specification – change to Occupational Group Description (would need to be moved to be in alpha order) including levels within; (ii) classifications – change to occupational titles; (iii) salary grades – change to bands/tiers; (iv) “Salary range” means salary grades and pay steps of intervening increments from the minimum to the maximum established for each grade, which includes reimbursable and nonreimbursable steps – change to “Salary range” means the range that identifies the minimum and maximum compensation rate authorized for a specific pay band and a specific tier within the pay band; (v) class groups – change to groups; and, (vi) “State compensation plan” means the department’s pay plan, which provides local departments a basis to develop local compensation plans – change “to develop” to “for developing”. These changes update terminology.
22VAC40-675-20		The standard provides for the local department designation based on agency size.	Proposed changes include: (i) Decrease number of designations from VI to III. (ii) The level assigned is determined by the number of authorized positions – change to: The level assigned is determined by the number of authorized positions and the management structure required to plan, organize, and direct all operations in a local department. These changes update terminology.
22VAC40-675-60		The standard defines the state classification plan.	The proposed changes include: (i) classifications - change to occupational titles; (ii) specifications – change to occupational group descriptions. These changes update terminology.
22VAC40-675-70		The standard delineates the Commissioner’s responsibilities in relation to the state classification plan.	The proposed change includes: (i) classifications – change to occupational titles. These changes update terminology.
22VAC40-675-80		The standard defines the state compensation plan.	The proposed change includes: (i) classifications – change to occupational titles. These changes update terminology.
22VAC40-675-90		The standard establishes what is included in the local compensation plan.	The proposed changes include: (i) The range for each class shall provide local minimum and maximum rates and intervening steps – delete “and intervening steps.” Rationale: Pay structure changes from grades to bands and bands do not have steps; (ii) classification – change to occupational title. Change updates terminology.

22VAC40-675-100		The standard delineates other local compensation issues.	The proposed changes include: (i) position classification – change to occupational title. These changes update terminology.
22VAC40-675-220		Document Incorporated by Reference	The proposed change includes: (i) Administrative Manual for Local Departments of Social Services, Virginia Department of Social Services revised September 2000 – change to Administrative Manual for Local Departments of Social Services, Virginia Department of Social Services effective July 1, 2005 and revised July 1, 2007.