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# MEDIA RELEASE

## Louisiana State Civil Service announces approval of Compensation Redesign

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#### STATEMENT FROM GOV. JOHN BEL EDWARDS ON THE COMPENSATION REDESIGN PLAN:

"This compensation redesign has been a long time coming for the hard working public servants in our state," said Gov. Edwards. "Pay increases in state government have been inconsistent and unfair, with some state employees receiving adjustments while others have not. That is unacceptable and we all know the cost of living is not less because you earn less. The current system has cost our state over \$114 million in turnover with some agencies seeing a 200 percent turnover rate. Under this new plan, all state employees, including our law enforcement and child welfare workers who have been over worked and under paid for too long, will see a modest increase under this plan. Overall, this will result in a more efficient pay system that saves Louisiana money."

State Civil Service is pleased to announce the approval of a compensation redesign plan for the state's classified workforce. The plan, adopted by the State Civil Service Commission (SCSC) on June 7, and approved by Governor John Bel Edwards on June 26, represents a fundamental shift in the way classified employees are compensated.

"This is a significant investment into the classified workforce," said State Civil Service Director Byron P. Decoteau, Jr. "This plan will afford the state the ability to attract top candidates with a competitive entry salary, then train and grow the employee's competencies while providing tiered, responsible increases aimed at moving the employee to market value within a time frame conducive to retaining employees."

In order to implement the new plan, which will become effective July 1, 2018, approximately 38,000 classified state employees will receive a 2 percent base pay increase effective January 1, 2018.

#### Page 2 – Louisiana State Civil Service announces approval of Compensation Redesign (con't)

Additionally, the state's six occupational-based pay schedules will be revised to reflect the relevant market on January 2, 2018. Thereafter, eligible, classified employees will be granted annual, tiered market adjustments ranging from 4 percent to 2 percent, depending on their current rate of pay and position to the relevant market. This tiered system is projected to provide a savings to the State's general fund.

Under the revised pay schedules implemented on January 2, 2018, approximately 6,200 classified employees will receive an additional pay increase. Such employees include entry level correctional officers, probation and parole officers and child welfare specialist. Employees are required to earn at least the minimum of the pay range established for their job under existing State Civil Service Rules.

This shift comes as a response to Louisiana's current classified pay schedules lagging the relevant public and private markets from 5 percent to 28 percent. In addition, segments of the classified workforce have had stagnant salaries due to pay freezes and withholding of performance adjustments over the last eight years. The last general increase received by classified employees occurred in July 2007.

In addition to the pay schedules lagging the market, Louisiana has lost millions of dollars each year due to the cost of turnover and loss of productivity. Last fiscal year alone the state spent over \$114 million on turnover. The new compensation plan attempts to address high turnover and improve retention of classified employees.

"The SCSC and the Governor's support moves Louisiana from a compensation philosophy that lags the current market to one that maintains labor market competitiveness within the boundaries of financial feasibility," Decoteau said.

For more information regarding the new plan please visit the State Civil Service website at <u>www.civilservice.la.gov</u>

### State Civil Service Mission:

To provide human resource services and programs that enable state government to attract, develop and retain a productive and diverse workforce that excels in delivering quality services to the citizens of Louisiana.

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