

LLA Informational Report:

Staffing, Annual Rates of Pay, Personnel-Related Expenditures and the Executive Budget Fiscal Years 2005-2011



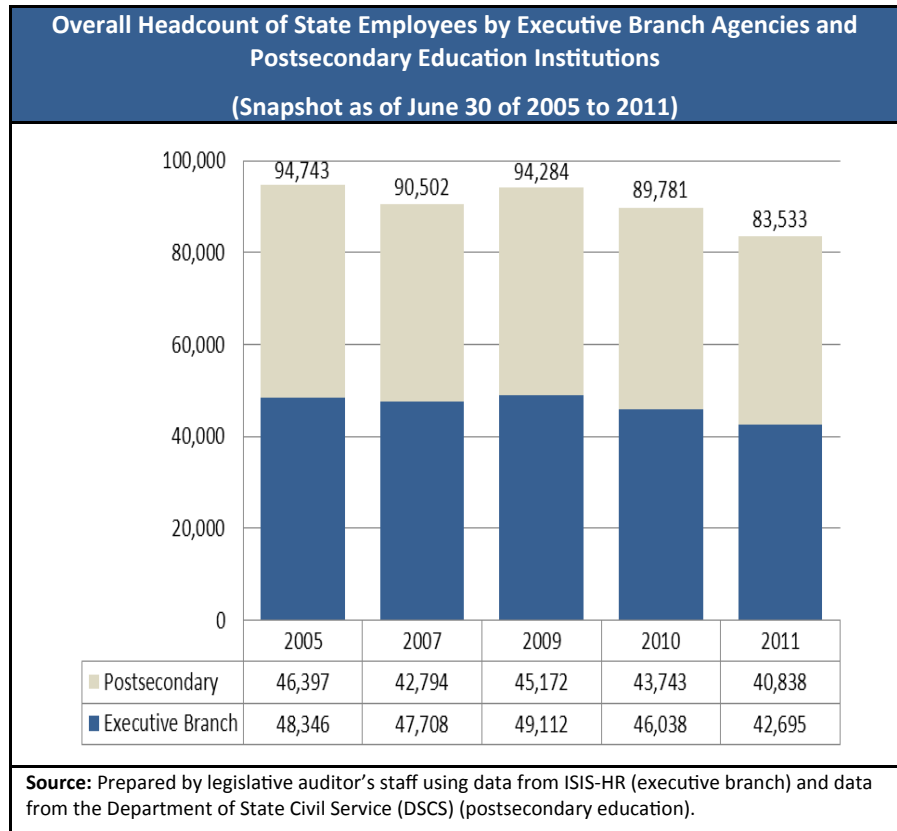
Report Highlights

Why We Conducted This Informational Report

We conducted this informational review to determine how the number of employees, annual rates of pay, and personnel-related expenditures in Louisiana state government has changed from fiscal years 2005 through 2011. We also analyzed whether the executive budget reflects the true number of state employees and personnel-related expenditures.

Overall State Results

- The overall headcount in state government decreased by 11,210 (11.8%) from June 30, 2005 to June 30, 2011.
- We were unable to determine the overall change in the total **actual** annual rate of pay for state employees. Unlike executive branch agencies, only a few postsecondary education institutions use the Integrated Statewide Information System-Human Resources (ISIS-HR) to capture and report pay and benefits data. Only **projected** data is available for all institutions.



Breakdown of the Executive Branch

- The employee headcount and number of full-time equivalents (FTEs) in executive branch agencies decreased by 5,651 (11.7%) and 5,539 (11.6%), respectively, from June 30, 2005 to June 30, 2011.
- Total **actual** annual rate of pay for executive branch agencies increased by \$297.3 million (19.9%) from fiscal years 2005 to 2011.
- **Other** pay increased by \$47.3 million (62.8%). Examples of *other* pay are overtime, termination costs, and on-call pay.
- The cost of employee benefits increased by \$210 million (56%). For example, the cost of health insurance benefits increased due to increases in healthcare costs. The cost of retirement benefits increased due to net investment losses, cost-of-living adjustments for retirees, and the back-loaded payment schedule established to pay for the unfunded accrued liability in Louisiana's four retirement systems.

Report Highlights, continued

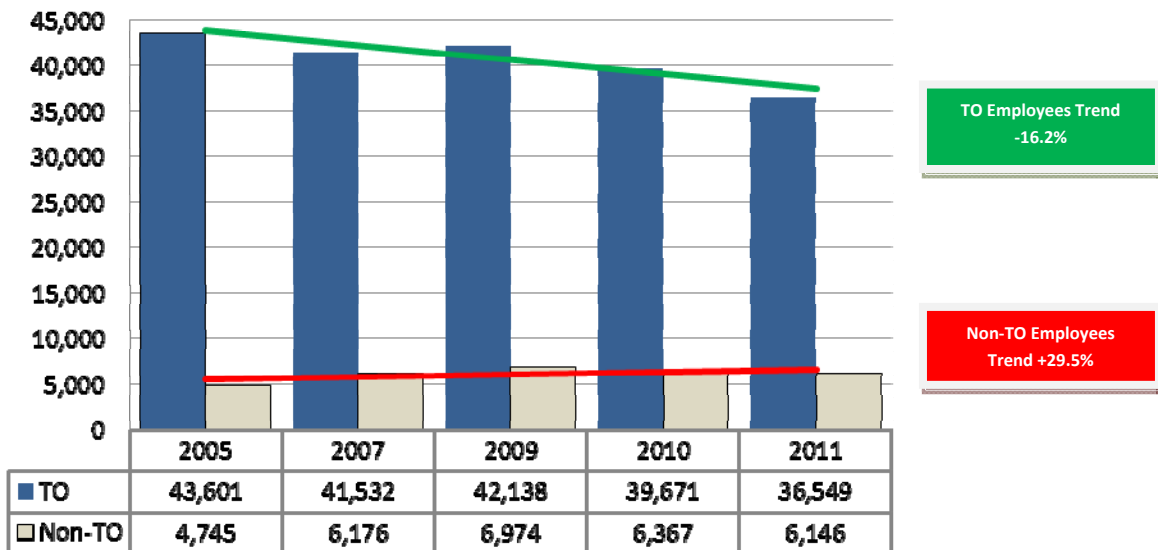
Breakdown of Postsecondary Education

- The employee headcount and number of FTEs in postsecondary education institutions decreased by 5,559 (12%) and 5,542 (13.1%), respectively, from June 30, 2005 to June 30, 2011.
- The total **projected** annual rate of pay for postsecondary education employees increased by \$99.5 million (5.6%) from June 30, 2005 to June 30, 2011.

Executive Budget Analysis

- Before fiscal year 2011, the executive budget did not include employees of postsecondary education institutions.
- The executive budget does not reflect all executive branch agency employees. Unlike TO (Table of Organization) employees, non-TO employees are not required to be authorized by the legislature and are therefore not reported in the executive budget. As a result, it is difficult for legislators and others to use the executive budget to determine the number of employees in a particular agency or in the state overall.
- While the number of TO employees decreased by 16.2% (7,052 employees) from June 30, 2005 to June 30, 2011, the number of non-TO employees increased by 29.5% (1,401 employees).

Trend of TO and Non-TO Employees (Snapshot as of June 30 of 2005 to 2011)



Source: Prepared by legislative auditor's staff using data in ISIS-HR.

- Not all personnel-related costs are reflected in the "Personal Services" expenditure category within the executive budget. The majority of non-TO employees are funded under "Other Charges."

View the full report at la.la.gov.

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