

# Personnel Cabinet Annual Report 2007-2008



**Steve Beshear**  
Governor

**Nikki R. Jackson**  
Secretary

2007-2008  
Annual Report

Personnel Cabinet

All information contained in this report is as of  
June 30, 2008

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**Steven L. Beshear**  
Governor

**Nikki R. Jackson**  
Secretary

December 19, 2008

Governor Steven Beshear  
700 Capital Avenue  
Frankfort, KY 40601

Legislative Research Commission  
700 Capital Avenue  
Frankfort, KY 40601

Personnel Board  
28 Fountain Place  
Frankfort, KY 40601

Dear Governor Beshear, Legislative Research Commission and Personnel Board:

The Personnel's Cabinet vision is to become a trusted and valuable resource for innovative, accessible and responsive human resources services. Our values are diversity, quality, integrity and innovation. Our motto is: We serve the people who serve the people.

Pursuant to KRS 18A.030 (2) (1), I am pleased to submit to you the Annual Report of the Personnel Cabinet for the fiscal year ended June 30, 2008. This report will attempt to provide you with a thorough overview of the financial, statistical and historical information pertaining to the services provided by this cabinet. We will continue to use this information to further our strategic plan in concurrence with Governor Beshear's vision for Kentucky.

Within the Personnel Cabinet, we are focusing our work on greater process and strategic discipline. Toward that end, while reviewing the pages of the following report, you will no doubt find myriad examples of our substantive offerings, products and services. We are equally proud of our heightened focus on strategy, linked to common goals, objectives and vision.

We have created the Center of Strategic Innovation. This is a new department, a first for state government. This agency supports the Personnel Cabinet's vision. They serve as quality assurance, strategic planning, process reengineering and design, visual arts and interactive/web consultants. To date, they have successfully led the following projects: Process Redesign for Open Enrollment phone and web support; Artistic revamp of Open Enrollment literature and communication strategy; Update of Personnel Cabinet's website; facilitation and monitoring of Personnel Cabinet's two-year Strategic Plan; Cabinet "all employee" meeting design; logo creation for Journey to Wellness, KHRIS, EEO Conference, Open Enrollment, Governor's Ambassador Awards, etc.

In keeping with our vision and because of our desire to reshape our brand/reputation as an employer, the Personnel Cabinet has worked to become more visible and transparent within and

without state government. To be sure, we have created the Human Resources Leadership Consortium, a monthly meeting with HR leaders (Executive Directors) across the enterprise. Where the goal is to help assure greater consistency and leveraged resources in the area of HR practicing. Further, the Personnel Cabinet makes periodic visits to other cabinets for the purpose of assuring goal and expectation alignment. Indeed, I have participated in this initiative and meet with my peers across the state to share updates on the Personnel Cabinet and to assure our services are aligned with our customers' expectations. The Governor's Annual Ambassador Awards, announced by the Governor in October, was borne out of these meetings. In terms of our external relationships, the Personnel Cabinet is looking to lead the way in private/public partnerships and has made monumental strides as reflected in its relationships with the Society of Human Resources Management where I serve as board member; the University of Kentucky's Institute for Workplace Innovation where we serve as the largest employer member and the first Kentucky public employer to join; and our Virgin Health Miles partnership which will supplement our Journey to Wellness program. As a result of these partnerships and the collective excitement around the "transformation of the cabinet", within the last 11 months, we have been asked, at the national and state level, to speak/present to employers about strategic transformations of governmental entities. To date, we have been asked to participate in the following national discussions on this topic:

- -The Public Manager and the American Society for Public Administrations 2008 Conference entitled: Transforming Bureaucratic Cultures: Challenges and Solutions for Public Management Practitioners-Baltimore, MD, July 28-29
- -The 2008 Thought Leaders Retreat, sponsored by the Society for Human Resources Foundation, September 23, 2008-Palm Springs, California (*invited but did not attend*)
- -The Human Capital Management for Government Conference in Washington D.C. March 2009

We continue to work steadfast on the Kentucky Human Resource Information System (KHRIS) project and expect full implementation in 2009. We have successfully implemented the Career Opportunities System (COS) which provides applicants an opportunity to apply on-line for state employment. As of October 31, there are 41,958 individual applications in our COS system, a true indication of the volume of interest in state government positions.

Furthermore, we have successfully completed Kentucky Group Health Insurance Open Enrollment for the 2009 plan year. This initiative beautifully illustrated the power of collective partnerships in executing our goals. This was the first "active" open enrollment since 2003. Though we had both an increase in premiums as well as a change in our benefit offerings, we were able to communicate both to state employees and quasi-agencies, without issue. This is due

Gov. Beshear  
December 19, 2008  
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largely to our proactive involvement of employee groups and effective use of focus groups to assure buy-in and comfort at the outset. We were also, from a support standpoint, able to partner with the Commonwealth Office of Technology to assure appropriate telephone coverage for the 60,000+ calls received from plan participants during Open Enrollment. We completed Open Enrollment with an enrollment rate of over 99%.

Finally, for the last five months, the Personnel Cabinet has been immersed in a home-grown "Journey to Wellness" pilot that focused on the health and well being of our Personnel Cabinet employees. We started our program with a "Know Your Numbers" campaign where employees were encouraged to participate in biometric screening to determine their BMI, Cholesterol, Blood Pressure, Blood Glucose and Lung Capacity. Those screenings, and instantaneous results, were provided for them on-site. We then moved to a Biggest Loser campaign and will soon move to the next phase which includes walking teams and other great programs. Our program is insulated by other ancillary offerings like on-site cooking classes, weight management programs, get fit lunch n-learns and smoking cessation programs. To date, we have lost over 300 pounds as a Cabinet and have at least six people who have quit smoking. 70% of our employees are participating in the program in some way. The program will be introduced to all state employees in January of 2009. We are excited about our partnership with Virgin Healthmiles, as we are the first state government employer to formulate such a relationship.

In sum, we are tremendously optimistic about the future of the Personnel Cabinet and the 33,000 employees it serves.

Sincerely,



Nikki R. Jackson  
Secretary

# Mission, Vision & Values

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## Kentucky Personnel Cabinet “Serving the People Who Serve the People”

### Our MISSION

The Personnel Cabinet provides leadership and guidance to attract, develop, motivate and retain a talented, diverse workforce; foster an understanding of and adherence to regulatory requirements; and create a positive, supportive work environment that values all employees.

### Our VISION

To be regarded by our employees and stakeholders as a trusted and valuable resource for innovative, accessible and responsive human resource services.

### Our VALUES

#### Integrity

We believe in adherence to the highest standards of conduct and the conviction to do what is legally and morally right.

#### Quality

We are committed to providing quality customer service. We will continually review our business processes based on customer needs and establish measures by which we will monitor our effectiveness.

#### Diversity

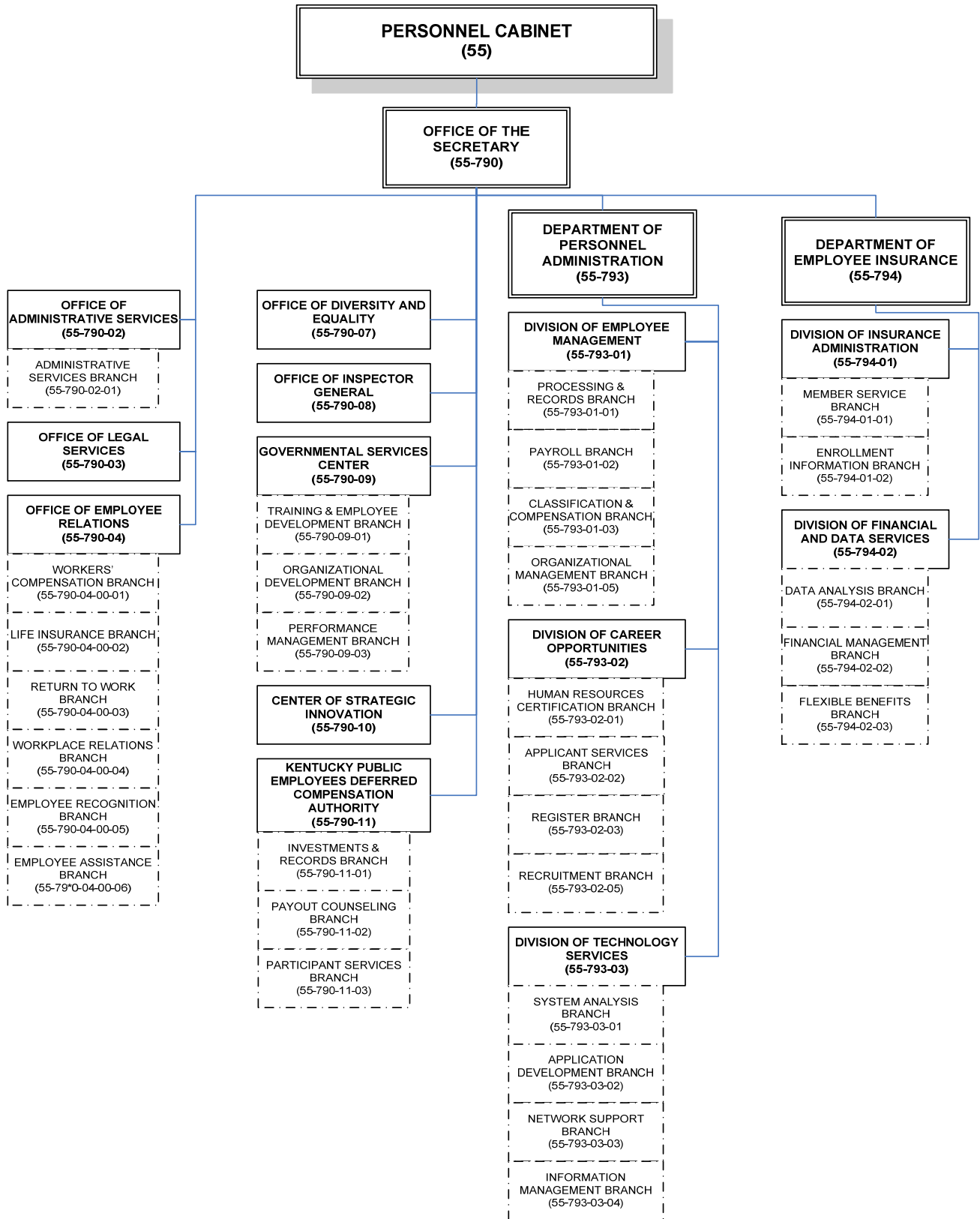
We believe that embracing people from diverse backgrounds adds to the richness and creativity of our workforce. We will ensure all people have equal access to the Commonwealth’s employment opportunities and other human resource services.

#### Innovation

We are committed to finding new and creative ways to serve our customers. We will apply progressive thinking to our systems, processes and services.



# Organizational Chart



# Personnel Cabinet Responsibilities

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## Office of the Secretary

The Office of the Secretary provides executive policy and management support to the departments, offices, and divisions of the Cabinet, promulgates administrative regulations, advises the Personnel Board on matters pertaining to the classified service, conducts investigations on all matters relating to personnel laws and rules, prepares budget estimates for support of the personnel system, provides personnel services to unclassified employees according to agency agreements, and provides for such other services as are enumerated in KRS 18A.030. Within the Office of the Secretary are the Office of Administrative Services, Office of Legal Services and the newly created Center of Strategic Innovation.

## Office of Administrative Services

The Office of Administrative Services is responsible for the internal operation of the Personnel Cabinet. The Office manages human resources, payroll and benefits for cabinet employees. In addition, the Office is responsible for the Cabinet's budgeting, accounting, purchasing, financial reporting and property management.

## Office of Legal Services

The Office of Legal Services (OLS) primary mission is to oversee the administration of legal services for the Personnel Cabinet. In performing this mission, the office performs various tasks including but not limited to: drafting legal pleadings, memoranda, proposed statutes, regulations and opinions; representing the Cabinet and its employees in administrative hearings and trials before state and federal courts; acting as the Cabinet's Custodian of Records for the Kentucky Open Records Act; consulting with other agencies on the application and enforcement of state and federal personnel laws and regulations; testifying before legislative committees; serving as an expert witness in trials concerning the Kentucky personnel system; and conducting training on personnel issues affecting the Commonwealth.

## Center of Strategic Innovation

The Center of Strategic Innovation (CSI) is made up of six integral team members; each having their own unique abilities and sharing knowledge, expertise and talents to develop and implement a strategic plan that will carry our Cabinet well into the future as far as offerings, improvements and recognition. Listed below is but a few of the major products that have been developed centered around the Cabinet's Mission, Vision and Values:

- **Communication and Work-Life Effectiveness:** Develops new programs and communicates current programs to enhance work-life effectiveness thereby, improving employee engagement in the workplace.

# Responsibilities

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- **Customer Service:** Reaches out to new employees, current employees and external customers to develop the best customer service and satisfaction. Seeks and develops motivational opportunities', nurtures the connection between employees and supervisors. Implement customer recognition and appreciation programs by continually communicating the importance of acknowledgement and customer satisfaction.
- **Organizational Effectiveness:** Facilitates the development of the Cabinet's strategic plan, assists departments in creating and tracking performance metrics; develops manager toolkits and performance aids; facilitates process improvement and helps the Cabinet manage change.
- **Research and Best Practices:** Researches up-to-date best practices and other Human Resources related topics. This research is not about new trends alone, but those coupled with success stories.
- **Graphics and Concept Design:** Supports the CSI Team members in assisting them to communicate ideas and concepts through graphic design.
- **Web Development and Media Solutions:** Works with all areas of the Cabinet to ensure that the web clearly communicates the message of the Cabinet in whatever media format is needed.

## Governmental Services Center

The Governmental Services Center (formerly the Office for Employee and Organizational Development) has been instrumental in enabling the Personnel Cabinet to meet its statutory duties and responsibilities in the areas of employee and organizational development. The Governmental Services Center (GSC) is comprised of the Executive Director's Office, Organizational Development Branch, the Training and Employee Development Branch, and the Performance Management Branch.

GSC exists to promote the professional, even personal development of people. The stronger relationships we're constantly building with our customers represent one way we are achieving this. We serve over 30,000 state employees and reach out to numerous other local employees with our consulting services. To date, thousands have sought us out for instructor-led, online and special request support. We proudly meet the standards and sometimes rigorous expectations of our clients.

We seek to make our work accessible, useful and relevant through our website, our classrooms, our training and consulting services, our publications, our branches, and forthcoming, our training consortiums and online communities. We continually engage with other Executive cabinets and agencies to ensure we can best serve the needs of the Commonwealth where so many of our employees work and apply their skills.

# Responsibilities

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## Office of Diversity and Equality

The Office of Diversity Equality (ODE) is responsible for the development and implementation of policies, procedures and programs to promote and monitor progressive statewide workforce management in the areas of equal employment opportunity compliance, affirmative action planning, retention, inclusion and diversity. Twice a year, in the Semi-Annual Report on Female and Minority Employment, the office reports the state's progress to the Personnel Cabinet Secretary.

In accordance with our commitment to voluntary and proactive compliance with state and federal equal employment opportunity laws, this office provides consultative guidance to state agencies on the investigation of discrimination complaints, and oversees agency responsiveness by the timely monitoring, tracking, and review of discrimination complaints. The office also asserts its investigative authority as a last resort to obviate the necessity for litigation. The staff provides technical assistance, training, and resources on minority recruitment, affirmative action planning, equal opportunity compliance and diversity to the Personnel Cabinet and other state agencies. This office also develops and coordinates the Annual Governor's EEO Conference, which is the primary continuing education and training event for EEO coordinators and counselors, investigators, human resource executives, supervisors and managers.

Additionally, the office oversees the development and implementation of diversity initiatives to increase cultural competency and awareness for state personnel, recruitment and retention efforts. Initiatives include cultural heritage awareness month recognition programs and the Governor's Diversity Day to name a few. The office also works in collaboration with the Governmental Services Center and Governor's Office of Minority Empowerment to coordinate, monitor, and evaluate the Governor's Minority Management Trainee Program.

## Office of Employee Relations

The Office of Employee Relations (OER) includes the Executive Director's Office, six branches and five programs. The main goal of the Executive Director's Office is to provide executive leadership to the Employee Relations' branches, programs and staff. In addition to regular duties, this office coordinates recognition activities cabinet-wide during Public Employee Recognition Week, and works with CSI to coordinate the quarterly "Walk the Talk" award.

OER is fortunate to have an extremely creative and progressive staff. OER staffers have been properly trained and equipped with the tools they need to do their jobs, and do them well, during difficult fiscal times. Using data and technology to create innovative solutions saves our office time and money, plus it provides the kind of customer service that we strive to provide to our customers.

OER will always strive to improve the quality of our workplace and make our office, our cabinet, and our state an employer of choice.

# Responsibilities

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## **Employee Benefits Branches**

Group Life Insurance, Workers' Compensation, Return-to-Work, and the Kentucky Safety Program fall under employee benefits. Many of these programs also serve employees of other governmental entities, such as local school districts, universities and other local governments.

## **Employee Services and Recognition Branches**

These branches consist of Workplace Relations, Employee Recognition and Employee Assistance. Workplace Relations is comprised of the Kentucky Employee Mediation Program (KEMP) and Workplace Resolutions. The Employee Suggestion System (ESS), career service program, and Personnel Answer Line (PAL) make up the Recognition Branch. The Employee Assistance Branch consists of the Kentucky Employee Assistance Program (KEAP). Administration of sick leave and annual leave sharing, Family Medical Leave and adoption services are located in this area. Staff also provides training and assistance to employees of the Personnel Cabinet and, upon request, to other state agencies with issues regarding the Americans with Disabilities Act (ADA).

## **Department of Employee Insurance**

The Department of Employee Insurance (DEI) operates the Kentucky Employees Health Plan (KEHP), a \$1.2 Billion, self-funded, health insurance program which provides benefits to nearly 280,000 public employees and their dependents. DEI also operates a Flexible Spending Account Program for public employees. DEI's objectives are to:

- Support public employees with health insurance and flexible benefit accounts;
- Provide exemplary customer service to KEHP members, which include employees and dependents from state government, boards of education, health departments, retirees and quasi agencies;
- Receive, analyze and maintain health insurance data to assist the Commonwealth in making decisions related to KEHP; and
- Serve as the administrative arms for the Kentucky Group Health Insurance Board (KGHIB) and the Advisory Committee of State Health Insurance Subscribers (ACSHIS), which includes the development of recommendations on the future direction of KEHP.

## **Commissioner's Office**

The Commissioner's Office includes the Commissioner of DEI and the Commissioner's staff. The Commissioner reports directly to the Secretary of the Personnel Cabinet. The Commissioner's Office is charged with overseeing the mission of the department and its daily operations.

# Responsibilities

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## **Division of Insurance Administration**

The Division of Insurance Administration consists of two branches, the Member Services Branch (MSB) and the Enrollment Information Branch (EIB).

### **Member Services Branch**

The Member Services Branch is chiefly responsible for providing customer service to KEHP members, assisting with open enrollment, and educating KEHP members on health insurance issues. Other functions include assisting KEHP members with claim and other inquiries; maintaining KEHP's Smoking Cessation Program; serving as a liaison between members and KEHP's COBRA administrator; performing Medicare recovery for all Medicare eligible members; acting as a liaison between Medicare, third party administrators, and members; processing member eligibility grievances; maintaining grievance information and statistics; obtaining contracts for all new groups joining KEHP; conducting benefit fairs for open enrollment; and assisting other departments as needed.

### **Enrollment Information Branch**

The Enrollment Information Branch is responsible for developing and administering KEHP policies and procedures concerning eligibility and enrollment; administering qualifying events; holding periodic Insurance Coordinator training sessions regarding eligibility, enrollment, and qualifying events; attending benefit fairs to answer member questions on benefit changes; assisting members and Insurance Coordinators throughout the year and during Open Enrollment on how to Web enroll; testing the Open Enrollment, database and controlling systems (table maintenance); entering updates and maintaining required information on new groups admitted to KEHP; enrolling and training new groups; updating and testing table maintenance with new plan year rates and Open Enrollment information; updating and maintaining a database of over 1600 Insurance Coordinators and Associate Coordinators for state agencies, retirement systems, cities, counties, Boards of Education, and other quasi-governmental agencies who join KEHP; maintaining accurate information on nearly 280,000 members' health insurance, HRA's, FSA's, and demographic information.

## **Division of Financial & Data Services**

The Division of Financial and Data Services consists of three branches, the Financial Management Branch (FMB), the Data Analysis Branch (DAB), and the Flexible Benefits Branch (FBB).

# Responsibilities

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## **Financial Management Branch**

The Financial Management Branch is responsible for implementing and maintaining the Premium Billing and Reconciliation (PB&R) database — collecting premiums and administrative fees paid by each agency participating in KEHP. This is accomplished by creating monthly invoices for participating agencies through the PB&R database and by contacting insurance coordinators on a monthly basis regarding discrepancies. The Financial Management Branch is also responsible for reimbursing KEHP's third party administrators for claims and administrative fees, along with reconciling any discrepancies to the contractual obligations. The Financial Management Branch oversees the KEHP Trust Fund and produces statutory and ad hoc reports for the Governor, the General Assembly, the Kentucky Group Health Insurance Board, the Advisory Committee of State Health Insurance Subscribers, various advocacy groups, and other interested parties.

## **Data Analysis Branch**

The Data Analysis Branch analyzes, evaluates and interprets health insurance data from all available sources and prepares reports based on such data for distribution to appropriate individuals within and outside the Personnel Cabinet. The Data Analysis branch assesses the impact of proposed legislation on KEHP; provides input to the Commonwealth's budget process with respect to KEHP; collects, maintains and analyzes enrollment and claims payment data from KEHP's third party administrators through a consolidated database; procures data analysis services to establish and maintain a comprehensive database of eligibility and claims utilization data necessary to manage KEHP; provides reports to the Kentucky Group Health Insurance Board and the Advisory Committee of State Health Insurance Subscribers; and provides information on request from other agencies or individuals. The Data Analysis Branch also provides systems analysis, design support, and upgrades for the Group Health Insurance (GHI) System, the Premium Billing and Reconciliation (PB&R) System, and the Web enrollment and Web-billing applications.

## **Flexible Benefits Branch**

The Flexible Benefits Branch is responsible for providing customer service to KEHP members who participate in healthcare or dependent care Flexible Spending Accounts (FSAs), or who waive health insurance and receive Health Reimbursement Accounts (HRAs). The Flexible Benefits Branch is also responsible for maintaining the eligibility and enrollment database for all participants; serving as a liaison to insurance coordinators and Third Party Administrators (TPAs) to ensure that all enrollment and eligibility needs are met; and reconciliation of each agency's Web billing account.

# Responsibilities

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## **Department of Personnel Administration**

The Department of Personnel Administration ensures individuals and agencies receive the highest quality of reliable, innovative and comprehensive human resource services. These services include employment certification, employee records administration, management of the state's classification and compensation system, and operation of the state payroll system.

The Department has taken the leadership role for the development and implementation of Kentucky Human Resource Information System (KHRIS). This Human Resource initiative is the largest undertaken by the Commonwealth in over 25 years. All Commonwealth HR information will be in one integrated system, KHRIS. KHRIS will replace the existing suite of timekeeping, payroll, personnel, employee benefits and other related systems.

KHRIS is the foundation for all HR administrative functions and will fundamentally change the way these services are delivered. This web-based system includes automated work flow to streamline the decision and approval processes. KHRIS will provide one location for all employee personnel information. KHRIS will enable the Commonwealth to support modernized best business practice processes with innovative technology. By enhancing and expanding the level of payroll, human resources and benefits administration services to employees across the Commonwealth, operational efficiency and effectiveness will improve.

The Department consists of the Division of Career Opportunities, the Division of Employee Management, and the Division of Technology Services. These areas contain ten branches with 90 employees.

## **Kentucky Public Employee's Deferred Compensation Authority**

The Kentucky Public Employees' Deferred Compensation Authority (Authority) is a "voluntary" supplemental retirement benefits program available to Kentucky public employees (this includes employees of state government agencies, public school systems, state universities and local government entities).



# Personnel Cabinet Accomplishments

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## Office of Administrative Services

The Office of Administrative Services provides fiscal and human resources management for the Personnel Cabinet. Over the course of the fiscal year ending June 30, 2008, the Cabinet had a slight increase in its number of permanent full-time employees from 223 to 225. This is an increase of roughly one percent (1%) over the course of the fiscal year after a decrease by the same percentage the year before. The Office anticipates an increase in FY 2009 because of expanding responsibilities associated with the new personnel/payroll/benefits system, KHRIS.

The Office worked with the Department for Facilities and Support Services as well as the Correctional Industries' Moving Crew to coordinate the move from leased property at 150 Fair Oaks, 200 Fair Oaks, and 801 Teton Trail to the renovated State Office Building.

Administrative Services successfully accounted for expenditures and revenues during the fiscal year.

## Office of Legal Services

During the fiscal year of 2007-2008, the Office of Legal Services:

- Reviewed and consulted with agency attorneys and administrators with respect to 340 appeals filed with the Personnel Board.
- Represented the Personnel Cabinet in 81 appeals filed with the Personnel Cabinet.
- Represented Personnel Cabinet at status conferences, filing of pleadings, etc. in various Franklin Circuit Court cases.
- Processed 252 requests submitted under the Kentucky Open Records Act and notified agencies and employees in appropriate cases.
- Responded to 159 Investigative Requests for Employment for U.S. Office of Personnel Management.
- Filed SPD for 2008 with Personnel Board following review by the Cabinet for Health & Family Services.
- Reviewed and either approved, denied or requested further information on hundreds of background check files.
- Reviewed and either approved, or requested additional documentation regarding 154 disciplinary actions.
- Reviewed and approved 1701 terminations (from probation interim, etc.)
- Reviewed and approved 22 temporary reassignments of other agency employees.
- Reviewed and approved 58 special investigative leave letters from other agencies.
- Fielded numerous telephone calls from state employees regarding a wide range of issues.
- Reviewed and approved all settlement agreements of Personnel actions involving executive branch agencies.
- Provided ongoing legal assistance to the KHRIS project.
- Attended monthly Personnel Board meetings and provided a summary of the Cabinet's activities.
- Attended Legislative Committee hearings.
- Attended and briefed Personnel Council.

# Accomplishments

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- Redrafted the Plan Documents for the Kentucky Employees Health Plan.
- Presented at the Governor's Equal Employment Opportunity Conference.
- Attended meetings on Group Health Insurance Board.
- Filed Administrative Regulations on Career Opportunities System, 101 KAR 2:046, 101 KAR 2:056, and 101 KAR 2:066.
- Updated Kentucky Employee Handbook.
- Attended and briefed Kentucky Personnel Board on various matters associated with the merit system.
- Conducted training on the state personnel system as well as state and federal employment law.
- Briefed LRC on proposed legislation relating to merit system.
- Reviewed various RFP's, and MOAs, and reviewed MOU of Department of Veteran's Affairs regarding liaison position in the counseling branch.
- Filed EEAP regulation – 101 KAR 2:221.
- Filed Kentucky Employee Mediation Program regulation – 101 KAR 2:120
- Provided assistance in compliance with federal legal requirements for Public Health Insurance Program (commonly known as the Kentucky Employee Health Plan)
- Provided legal support during the 2008 legislation session.
- Developed dependent eligibility guidelines for Public Employees Health Insurance Program in light of KRS 304.17A-256.
- Filed an amendment to Administrative Regulation 101 KAR 2:034 to include multilingual hourly premiums.
- Renewed Public Employees Health Insurance Program vendor contracts and business associate agreements with Humana, Inc., and Express Scripts, Inc.
- Participated with GEAC and proposed changes to Master Agreement.

## Center of Strategic Innovation

As a newly established office in July of 2008, the CSI team developed a Communications Plan as being the foundation for communication delivery both inside and outside the Cabinet. The plan identified stakeholders and the respective approaches that are being utilized in the strategic delivery of information to garner support, buy-in, and acceptance for the CSI-related initiatives. Communications are continually being developed with an emphasis on collaboration with feedback from executives, the Assembly of Auspicious Pathfinders (AAP), and employees.

Recognition, Acknowledgement, and Incentive Programs implemented include:

- "Rising Star"- employee recognition award
- Thank You Stationary
- "You've Been Smiled"
- Thought of the Week
- GPS (newsletter)
- Pathway employee events
- Secretary's Book club
- "It Begins with Me" statements and Favorites List

# Accomplishments

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CSI facilitated the development of the Cabinet's Mission, Vision and Values, and coordinated the development of the Big Questions.

- Designed and implemented M.A.R.T.I., a mascot for Cabinet employees
- Compiled an Innovation Reference Book
- Implemented a Flexible Work Schedule Toolkit to benefit employees statewide
- Collaborated with the Department of Employee Insurance to develop a user-friendly web site to assist employees across the state in making an informed decision about Health Care Benefits for open enrollment

## Governmental Services Center

### GSC Needs Assessment

In February 2008 the GSC implemented a Needs Assessment team. The team's intent was to rediscover, define and validate our customers' training needs across the Executive Branch of government. Maintaining alignment with our Personnel Cabinet's goal to become an Employer of Choice, we knew the importance of illustrating and adopting a posture of service. It was important to become more strategic in how we work on, and especially important, who we work with to clarify our direction.

Our goal was to make sure as we plan ahead we follow our own mission to *provide innovative learning and performance consulting services* through meeting the needs of our customers. Therefore it was important to first hear from our customers on "what are the current needs facing their agencies and employees?" We took a phased approach with the first phase consisting of scheduled interviews with Executive Branch leaders and representatives of different Cabinets and various agencies to get a broad perspective of the immediate training needs facing the Commonwealth.

We sought representatives with a varied background to obtain in a short time a general overview. We interviewed over twenty-three individuals representing thirteen different agencies from nine different cabinets: including General Government, LRC, Office of the Secretary, and GOLD. Many of the individuals have long careers in state government and are very involved in the leading and managing of the Commonwealth's workforce. The interviews focused on specific training needs their agencies would value as they prepare to meet the upcoming challenges in accomplishing their goals and objectives.

The results of the first assessment determined that four overarching themes existed: fundamental supervisory skills, workplace compliance issues, computer classes, leadership skills and employee development.

# Accomplishments

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To date, we have addressed and completed several requests: new eLearning services linked to GSC's website. Various computer trainings, such as Microsoft Word, PowerPoint and Excel, along with Microsoft quick reference guides are easily obtainable. Most of these tutorials are for beginner and intermediate learners. These tutorials can be used with or without audio. Leadership skills "cheat sheets" are provided in an electronic leadership toolkit. Two specialized online courses have been developed: anti-harassment training and workplace violence. Other online services are leadership podcasts from leading professional websites. Podcast topics range from Making Meetings Matter, Managing Millennial, Collaboration and Adding Pizzazz to Your Speech. We are also continually providing ongoing onsite consulting services, specifically related to workforce planning, strategic planning, Spanish and performance management.

## Performance Management Branch July 1, 2007- June 30, 2008

- Conducted 'Performance Matters' employee evaluation supervisor training for approximately **763** supervisors and interested employees.
  - Provided consultant services regarding Performance Management for the Administrative Office of the Courts resulting in training of **60** participants.
  - Provided consultant services regarding Performance Management for Kentucky State University resulting in training of **74** participants.
  - Provided consultant services regarding Performance Management for the Department of Agriculture resulting in a presentation to **128** participants.
- Completed a statewide audit of 2006 performance evaluations. This effort resulted in the auditing of **2,501** or **10%** of all evaluations conducted during the 2005 performance period.
- Monitored and provided assistance to agencies in the administration of the employee performance evaluation system resulting in verification of the following achievements:
  - ✓ **26,778** or **97.7%** of all eligible employees met with their supervisor during the required April 2007 interim review meeting to discuss their work performance progress. (*verified May 2008*)
  - ✓ **25,503** or **97.6%** of all eligible employees met with their supervisor during the required August 2007 interim review meeting to discuss their work performance progress. (*verified May 2008*)
  - ✓ **24,907** or **98%** of all eligible employees received an annual evaluation for the 2007 performance year.
  - ✓ **27,803** or **98.8%** of all eligible employees met with their supervisor to discuss and sign their 2008 performance plan.

# Accomplishments

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- ✓ In the process of auditing all eligible employees to verify having met with their supervisor during the required April 2008 interim review meeting to discuss their work performance progress.

## **Certified Public Managers Program**

GSC started the Kentucky Career Manager Program in 1983 and it became certified by the Certified Public Manager® consortium in 1989 as the Kentucky Certified Public Manager Program (KCPM). The purpose of KCPM program is to develop an identifiable pool of individuals with expertise and talent to be dedicated public managers or potential managers. This program has been recertified every five years as designated by the CPM® consortium. GSC will undergo recertification again in 2009.

GSC will complete the first cycle of the 2006 designed KCPM Program with the Capstone in October 2008. Capstone is a nationally recognized final project by KCPM participants demonstrating knowledge, skills and abilities gained from the curriculum to assist Kentucky government agencies.

The Kentucky Certified Public Manager Program® is a nationally accredited management certificate program that is challenging, disciplined, current and comprehensive. Kentucky is 1 of 29 states plus the District of Columbia, and the USDA Graduate School in the nation accredited by the National Certified Public Manager Consortium. There are 4 additional states and the U.S. Virgin Islands with associated status soon to be accredited.

The new program structure started with the first cohort in the fall of 2006. There are 130 candidates currently representing a majority of the cabinets. The Memorandum of Agreement with Kentucky State University (KSU) to conduct five on-line classes is in effect and GSC will be requiring Project Management as preparation for the final Capstone project.

The GSC meets with students to evaluate the new program, addresses their concerns, and partners with KSU to continually improve the KCPM program. This year the Advisory Council was revived to have an outside look at the program from individuals in and out of Kentucky government. This group has looked at marketing the program to cabinet leadership, and participants for gaps in the program as they looked at the needs for managers within their programs. GSC is working with the new Educational Assistance Program guidelines, and reviewing how agencies not participating will affect the KCPM program enrollment.

# Accomplishments

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## Employee Educational Assistance Program

Earlier this year, GSC drafted an employee educational assistance program regulation. During the summer of 2008, the Personnel Cabinet was advised by the Legislative Research Commission that the regulation (101 KAR 2:221) was effective August 1, 2008. The Employee Educational Assistance Program (EEAP) described by 101 KAR 2:221 and adopted by the GSC establishes and sets forth the terms and conditions of the Employee Educational Assistance Program. This administrative regulation establishes the requirements for employee participation in and the agency reporting obligations relating to the Employee Educational Assistance Program to ensure that agencies are maintaining and reporting required usage data.

The regulation for the EEAP states that the Governmental Services Center shall be responsible for issuing, administering, and monitoring the EEAP. A summary of the EEAP regulation, 101 KAR 2:221:

- The regulation is for classified merit full time employees (FTE).
- Each Cabinet or Agency shall elect an EEAP Coordinator to oversee process and documentation.
- EEAP documentation shall be maintained in the Cabinet or Agency's Educational assistance policy file and made available during periodic audits conducted by the GSC.
- Each Cabinet or Agency shall use the new Employee Educational Assistance Program Form to process requests.
- Funding for educational assistance shall come from a cabinet or agency's budget and is based on the availability of agency funds.
- Each Cabinet or Agency shall ensure that the selected University/College has conducted regular assessments to accredit each academic, academic support, and non-academic programs.
- A Cabinet or Agency shall establish approved lists of courses, programs, and degrees for which educational assistance may be granted.
- Employees shall receive educational assistance only for classroom, online or independent study courses at Kentucky State University (KSU), unless the course, program or degree required is not available or offered at KSU.
- A Cabinet or Agency may create a Special-Purpose Educational Assistance Program which provides educational assistance for an employee to obtain a specific degree or certification that is in the interest of the Cabinet or Agency.
- The Cabinet or Agency shall maintain complete and accurate records relating to its Employee Educational Assistance Program and Special-Purpose Educational Assistance

# Accomplishments

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Program if applicable. Records shall be made available for GSC periodic audits or upon request.

During the FY 07-08 year, GSC conducted 124 onsite workshops with over 3000 participants in attendance. We continued our consulting services and during this time completed twenty eight workshops. We also developed and conducted 7 Customer Service sessions to over 240 Kentucky State University employees – this is in addition to the already above-mentioned workshops.

## **Some Additional Agency Accomplishments:**

### **Governor’s Minority Management Training Program**

Our role has been in the past and continues to be, the providers of the program approved training. Governor’s Minority Management Training Program (GMMTP) organizers approved the Certificate of Management Fundamentals curriculum as the training of choice. GSC is currently working with the Office of Diversity and Equality for 2009 registration and communications. GSC will work with ODE to ensure up-to-date courses and possible additional courses to the program agenda.

### **Certified Management Fundamentals**

Certificate for Management Fundamentals (CMF) is an ongoing, non-application based program currently requiring 11 workshops & 1 applied project. In 2007/2008 there have been 17 participants that have completed CMF, including 14 GMMTP candidates. Currently seven participants have completed the required KCMF workshops and have been approved to begin the required CMF project in order to complete the certificate program.

**Employee Orientation (Cabinet and Statewide)** – GSC realizes that an employees first encounter with their new position is critical to and a part of the engagement strategy. Currently, we are piloting “culture creation” at the beginning of employment. We will conduct periodic cabinet-wide orientations and develop a recommendation to roll out a consistent format for all of state government (as a part of the employment branding strategy).

## **Examples of Consulting and Special Projects**

- ✓ Conducted Train-the-Trainer workshop for Kentucky Retirement System (KRS) pension administration system coaches. This project, Strategic Technology Advancements for the Retirement of Tomorrow (START), will significantly alter the way KRS conducts business and serves their active members and retirees in the future. This training was designed to provide necessary skills to the START project team prior to kickoff, as well as to build team cohesiveness.
- ✓ Workforce Planning – Sent weekly (8) communication to executive leadership, cabinet leadership and HR consortium leaders regarding the steps to effectively recognize and implement workforce planning tools and practices. Our workforce planning website has been updated. Future plans are to create an electronic survey and various assessment tools for leaders to access at any time. Also several consulting workshops have been conducted during the year to review workforce planning processes.

# Accomplishments

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- ✓ Strategic Planning – We currently offer ongoing consulting support throughout the year. Strategic planning website was currently under construction for example, to reflect the progress report year as well as provide electronic strategic planning resources. In addition, an online strategic planning training module will be included.
- ✓ Provided the Education Cabinet business writing workshop that was tailored to the meet the writing specification for unemployment insurance claims investigators and adjudicators. The workshop focused on skills to accurately document actions taken on a claim and effectively communicate through agency-specific documents.
- ✓ Assisted General Government in providing structural behavioral interviewing skills workshops. The emphasis was to understand the types of questions to ask candidates that will elicit the most useful information about job performance.
- ✓ Spanish was added to the course catalog this year. Spanish has also been one of our “most requested” consulting services. Several onsite as well as offsite sessions have been added with the forecast of adding Spanish to our 2009 (calendar year) offsite schedule to the state parks.

## **Current GSC Course Additions:**

### **Customer Service**

Customer Service was revamped in 2008 and piloted at a couple of agencies throughout the state. The course has been updated to define exceptional customer service as it relates to state government; while instilling personal commitment to providing exceptional customer service at every opportunity

### **Spanish**

GSC is currently partnering with educational institutions and developing basic coursework in Spanish to accommodate employees and managers of Hispanic employees. GSC’s current basic Spanish course focuses on basic customer service sentences, vocabulary and numbers. In the near future, GSC will develop the next series of basic Spanish offerings and online resources for immediate access across the Commonwealth.

### **Online Introduction to Supervision**

As a way to immediately provide resources to newly promoted or new supervisors to state government, GSC makes available specific Human Resource procedures for topics such as leave, grievances, absences and the like relating to state policies. This is complimentary information to our instructor-led course with the same name.

### **Online Anti-Harassment**

In partnership with the Office of Diversity and Equality, GSC has developed an online resource that covers the same information facilitated in the instructor-led class (conducted by the Office of Diversity and Equality). The online course is used as a follow up, mandatory and / or complimentary tool to the instructor-led offering.



# Accomplishments

## Online Workplace Violence

This online topic is new to the GSC course catalog. This online offering provides the general understanding of workplace violence and policies and procedures as they relate to specific Kentucky state requirements.

### The Governmental Services Center Training Data July 1, 2007 – June 30, 2008

<i>Participant Information</i>		
<b>Cabinet</b>	<b>Duplicated Totals (Counted Each Time They Attend)</b>	<b>Unduplicated Totals (Each Individual Only Counted One Time)</b>
Commerce	315	151
Economic Development	9	4
Education	269	126
Energy & Environment	448	144
Environmental & Public Protection	13	11
Finance & Administration	224	102
General Government	390	169
Health & Family Services	366	150
Judicial Branch	14	6
Justice & Public Safety	299	141
Kentucky State University	244	244
Labor	151	66
Legislative Branch	97	61
Local Government	2	1
Personnel	70	22
Public Protection	118	60
Transportation	206	94
<b>TOTAL</b>	<b>3235</b>	<b>1553</b>
<i>Workshop Information</i>		
Regular Workshops (Including CMF and CPM)		124
Specials		28
Online – <i>in development</i> (anti-harassment, workplace violence, Safety, Ethics, ADA/FMLA)		5
<b>TOTAL</b>		<b>139</b>
<i>KCPM Information</i>		
CMF Active		Unknown*
CMF Made Inactive		0
CMF Completed		5**
<b>Total CMF Participants</b>		<b>5</b>
CPM Active		145
CPM Made Inactive		49
CPM Completed		0***
<b>Total CPM Participants</b>		<b>194</b>
CMF Workshops		76
CPM Workshops		33
<b>TOTAL</b>		<b>109</b>

# Accomplishments

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\*Under Certified Management Fundamentals (CMF) program, CMF certification does not require an application and GSC does not track participants. They submit an audit request once they have completed all of their classes and their project.

\*\* This number does not include GMMTP participants that completed and received a CMF certificate. The GMMTP participants do not have a CMF finish date listed in Pathlore.

\*\*\*We are still working through the new KCPM program and have not had our first Capstone class under the program. Participants cannot complete the program until they have completed Capstone. Capstones are scheduled to begin in the fall of 2008.

## Office of Diversity and Equality

The Office of Diversity & Equality (ODE) is committed to the Personnel Cabinet's mission to provide leadership and guidance to attract, develop, motivate and retain a talented, diverse workforce; foster an understanding of and adherence to regulatory requirements, and create a positive, supportive work environment that values all employees. The office further embraces its role as primary advocate for all employees to have equal access to employment opportunities and human resource services provided by the Commonwealth through the development of collaborative and innovative strategies to achieve and maintain an inclusive and diverse workforce.

During the fiscal year 2007-2008, the EEO accomplishments included:

- The completion of two Semi-Annual Reports on Female and Minority Employment. In 2005 the goals for minority employment were raised based on data from the 2000 U.S. Census from 7.51% to 10.00%. The goal for female employment remained the same at 52.42%. As of June 30, 2008, the percentage of minority employees for all three branches of state government was 9.02%. The percentage for female employees for state government was 49.33%.

There are two cabinets that exceeded the goals for minority employment: Cabinet for Health and Family Services and Personnel Cabinet.

There are six cabinets that exceeded the goals for female employment: Labor Cabinet, Education Cabinet, General Government, Cabinet for Economic Development, Cabinet for Health & Family Services, and Personnel Cabinet.

- Established the Equal Employment Opportunity Coalition to promote proactive and voluntary EEO compliance through functional training, agency engagement, consistency in policies and procedures, cultural awareness, best practices sharing and additional resources for EEO Coordinators. The office conducts Coalition general body meetings on a semi-annual basis and quarterly committee meetings. Coordinators volunteer to serve on a rotating basis on the following committees: Training, Education & Outreach (TEOC), Semi-Annual

# Accomplishments

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Coordinator Forum Planning Committee, Governor's EEO Conference Planning Committee. These committees provide advocacy and additional support to the office in monitoring and implementing affirmative action, EEO and diversity initiatives.

- Consultation with agency executives of approximately four Cabinets on the enhancement of EEO investigative policy and procedure. The office received sixty-seven calls regarding discrimination complaints and/or general inquiries. Fourteen calls required agency follow-up, resulting in eight resolved cases.
- The continued development and implementation of EEO training modules designed to educate employees on the protected classes of Title VII, state policies, procedures and protections against discrimination. Specifically, anti-harassment and religious discrimination training modules were developed during this period.
- Facilitated notification and provided guidance on policy updates to EEO coordinators on Executive Order 2008-473 which restored sexual orientation and gender identity as protected classes under the statewide affirmative action plan and anti-discrimination policies.
- Presented EEO training and/or informational sessions for approximately 590 interested employees in response to training requests received from throughout the Commonwealth. EEO Coalition efforts have resulted in training of a reported 175 additional employees. The office has received approximately ten training requests from state agencies, local municipalities and private sector employers.
- Initiated the development of on-line EEO training, train-the-trainer sessions, and a calendar of on-going training in conjunction with the Governmental Services Center to increase accessibility and support efforts to provide anti-discrimination training to all state employees by June of 2009.
- The coordinated and implementation of the 21<sup>st</sup> Annual Governor's EEO Conference hosting over 300 employees and featuring over 20 presenters.
- The planning and coordination of the 22<sup>nd</sup> Annual Governor's EEO Conference revised to increase outreach, provide training and resources specific to the equal employment opportunity and diversity goals of the office.
- The continued development of the new tracking data base for internal EEO complaints. The office is exploring with Personnel Administration whether the existing database will be compatible with KHRIS, or whether a new system will need to be configured in order to provide monthly tracking of statewide EEO complaints and investigations.
- Collaborated with Personnel Administration to develop affirmative action and EEO reporting requirements for the KHRIS system to increase efficiency.
- Hosted a statewide EEO coordinator forum to solicit feedback and conduct needs assessment of state EEO personnel, provide compliance training from Equal Employment Opportunity

# Accomplishments

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Commission and Kentucky Commission on Human Rights and share updates on goals, objectives, and services of the office.

- The development and circulation of a monthly newsletter to provide updates, information and resources on human resource, EEO and diversity related topics to EEO personnel.
- The update and publication of a statewide EEO Coordinator's Directory.
- Traveled to the Commonwealth of Virginia to share best practices and establish on-going relations regarding EEO and affirmative action compliance.

The diversity initiatives for this fiscal year included:

- Provide consultative guidance to the minority recruitment manager in Personnel Administration on increasing education and outreach efforts to underutilized groups in the Commonwealth.
- Conducted keynote addresses and training for the YMCA Black Achievers program Kentucky Association of Elementary School Principals on public service and human resource initiatives.
- Ongoing research and development of a two-year diversity plan in conjunction with the Governor's Office.
- Planning and implementation of statewide recognition of cultural heritage awareness months as established by the United States Congress. The purpose is to increase understanding and provide insight into the trials and triumphs of various groups of people to motivate and inspire all employees. Programs and events successfully implemented thus far include the following:

Black History Month

February

"Black History: A Lesson in Resiliency" featured keynote speaker Reverend Frank Smith, Jr. of Louisville who honored the legacy of Kentucky's historically black colleges and universities, Simmons College of Kentucky and Kentucky State University.

Women's History Month

March

"Exhibiting Organizations of Service for Women in Kentucky" featured informational booths on non-profit organizations throughout the Commonwealth who serve the needs of women and girls. The purpose was to provide information to state employees on resources and volunteerism opportunities.

Asian Pacific American Heritage Month

May

"A Time of Fear" featured speaker and presenter Dr. Doug Slaymaker, Japanese Studies professor at the University of Kentucky, who provided an in depth look into the lives of Asian Americans as they were forced into concentration camps within U.S. borders after Japan attacked Pearl Harbor.

# Accomplishments

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- Continued development of diversity training modules, designed to raise employee awareness related to diversity and organizational competency issues.
- Developed and conducted surveys and forums to assess the Governor's Minority Management Trainee Program and begin redesign in collaboration with the Governmental Services Center and Governor's Office of Minority Empowerment.
- Designed and coordinated the Personnel Cabinet professional development and recruitment workshop, "Opening the Door to State Government" for the Governor's Empowerment Conference scheduled for August of 2008.
- The maintenance of the EEO and diversity web pages on the Personnel Cabinet website for the purpose of disseminating EEO and diversity related policy and information.
- The coordination and implementation of the 11<sup>th</sup> Annual Diversity Day with approximately 400 middle and high schools students from across the Commonwealth.

Programs currently in the development stage include:

- Continued program development and coordination of the 22<sup>nd</sup> Annual Governor's EEO Conference scheduled for October of 2008.
- On-line EEO training in conjunction with Governmental Services Center.
- Planning for the October 2008 EEO Coordinators Forum.
- Development of a two-year diversity plan in conjunction with the Governor's Office.
- The development of a program schematic for affinity diversity groups designed to create networking and serve as an internal support system for employees. Such a program will also serve as a tool for diversity recruitment.
- Planning for cultural awareness month recognition programs and events for Hispanic Heritage Month, Employment Disability Awareness Month and Native American Heritage Month.
- Program redesign of the 12<sup>th</sup> Annual Governor's Diversity Day.
- The redesign and implementation of the Governor's Minority Management Trainee Program in collaboration with the Governmental Services Center and Governor's Office of Minority Empowerment.
- Consultation with the Department of Personnel Administration executives in assessing the equal employment issues in minority recruitment and the application process.
- Ongoing employee diversity and EEO training, consulting and oversight.

# Accomplishments

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- The continued development and implementation of innovative and educational training opportunities to promote personal and professional growth.

## EQUAL EMPLOYMENT OPPORTUNITY DATA As of June 30, 2008

<b>Statewide Minority Utilization Table</b>						
<b>EEO Job Category</b>	<b>Total Employees</b>	<b>Total Minority Employees</b>	<b>Minority % Goal</b>	<b>Current Minority %</b>	<b>UNDER UTILIZED</b>	<b>No. Minority Needed</b>
<b>OFFICIALS &amp; ADMINISTRATORS</b>	2,952	224	10.00%	7.59%	YES	71.2
<b>PROFESSIONALS</b>	16,368	1,492	10.00%	9.12%	YES	144.8
<b>TECHNICIANS</b>	1,863	120	10.00%	6.44%	YES	66.3
<b>PROTECTIVE SERVICE WORKERS</b>	3,352	242	10.00%	7.22%	YES	93.2
<b>PARA PROFESSIONALS</b>	<b>2,268</b>	<b>349</b>	<b>10.00%</b>	<b>15.39%</b>	<b>NO</b>	<b>0</b>
<b>OFFICE &amp; CLERICAL</b>	2,158	169	10.00%	7.83%	YES	46.8
<b>CRAFTSMEN</b>	2,417	152	10.00%	6.29%	YES	89.7
<b>SERVICE MAINTENANCE</b>	<b>1,728</b>	<b>240</b>	<b>10.00%</b>	<b>13.89%</b>	<b>NO</b>	<b>0</b>
<b>OTHER</b>	<b>6</b>	<b>0</b>	<b>.%</b>	<b>0</b>	<b>NO</b>	<b>0</b>
<b>TOTAL</b>	<b>*33,112</b>	<b>2,988</b>		<b>9.02%</b>		

\*At the beginning of this fiscal year certain classifications were not captured due to clerical error.

# Accomplishments

<b>Statewide Female Utilization Table</b>						
<b>EEO Job Category</b>	<b>Total Employees</b>	<b>Total Female Employees</b>	<b>Female % Goal</b>	<b>Current Female %</b>	<b>UNDER UTILIZED</b>	<b>No. Female Needed</b>
<b>OFFICIALS &amp; ADMINISTRATORS</b>	2,952	1,257	52.42%	42.58%	YES	290.44
<b>PROFESSIONALS</b>	<b>16,368</b>	<b>9,474</b>	<b>52.42%</b>	<b>57.88%</b>	<b>NO</b>	<b>0</b>
<b>TECHNICIANS</b>	1,863	674	52.42%	36.18%	YES	302.59
<b>PROTECTIVE SERVICE WORKERS</b>	3,352	551	52.42%	16.44%	YES	1,206.12
<b>PARA PROFESSIONALS</b>	<b>2,268</b>	<b>1,785</b>	<b>52.42%</b>	<b>78.70%</b>	<b>NO</b>	<b>0</b>
<b>OFFICE &amp; CLERICAL</b>	<b>2,158</b>	<b>1,769</b>	<b>52.42%</b>	<b>81.97%</b>	<b>NO</b>	<b>0</b>
<b>CRAFTSMEN</b>	2,417	152	52.42%	5.1%	YES	1,115
<b>SERVICE MAINTENANCE</b>	1,728	667	52.42%	38.60%	YES	238.82
<b>OTHER</b>	6	4	.%	<b>66.67%</b>	<b>NO</b>	<b>0</b>
<b>TOTAL</b>	33,112	16,333		49.33%		

## EQUAL EMPLOYMENT OPPORTUNITY DATA As of June 30, 2008

<b>Personnel Cabinet Minority Utilization Table</b>						
<b>EEO Job Category</b>	<b>Total Employees</b>	<b>Total Minority Employees</b>	<b>Minority % Goal</b>	<b>Current Minority %</b>	<b>UNDER UTILIZED</b>	<b>No. Minority Needed</b>
<b>OFFICIALS &amp; ADMINISTRATORS</b>	36	3	10.00 %	8.33%	NO	0.6
<b>PROFESSIONALS</b>	<b>168</b>	<b>19</b>	<b>10.00 %</b>	<b>11.31%</b>	<b>NO</b>	<b>0</b>
<b>TECHNICIANS</b>	<b>10</b>	<b>1</b>	<b>10.00 %</b>	<b>10.00%</b>	<b>NO</b>	<b>0</b>
<b>PROTECTIVE SERVICE WORKERS</b>	N/A	N/A	10.00 %	N/A	N/A	N/A
<b>PARA PROFESSIONALS</b>	2	0	10.00 %	0	YES	0.2
<b>OFFICE &amp; CLERICAL</b>	<b>8</b>	<b>1</b>	<b>10.00 %</b>	<b>12.50%</b>	<b>NO</b>	<b>0</b>
<b>SKILLED WORKERS</b>	N/A	N/A	10.00 %	N/A	N/A	N/A
<b>SERVICE MAINTENANCE</b>	N/A	N/A	10.00 %	N/A	N/A	N/A
<b>TOTAL</b>	<b>224</b>	<b>24</b>		<b>10.71%</b>		

# Accomplishments

<b>Personnel Cabinet Female Utilization Table</b>						
<b>EEO Job Category</b>	<b>Total Employees</b>	<b>Total Female Employees</b>	<b>Female % Goal</b>	<b>Current Female %</b>	<b>UNDER UTILIZED</b>	<b>No. Female Needed</b>
<b>OFFICIALS &amp; ADMINISTRATORS</b>	<b>36</b>	<b>21</b>	<b>52.42%</b>	<b>58.33%</b>	<b>NO</b>	<b>0</b>
<b>PROFESSIONALS</b>	<b>168</b>	<b>130</b>	<b>52.42%</b>	<b>77.38%</b>	<b>NO</b>	<b>0</b>
<b>TECHNICIANS</b>	<b>10</b>	<b>7</b>	<b>52.42%</b>	<b>70.00%</b>	<b>NO</b>	<b>0</b>
<b>PROTECTIVE SERVICE WORKERS</b>	N/A	N/A	52.42%	N/A	N/A	N/A
<b>PARA PROFESSIONALS</b>	<b>2</b>	<b>2</b>	<b>52.42%</b>	<b>100.00%</b>	<b>NO</b>	<b>0</b>
<b>OFFICE &amp; CLERICAL SKILLED WORKERS</b>	<b>8</b>	<b>8</b>	<b>52.42%</b>	<b>100.00%</b>	<b>NO</b>	<b>0</b>
<b>SERVICE MAINTENANCE</b>	N/A	N/A	52.42%	N/A	N/A	N/A
<b>TOTAL</b>	<b>224</b>	<b>168</b>		<b>75.00%</b>		

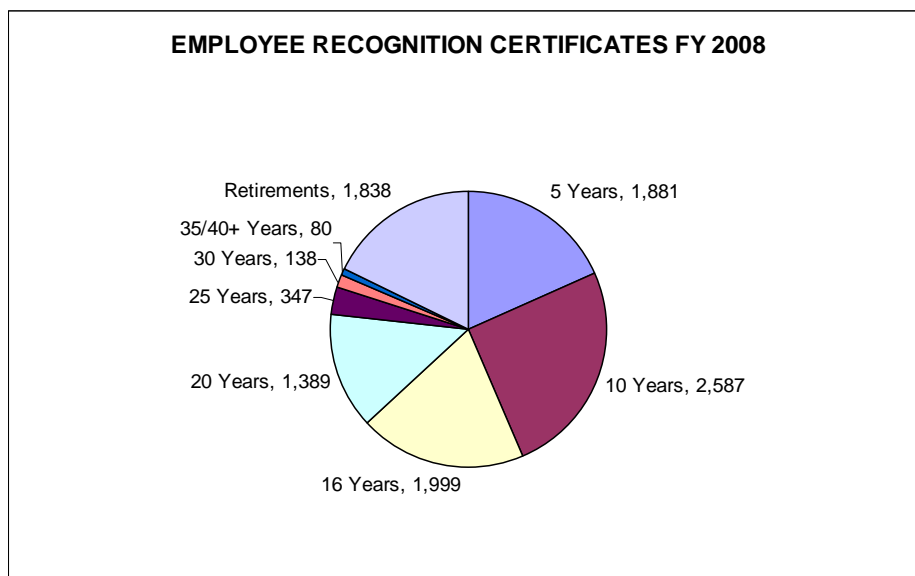


# Accomplishments

## Office of Employee Relations

### Employee Recognition Branch

- The Personnel Answer Line, 1-866-PAL-LINE, was established in an effort to communicate the Personnel Cabinet's philosophy of openness. The staff makes every effort to answer questions concerning personnel issues for state employees and the general public.
- Awards totaling \$22,465 were presented to 39 state employees through the Employee Suggestion System. These suggestions represented a first-year savings of \$1,011,719 for FY 2007-2008.
- Career service certificates for 16, 20 and 25 years of service plus every 5 years thereafter were presented to 3,953 employees. Service pins were also presented to 1,999 employees with 16 years of service. Recognition certificates were processed for 4,468 employees acknowledging their 5 and 10 years of service.
- Retirement certificates were presented to 1,838 employees.
- The total number of certificates presented to state government employees (career, recognition and retirement) during FY 2007-2008 totaled 10,259. The following chart shows the breakdown of the issued certificates.



# Accomplishments

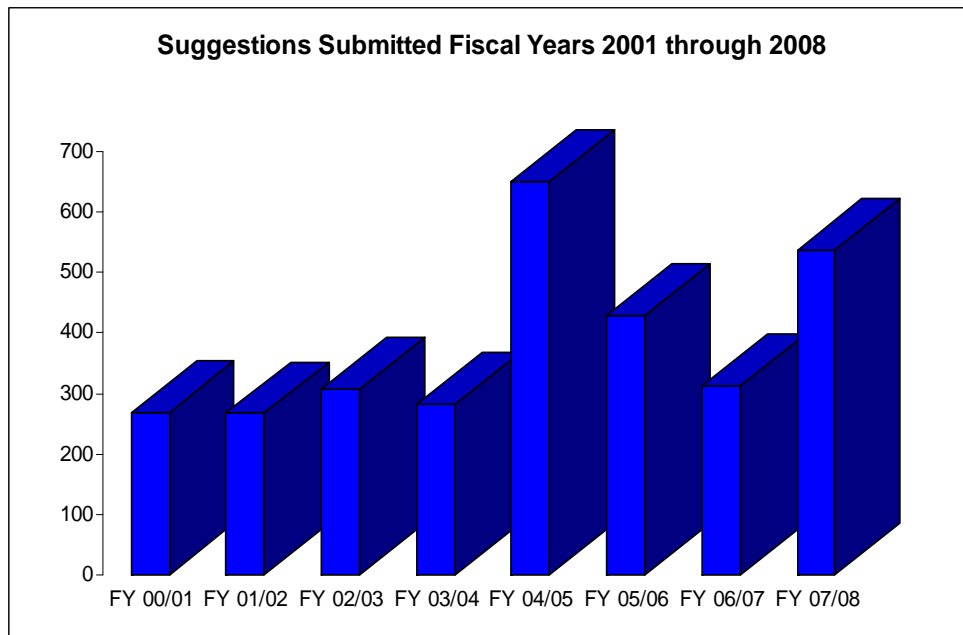
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## Employee Suggestion System

State government employees can use an internet-based system to submit suggestions on making state government more efficient, thanks to the Employee Suggestion System website. The newly enhanced system establishes Kentucky as a leader in recognizing and managing the ideas of employees. The form is simple, user-friendly, and fast. Employees receive immediate confirmation and are able to track their suggestions.

It was the goal of the Personnel Cabinet to deliver a system to take advantage of the best practices in the area of idea management. The concept of the traditional system was revolutionized to provide consistent submissions, approvals, and notifications.

Since launching the on-line system, the number of suggestions submitted has greatly increased. From January 28, 2005 through June 30, 2008 a total of 3,051 suggestions have been submitted by state employees. During FY 2008, employees submitted 536 suggestions. The suggestions implemented represented a first-year savings of \$1,011,719 for FY 2007-2008. The following chart shows the substantial increase in suggestions submitted each year since the creation of the new on-line system.



# Accomplishments

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## Workplace Relations Branch

The Kentucky Employee Mediation Program (KEMP) provides dispute resolution for Executive Branch employees. During the past fiscal year, there were 38 mediations involving employees and supervisors in all cabinets. Ten mediations were referrals from the Personnel Board and one was a referral from the Kentucky Commission on Human Rights.

Examples of mediated issues include suspensions, discrimination, harassment, communication problems, personality conflicts, being passed over for promotion, and termination. When workplace disputes are mediated rather than litigated, the Commonwealth saves thousands of dollars.

In addition to the branch manager, there are 20 volunteer, part-time mediators. KEMP mediators are state employees representing various cabinets who have been given recommendations and approval to be trained to mediate. In the past fiscal year, five new mediators became certified, making a total of twelve certified mediators.

There were 1,885 contacts in the form of requests for mediation and information. The contacts were in person, by phone, and by email.

Presentations on mediation were given to 389 attendees, including the State Government Bar Association, EEO Conference, IPMA-HR Conference, Certified Public Managers, and EEO Coordinators Forum. A one-day workshop was developed and presented to the Lexington Health Department.

A student from Sullivan University's Masters of Dispute Resolution degree program did his practicum with KEMP.

The Governor declared October 18, 2007 as Conflict Resolution Day.

A new component was added to services provided by Workplace Relations. Workplace Resolutions is a process of talking with each member of a troubled work group, then providing recommended solutions. One was completed in this fiscal year. 101KAR 2:230 describes the newly promulgated regulations for KEMP.

## Adoption Benefit Program

The Adoption Benefits Program assists executive branch state employees with reimbursement of eligible expenses incurred in the adoption of a child. During FY 2007-2008, 25 applications were approved, totaling \$71,065.07, bringing the program total to 192 approvals, totaling \$561,774.98 since inception.

# Accomplishments

## Kentucky Employee Assistance Program

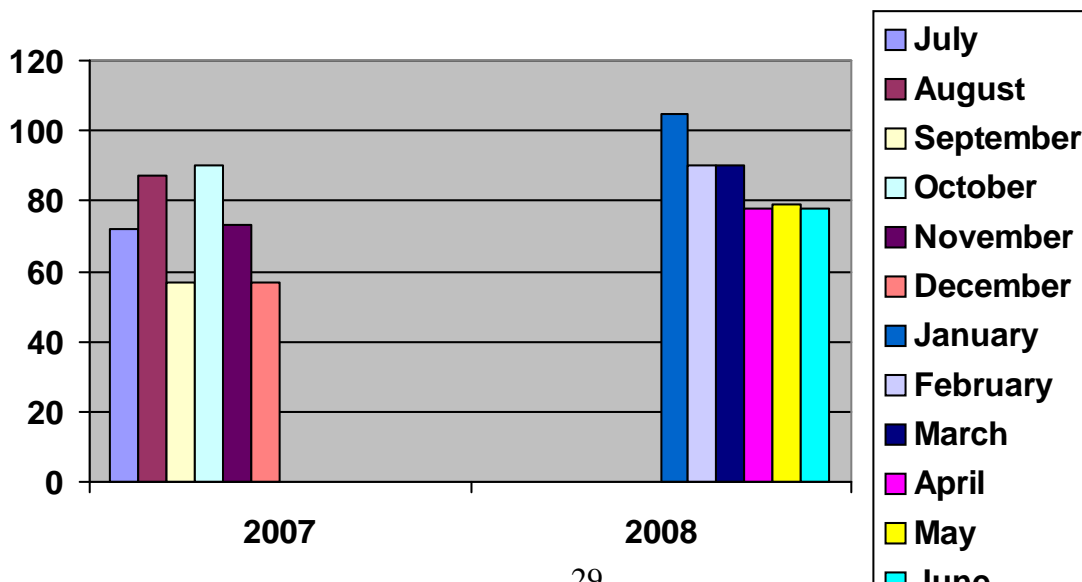
During FY 07-08 year, the Kentucky Employee Assistance Program provided direct employee assistance services to 956 state employees and/or family members. In addition, 2428 collateral contacts were made.

The cabinets in which employees most utilized the services were the Cabinet for Health and Family Services (25%) and the Justice and Public Safety Cabinet (18%). The issues most frequently presented include: mental/emotional health (29%); job stress (22%) and supervisory referrals (13%).

KEAP staff was involved in many workshops and meetings resulting in numerous contacts. These contacts include regular presentations at GSC on topics such as how supervisors can use KEAP as a management tool and time management. KEAP staff also conducted workshops on a variety of mental health topics and provided Critical Incident Stress Debriefings and Grief in the Workplace sessions. KEAP counselors were invited to present at a number of agency events and agency annual conferences. In addition, staff consulted with many agency personnel offices on how to effectively address troubled employee situations.

KEAP "NEW CLIENT" TOTALS

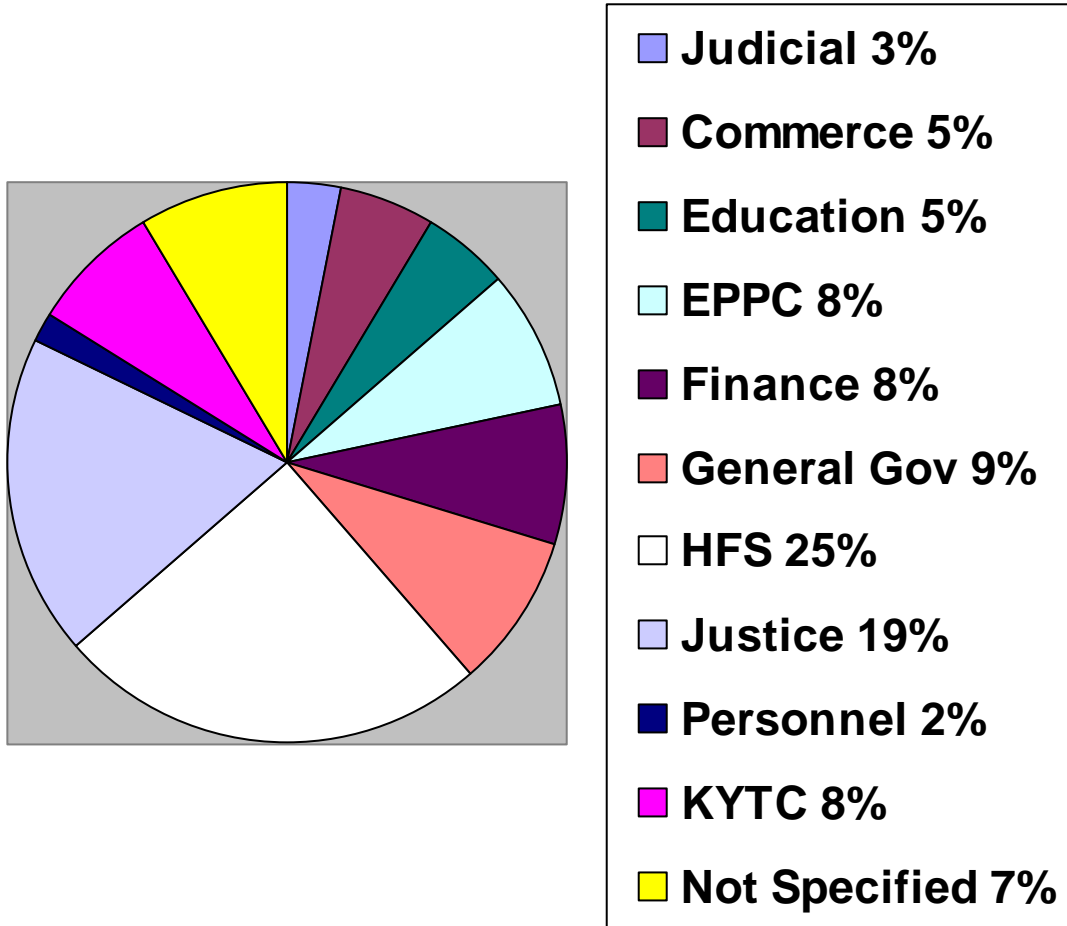
2007	New Clients		2008	New Clients
July	72		January	105
August	87		February	90
September	57		March	90
October	90		April	78
November	73		May	79
December	57		June	78
		<b>Total</b>		<b>956</b>



# Accomplishments

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## Agency Utilization



## Agency Utilization Totals

21	New Employee Orientations
13	Training People How to Treat You
13	Stress Management
12	Grief/Critical Management Response
10	Intro to KEAP
9	KEAP as a Management Tool
7	Agency Health Fairs
6	Employee Money Management
6	Time Management
3	Anxiety Management
1	Drug Free Workplace
1	Bullying in the Workplace
1	When a Co-Worker is Ill
1	Children and Divorce
1	Depression Awareness

# Accomplishments

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## Workers' Compensation Branch

The Workers' Compensation Branch (WCB) has been transforming our workers' compensation reporting into KHRIS. For state government agencies, first reports of injury (FROI) will be entered in the new human resource system and listed under EH & S (Environmental Health & Safety). The program has been designed and developed to incorporate the entering of the FROI with OSHA reporting all in one place. When the reporting agency enters the injury report information into KHRIS, it will have the ability to input the OSHA required information at that time or up to the required OSHA reporting date. Each agency is responsible for their own OSHA reporting and KHRIS will standardize the process of capturing injury information and the approach to creating and updating OSHA reporting. Our work in development and design this fiscal year will greatly improve the efficiency, accuracy and employee time needed to enter and maintain this required information.

The Workers' Compensation Branch has worked closely with the Safety Program and the Return-to-Work Branch to prevent and reduce injuries.

The WCB has continued to focus on customer needs. We continue to have knowledgeable employees ready to assist agencies and injured employees. Although FROI's are submitted electronically, our employees take serious/catastrophic injuries by telephone during business hours, to begin immediate management of benefits.

### Reported Claims for FY 2007 – 2008

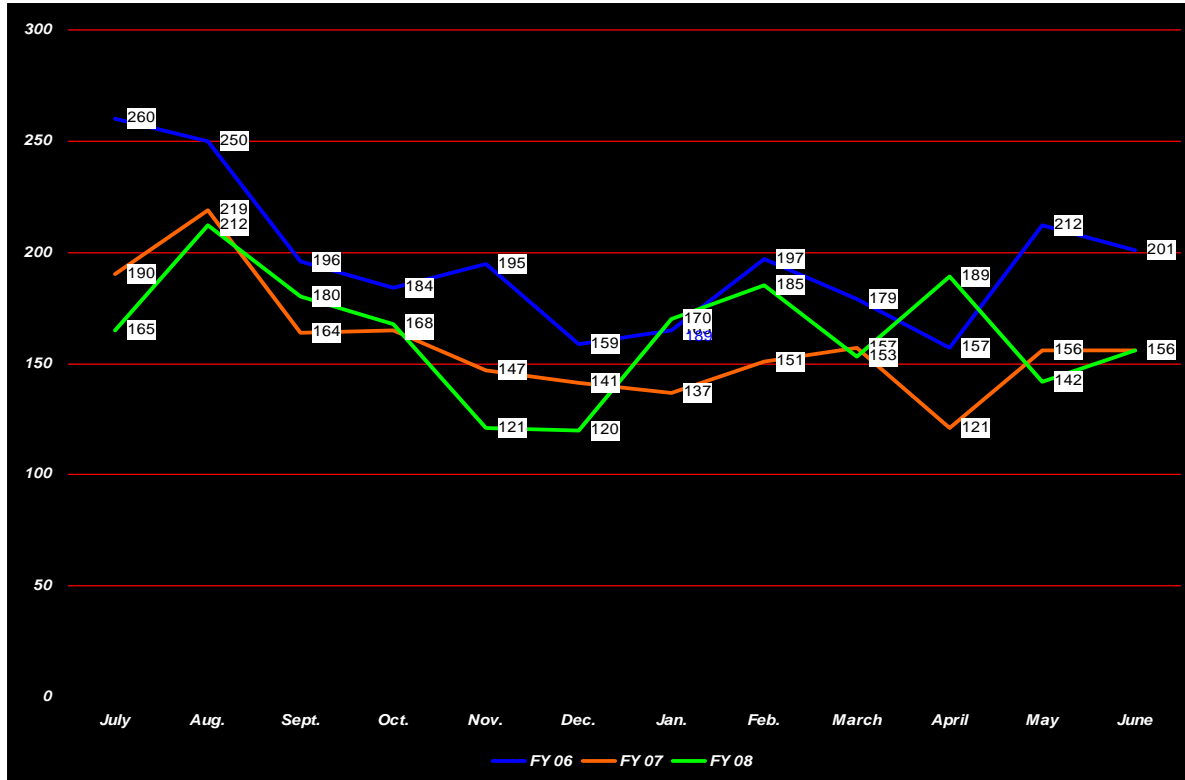
Record Only Claims: 1993

Medical Claims: 2340

- The Workers' Compensation Branch has received and processed 4333 First Report of Injuries for FY 07-08.
- The branch continues to provide coverage for approximately 85,000 employees in 120 counties throughout the Commonwealth.
- The branch provides coverage for approximately 32,000 volunteer ambulance workers and firefighters in 118 counties in the Commonwealth.
- The branch has received and processed 1618 temporary total disability benefit checks for leave reimbursement.
- There has been \$112,148.56 in subrogation recoveries received during FY 07-08. Subrogation law has changed significantly reducing recoveries.
- Eighty-two claims went into litigation and were assigned to defense attorneys.

# Accomplishments

## Reported Claims for 05-06, 06-07, 07-08 Fiscal Years



## Total Expenses for Fiscal Year 07-08

Class	Total Paid	Out. Reserve	
<b>EXPENSE</b>	\$506,745.23	\$661,171.43	■
<b>IND.FATALITY</b>	\$132,870.66	\$2,000.00	■
<b>IND.PPD</b>	\$32,778.96	\$1,124,293.48	■
<b>IND.TPD</b>	\$477.54	\$0.00	■
<b>IND.TTD</b>	\$1,043,706.24	\$359,967.83	■
<b>LEGAL</b>	\$22,845.52	\$17,179.20	■
<b>MEDICAL</b>	\$3,495,078.13	\$2,464,773.06	■

# Accomplishments

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## **Kentucky Safety Program**

The State Safety Program assists state agencies in improving the safety and health of their employees by reducing accidents and injuries. These improvements reduce the costs associated with losses. Emphasis in FY 07-08 was to develop and implement strategies to increase awareness of the importance of safety among state employees. Chief among these strategies were chairing the Executive Safety Advisory Committee (ESAC) and providing “Fundamentals of Safety and Health” training to state supervisors.

### **Executive Safety Advisory Committee**

The Executive Safety Advisory Committee (ESAC) is comprised of representatives from each cabinet who meet monthly to discuss safety and health issues. The safety director shares accident numbers, claim counts, monthly and quarterly accident/incident rates based on the number of accidents per hours worked. This baseline rate is internationally recognized as a way of measuring safety performance. Baseline rates are recorded to measure our progress in reducing the number of workplace injuries and enabling a comparison with other cabinets and other states.

One of the primary measures of success in a safety program is the reduction in workplace injuries and associated costs. The safety director shares workers’ comp claim data with the ESAC members monthly. In FY 07-08 most cabinets experienced a reduction in the number of claims submitted to workers’ comp and a reduction in the cost per claim. For specifics, see the workers’ compensation report and graphs.

### **Safety Training**

The effort to provide standardized, state-wide safety training continued this year. The “Fundamentals of Safety and Health” class teaches managers and supervisors the basic skills needed to keep workers safe. In FY 07-08, 17 “Fundamentals” classes were held in the Frankfort area reaching 350 managers and supervisors from all cabinets. In addition, a two-hour “Executive Overview” was provided to those in director-level positions and above within the Department of Corrections.

### **National Safety Month**

In addition to working with other cabinets, the Safety Program works within the Personnel Cabinet to help ensure the health and safety of its employees. In June, the Cabinet participated in National Safety Month. Each week employees received an e-mail with important information related to that week’s safety theme. Themes included Emergency Preparedness, Distracted Driving, Poisoning Prevention, and Fall Prevention. Safety Month was also featured on the “Spotlight” section of the Personnel Cabinet website and a number of articles and web links were posted online.



# Accomplishments

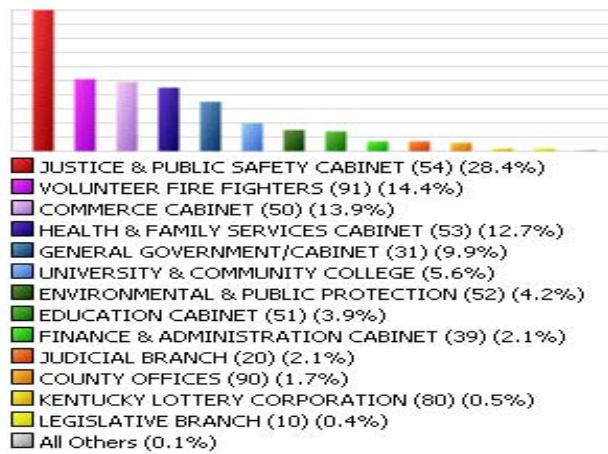
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## **Other activities:**

- Received the Occupational Excellence Award by the National Safety Council
- Participated in the Personnel Cabinet Health Fair
- Established individuals as “area monitors” in each area of the building to assist in emergency evacuation
- Posted emergency evacuation route diagrams throughout the building
- Three employees were trained as Community Emergency Response Team (CERT) members
- Coordinated 6 employee blood drives, collecting 760 units of blood

# Accomplishments

**Graph Total Incurred for each CABINET**  
Order By Total Incurred Description



CABINET	Paid	Out Reserve	Total Incur	Claim Count	Cost per Claim
JUSTICE & PUBLIC SAFETY CABINET (54)	\$1,521,426.26	\$1,250,924.20	\$2,772,350.46	574	\$4,829.88
VOLUNTEER FIRE FIGHTERS (91)	\$818,309.69	\$591,348.60	\$1,409,658.29	265	\$5,319.47
COMMERCE CABINET (50)	\$633,859.33	\$724,942.99	\$1,358,802.32	312	\$4,355.14
HEALTH & FAMILY SERVICES CABINET (53)	\$660,597.44	\$584,381.20	\$1,240,271.01	338	\$3,669.44
GENERAL GOVERNMENT/CABINET (31)	\$502,903.13	\$468,278.61	\$971,181.74	305	\$3,184.20
UNIVERSITY & COMMUNITY COLLEGE	\$224,965.81	\$321,943.66	\$546,909.47	157	\$3,483.50
ENVIRONMENTAL & PUBLIC PROTECTION (52)	\$212,759.20	\$203,526.66	\$413,918.13	114	\$3,630.86
EDUCATION CABINET (51)	\$193,971.45	\$187,018.68	\$380,990.13	79	\$4,822.66
FINANCE & ADMINISTRATION CABINET (39)	\$110,112.53	\$97,243.79	\$207,356.32	59	\$3,514.51
JUDICIAL BRANCH (20)	\$102,956.94	\$103,019.96	\$205,976.90	51	\$4,038.76
COUNTY OFFICES (90)	\$72,933.75	\$90,025.86	\$162,959.61	52	\$3,133.84
KENTUCKY LOTTERY CORPORATION (80)	\$31,599.78	\$21,421.73	\$53,021.51	11	\$4,820.14
LEGISLATIVE BRANCH (10)	\$16,322.36	\$26,010.26	\$42,332.62	5	\$8,466.52
PERSONNEL CABINET (55)	\$2,818.09	\$3,486.23	\$6,304.32	9	\$700.48
VOLUNTEER AMBULANCE PERSONNEL (92)	\$2,723.43	\$0.00	\$2,723.43	4	\$680.86
COUNTY CENTERS (44)	\$123.37	\$0.00	\$123.37	1	\$123.37
ECONOMIC DEVELOPMENT CABINET (36)	\$101.80	\$0.00	\$101.80	1	\$101.80
<b>Totals:</b>	<b>\$5,108,484.36</b>	<b>\$4,673,572.43</b>	<b>\$9,774,981.43</b>	<b>2337</b>	<b>\$4,182.70</b>

# Accomplishments

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## **Return-to-Work Branch**

The Return-to-Work (RTW) Branch works directly with the Kentucky Safety Program and the Workers' Compensation Branch to increase the oversight of workers' compensation claims and to reduce costs.

The RTW Branch is staffed by a Certified Rehabilitation Counselor, Certified Case Manager and support staff. The RTW Branch works directly with employers to consult and assist them in developing Temporary Modified Duty Programs. These programs allow injured employees to return to work as soon as medically released by their physicians. Research shows that an injured employee recovers more quickly when returned to work as soon as possible.

# Accomplishments

Data for Fiscal Year 2007-2008 demonstrates the savings that the Return-to-Work Branch has produced:

Total savings in temporary total disability benefits: \$776,575.00

Number of participating employers: 74

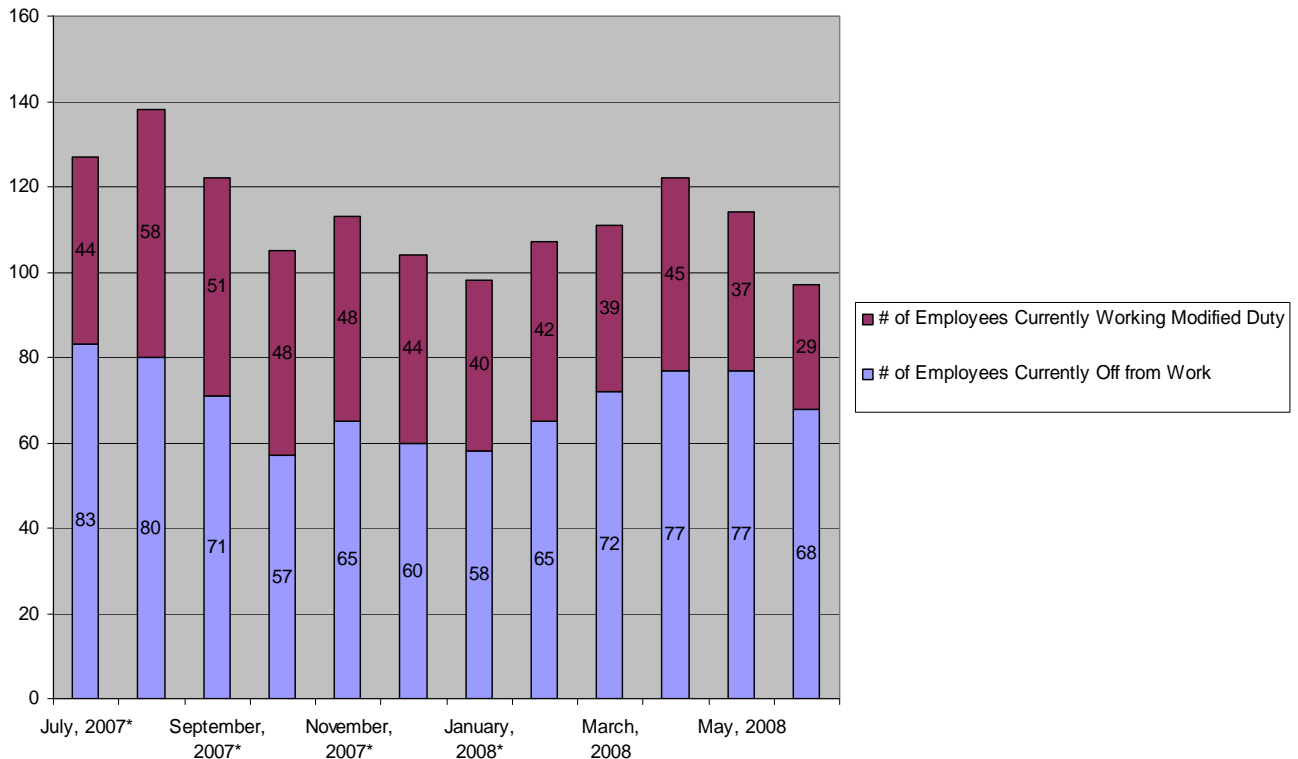
Total number of employees returning to full duty work: 687

The total savings indicated above does not account for the cost savings due to lowered settlement amounts (due to employee returning to work) nor does the savings account for any indirect savings due to the employees return to work; i.e., overtime, temporary staff being hired.

The Return-to-Work Branch has begun efforts to educate employers and employees on the proper ergonomic set-up for work station areas. It is best to conduct ergonomic reviews prior to an employee sustaining an injury or illness. This leads to issue awareness and increases injury prevention. However, the ergonomic review process can occur anytime during an employee's recuperation period in order to assist with return to work.

During the 2007-2008 Fiscal Year, the Return-to-Work Branch has participated in 60 ergonomic reviews and conducted three ergonomic training sessions. The Return-to-Work Branch has also assisted many employees within the Personnel Cabinet with workstation arrangement since relocating to the State Office Building. This process is ongoing.

**Lost Time Claims (LTC) and Potential Lost Time Claims (PLTC)  
per Month for Fiscal Year 2007-2008**



# Accomplishments

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## Group Life Insurance Administrative Branch

The renewal for the current Group Life Insurance contract was signed in June 2007 to extend the contract with Prudential Life Insurance Company for the remaining two year period with no rate increase or changes to the policy. The contract will expire on June 30, 2009 and be placed out for the bidding process.

The contract with Prudential includes a 10% Seat Belt Benefit, and 5% Air Bag Benefit for the basic coverage amount with a maximum limit. Prudential has also included an Accelerated Benefit Option which will allow an employee who is terminally ill with a life expectancy of 12 months or less, to receive a partial payment of their benefit prior to death. The contract signed with Prudential allows dependent children to be enrolled at any time without providing evidence of insurability.

The current Basic Insurance and AD&D (accidental death & disbursement) rate per thousand is \$ 0.093 bringing the employer cost to \$1.86 per employee per month for the basic \$20,000 coverage.

The Group Life Insurance Administration Branch handles all administrative services for the state-sponsored life insurance contract including: maintaining the eligibility data base, enrollment processing, bill generation, reconciling payments, refunds, claims processing, distribution of materials and customer service. The agreement with Prudential requires the company to print and ship paper documentation (enrollments, beneficiary and policy booklets); approve, process and pay benefit claims; provide underwriting for additional life insurance coverage requests; and process conversion applications for continuation of coverage when an employee terminates employment or is no longer eligible for benefits.

The Life Insurance Branch provides Basic Insurance and AD&D coverage for over 145,000 employees. The additional coverage includes about 22,000 optional policies and about 17,000 dependent plans.

The branch administers group life insurance for eligible employees at 446 locations.

❖ State Agency	153
❖ Board of Education (roster)	178
❖ Board of Education (individual)	4
❖ Health Department	54
❖ Quasi Agencies	57

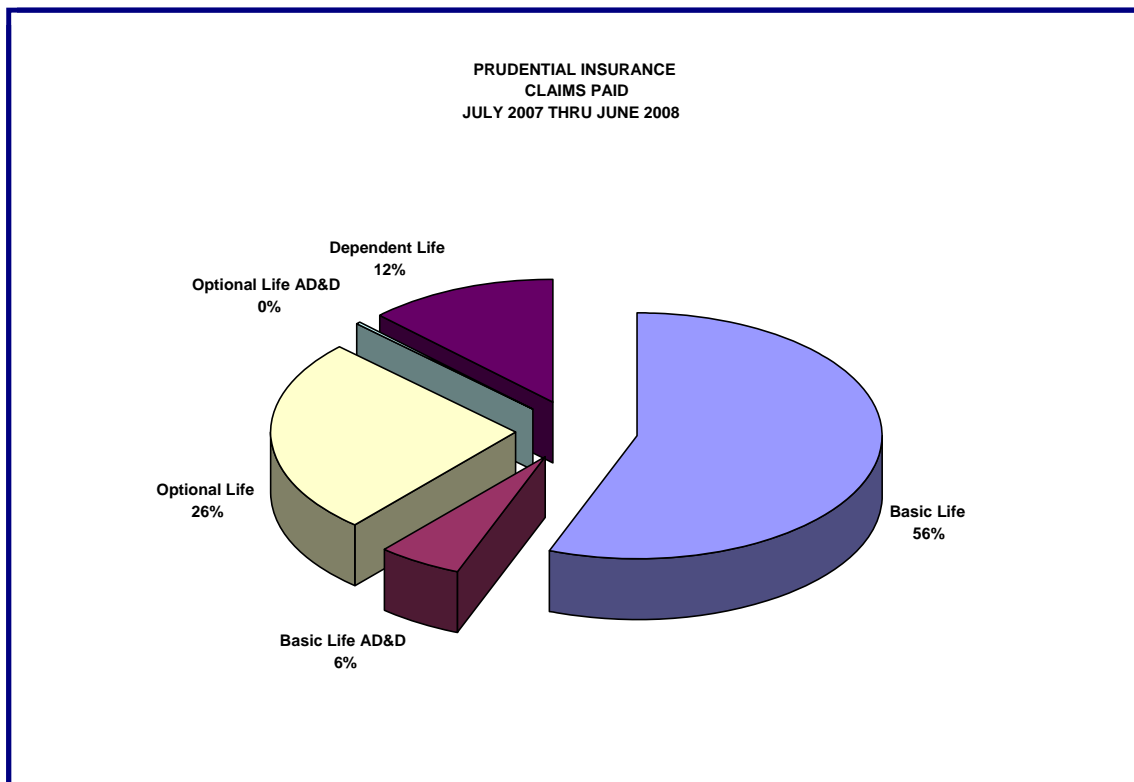
The Group Life Insurance Branch allowed Boards of Education to select whether their location would payroll deduct or the branch would bill their employees at home for additional life coverage. This process was initiated in 1993 when the Commonwealth elected to handle administrative duties of the state contract. During FY 07-08, boards requiring GLI to mail billing statements to employee's home addresses dropped from 22 to four, thus saving printing and mailing costs to the Commonwealth. The branch will continue working with the Department of Education to eventually have all locations as payroll deduction accounts.

# Accomplishments

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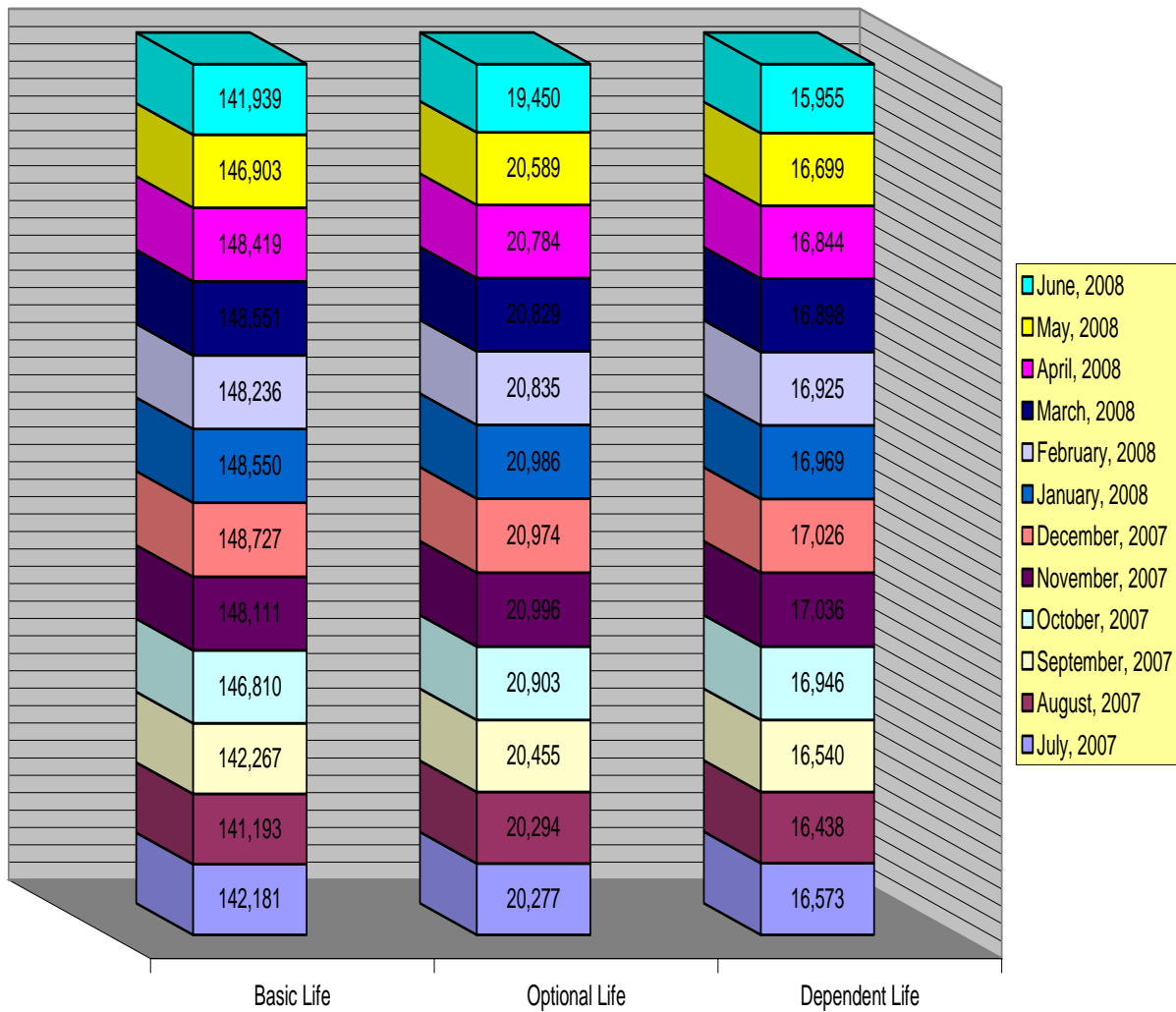
The Group Life Insurance Branch continues to be a part of the benefit package offered in the new human resource system. KHRIS will allow employers to enroll and make changes via the web, as well as pay premiums with web billing. Employees will be able to make changes on line to their name, address, coverage and beneficiaries. Employees will have access to their data on a 24/7 basis and will be able to print a benefit confirmation form as needed.

The branch processed 255 claims paid by Prudential totaling \$6,282,500.00 in benefits to beneficiaries.



# Accomplishments

## GROUP LIFE INSURANCE COVERED EMPLOYEES AND PLANS JULY 2007 THRU JUNE 2008



# Accomplishments

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## Department of Employee Insurance

The Department of Employee Insurance (DEI) has been instrumental in enabling the Personnel Cabinet to meet its statutory duties and responsibilities in the area of health insurance, as well as the needs of nearly 280,000 health insurance and flexible benefits participants.

The DEI has created a customer-focused organization, which provides an efficient, effective and responsive service to its members. DEI's website includes legislative health insurance presentations; Kentucky Group Health Insurance Board and Advisory Committee of State Health Insurance Subscribers presentations; valuable information regarding wellness initiatives, including Informed Care Management programs; on-line enrollment; flexible benefit information and other pertinent health insurance information.

### **During FY 2007-2008, the Department of Employee Insurance:**

- Received an unqualified opinion on the annual KEHP financial audit, denoting no material weaknesses in the program.
- Enhanced the Premium Billing and Reconciliation (PB&R) system, Group Health Insurance (GHI) system and the web-based application; one significant enhancement was adding Health Reimbursement Accounts (HRAs) to the systems.
- Significantly decreased the number of monthly billing discrepancies in the Web Billing application, reducing billing errors by agencies and generating more timely terminations.
- Continued to update the Procedures Manual for the Flexible Benefits Branch.
- Updated the GHI programming documentation.
- Assisted with development of Business Blueprint for the new Kentucky Human Resources Information System (KHRIS).
- Commenced development of training plans and material for KHRIS.
- Assisted with development of functional and technical specs for KHRIS.
- Assisted with development of test scripts for validating converted data and business rules for KHRIS.
- Commenced development of KHRIS training materials for Insurance Coordinators.
- Commenced development of training locations to train all Insurance Coordinators, Associate Insurance Coordinators, financial and billing representatives for all non-commonwealth agencies on KHRIS.
- Redesigned the Kentucky Group Health Insurance Board reports to create greater clarity of information for plan decision makers.
- Developed an automated email system to inform participants who start enrollment using the web-enrollment database but do not complete enrollment. The email notifies the participant that he/she needs to complete the enrollment process.



# Accomplishments

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- Provided a representative to serve on the Thomson Reuters National Customer Advisory Board.
- Coordinated and completed the processing of the health insurance and flexible benefit applications for approximately 190,000 employees in KEHP, along with their dependents.
- Provided support to the KEHP members, Insurance Coordinators and Billing Coordinators.
- Handled approximately 66,000 telephone calls within the Member Services Branch regarding member health insurance.
- Conducted training sessions throughout Kentucky for Insurance Coordinators on changes and updates to our health insurance and flexible benefits program during Open Enrollment and spring training.
- Continued to provide quarterly training sessions for Insurance Coordinators by each branch, TPA's, etc.
- Updated the Web-Billing training manual that was used in New Insurance Coordinator training.
- Presented 18 Benefit Fairs throughout the state.
- Brought 27 new groups into the KEHP.
- Processed 247 grievances.
- Implemented new Medicare tracking system.
- Created electronically transmitted daily transaction files and monthly synch files to third party administrators.
- Continued to process monthly discrepancy reports in Flexible Benefits Branch.
- Collaborated with the TPA and arranged for scheduled reports to be run on a monthly basis which assists in the reconciliation of flexible spending accounts.
- Conducted quarterly meetings with the Advisory Committee of State Health Insurance Subscribers for Health Insurance.
- Conducted monthly meetings with the Kentucky Group Health Insurance Board. Further, the Department of Employee Insurance assisted the Board with the preparation and distribution of its Annual Report to the Governor, General Assembly and Chief Justice of the Supreme Court.
- Produced monthly, quarterly and annual status reports on the KEHP program.
- Provided numerous presentations on the KEHP to the Appropriations & Revenue Committee, the State Government Committee, etc.
- Initiated the Carena "In-home, Urgent Care" pilot project in the Greater Louisville Area.
- Began developing ideas for dependent eligibility audit.
- Implemented HRA pursuant to KRS 18A.2254.
- Introduced Commonwealth Select Plan.
- Re-drafted Quasi Contract for new groups entering KEHP.
- Created HIPAA quarterly group meetings.

# Accomplishments

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- Updated HIPAA privacy and security policies and procedures.
- Updated banking agreement with Humana and Express Scripts.
- Executed Memorandum of Understanding with Kentucky Department of Education – re: FSA Administration.
- Executed Memorandum of Understanding with Kentucky Office of Insurance – re: Claims appeals under KRS 304.17A.
- Continued to review and revise policies and procedures to make work more efficient for staff and make procedures easier and more customer friendly.
- Renewed Humana administrative services contract.
- Renewed Express Scripts pharmacy benefits management contract.
- Renewed Ceridian COBRA subcontract.
- Renewed PriceWaterhouse Coopers actuarial/healthcare consulting contract.
- Developed Journey to Wellness pilot program for the Personnel Cabinet.
- Conducted a Health Fair for the Personnel Cabinet employees, which included biometric measurements for all participants and numerous vendors participating offering information on various topics regarding wellness and disease management.
- Partnered with Humana’s Wellness Consultant to develop wellness programs for state agencies, school boards, and quasi agencies. Presented and implemented various wellness programs to agencies throughout the state.
- Through Humana, created and developed various posters, brochures, and flyers regarding wellness.
- Conducted a statewide campaign to educate and encourage members to complete the Humana Health Assessment.
- Partnered through Humana to begin offering each KEHP member the ability to have a health coach for 5 different programs to encourage a healthier lifestyle.
- Developed a referral process integrating Humana Health Coaching with Disease Management.
- Developed a process to integrate Summit Health biometric results with Disease Management and Health Coaching programs.
- Increased participation in the Humana Health Assessment from 179 to 2500.
- Developed a monitoring system between DEI and the retirement systems to identify members who receive a Medicare supplement through retirement systems.
- Developed a monitoring system to assist KRS with compliance with provisions with HB1. This will help KRS track retirees returning to work for any KEHP participating agency.
- Developed new reports for the Office of State Budget Developer to provide key information of monthly school boards billing of health insurance.
- Created multiple reports to identify and resolve data quality issues within the enrollment database.
- Assisted with creation and administration of KGHIB Best Practices Committee.

# Accomplishments

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- Implemented clean claim reporting process with the Kentucky Department of Insurance pursuant to KRS 18A.225(21) and 304.17A-700 to 304.17A-730.
- As a part of the re-organization of the Personnel Cabinet which occurred on June 16, 2008, transferred the Flexible Benefits Branch from the Division of Insurance Administration to the Division of Financial and Data Services.

## Department of Personnel Administration Initiatives

The Department is proud of its achievements over the last fiscal year including the following initiatives:

### **Kentucky Human Resource Information System (KHRIS)**

KHRIS is the foundation for all HR administrative functions and will fundamentally change the way these services are delivered internally and externally.

KHRIS will provide easy access to employee and organizational data for effective management. This centralized data system will ensure accuracy and consistency of human resource processes and compliance, efficiency and fairness in dealing with employees and applicants. The primary objective of KHRIS is to replace the Commonwealth's legacy personnel, payroll and benefits administration systems. One of the most exciting features of the new system is its ability to provide centralized "Self Service" opportunities for employees and managers via the web:

#### KHRIS Employee Self-Service (ESS)

- Employees will enter time and leave requests on-line;
- Employees can make changes to their personal information including home address and bank accounts for direct deposit of checks;
- Employees may enroll on-line for benefits;
- Employees will have access to Performance Evaluations; and
- Employees will have the ability to request approval for and schedule training.

#### KHRIS Manager Self-Service (MSS)

- Managers will be able to approve or deny leave requests on-line;
- Managers will have increased reporting and on-line view capabilities including:
  - Access to reports to identify time and attendance issues
  - Access to personnel data of their employees
  - Access to training records of their employees
- Managers will complete Performance Evaluations tasks on-line.

# Accomplishments

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KHRIS will also provide the following advantages

- Increases efficiency through the elimination of labor/paper intensive transactions;
- Centralizes employee information creating opportunities for employee and manager self-service;
- Increases opportunities for workforce planning; and
- Centralizes benefits administration.

The Commonwealth is working with IBM to build KHRIS using SAP software. In order to accomplish this objective, a formal project organizational structure and corresponding activities have been put in place. Agencies have developed Implementation Teams to ensure a successful transition.

## **Career Opportunities System (COS)**

The Department successfully implemented the largest modernization of our state employment process in the last ten years with the Career Opportunities System (COS) on November 26, 2007. COS allows citizens and state employees to apply for state employment on-line via the web and allows agencies to manage their hiring process electronically. The Division of Career Opportunities averaged 150 applicants a day, citizens and state employees that traveled from all 120 Counties within the Commonwealth to apply for employment opportunities. Today the Division is averaging fewer than eight (8) applicants a day wishing to utilize the Cabinet's Computer Lab to complete an application for submission to a job posting.

## **Department of Personnel Administration Summary**

### **Department of Personnel Administration**

The Department of Personnel Administration consists of the Division of Career Opportunities, the Division of Employee Management, and the Division of Technology Services. These areas contain ten branches with 90 employees.

The Department's purpose is to ensure individuals receive the highest quality human resource services in the areas of HR certification, applicant services, selection method criteria, employee records administration, creation of job classifications and appropriate compensation levels, and operation of the state payroll system.

The Department is proud of its achievements over the last fiscal year and has established target goals over the next two years:

How we will.....

# Accomplishments

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Make Kentucky state government the best place to work:

- Create a recruitment process which allows applicants to clearly understand the career opportunities available in Kentucky state government.
- Create review cycles for job classifications which provide proactive assessment of knowledge, skills, abilities and compensation.
- Utilize Kentucky Employee Connection, the Commonwealth's Extranet site and KHRIS to enhance the employees "experience" as it relates to self service options and information sharing.

Create a learning and development culture:

- Develop and publish Skills Assessment Tools so employees can determine their current skills and those which need to be developed to further their career in Kentucky state government.
- Utilize technology, when appropriate, to enhance our training and learning opportunities.
- Develop training plans tied to certifications in Human Resource and Information Technology professions.
- Develop and implement a standardized "talking point" list targeted to identify and improve career paths for the employee performance appraisal process.
- Include statutory and regulatory reference in all COS and KHRIS procedure manuals so employees understand "why" a process is necessary.

Promote a one employer concept across Kentucky state government by:

- Implement KHRIS to unify personnel, payroll and benefits functions across Kentucky state government.
- Continue to create Commonwealth standard procedures for all human resource related functions through our agency partnerships.
- Centralize all employee and manager related information on Kentucky Employee Connection in an intuitive and easy to understand format.
- Develop common recruitment strategies for hard to fill positions developed through our agency partnerships.
- Create and publish a standard interview question catalog and guide.
- Build and implement KHRIS' Enterprise Employee Self-Service (ESS) and Manager Self-Services (MSS).
- Provide employee and benefit participant data for all Commonwealth reporting and analytical needs.

Enhance customer value by:

- Build and implement a KHRIS Customer Service Center (CSC) to provide assistance to employees, human resource professionals and managers.

# Accomplishments

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- Create flex schedules that meet the needs of our customer's work schedules.
- Utilize the HR Leadership Consortium; the KHRIS Agency Implementation Leads (AILs) and the Personnel Council to update our programs and offerings, including enhancements to KHRIS' ESS and MSS.

The following is detailed information on the services of the Department:

## Division of Career Opportunities

The Division of Career Opportunities consists of the following organizational units:

- The **HR Certification Branch**
- The **Applicant Services Branch**
- The **Register Branch**
- The **Recruitment Branch**

This Division's responsibility is to operate a centralized applicant and employee certification program, operate the state register programs, including the administration of layoff plans and reemployment lists as required by KRS 18A.113 through KRS 18A.1132 and KRS 18A.115, 18A.130 and 18A.135, and coordinate outreach programs such as recruitment and administrative internship programs.

**Merit Employment:** The merit employment function of Kentucky State Government, including the recruitment, and placement of competitive (new) employees and the promotion of existing employees under KRS 18A.005-18A.200 and 101 KAR and all related statutes and regulations which relate to the merit staffing and employment functions of the Commonwealth. This includes administering such statutes as: KRS 61.300 dealing with qualifications of non-elective peace officers, KRS 61.373 restoration of employees to positions previously held after released from military duty, in addition to other statutes and regulations that relate to the employment of individuals in 427 different state job classes which require a license or certification to perform the duties assigned to the position.

# Accomplishments

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## Division of Career Opportunities Business Statistics (As of June 30, 2008)

Activity	Pre-COS Monthly Avg	COS Monthly Avg
Paper Applications Processed	3100	3
Examinations Processed	2243	*223
Walk-In Customers	1414	376
Registers Issued	708	248
Background Checks	190	679
Live Help Chats	N/A	369
COS Help Desk E-mails	N/A	660
Telephone Calls	17,269	1,687
Electronic Job Submissions	N/A	10,611

*\* On May 16, 2008, all Written Selection Method Classifications were transitioned to a Qualifying Selection Method.*

## Division of Employee Management

The **Division of Employee Management** consists of the following organizational units:

- The **Processing and Records Branch**
- The **Payroll Branch**
- The **Classification and Compensation Branch.**

The function of these branches includes processing personnel actions, assisting agencies in creating job classifications and salary computation, maintaining and overseeing the Salary Schedule and Pay Grade Changes, running state payroll and assisting agencies with payroll issues, providing service records for employees, and producing documents for employees that are contained within their official Personnel file.

## Processing and Records Branch

- Processed 111,773 personnel actions.
- Approximately 3,375 service records were received and completed from agency requests.
- Approximately 2,500 requests were received for inspection of records.
- Actively involved in the KHRIS project.

# Accomplishments

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## Payroll Branch

- Changed all Federal tax tables for calendar and mid-year.
- Made changes to Local taxes to keep updated and current.
- Produced 55,107 + Wage and Tax Statements (W-2's).
- Actively involved in the KHRIS project.
- Continued to redirect reports into the electronic Report Delivery System (RDS) and Document Direct, which eliminates the need for paper copies.
- Continued the streamlining and automation of batch job flows into Scheduler.
- Conducted Payroll Training Classes.

## Classification and Compensation Branch

Nature of Actions	2007/2008
Job Classes Revised	59
New Classes Established	18
Job Classes Abolished	25
Pay Grade Changes	37
New/Revised Special Entrance Rates	0
Special Entrance Rates Abolished	19
Class Title Changes	200
Title Code Number Changes	0

The following 4,713 actions were taken by the Classification and Compensation Branch:

Positions Established	3,114
Positions Reclassified	1,497
Positions Reallocated	102

This compares as follows:

- 6,016 actions in FY 2006-2007
- 7,299 actions in FY 2005 - 2006
- 10,267 actions in FY 2004 - 2005
- 8,184 actions in FY 2003-2004
- 10,185 actions in FY 2002 - 2003
- 10,708 actions in FY 2001 - 2002
- 23,270 actions in FY 2000 - 2001
- 23,849 actions in FY 1999 - 2000
- 26,618 actions in FY 1998 - 1999
- 20,791 actions in FY 1997 - 1998
- 18,608 actions in FY 1996 - 1997



# Accomplishments

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Additionally, the Classification and Compensation Branch also reviews and approves agency requests for re-organizations, position number changes, work county changes, rate changes from full to part-time and part-time to full-time, in-grade promotions, and other personnel processes. Staff communicates with citizens, state employees, and other personnel jurisdictions throughout the Commonwealth.

## **Division of Technology Services**

The Division of Technology Services consists of the following organization units:

- The **Systems Analysis Branch**
- The **Application Development Branch**
- The **Network Support Branch**

This Division is responsible for the development and implementation of KHRIS as well as technical support to all Cabinet employees.

KHRIS-HR Administration will replace the Commonwealth's current payroll process and will provide benefits administration for Personnel, Health Insurance and Life Insurance activities. Additionally, it will provide self-service features for state employees.

Finally the Division is responsible for the implementation of other projects that move the Cabinet forward in the implementation of KHRIS.

## **Systems Analysis Branch**

The Systems Analysis Branch focuses on the technical analysis needed to ensure KHRIS is developed and maintained according to the needs of all Personnel Cabinet Business areas. This Branch contains employees specializing in configuration and workflow management and report analysis.

## **Application Development Branch**

The Application Development Branch is responsible for the development and database administration activities needed to support KHRIS, COS and all Personnel Cabinet systems. This Branch contains employees specializing in ABAP development, COS Workbench administration, database administration, capacity and transport management.

## **Network Support Branch**

The Network Support Branch consists of eight-full time staff members who are responsible for overseeing the administrative support for all hardware, desktop software, telecommunications, blackberry support and security management.

# Accomplishments

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Technologies currently being utilized include the Internet, Web-enabled register application and imaging applications. The Branch also supports the web-enabled employee suggestion system, storage area network system and an imaging application.

The Network Support Branch interacts with other Cabinets, agencies and vendors to ensure the Personnel Cabinet is current regarding technology implementation at the state level.

## **Kentucky Public Employees' Deferred Compensation Authority**

Kentucky's deferred compensation plans have again this fiscal year maintained their high ranking among the other Government Deferred Compensation plans. Based on the most recent survey data available from the National Association of Government Defined Contribution Administrators (NAGDCA) for IRC Section 457 Plans, the Authority continues to rank 21<sup>st</sup> in the nation in terms of both 457 Plan assets and in terms of the number of participants and 8<sup>th</sup> with respect to the 401(k) Plan. According to the latest NAGDCA survey, Kentucky also continues to rank ahead of several more populous states. A separate December 31, 2007 NAGDCA report indicates Kentucky ranked 8<sup>th</sup> in assets and 7<sup>th</sup> in participants for those states reporting both 457 and 401(k) Plans.

To further emphasize the magnitude of the Kentucky program's size, a 2006 article in *Pensions & Investments* magazine surveying the largest 1,000 public defined contribution plans ranked Kentucky Deferred Compensation as the 25<sup>th</sup> largest program in terms of total plan assets. Also, in the January 21, 2008 issue of *Pension & Investments* magazine a survey of the top 1,000 pension plans (including defined benefit as well as defined contribution – both public and private) the Kentucky deferred compensation program ranked 631<sup>st</sup> in the nation compared to 642<sup>nd</sup> last year.

During fiscal year 2007-2008, the Authority Board of Trustees (Board):

- 1) Took action to replace higher priced mutual fund retail share classes, where possible, with lower priced institutional share classes. On November 16, 2007, the Board replaced 6 retail mutual fund classes with 6 institutional share classes. This change reduced participant fees by approximately \$600,000 per year. Then on May 9, 2008, the Board was able to replace 2 additional retail classes with institutional share classes which reduced participant fees by another \$90,000 per year. The Board has now reduced participant fees 9 of the previous 12 years, resulting in 'recurring' annual savings to participants of approximately \$4.3 million. The total accumulated annual savings has now reached approximately \$27 million.
- 2) Reduced the Authority's FY 2008 record keeping costs by approximately \$219,000 due to the 'not to exceed' maximum fee provision previously negotiated with the record keeper. This provision was introduced into the Nationwide Retirement Solutions, Inc. (NRS) record keeping contract July 1, 2000 and has resulted in total savings to the Authority and its participants of more than \$1.7 million.

# Accomplishments

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- 3) Negotiated a contract extension with NRS for Record Keeping, Marketing Agent and Communication Services through June 30, 2010. The Board was able to negotiate a reduction in NRS' proposed cost of approximately \$177,000 over the term of the extension.
- 4) Received from NAGDCA a 2008 Leadership Recognition Award for its participant communication enhancements such as a new employee orientation DVD and fees disclosure document, etc. This is the 11<sup>th</sup> time Kentucky has been recognized in the past 13 years for outstanding achievement in the administration of the Authority program. No other NAGDCA member has received this prestigious award as many times.
- 5) Received approval from the General Assembly to implement a participant investment advice program. The Board is in the process of engaging an investment advice consultant to draft models for the program and to prepare an investment adviser request for proposal. This program may be available to participants as early as July 1, 2009.

In addition, the Authority has achieved yet another record-breaking year in terms of participation and plan assets. Assets at June 30, 2008 were approximately \$20 million higher than at the end of fiscal year 2007. Participation in the Authority program increased by more than 3,600 new participants during this fiscal year, representing a 5% increase over the fiscal year ended June 30, 2007.

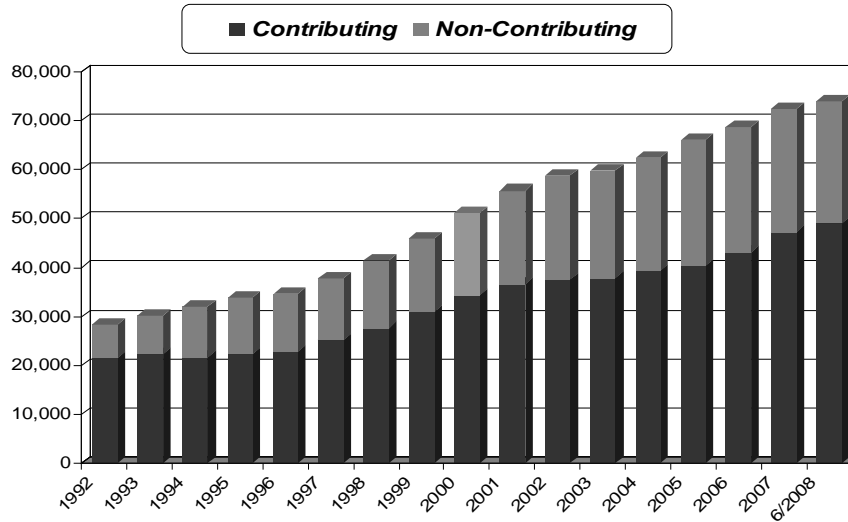
The following graphs, charts and tables represent the combined results from the Authority's 457 and 401(k) supplemental retirement plans through June 30, 2008:

- *Participant Volume* – Graph 1 and the accompanying table substantiate the phenomenal growth rate the Authority continues to experience. The number of plan participants (with account balances) increased from 70,247 as of June 30, 2007 to 73,884 at June 30, 2008. This represents an increase of 3,637 participants or a 5.2% increase as of the 2008 fiscal year end.

# Accomplishments

Kentucky  
Deferred Compensation  
Authority

**Total Participants by Year  
(With Account Balances)  
As of June 30, 2008**



Kentucky  
Deferred Compensation  
Authority

**Total Participants by Year  
(With Account Balances)  
6/30/1992 - 6/30/2008**

Year	Participants
6/30/1992	29,146
6/30/1993	30,188
6/30/1994	32,024
6/30/1995	33,781
6/30/1996	34,589
6/30/1997	37,330
6/30/1998	41,016
6/30/1999	46,187
6/30/2000	51,099
6/30/2001	55,749
6/30/2002	58,756
6/30/2003	59,773
6/30/2004	62,437
6/30/2005	64,689
6/30/2006	67,490
6/30/2007	70,247
6/30/2008	73,884



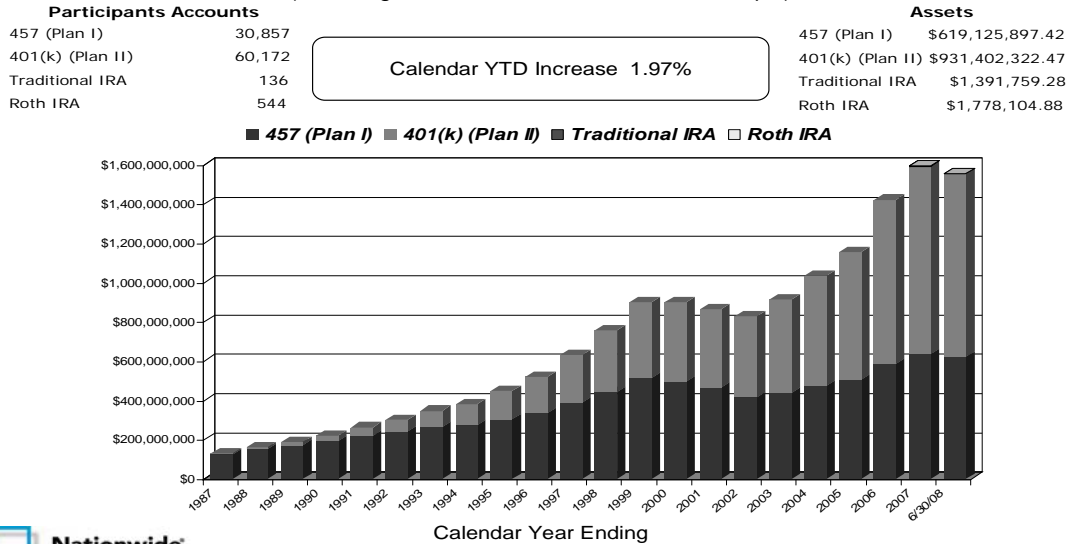
# Accomplishments

- Plan Assets** – Graph 2 and the accompanying table shows that 2007 plan assets, on a calendar year basis, were significantly greater than for 2006 (2007 - \$1.591 billion vs. 2006 - \$1.420 billion). Assets, on a fiscal year basis, have also increased slightly from \$1.534 billion as of June 30, 2007 to \$1.554 billion on June 30, 2008, again representing a \$20 million or approximately a 1.3% increase.

Kentucky  
Deferred Compensation  
Authority

## Asset Growth by Year

(Excluding Life Insurance and Uninvested Receipts)



Kentucky  
Deferred Compensation  
Authority

## Asset Growth by Year

(Excluding Life Insurance and Uninvested Receipts)

Year	Assets
12/31/1992	\$299,421,872
12/31/1993	\$345,628,472
12/31/1994	\$377,971,229
12/31/1995	\$445,688,072
12/31/1996	\$518,994,025
12/31/1997	\$631,499,204
12/31/1998	\$755,721,008
12/31/1999	\$897,692,891
12/31/2000	\$899,064,718
12/31/2001	\$892,252,657
12/31/2002	\$827,735,663
12/31/2003	\$1,002,971,334
12/31/2004	\$1,118,341,380
12/31/2005	\$1,248,596,528
12/31/2006	\$1,420,204,161
12/31/2007	\$1,591,275,093
6/30/2008	\$1,553,698,084



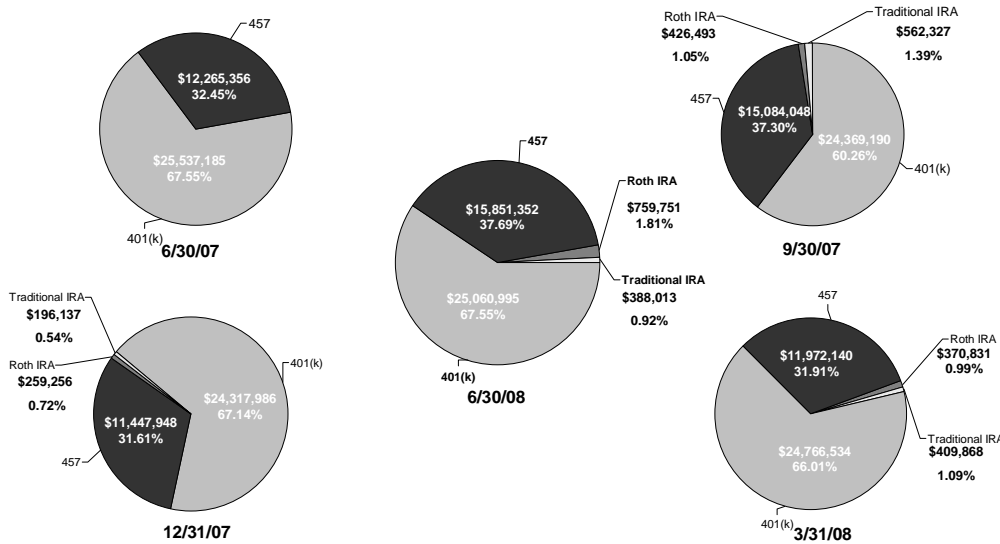
# Accomplishments

*Plan Trends* – Several important trends continued during fiscal year 2007-2008 within the deferred compensation program.

*Investments* – Graph 3 indicates for the 11<sup>th</sup> time in 12 years, quarterly participant investments have increased. Quarterly participant investments increased significantly from \$37.8 million as of June 30, 2007 to \$42.1 million as of June 30, 2008. This is an increase of \$4.3 million or approximately 11.4%.

Kentucky  
Deferred Compensation  
Authority

## Deferral Investments By Quarter (Excluding Life Insurance and Uninvested Receipts)

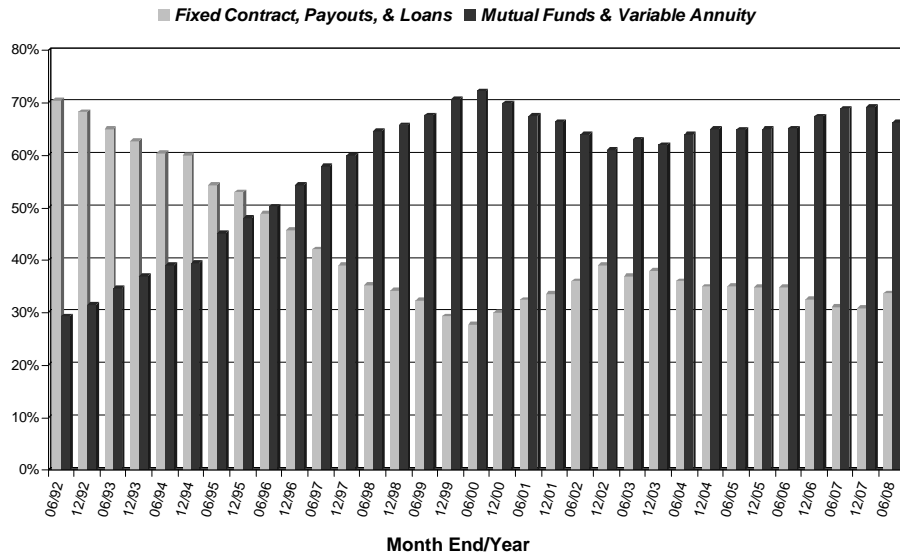


# Accomplishments

*Plan Assets Allocation* – Graph 4 and the accompanying table demonstrates that for a 13<sup>th</sup> consecutive year, participants invested more into the mutual funds than into the Fixed Contract Fund (FCF). This is also the 12<sup>th</sup> consecutive year in which investments into the mutual funds were greater than into the FCF in ‘each’ quarter of the year. Graph 5 indicates the allocation of assets is now \$946.0 million (60.88%) in the stock mutual funds, \$83.9 million (5.40%) in the bond mutual funds/money market fund and \$500.9 million (32.24%) in the FCF. The remaining 1.48% or \$23.0 million represents insurance company benefit accounts and participant loans.

Kentucky  
Deferred Compensation  
Authority

**Percentage Allocation of Assets**  
(Excluding Life Insurance and Uninvested Receipts)



# Accomplishments

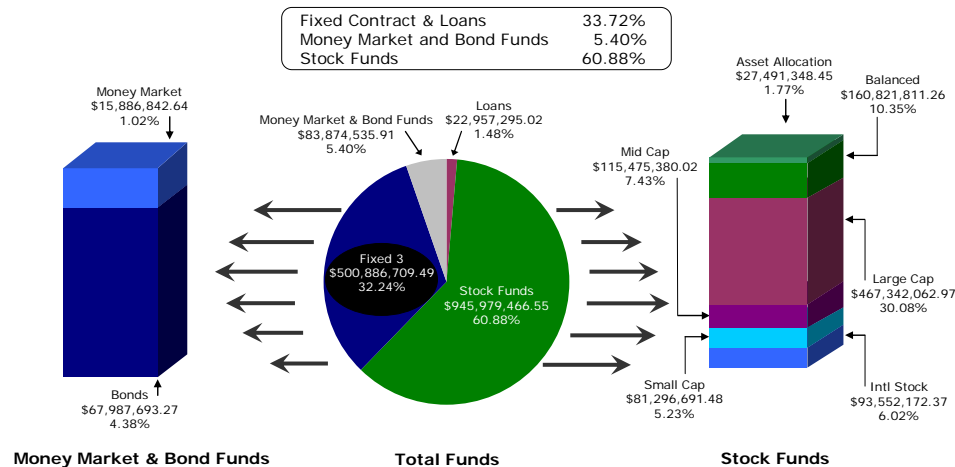
Kentucky  
Deferred Compensation  
Authority

## Assets - Fixed and Variable Second Quarter 2001 to Second Quarter 2008

Year	Fixed	Variable
6/01	\$277,977,742	\$639,097,095
12/01	\$289,017,828	\$592,069,637
6/02	\$292,352,027	\$541,020,876
12/02	\$319,540,391	\$508,195,322
06/03	\$330,321,165	\$565,503,670
12/03	\$346,607,857	\$656,227,878
6/04	\$356,360,773	\$688,354,792
12/04	\$372,453,803	\$745,887,577
6/05	\$387,788,869	\$764,858,495
12/05	\$436,204,265	\$812,170,473
6/06	\$453,729,486	\$850,997,401
12/06	\$463,034,505	\$957,169,656
6/07	\$478,003,505	\$1,056,393,856
12/07	\$491,385,778	\$1,099,889,315
6/08	\$523,844,082	\$1,029,854,002



### Allocation of Plan Assets (Excluding Life Insurance and Uninvested Receipts) As of June 30, 2008



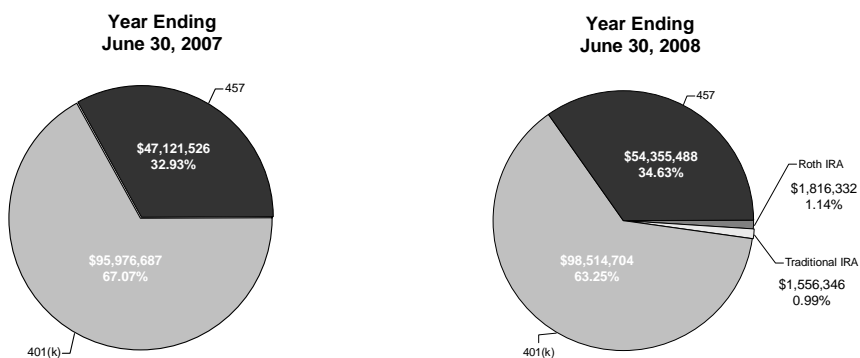


# Accomplishments

*Investments* – Graph 6 demonstrates annual deferral investments increased substantially again this fiscal year and totaled \$156.2 million compared to \$143.1 million at June 30, 2007, representing a \$13.1 million or 9.2% increase. The percentage of the investments into the 401(k) Plan versus the 457 Plan decreased approximately 3.82% to approximately 63.25%. For the fiscal year ended June 30, 2008, the dollars invested in the 401(k) Plan exceeded those invested in the 457 Plan by nearly \$44.2 million. This increase in 457 Plan investments is primarily the result of participants’ ability to now purchase air time with the various retirement systems from the 457 Plan and recent changes in federal regulations which make the provisions of the 457 and 401(k) Plans more comparable. Also, participants are investing in the new Deemed IRA feature. This year participant IRA investments equated to \$3.4 million and continue to increase.

Kentucky  
Deferred Compensation  
Authority

**Annual Deferral Investments**  
(Excluding Life Insurance)



As of July 2008, the Authority offers participants 28 investment options from which to select. The investment spectrum ranges from conservative – to – moderate – to – aggressive. This spectrum of investments consists of 21 mutual funds, 5 target life cycle funds, 1 money market fund and 1 stable value or fixed fund product.

# Employee Facts

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## NUMBER OF EMPLOYEES (Excluding Interims)

IN

## STATE GOVERNMENT (As of June 30, 2008)

Executive Branch.....	34,487
Legislative Branch.....	757
Judicial Branch.....	3,938

Of the total permanent full-time and part-time employees in the Executive Branch:

- 49.14% are female
- 8.87% are minority
- 4.84% have verified veteran's status

Of the total permanent full-time and part-time employees in the Legislative Branch:

- 50.7% are female
- 3.6% are minority

Of the total permanent full-time and part-time employees in the Judicial Branch:

- 76.1% are female
- 1.5% are minority
- 64% are undeclared race

# Employee Facts

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## Employee Compensation

**Average Gross Annual Salary** **\$38,601.49**

### Average Annual Benefits

Average Employer Paid Retirement \$5,100.14

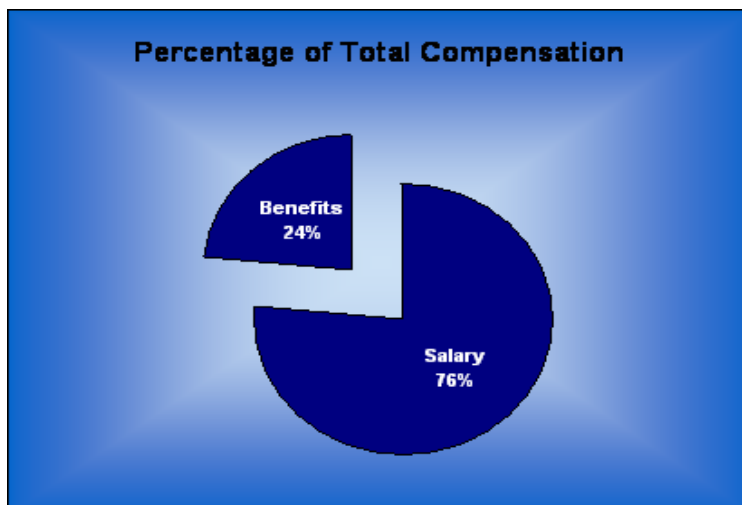
Average Employer Paid FICA \$2,602.93

Average Employer Paid Health Insurance \$4,194.49

Employer Paid Life Insurance \$20.78

**Total Average Annual Benefits** **\$11,918.34**

**Average Annual Total Compensation** **\$50,519.83**



# Employee Facts

COUNTY	Full Time	Part Time	COUNTY	Full Time	Part Time	COUNTY	Full Time	Part Time
Shelby	335	12	Garrard	50	0	McCreary	54	0
Adair	221	0	Grant	114	0	McLean	46	1
Allen	37	0	Graves	284	7	Meade	51	3
Anderson	35	0	Grayson	118	0	Menifee	41	0
Ballard	38	1	Green	49	8	Mercer	59	5
Barren	334	9	Greenup	110	5	Metcalfe	40	0
Bath	35	0	Hancock	23	1	Monroe	66	3
Bell	255	3	Hardin	579	3	Montgomery	78	2
Boone	232	2	Harlan	190	4	Morgan	510	3
Bourbon	39	1	Harrison	67	7	Muhlenberg	357	3
Boyd	317	3	Hart	54	1	Nelson	137	6
Boyle	527	6	Henderson	229	2	Nicholas	25	0
Bracken	25	2	Henry	90	3	Ohio	76	1
Breathitt	268	3	Hickman	31	0	Oldham	1,235	13
Breckinridge	68	2	Hopkins	563	5	Owen	38	0
Bullitt	126	4	Jackson	52	0	Owsley	29	0
Butler	103	1	Jefferson	2,650	122	Pendleton	42	0
Caldwell	56	2	Jessamine	430	4	Perry	494	4
Calloway	112	5	Johnson	228	2	Pike	539	5
Campbell	221	8	Kenton	457	12	Powell	97	1
Carlisle	24	0	Knott	88	1	Pulaski	378	6
Carroll	115	8	Knox	130	1	Robertson	46	0
Carter	152	3	Larue	35	0	Rockcastle	58	0
Casey	57	3	Laurel	436	4	Rowan	307	4
Christian	737	8	Lawrence	70	0	Russell	135	4
Clark	88	2	Lee	63	1	Scott	85	4
Clay	198	1	Leslie	64	1	Simpson	71	1
Clinton	55	1	Letcher	117	2	Spencer	38	0
Crittenden	25	1	Lewis	41	0	Taylor	105	2
Cumberland	78	2	Lincoln	70	1	Todd	28	0
Daviess	404	6	Livingston	39	1	Trigg	115	1
Edmonson	31	0	Logan	80	3	Trimble	27	0
Elliott	275	1	Lyon	631	0	Union	41	1
Estill	50	0	Madison	450	17	Warren	650	3
Fayette	1,279	58	Magoffin	50	2	Washington	43	0
Fleming	147	1	Marion	57	12	Wayne	139	1
Floyd	335	5	Marshall	184	6	Webster	45	2
Franklin	9,841	512	Martin	62	1	Whitley	199	3
Fulton	43	2	Mason	74	4	Wolfe	55	0
Gallatin	22	1	McCracken	402	4	Woodford	44	5

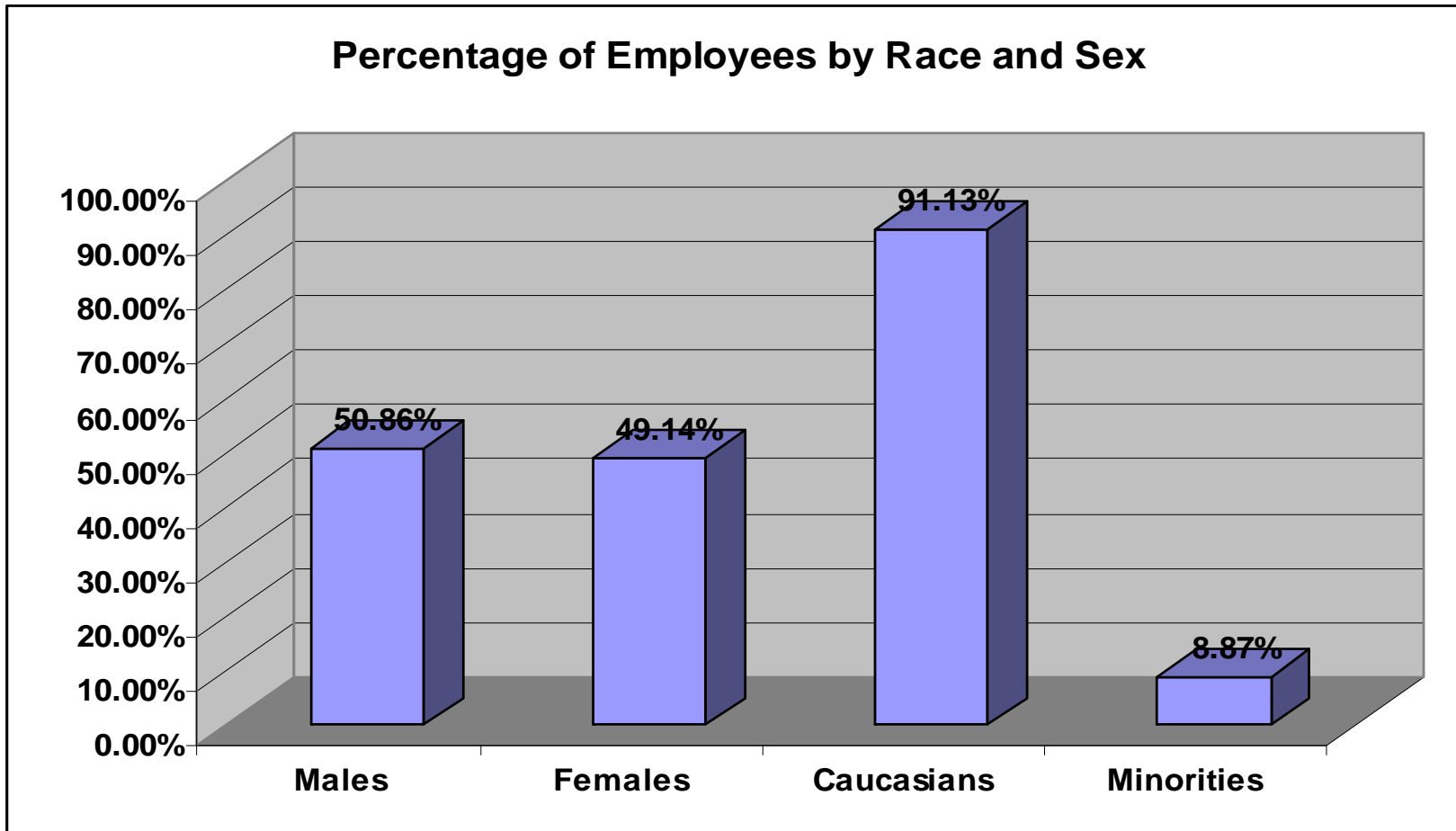
Full time	33,444
Part time	1,013
Total Count	34,487

Legend	501 - 1000
< 100	1001 - 5000
101 - 500	> 5000

# Employee Facts

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Percentage of Employment by Race and Sex  
June 30, 2008



## Personnel Cabinet Expenditures

Fund Type	Function Type	Type Name	Functions	Budgeted	Expended	Unobligated
0100	793F	Personnel Administration	*All	424,400.00	424,400.00	0.00
1300	790A	General Administration	AA02, AA03	2,761,200.00	2,671,615.05	89,584.95
1300	790C	Governmental Services Center	CA02	1,541,500.00	1,506,607.36	34,892.64
1300	790E	Employee Relations	EA02	859,100.00	809,029.02	50,070.98
2400	790E	Employee Relations-Life Insurance	EBA2	448,900.00	440,133.34	8,766.66
1300	793F	Personnel Administration	*All	8,945,900.00	8,690,636.46	255,263.54
1300	794H	Public Employee Health Ins	*All	<u>5,868,300.00</u>	<u>5,866,704.36</u>	<u>1,595.64</u>
		<b>Subtotal-General Operations</b>		<b>20,849,300.00</b>	<b>20,409,125.59</b>	<b>440,174.41</b>
0100	55HC	State Group Health Insurance	HI00	2,338,000.00	2,337,355.00	645.00
1300	55BA	Deferred Compensation	BA02	6,172,400.00	6,172,400.00	0.00
3800	55EB	Workers' Compensation	EBB2	<u>26,204,400.00</u>	<u>20,751,546.12</u>	<u>5,452,853.88</u>
		<b>Cabinet Total</b>		<b>55,564,100.00</b>	<b>49,670,426.71</b>	<b>5,893,673.29</b>

**Personnel Cabinet-General Operations**  
**June 30, 2008 Budget Status**  
**100% of Fiscal Year**

(Excluding Workers Comp and Deferred Comp)

	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07	Jan-08	Feb-08	Mar-08	Apr-08	May-08	Jun-08	YTD AMT	Budget	% YTD
<b>Personnel Costs</b>															
Salary & Wages	809,850	849,503	837,967	865,474	852,488	857,551	944,528	823,443	828,732	827,348	823,612	876,532	10,197,027	10,272,800	99.26%
Benefits	205,694	213,934	219,362	217,408	219,054	226,154	236,077	221,990	224,716	223,677	220,939	223,118	2,652,323	2,668,700	99.39%
Wkrs. Comp & Training	60,965	-5,106	0	232	2,075	3,284	6,085	444	150	4,131	15,221	2,406	89,887	93,650	95.98%
Ajilon LLC	0	15,908	0	8,789	8,631	9,828	7,781	24,943	18,459	9,734	19,747	65,690	189,508	189,600	99.95%
CGI AMS	0	0	0	0	0	0	54,612	0	50,616	29,428	0	342,055	476,711	477,000	99.94%
Humana Flex	0	46,204	21,426	22,159	22,946	22,833	24,936	0	0	-45,656	24,970	145,024	284,841	284,900	99.98%
IBM Corp	0	38,043	37,556	45,036	45,036	0	98,742	49,371	49,371	49,371	49,371	98,742	560,639	560,700	99.99%
IDMS	0	98,805	77,901	0	119,272	59,788	58,841	0	56,735	60,000	52,683	106,703	690,727	690,800	99.99%
Susan Turner	0	525	675	0	0	0	0	0	1,125	225	225	450	3,225	3,500	92.14%
Medstar	38,971	38,971	0	84,108	42,054	0	0	42,054	0	0	173,050	86,525	505,733	505,750	100.00%
Pricewaterhouse Coop	67,849	95,649	0	251,270	0	82,542	61,194	44,053	27,474	15,992	68,699	83,409	796,131	798,250	99.99%
Moore Stephens Potter LLP	0	0	42,661	0	0	0	65,094	0	0	0	0	0	107,755	107,800	99.96%
Other Contract Costs	0	553	966	0	273	531	9,549	8,741	11,553	1,803	11,431	13,642	59,041	62,410	94.60%
Security	5,386	0	0	5,386	0	0	5,386	0	0	5,386	-5,424	0	16,119	16,950	95.10%
Jantorial	0	4,595	4,595	11,462	0	0	0	0	0	0	0	0	20,652	21,350	96.73%
<b>Subtotal</b>	<b>1,188,714</b>	<b>1,397,583</b>	<b>1,243,108</b>	<b>1,511,323</b>	<b>1,311,829</b>	<b>1,262,511</b>	<b>1,572,825</b>	<b>1,215,040</b>	<b>1,268,930</b>	<b>1,181,638</b>	<b>1,454,524</b>	<b>2,044,297</b>	<b>16,652,321</b>	<b>16,754,160</b>	<b>99.39%</b>
<b>Operating Costs</b>															
Utilities	1,550	8,199	5,292	6,886	829	48,993	12,885	37,838	80	37,690	12,751	524	173,518	173,962	99.75%
Rent	182,944	0	0	40,171	0	125,392	63,917	96,916	32,905	96,305	32,603	0	671,153	671,628	99.93%
Other Rent	5,693	5,251	11,028	16,632	7,156	5,812	8,056	9,360	7,432	10,066	6,489	10,877	103,852	104,300	99.57%
Maintenance	3,452	5,540	56,007	14,243	8,061	35,056	0	55,522	1,015	2,360	627	233,387	415,271	415,270	100.00%
Postage	-88	13,719	124,980	12,921	25,337	9,180	7,507	8,418	6,624	6,223	6,209	10,986	232,016	239,950	96.69%
Misc. Services	245	6,111	25,720	20,733	119,586	7,930	15,476	2,549	5,399	2,884	2,417	25,508	234,559	247,400	94.81%
Telecommunications	2,273	4,216	7,118	7,134	7,116	8,200	3,044	4,493	2,938	3,695	4,075	8,397	62,697	67,050	93.51%
Computer Services	0	900	245,948	25,186	111,654	20,022	167,060	23,141	21,070	100,469	115,884	174,772	1,006,104	1,044,000	96.37%
Supplies	5,533	11,280	17,244	19,236	13,254	16,892	10,074	11,413	12,022	8,675	7,745	19,387	152,755	173,950	87.82%
Commodities	8,926	12,645	25,014	20,585	16,879	4,043	2,298	7,185	10,385	2,315	11,284	287,575	409,133	434,000	94.27%
Travel	8,500	13,421	10,461	13,100	7,265	6,195	3,648	3,806	6,366	12,997	10,766	7,825	104,350	120,950	86.28%
Dues, Subscriptions, Other	3,374	1,329	36,054	6,442	4,826	506	1,655	962	1,051	15,791	3,974	12,490	88,453	96,650	89.66%
<b>Subtotal</b>	<b>222,402</b>	<b>82,610</b>	<b>564,867</b>	<b>203,268</b>	<b>321,964</b>	<b>288,220</b>	<b>295,619</b>	<b>261,604</b>	<b>107,286</b>	<b>299,470</b>	<b>214,824</b>	<b>791,727</b>	<b>3,653,861</b>	<b>3,791,110</b>	<b>96.38%</b>
<b>Capital Outlay</b>	<b>0</b>	<b>17,642</b>	<b>5,958</b>	<b>4,165</b>	<b>0</b>	<b>49,760</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>25,419</b>	<b>102,944</b>	<b>304,030</b>	<b>33.86%</b>
<b>Total</b>	<b>1,411,116</b>	<b>1,497,835</b>	<b>1,813,932</b>	<b>1,718,756</b>	<b>1,633,793</b>	<b>1,600,491</b>	<b>1,868,444</b>	<b>1,476,644</b>	<b>1,376,217</b>	<b>1,481,108</b>	<b>1,669,348</b>	<b>2,861,443</b>	<b>20,409,126</b>	<b>20,849,300</b>	<b>97.89%</b>