

## Analysis

### Item 1: Judicial Department

#### Compensation Plan Changes

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**Analyst:** Gregory Jolivette

**Request:** Acknowledge receipt of a report on compensation plan changes.

**Analysis:** The Chief Justice of the Supreme Court, as administrative head of the Oregon Judicial Department (OJD), is authorized to establish the personnel plan for OJD employees. As required under ORS 8.105(1), prior to implementing changes, OJD is reporting on compensation plan changes for the 2019-21 biennium.

In September 2019, OJD reported on the Chief's proposed cost of living salary increases for OJD staff and judges. This new report, submitted in October 2019, is more targeted with a focus on classifications affecting only OJD attorneys, judicial marshals, and the Deputy State Court Administrator. OJD estimates the changes described below will affect 41 of the agency's 1,935 positions.

Based on classification studies conducted by the agency, the Chief Justice proposes to abolish five existing classifications and create seven new classifications. The new classifications more accurately reflect the work performed in each of the affected positions, as well as provide a more simplified and transparent career and opportunity path for upcoming and senior staff than the existing classification structure. The other aim of the proposed changes is to make compensation for OJD attorneys more comparable to the market and other state agencies.

OJD estimates there will be minor absorbable costs of \$69,913 General Fund in the current biennium. The agency estimates the 2021-23 cost of the proposed changes will be \$378,628 General Fund.

**Legislative Fiscal Office Recommendation:** Acknowledge receipt of the report.

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**Request:** Report on the Oregon Judicial Department's compensation plan changes for the 2019-21 biennium.

**Recommendation:** The Oregon Judicial Department is not under executive budgetary authority.

**Discussion:** In accordance with ORS 8.105(1), the Oregon Judicial Department (OJD) is providing a report on prospective compensation plan changes for staff during the 2019-21 biennium. The prospective compensation changes include attorney positions, Judicial Marshal positions, and the Deputy State Court Administrator position.

The Department began a comprehensive classification and compensation review in 2006. The objective was to review all classifications and update as needed to more accurately reflect the work assigned, create classifications where necessary, consolidate classifications where feasible, and realign positions to new classifications. The first changes, beginning with clerical and administrative support positions, were implemented in 2008. Analyst and program coordinator positions followed with a study in 2010 and implementation in January 2011. Management classifications were under review beginning in 2010, but due to budgetary and other constraints, implementation was not realized until July 2014, along with the information technology classifications.

OJD is now ready to implement the study for classifications not included in earlier reviews, which include attorney positions, Judicial Marshal positions, and the Deputy State Court Administrator position. The last substantive review of many of these classifications occurred in the late 1980s and early 1990s. These prospective changes will be effective January 1, 2020 and affect 41 positions, including 37 attorneys, three Judicial Marshals, and the Deputy State Court Administrator.

The Department intends to use the “least cost implementation” approach to salary range increases. This means as long as a reallocated employee’s current rate is not below step one of the new range, their salary will remain the same until their next regularly scheduled salary increase. If the salary falls below step one of the new range, as only one employee does, the salary will increase to step one. The total anticipated General Fund increase for these compensation plan changes in the 2019-21 biennium is \$69,913, which will be absorbed by the local division budgets. In the 2021-23 biennium, plan changes will result in an increase of \$378,628 General Fund.



OREGON JUDICIAL DEPARTMENT  
Office of the State Court Administrator

October 25, 2019  
**(SENT BY EMAIL)**

The Honorable Senator Betsy Johnson, Co-Chair  
The Honorable Senator Elizabeth Steiner Hayward, Co-Chair  
The Honorable Representative, Dan Rayfield, Co-Chair  
Interim Joint Committee on Ways and Means  
900 Court Street NE  
H-178 State Capitol  
Salem, OR 97301-4048

Re: OJD Compensation Plan Changes for the 2019 - 2021 Biennium

Dear Co-Chairpersons:

**Nature of Request**

The Oregon Judicial Department (OJD) is providing this report on prospective OJD compensation plan changes for its employees during the 2019-21 biennium. This letter reports changes to the OJD classifications for attorney positions, Judicial Marshal positions, and the Deputy State Court Administrator position within the Oregon Judicial Department.

ORS 8.105(1) provides:

*Before making any change to a compensation plan, an administrative division of the judicial department must submit the proposed change to the Joint Committee on Ways and Means during the period when the Legislative Assembly is in session, or to the Emergency Board or the Joint Interim Committee on Ways and Means during the interim period between sessions.*

**OJD Compensation Plan Actions**

**Background Authority:** The Chief Justice of the Oregon Supreme Court is the administrative head of the Oregon Judicial Department, the state-funded unified court system. ORS 1.008 directs the Chief Justice to establish and maintain a personnel plan for OJD employees. The statewide OJD personnel plan includes the classification and compensation structure for OJD employees who are in the exempt service. Under ORS 240.245, the salary plan for exempt service employees must be in reasonable conformity with the general salary structure of the state.

History: In 2006, OJD began a comprehensive review of its classification and corresponding compensation plan. The first changes resulting from that review were implemented in January 2008, when OJD changed its clerical and administrative support-level classifications – the classifications with the largest number of employees. OJD completed its second major classification study in 2010, for the analyst and program coordinator classifications. That study was implemented in January 2011. A study of its management classifications was started in 2010, but due to budgetary and other administrative constraints wasn't completed until 2013 and implemented July 1, 2014, along with the information technology-related classifications.

OJD is now prepared to implement a classification study for additional classifications that were not included in early studies. These prospective changes to the plan would become effective January 1, 2020, and will affect approximately 41 of OJD's 1,935 2019-21 Legislatively Adopted positions.

OJD's attorney classification study included review of five classifications involving approximately 37 affected positions. The last substantive review of many of these classifications occurred in the late 1980s and early 1990s. The study of the Judicial Marshals included two classifications and three positions, and the Deputy State Court Administrator studied a single classification and position. The Marshal and Deputy State Court Administrator positions did not exist at the time of previous classification studies. Objectives of this study were to review all classification specifications and update them to more accurately reflect the work assigned, create classifications to address situations where work out of class or differentials were necessary due to lack of a classification, to consolidate classifications where feasible based on similar work, and to realign positions to the new classifications. The steps followed to complete these studies is included in Attachment #2. OJD plans to create seven new classifications and abolish five outdated classifications as a part of this study. These changes are detailed in Attachment #1.

The related salary range increases, when these occur, are implemented on a "least cost implementation" basis. For the 2019-21 biennium these costs will be absorbed by the local division budgets where the positions exist. Under this approach, as applicable, an employee's current position description is reviewed for its most appropriate classification allocation. The OJD Human Resource Services Division oversees and creates the consistency needed statewide for this allocation process.

Under the "least cost implementation" approach: If a reallocated employee's current rate of pay does not fall below step 1 of the salary range (SR) of the classification to which the employee is allocated, then the employee's salary will remain the same until the employee's next regularly scheduled salary eligibility date occurs, at which time the employee is eligible for an increase. If a reallocated employee's current rate of pay falls below step 1 of the SR of the new classification to which the employee is allocated, then the employee's current salary will increase to step 1 of the SR and the employee's salary eligibility date will be changed to the date of implementation (from their prior regular salary eligibility date). There is only one employee among these studies whose current rate of pay is not above step 1 of the newly assigned salary range.

**OJD Budget:** The total anticipated General Fund increase in cost to the OJD 2019-21 and 2021-23 budget for these compensation plan changes is \$69,913 and \$378,628 respectively. The increases are further detailed as follows (salary + OPE).

The estimated budget impact of increasing the eligible one employee's salary to step 1 of new salary range is:

	General Fund Impact
2019-21 Biennium	\$8,838
2021-23 Biennium	\$11,784

The estimated budget impact of additional step increases in a salary range series for eligible allocated employees is:

	General Fund Impact
2019-21 Biennium	\$61,075
2021-23 Biennium	\$366,844

Though not a budgetary impact, the calculated current top step to proposed top-step change, if all positions were filled at the top step, is an increase of \$1,865,870 in General Fund and a reduction of \$36,360 in Other Funds for the 41 permanent positions. This is also referred to as the change in permanent financing.

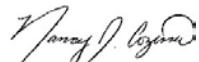
### **Action Requested**

The Oregon Judicial Department requests acknowledgment of this report as provided in ORS 8.105 (1).

### **Legislation Affected**

None.

Sincerely,



Nancy J. Cozine  
State Court Administrator

NJC:DM:JF:ma/19eNJC039ma

cc: Chief Justice Martha L. Walters  
Gregory Jolivette, Senior Legislative Analyst, LFO  
April McDonald, Policy and Budget Analyst, CFO-BAM  
David Moon, Director of BFSD, OJD  
Terrie Chandler, Director HRSD, OJD

**Changes to OJD Personnel Classification and  
Compensation Plan / Classification Studies  
Effective: 1/1/2020**

**Chief Marshal and Deputy Marshal classifications:** There is one Chief Marshal and two Deputy Marshal staff. These three employees are currently in classifications that were a “best fit” within our current classification plan, but those classifications did not describe or allow the administrative authority to recruit for the specialized duties and requirements of these positions. The new classifications reflect the work required of the positions.

Pursuant to ORS 1.177, and at the direction of the Chief Justice, the Oregon Judicial Department (OJD) Marshal's Office manages personal and physical security, emergency preparedness, and business continuity for the Oregon Judiciary. The Marshal's Office also manages the OJD Emergency Response Trailers. These programs are in direct support of the OJD mission to provide fair and accessible justice services that protect the rights of individuals, preserve community welfare, and inspire public confidence.

**New Classifications:**

1. Chief Marshal
2. Deputy Marshal

**Deputy State Court Administrator:** The addition of this classification is due to the needs of the organization. The work of this position requires the incumbent work closely with the State Court Administrator; the need for this position to also function as Public Information Officer (PIO) and have legislative knowledge is critical.

**New Classification:**

1. Deputy State Court Administrator

**Attorney Classifications:** Review of four classifications involving approximately 35 affected positions. Last substantive review occurred in late 1980s and early 1990s. Objectives of the study were to review all class specifications included in the study in order to update the classification specifications to more accurately reflect the work assigned. OJD plans to revise all four of the classifications, renaming all of them. One of the four classifications, Staff Counsel, will be used as an entry-level position, working under the guidance of the Sr. Staff Counsel. Movement into the Sr. SC will occur automatically once the administrative authority determines the employee meets the minimum qualifications of the Sr. SC and has reached proficiency such that the employee no longer has to work under guidance.

**New and Classifications and comments:**

1. Staff Counsel - newly created entry-level position, works under the guidance of a Sr. Staff Counsel (will be used as an underfill classification for the Sr. Staff Counsel)
2. Senior Staff Counsel – formerly Appellate Staff Attorney and Assistant Legal Counsel. Most staff in the study will be allocated to this classification
3. Counsel in Charge – formerly Appellate Legal Counsel
4. General Counsel – formerly Director, Legal Counsel Division

**Abolished Classifications:**

1. Appellate Legal Counsel
2. Appellate Staff Attorney
3. Assistant Legal Counsel
4. Assistant Appellate Legal Counsel
5. Director, Legal Counsel Division

## Attachment 2

### OJD Classification Study Steps

A classification study is a review of the type and level of work assigned to determine whether a classification specification needs to be revised or created. A classification study is different than a reclassification review. A reclassification review is a review of the allocation of a position for possible movement from one existing classification to another. A classification study is used to determine if new classifications or revisions to current classifications are necessary.

The steps involved in OJD's classification study process are:

- Human Resource Services Division (HRSD) identifies the classifications to be included in each study.
- HRSD sends notice of the study to administrative authorities, presiding judges, and affected employees.
- HRSD gathers information by conducting desk audits (individual meetings with employees or Subject Matter Experts (SME's) to discuss the assigned work, followed by a discussion with the employee's administrative authority) and by collecting updated position descriptions.
- HRSD analyzes the type and level of work being performed and organizes identified duties into related categories or general classification concepts.
- HRSD develops (or revises) classification specifications.
- Administrative authorities and members of OJD's Classification Advisory Committee (CAC) review the draft classification specifications.
- HRSD evaluates the draft classification specifications using the Hay Methodology; the CAC then reviews those evaluations.
- HRSD identifies and compares salaries of comparable classifications within the executive branch, as well as outside market conditions.
- The State Court Administrator reviews and approves the draft classification specifications and associated recommended salary ranges.
- The Chief Justice accepts the changes to OJD's classification and compensation plans.
- HRSD and administrative authorities jointly identify planned allocations for each affected employee/position.
- HRSD sends notification to employees, with an opportunity for employee to request review of allocation.\*
- CAC reviews any employee request received and makes a recommendation to the HRSD Director for final determination.\*

\*These steps have not yet occurred for the above discussed classifications but are planned for the end of 2019.