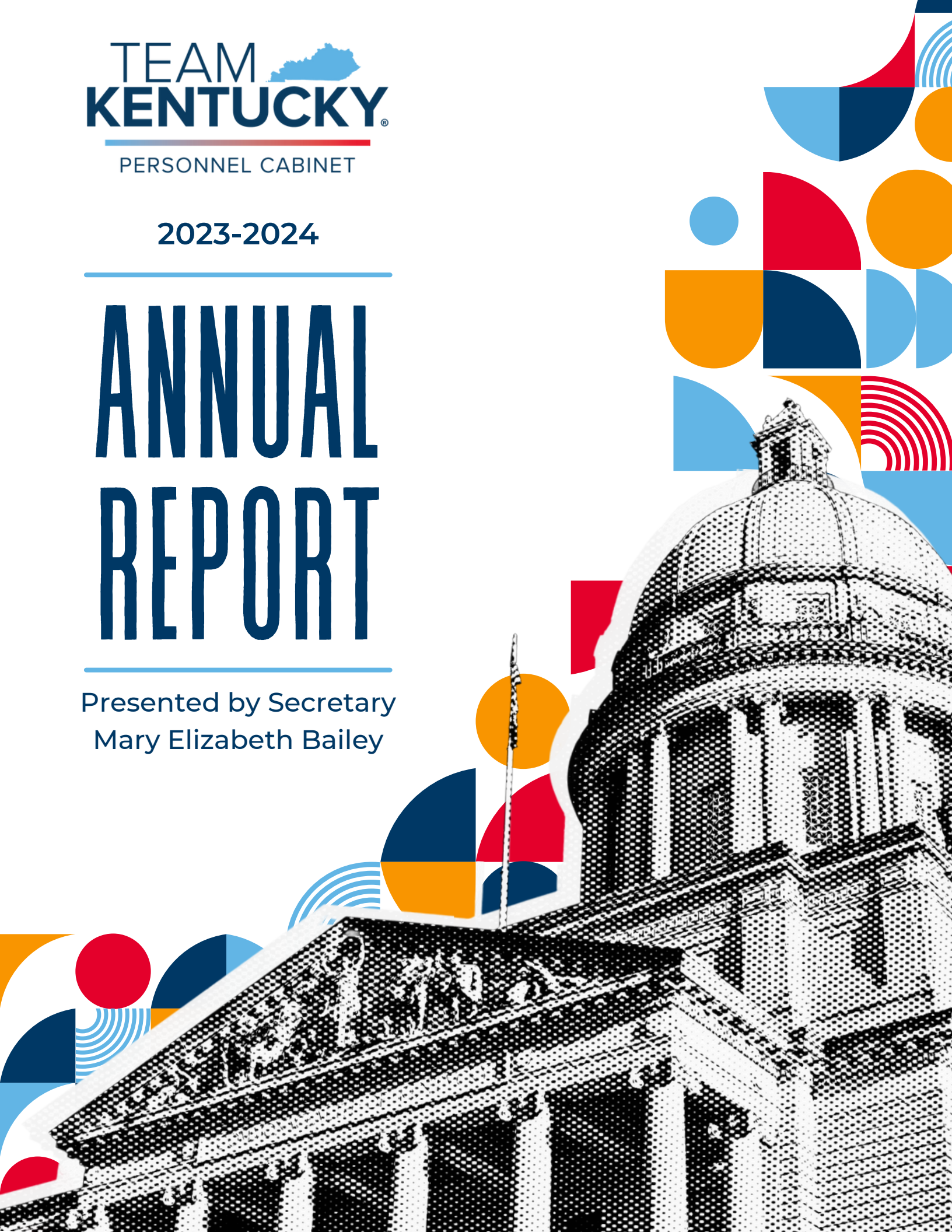


2023-2024

ANNUAL REPORT

Presented by Secretary
Mary Elizabeth Bailey



Personnel Cabinet Executive Staff

Mary Elizabeth Bailey

Personnel Cabinet Secretary

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Employee Relations

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Services Center

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Deferred Compensation Authority

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LETTER FROM THE SECRETARY

At the Personnel Cabinet, we're not just dreaming about the future of state government benefits administration; we're making these dreams a reality. Our goal is clear: we work every day to position state government as the employer of choice in the Commonwealth.

At the beginning of 2024, we updated our mission statement to reflect the unwavering commitment we have to our employees and agencies. It is as follows:

"The Personnel Cabinet provides leadership and guidance to attract, develop, motivate and retain a talented, diverse workforce that provides outstanding service to state agencies and citizens of the Commonwealth; foster an understanding of and adherence to legal requirements; and create a positive and inclusive work environment that supports the holistic well-being of all employees."

This year, our leadership has gone above and beyond in bringing this mission statement to life. We have implemented across-the-board salary increases, increased the salary schedule to strengthen our recruitment efforts, and organized wellness fairs across the state to connect state employees with valuable mental, physical, and financial health benefits and resources.

Additionally, in the pursuit of being the employer of choice, the Personnel Cabinet completed a comprehensive review of all Executive Branch job classifications. In this review, we provided the General Assembly with recommendations for enhancing employee compensation and addressing compression in the Commonwealth. As a result of our review, over 19,000 employees were positively impacted. The General Assembly also passed two across-the-board salary increases for state employees totaling 6% between two fiscal years. This is in addition to an 8% and 6% across-the-board increase for state employees that were seen in previous fiscal years.

We're not stopping here, though. What you will read in this report is just the beginning of what we envision for state government. Each day is a new opportunity for us to be innovative in the way we support our employees, and I can't wait to unveil the incredible things that are to come.

A handwritten signature in cursive script that reads "Mary Elizabeth Bailey".

Mary Elizabeth Bailey
Personnel Cabinet Secretary

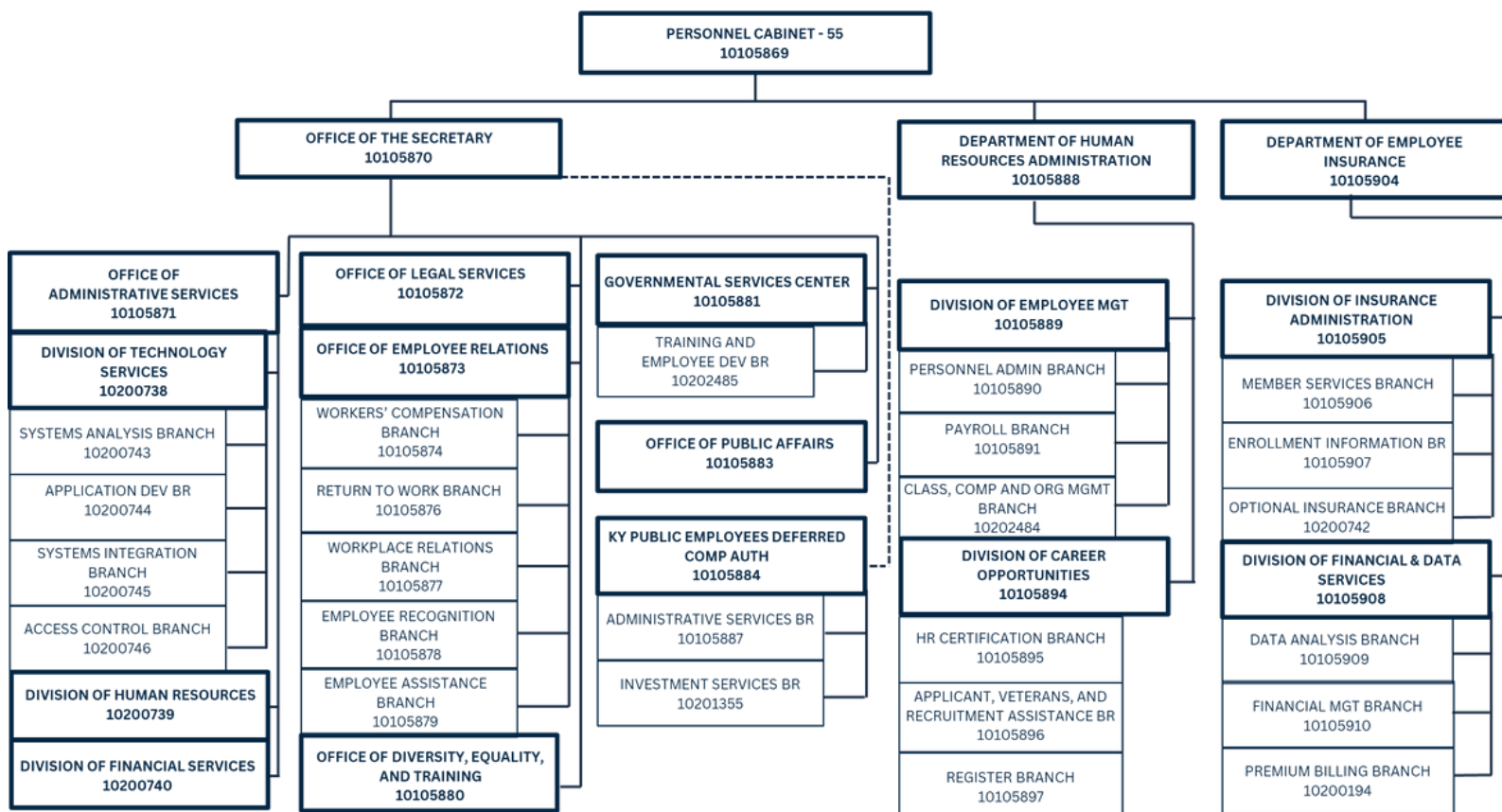


Pictured above: Personnel Cabinet executive staff and leadership.



Pictured above: Personnel Cabinet executive staff members met with Lt. Governor Coleman to discuss their department's ongoing projects and upcoming initiatives.

PERSONNEL CABINET ORGANIZATIONAL CHART

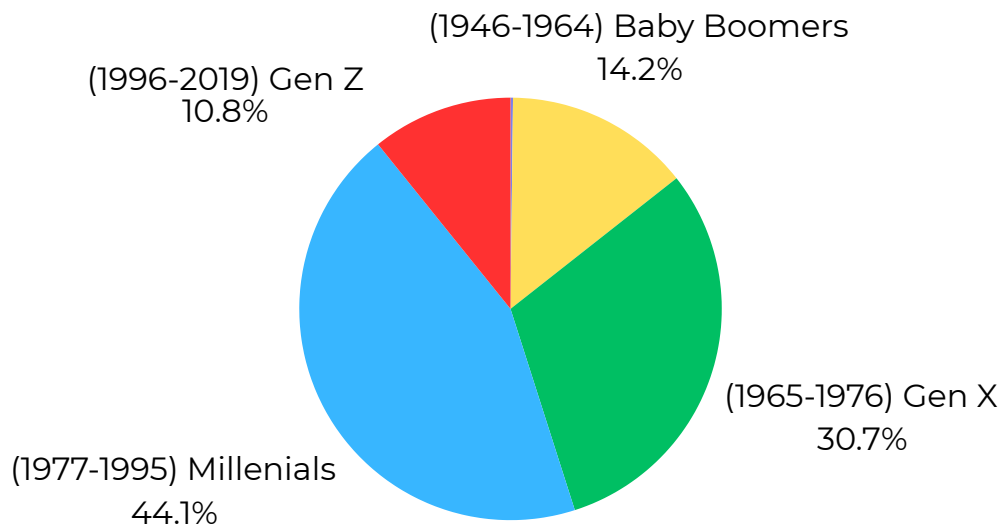


EMPLOYEE STATISTICS

Average Annual Employee Compensation

Average Gross Annual Salary	\$60,723.84
Average employer paid annual benefits:	
Retirement	\$36,230.71
FICA	\$4,341.72
Health Insurance	\$9,500.56
Life Insurance	\$11.46
Total Benefits	\$50,084.44
Average Annual Employee Compensation	\$110,808.28

Generations in the Workplace



Birthdate Range	Generation	Number of Employees
Prior to 12/31/1945	1927-1945 Traditionalists (0.3%)	64
1/1/1946 - 12/31/1964	1946-1964 Baby Boomers (18.1%)	4,841
1/1/1965 - 12/31/1976	1965-1976 Gen X (32.5%)	10,463
1/1/1977 - 12/31/1995	1977-1996 Millennials (42.9%)	15,051
1/1/1996 - Present	1996-2019 Gen Z (6.2%)	3,675

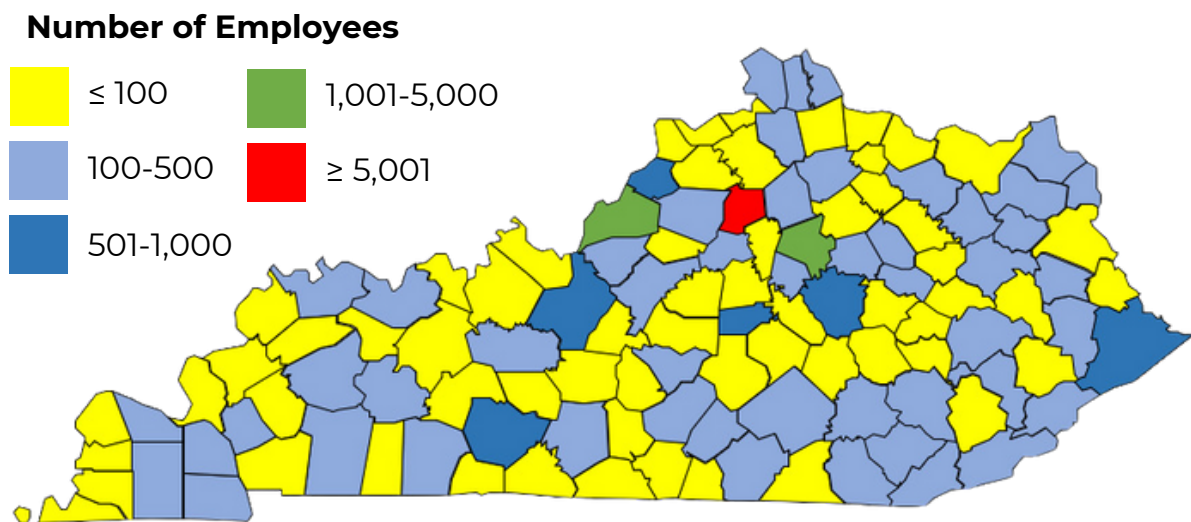
Race and Gender

Personnel Area	Males		Females		Caucasians		Minorities	
Executive	14,639	48.65%	15,453	51.35%	27,141	90.19%	2,951	9.81%
Judicial	814	22.62%	2,784	77.38%	3,197	88.85%	401	11.15%
Legislative	177	43.81%	227	56.19%	372	92.08%	32	7.92%

Employee Counts Per Personnel Area

Personnel Area	Number of Employees
Executive	30,092
Judicial	3,598
Legislative	404

Employee Counts Per County



Counties With Highest Number of State Employees

1. Franklin (9,294)
2. Jefferson (2,319)
3. Fayette (1,492)
4. Oldham (720)
5. Warren (689)
6. Hardin (675)
7. Madison (602)
8. Boyle (590)
9. Hopkins (540)
10. Pike (535)

DEPARTMENT OF EMPLOYEE INSURANCE

About the Department of Employee Insurance

The Department of Employee Insurance (DEI) administers the Kentucky Employees' Health Plan (KEHP) and optional benefits for life, dental, and vision insurance. The KEHP is a \$2 billion, self-funded health insurance and flexible spending account program that provides benefits to more than 295,000 public employees, retirees under the age of 65, and their dependents.

Prevention and Education in Focus

Wellness Fairs: The Department hosted seven wellness fairs throughout 2024—including four at state-owned buildings and three at the correctional complexes in LaGrange operated by the Department of Corrections. These wellness fairs attracted hundreds of members and provided an opportunity to educate state employees on health conditions and steps to improve personal wellness. KEHP vendors and partners at the Department of Public Health operated information booths with important information, fun activities, and giveaways.

Regional Wellness Coordinators: The Department has continued the Regional Wellness Coordinator (RWC) program to provide in-person wellness programming and support to KEHP's participating employers across the Commonwealth. The RWCs participate in hundreds of in-person and virtual events each plan year, including sharing important disease prevention and KEHP benefit information.

Tobacco Cessation Programs: The Department has added several tools or programs, including additional counseling options, for state employees to utilize.

Members can: obtain over-the-counter and prescription medications, many free of charge; participate in programs that are in-person, phone-based, or even chat via the Freedom from Smoking program and Quit Now Kentucky.



Changes this Fiscal Year

The 2025 Plan Year will bring no employee or employer premium increases, no benefit reductions, and no increases to dental or vision premiums!

Castlight Becomes Wellness Hub

Castlight is now the go-to resource for members for health information and wellness rewards. In 2023, the Department of Insurance introduced KEHP members to Castlight as a tool to help them navigate their benefits. Starting in 2024, Castlight expanded their role to also offer wellness information and wellness rewards. Castlight has brought new wellness features to members such as:

- Automatic rewards credit for certain activities, such as getting an annual physical or preventive screening.
- The ability to access information about certain benefits and obtain rewards points for doing so, all within the Castlight app.
- Access to sweepstakes rewards in addition to individual reward redemption, which encourages continued member engagement after they hit their individual reward limit by allowing them to apply points to sweepstakes.

Carrum Health

Starting in plan year 2024, KEHP now offers members and dependents 18 and over, the ability to use Carrum's surgical centers of excellence for access to high-quality surgical or cancer care. Coverage includes surgeries for hip, knee, spine, heart, weight loss, cancer care, and more. Members receive treatment without any surprise bills—no out of pocket costs, which means no deductible, copay, or coinsurance! Members may also receive a travel stipend for travel expenses to the surgical facilities.

By the Numbers

142,449

Members with dental benefits

1,840

Members with a Child & Adult Daycare FSA

132,507

Members with vision benefits

31,580

Employees with optional life insurance

28,167

Members with a Healthcare FSA

18,383

Dependents and spouses with optional life insurance

Division of Insurance Administration

The Division of Insurance Administration (DIA) provides direct support to KEHP members, optional insurance subscribers, and human resource generalists/insurance coordinators from our participating agencies, boards of education, and quasi-governmental groups. The DIA consists of three branches: Enrollment Information, Member Services, and Optional Insurance.

Each of the DIA branches supports our members with enrollment and enrollment change processing, enrollment error resolution, member customer service calls, urgent additions for coverage, processing life insurance claims upon death, as support to beneficiaries, and other general customer service support. The DIA also ensures integration of new vendors and interacts with vendor customer services teams as necessary to ensure the highest levels of service to our membership.



This fiscal year, there were:

23,513

Customer service calls for health insurance and optional dental, vision, and life insurance questions.

4,414

Enrollment exceptions processed.

40,174

Insurance applications processed in KHRIS, including new hire enrollments, qualifying events, and more.

848

Urgent additions for coverage processed in coordination with Anthem and CVS.

290

Supportive measures taken in processing death claims, including service calls to next of kin.

71

Evidence of Insurability forms processed, which is required if a member makes optional life insurance election outside of Open Enrollment or enrollment as a new hire.

Division of Financial and Data Services

The Department has a total of 16 vendors that invoice and provide services each month, including AON consulting, 4C, Anthem (includes Castlight program), Anthem Dental and Vision, Blue & CO, CVS, Healthplan Data Solutions, UK – Kentucky Medical Service Foundation Acupuncture Program, KnowYourRX, Merative, MetLife, Premise Health, RethinkCare, HealthEquity, and WebMD. The Division of Financial and Data Services ensures accurate payment and validation of vendor charges, resulting in the savings of thousands of dollars to the Plan each month.

Data Analysis Branch (DAB)

The DAB was responsible for the data integrity of 3,297 incoming and outgoing member eligibility files to vendors. The DAB's work includes process documentation, files, coding, reports, testing, and Open Enrollment planning, implementation, and testing.

DAB is also involved in the Open Enrollment project plan, testing KHRIS functionality prior to Open Enrollment, and any system issues that arise during Open Enrollment as well as new vendor implementation and eligibility files ensuring the data meets requirements provided by each vendor.

This fiscal year, the DAB:

- Processed **11,793** inbound file kickouts from TRS, KPPA, KDE and TRS.
- Sent **1,718** template corrections back to HealthEquity for enrollment or funding errors.
- Processed **5,341** HealthEquity file errors.
- Processed **773** Alight file kickout issues.
- Worked **51,258** HealthEquity sync errors.
- Updated **953** COBRA records for ACA reporting.
- Manually verified or dropped coverage for **1,223** dependents from the dependent audit.
- Worked **1,448** Anthem file discrepancies.
- Worked on **351** tickets, which include change requests in coordination with the Division of Technology Services.
- Made **1,084** updates to Access databases.
- Worked **1,075** KHRIS enrollment discrepancies



Division of Financial and Data Services Cont'd

Financial Management Branch (FMB)

- Manages daily Accounts Receivable/Accounts Payable, including creating and maintaining templates and tables in eMARS and the review and analysis of financial reports, claims, and files supplied by vendors and agencies of the Department of Employee Insurance (DEI) to determine the accuracy of invoiced billing and premium payments in compliance with current contracts.
- Performs financial analysis by applying statistical and accounting disciplines to specific benefit programs offered by DEI.
- Develops specialized and complex reporting of premium contributions and liabilities relating to Health, FSA/HRA, Life, and Optional Insurances, as well as other benefits.
- Manages complex financial reconciliations on seven funding accounts of DEI.
- Creates complex financial reports, dashboards, and financial schedules included in actuarial reports, financial closing packages, board reports, and legislature reports utilized by management to set budgets and premium rates.
- Assists with annual financial DEI audit. Advises management on fiscal matters pertaining to DEI.

**This fiscal year, the FMB:**

- Completed **2,313** eMARS documents including refunds, transfers, deposits, and payments.
- Worked **117,071** discrepancies in financial files/bills.
- Completed **295** invoices for payments to **15** vendors totaling **\$88,718,346.16**.
- Processed files and payments for **5,154,777** medical claims totaling **\$1,109,667,109.90**.
- Processed files and payments for **3,972,775** pharmaceutical claims totaling **\$760,813,787.43**.
- Processed files and payments for **1,427,423** HRA/FSA claims totaling **\$136,068,786.86**.
- Processed **\$274,266,305.41** pharmacy rebates.
- Processed **129,338** Wellness Rewards for members/spouses totaling **\$6,202,158**.
- Processed disputed charges totaling **\$9,985.92**.
- Processed **\$5,483,364.65** in Performance Guarantees for DEI vendors.

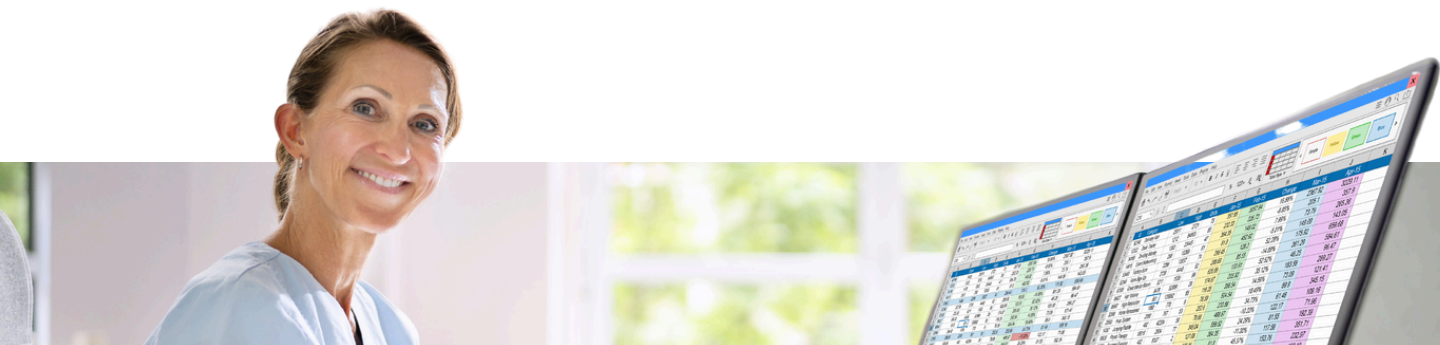
Division of Financial and Data Services Cont'd

Premium Billing Branch (PBB)

Manages daily billing and premium reconciliation, reporting, and customer service for health, dental, vision and life premiums, flexible spending accounts, and health reimbursement arrangement contributions and administration fees for KEHP and Optional Insurances.

During this fiscal year, PBB processed the following financial transactions:

- **10,737** premium bills were processed.
- **14,612** billing clarifications were manually worked and posted.
- Manually processed and posted **83** premium payment remittance files that totaled **\$445,176,240.98**.
- Prepared and processed **664** deposits that totaled **\$2,411,608.73** in premium payments.
- Manually entered and posted 636 check & payment lots that totaled **\$7,723,547.80** in premium payments received.
- Processed **4,160** 30-day arrears letters that totaled **\$312,943.06** in premiums owed.
- Processed **848** 60-day arrears letters that totaled **\$88,541.63** in premiums owed.
- Terminated **1,215** benefit plans due to non-payment of premiums that totaled **\$88,541.63** in premiums owed.
- Manually processed **221** premium refunds in the amount of **\$30,646.05**.
- Processed **1,569** write-offs in the amount of **(\$85,111.71)** in overpayments that DEI retained due to the agency not taking the overpayment back with the required 60-day policy.
- Manually entered **3,628** billing adjustments/corrections in KHRIS that totaled **(\$518,218.40)**. These are a combination of hazardous duty cross-reference, newborn and board member billing adjustments along with billing corrections.
- Reconciled all agency and member accounts each month within less than 1% over 60-Days.
- Provided monthly billing training for new insurance coordinators/billing liaisons.



OFFICE OF EMPLOYEE RELATIONS

About the Office of Employee Relations (OER)

The Office of Employee Relations (OER) provides leadership and support to state agencies through the coordination of several unique programs. Through these programs, OER helps take care of state employees in a variety of ways including assisting in their physical and mental health, maintaining safe workspaces, and recognizing their hard work. All of this is crucial in making sure they can complete their tasks essential to the Commonwealth.

Adoption Reimbursement Program

For employees who wish to adopt, the Commonwealth provides financial assistance of up to \$5,000 (\$7,000 for children with special needs) to help cover expenses. This benefit is available to executive branch employees and employees of the legislative research commission. In FY 2024, the adoption reimbursement program received and approved 19 applications from eight agencies covering 24 children. Ten children were adopted from the state foster care system. The approved reimbursements totaled **\$142,000**.

The Commonwealth of Kentucky's state employee adoption benefit program was recognized by the Dave Thomas Foundation for Adoption as one of the Best Adoption-Friendly Workplaces in the government industry!



Kentucky Employees Charitable Campaign (KECC)

The mission of the KECC is to improve lives and strengthen Kentucky communities by investing in basic needs, family stability, education, and health for every Kentuckian.

During 2023, the campaign was chaired by Tourism, Arts and Heritage Cabinet Secretary Lindy Casebier, and raised **\$602,973**. This represents a \$13,000 increase from 2022 and a 47% increase from 2021.

Service Certificates

The Employee Recognition Branch is privileged to provide our valued state employees with Service Certificates to celebrate their service to the Commonwealth.

During Calendar Year 2023

- **1,187** employees were honored for five years of service,
- **969** with ten years,
- **633** with twenty years,
- **84** with thirty years,
- **9** with forty years, and
- **1** with the exceptional accomplishment of forty-five years of state service.

Governor's Ambassador Awards

Six individuals and one team of public service employees received recognition in six categories: customer service, courage, leadership, professional achievement, teamwork, and community service and volunteerism.

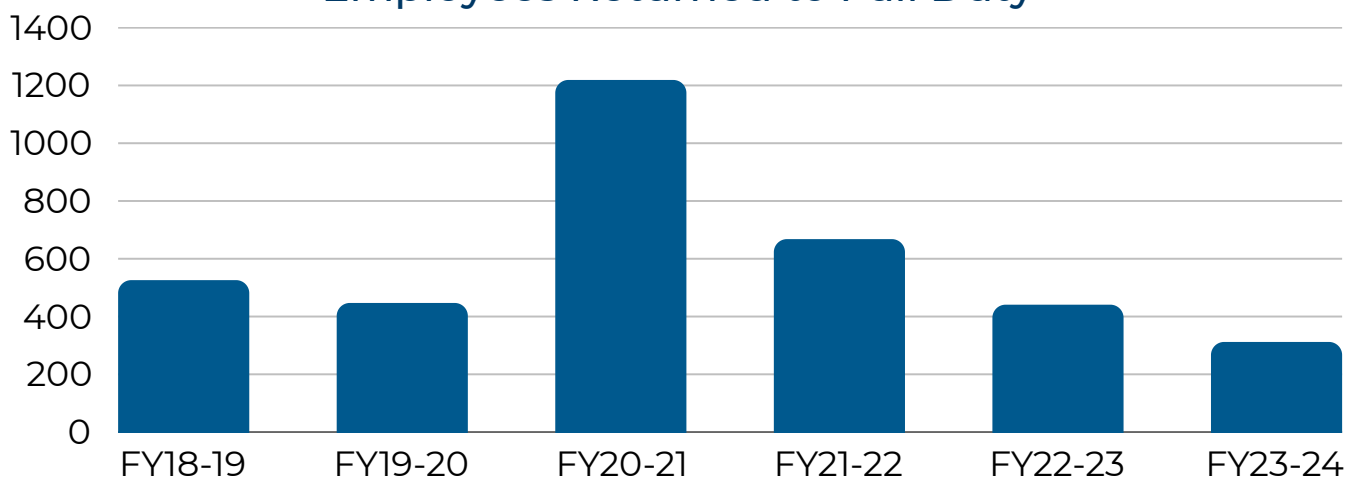
One hundred and thirteen nominations were received. Winners were presented with an award from the Governor and the Personnel Cabinet Secretary during a recognition ceremony on June 4, 2024, in the Capitol rotunda. Commemorative bricks will be placed at Thomas D Clark Center for Kentucky History in honor of their achievement.



Return-to-Work Program (RTWP)

The Return-to-Work Program (RTWP) consults with employers and assists in developing Temporary Modified Duty Programs (TMPD). In our consulting role, we educate the employer on the importance and benefit of providing modified duty for an employee recuperating from a work-related injury. During this fiscal year, 312 employees returned to full duty. The RTWP also processed 1,189 Temporary Total Disability benefit checks.

Employees Returned to Full Duty



Workers' Compensation Program (WCP)

The Workers' Compensation Program (WCP) focuses on individual customer needs and cost containment. The interplay between the WCP, return-to-work, and the safety program creates a system of data sharing to target safety initiatives on areas and incidences seen with the most frequency by workers' compensation to maximize safety and reduce agency injury costs. This also serves to keep employees working and not out on leave, which creates a cost savings to agencies that is difficult to measure.

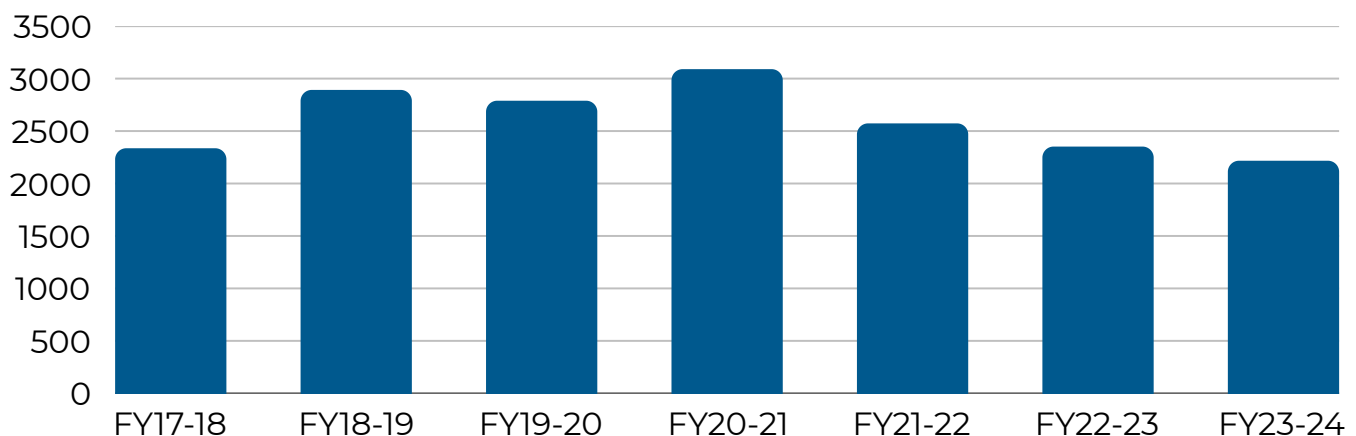
The WCP covers approximately 60,000 lives and 184 agencies and independent entities. These include but are not limited to the State Active-Duty National Guard, nineteen (19) Sheriffs and Clerks Offices, Kentucky State Police, the Department of Corrections, social workers, volunteer firefighters, and emergency management volunteers.

Notable Accomplishments

- Processed 2,217 First Reports of Injury during fiscal year 2023-24. Record only claims totaled 975 whereas Medical/Indemnity claims totaled 1,242.
- Total Incurred for fiscal year 2023-2024: \$7,540,561.12 as of July 1, 2024
- The WCP works with the Office of Legal Services (OLS) to process pre-litigation settlement agreements and prosecute subrogation liens in-house. This results in significant costs savings.



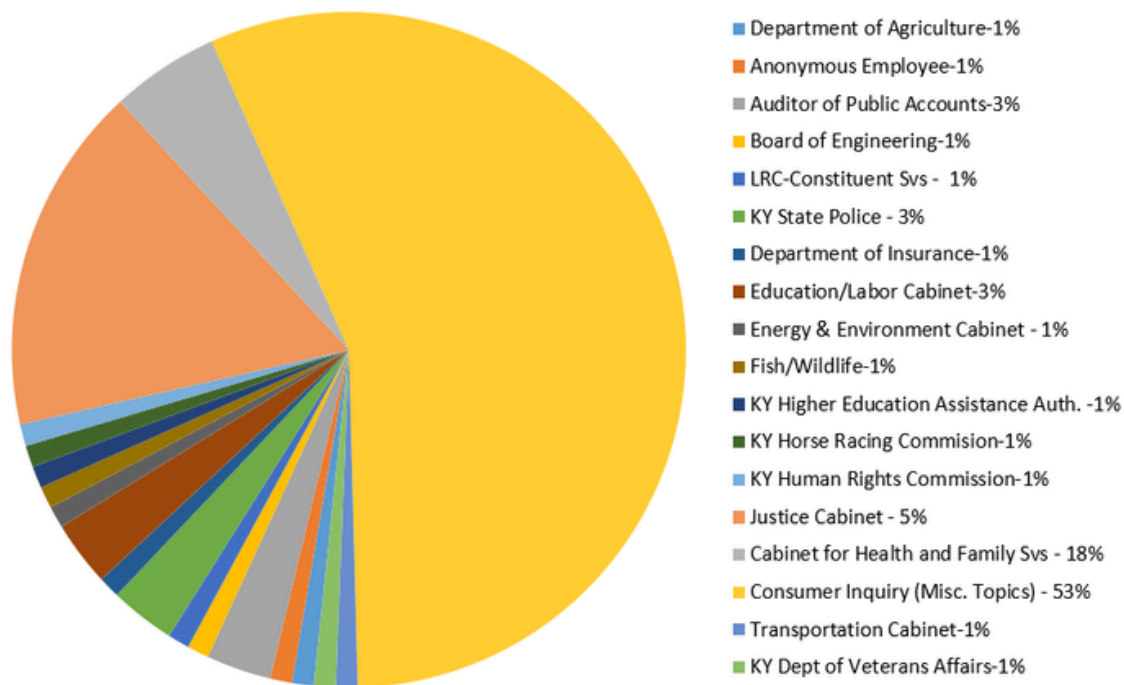
Total Number of First Report of Injuries Processed



Office of the Ombudsman

The position of Ombudsman was established to serve as a liaison and resource for employees and agencies in need of information or guidance. The Ombudsman also responds to inquiries, provides resources or options, facilitates meetings or other forms of communication, helps guide solutions to concerns that may arise, and recommends actions or changes to existing procedures. The Ombudsman also directs the Kentucky Mediation Program (KEMP) and coordinates the Transitional Assistance Program (TAP).

Ombudsman Inquiries by Agency: Fiscal Year 2023-2024



- There were 26 mediations conducted during this fiscal year. Twenty-one were referrals from the Personnel Board. Five mediations were at the request of coworkers or supervisors. Nine of the Personnel Board referred mediations were successfully resolved resulting in resolution of 12 appeals. All five of the mediations between coworkers or supervisors were positively resolved.
- Three agencies requested the services of KEMP for a Workplace Resolution (WPR). Two certified mediators conduct the WPR in person or via TEAMS and provided a report for each with concerns expressed by participants and suggested resources.
- The Ombudsman served several state agencies, the general public, state employees, and constituent services, etc. with a variety of topics. In response to calls from the general public, the Ombudsman provided valuable resources and contacts to relevant organizations in order to assist the individual in finding the ultimate resolution to their issue.

KENTUCKY EMPLOYEE ASSISTANCE PROGRAM

About KEAP

The Kentucky Employee Assistance Program (KEAP) is a confidential source to assist employees with personal concerns such as family issues, emotional distress, substance misuse, financial concerns, or job stress challenges.



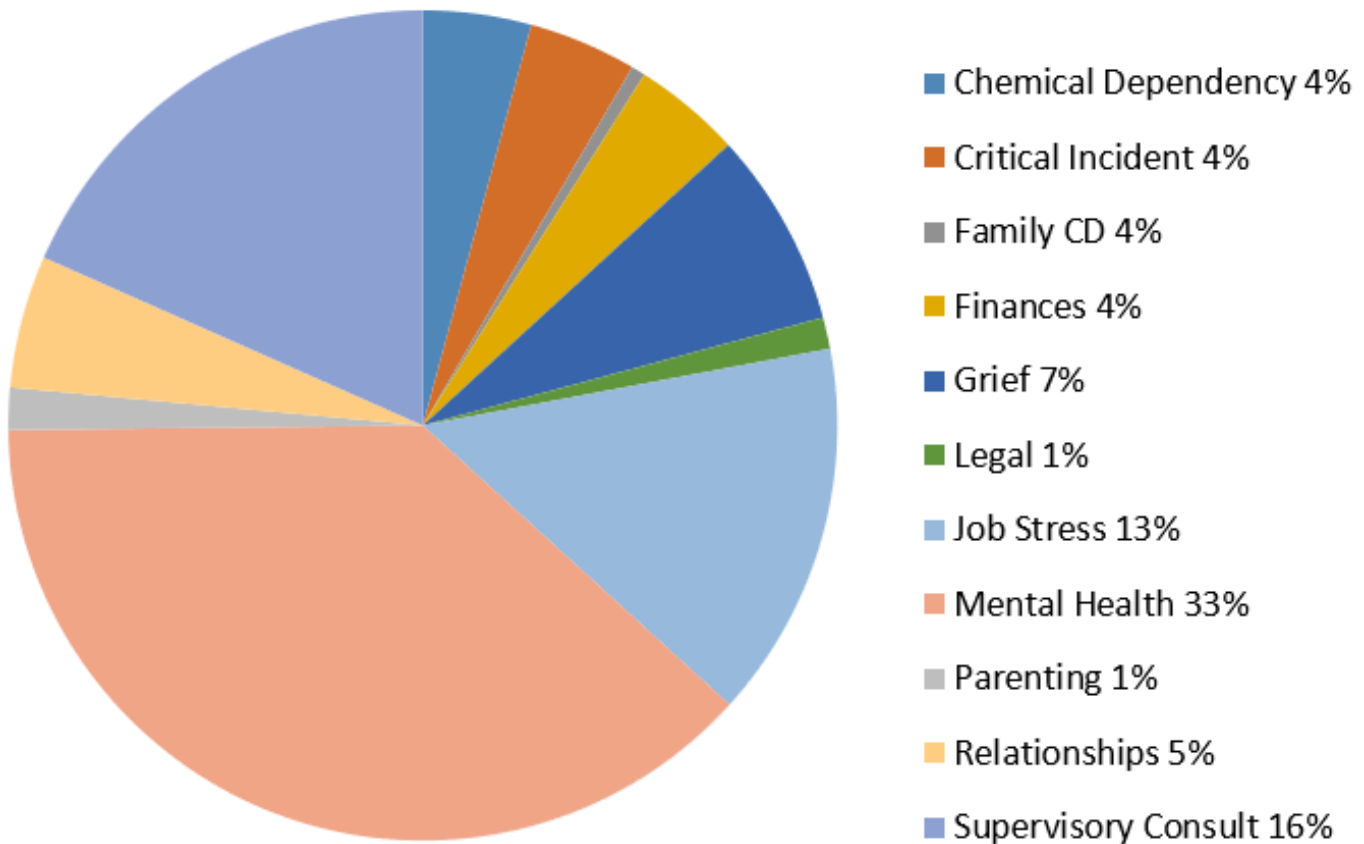
Program Highlights

- In Fiscal Year 2024, KEAP provided direct employee assistance services to 835 state employees and/or their family members, presenting as new clients.
- Issues most frequently presented included mental/emotional health (33%) and supervisory consultations (16%).
- KEAP staff provided 134 live presentations including topics such as building resilience, mental health in the workplace, and verbal de-escalation.
- KEAP worked with Castlight, DEI's wellness vendor, to award reward points for participation in work/life integration trainings.
- KEAP is approved by the Kentucky Board of Examiners of Psychology (KBEP), the Kentucky Board of Social Work and the Kentucky Board of Alcohol & Drug Counselors to provide continuing education courses free of charge to state employees in the social services profession who must maintain mental health licenses.
- Staff consulted with many agency personnel offices on how to effectively address troubled employee situations and participated in a number of agency conferences and staff events to further raise awareness of services.

Program Highlights Cont'd

- There are many agencies in state government who have employees more likely to be exposed to traumatic incidents due to the nature of their work. This year, KEAP developed a dedicated critical incident response position. The focus of this role is to create agency-specific training to prepare and support employees for potential trauma exposure and to assist agencies in establishing protocols for responding to incidents.
- Understanding the challenges of serving the public, KEAP created an employee training on addressing burnout that was launched state-wide as a part of the 2024 Executive Branch Annual Training.

KEAP Presenting Issues



DEPARTMENT OF HUMAN RESOURCES ADMINISTRATION

About the Department of Human Resources Administration

The Department of Human Resources Administration (DHRA) consists of the Commissioner's Office and two divisions: the Division of Career Opportunities (DCO) and the Division of Employee Management (DEM). DHRA oversees the Commonwealth's employment application and recruitment processes, performs state payroll functions, maintains the official personnel records for employees and the classification and compensation system, administers the statewide Performance Management Program, and maintains oversight of the Executive Branch organizational structure.

DHRA Accomplishments

Classification & Compensation Report

As required by 2022 House Bill 1 and modified through House Bill 444, from the 2023 Regular Session, a comprehensive review of KRS Chapter 18A was completed identifying perceived disparities in merit system compensation and addressing compression. As a result, a supplemental report of recommended changes was presented to the Interim Joint Committees on State Government and Appropriations and Revenue, on November 1, 2023. The recommendations included, but were not limited to, continued funding for comprehensive job classification reviews, salary increase adjustments to address salary compression, regular annual increases for state employees to maintain standard of living and to remain competitive with the labor market to avoid future salary compression, adjustment to the overall salary schedule, creation of a student loan forgiveness retention program, pension reform for hazardous and state police retirement systems, and adjustment to the statutory "pension spiking" provision to permit legislatively directed salary increases and to exempt compensation actions related to high inflation from the statutory pension spiking provisions.

Omnilert Implementation

In January 2024, the Commonwealth of Kentucky implemented use of the emergency notification system, Omnilert. This product allows for simultaneous emergency notifications to employees, based on work and home county, using: mobile device text messaging (SMS), email, and pop-up desktop workstation alerts. Emergency notifications use include: fire, tornado, bomb threats, active shooter events, and emergency closures. This messaging system enhances existing agency protocols and is used in conjunction with other audiovisual systems installed within Executive Branch buildings.

Executive Branch Classified and Unclassified Salary Schedule Adjustment

The classified and unclassified salary schedule was adjusted by Executive Order on September 16, 2023, resulting in an increase of 7% in the minimum salary of all grades.

Job Class Specification Revisions

In an effort to enhance recruitment and increase the talent pool in state government, the minimum education requirements on Executive Branch job classifications that require a bachelor's degree were expanded to allow specific experience to substitute for the required degree, excluding job classifications requiring licensure. This allows an applicant who does not have a bachelor's degree to use prior on-the-job training to meet the minimum education requirements if they have specific experience related to the job they apply for.

Implementing Legislation

The 2023 regular legislative session was impactful to the department and required the effectuation of multiple bills during this reporting period, including those outlined below:

- KRS 18A.032(2)(h) was changed, effective 7/1/24, reducing the minimum posting days of a register from 10 to five (SB 153);
- Effective 7/1/2023, a 6% increase was added to the base salary of eligible Executive, Legislative, and Judicial Branch employees, in addition to a \$2,000 salary increase provided for Judicial Branch employees. (HB 444);
- Effective 1/1/23, non-hazardous retirees were able to return to state government employment after a one-month break, versus the prior three-month break minimum. (HB506);
- Five agency reorganizations;
- Amendments to positions within the Kentucky Horse Park (HB 39);
- Increments and rank changes implemented for the Department of Education, and
- KSP Trooper/CVE Salary Schedule adjustment per KRS 16.052.

The 2024 regular session also called for the implementation of bills passed and effectuated during this report period, to include:

- 2 agency reorganizations,
- Updates to the Property Valuation Administrators (PVA) salary schedule (HB122), and
- Job title changes for specific Kentucky Department of Fish and Wildlife jobs (HB586).

Communications

DHRA is responsible for providing oversight and guidance to agencies on the administration of Human Resources (HR) as well as processes involving KHRIS & MyPURPOSE. In support of this, 11 issues of the "KY-HR: Policy & Procedure Publication" were created and distributed to agency HR staff. Additionally, DHRA continued to maintain the Personnel Cabinet's Human Resource website for agency HR staff.



HR Symposium

On November 28, 2023, DHRA hosted the HR Symposium for more than 100 agency HR professionals, providing the opportunity to engage in face-to-face training with cabinet leadership, DHRA staff, and fellow agency HR peers. This one-day event included Personnel Cabinet program updates, presentations on the Classification and Compensation Report as well as a compensation training based on KRS Chapter 18A changes, a review of future cabinet initiatives and concluded with a KY Chapter IMPA-HR business meeting.

HR Business and System Training

In addition to DHRA's responsibility to provide necessary HR process and system information to agencies, DHRA is also responsible for delivering training to agency HR staff required to perform HR functions within KHRIS and MyPURPOSE.

Many division staff members are involved in these classes as trainers and subject matter experts. Trainings are offered in a variety of methods including instructor-led in-person, instructor-led virtual, and online trainings to new employees as well as current employees wishing to re-take the course(s) as a refresher.

DHRA virtual training courses have been revised to enhance the user experience. Courses have continued to be reviewed and updated with development improvements including enhanced audio, imagery, design, and modern templates.

DHRA conducts course evaluations and follow-up surveys for all HR and system training courses to gauge participant satisfaction and analyze data for future course enhancements.

Counts of employees trained per course, for the reporting period, are:

- Human Resource Generalist – 41
 - Benefits Administration Refresher – 5
 - Organizational Management Refresher – 7
 - Personnel Administration Refresher – 7
 - Time Management Refresher – 4
 - Payroll Refresher – 3
- County Fees/Human Resource Generalist – 9
- County Fees/Payroll – 15
- Time Management Administration – 195
- Organizational Management 200 – 36
- Personnel Administration 200 – 18
- Payroll 200 – 31
- Workers' Compensation Buyback – 57
- Fundamentals of Payroll – 36
- Family Medical Leave Act – 63
- Position Description (PD) - 44
- MyPURPOSE Recruitment Super User – 69
- MyPURPOSE Agency Performance Admin – 34
- Performance with a Purpose (Evaluator training) - 866

Division of Employee Management

The Classification, Compensation, and Organizational Management (CCOM) Branch effectuated changes to approximately 559 job classifications. Among these were the establishment of 521 new job classifications, the abolishment of 106 job classifications, the adjustment of 124 pay grade assignments, and the establishment or adjustment of 36 special entrance rates set above the entry of the pay grade.

The 2024 General Assembly allocated additional funds for a comprehensive review of all information and technology (IT) related job classifications. The CCOM Branch has collaborated with the Commonwealth's Office of Technology and Korn Ferry to update antiquated job classification specifications due to the ever-changing technology field and to create new classifications representing the latest IT job skills and responsibilities.

Along with the review of the IT job classifications, the CCOM Branch is currently involved in the completion of a 5-year classification and compensation study of all job classifications as required by Kentucky Revised Statute 18A.030. This statute requires a recurring detailed review and refactoring of all existing job classifications.

Division of Career Opportunities

The Division of Career Opportunities continually leverages MyPURPOSE, our applicant tracking system, to enhance and customize job announcements by highlighting position details and benefits, adding recruitment videos, and extending announcements to social media platforms.

The Division of Career Opportunities (DCO) handles a large variety of customer service tasks, including:

- Applicant assistance (email, TFS Business Request responses, and phone calls): **8,244**
- Veterans assisted: **857**
- Veteran's preference assigned: **897**
- Total applicants in MyPURPOSE: **228,832**
- Total applicant submissions: **33,202**
- Applications reviewed for minimum qualifications (MQR): **13,217**
- Job opportunities posted: **10,067**
- Job postings certified **8,812**

DCO continuously submits essential change requests that improve upon the recruitment module within MyPURPOSE that are also beneficial to the customers that use the system.

Recruitment and Outreach Accomplishments

Recruitment Vendor Services

In the fall of 2023, contracts were awarded to All-Star Talent and Deloitte Consulting for the purpose of engaging external vendor services for recruitment and marketing. This allows agencies to seek and utilize services such as sourcing of applicants, targeted recruitment, advertising assistance, marketing services, agency branding, media campaigns and outreach, creative design and recruitment, strategic planning, and more. These contracts are all entirely specified to the agency, based on their business needs and budget.

Social Media Highlights

Facebook: This account offers an avenue for vacant positions to be highlighted daily for recruitment purposes. There are a wide variety of positions posted on this page that focus on hard to fill or high demand positions as well as others. During this period, 351 position vacancies have been advertised.

LinkedIn: This account utilizes recruitment services through the ability to provide select agency recruiters the ability to provide outreach to LinkedIn users, sponsor job postings, and more. On a monthly basis, over 100 job advertisements are posted to the Commonwealth's account.

Career Fairs

The Division of Career Opportunities (DCO) continues to participate in recruitment events for state agencies. DCO engages agency counterparts and the Office of Diversity, Equality, and Training for assistance with these important events, on a regular basis. During this period, DCO participated in 56 different events across the state.

This fiscal year, DCO:

- Attended career fairs for multiple colleges, universities, and high schools.
- Continued to participate in various recruitment events and informational sessions to promote the Commonwealth of Kentucky as an “employer of choice” and share information on how to apply for career opportunities.
- Attended multiple Fort Knox and Fort Campbell Solider for Life Transition Assistance Program Employer Days and Veterans Summer Career Fairs.
- Recruited for many positions in Handshake to various Universities throughout the state.
- Engaged with Employee Counts program and became a business partner for this initiative and attended recruitment events.
- Started a Recruiter Resource Group with agency participation. Recruiters from agencies across the Commonwealth come together to collaborate on what is/is not working with recruitment efforts.





DHRA by the Numbers

\$2.2 Billion

In payroll processed for an average of 41,682 employees.

113,296

Total number of personnel actions processed, including the mass processing of the 6% salary increase

81,473

Individual personnel actions reviewed and approved

25,595

Annual increments processed

6,228

Probationary increases processed

46,229

Wage and Tax Statements disseminated (W-2) for 2023,, 48% of which were delivered electronically

16,912

Records scanned into Personnel Files

4,167

Verifications of employment completed

16

Agency reorganizations completed

OFFICE OF LEGAL SERVICES

About OLS

The Office of Legal Services (OLS) counsels, advises, and assists Personnel Cabinet Staff and Executive Branch agency legal and human resources staff on employment issues in state government, primarily focusing on administration of the KRS Chapter 18A merit system.

OLS staff drafts legal pleadings, memorandums, proposed legislation, proposed regulations, and legal opinions. They also represent the Personnel Cabinet in hearings and proceedings before administrative agencies and state and federal courts.

OLS assists with contract reviews, open records requests, participates in mediations of Personnel Board appeals, and provides legal support to the Personnel Cabinet's Worker's Compensation Program. Our staff also ensures that all personnel comply with the provisions of the Executive Branch Ethics Code.

OLS Fiscal Year 2023-2024 Accomplishments

- Continued to provide guidance to Executive Branch agencies on recent legislative changes that modernized the Commonwealth of Kentucky's KRS Chapter 18A merit system.
- Coordinated the Executive Branch Annual State Certification for Drug-Free Workplace Federal Grants, to ensure continuation of federal funding for state agencies.
- Reviewed, conducted, and developed training for Executive Branch personnel on numerous subjects, to include various employment law matters such as Family and Medical Leave and Conducting Workplace Investigations.



Fiscal Year 2023-2024 Amendments

Amendments filed by OLS became effective for the following Personnel Cabinet regulations:

- 101 KAR 2:034 - Classified Compensation
- 101 KAR 2:095 - Classified Service General Requirements
- 101 KAR 2:181 - Repeal of 101 KAR 2:180
- 101 KAR 2:210 - 2024 Plan Year Handbook for the Public Employee Health Insurance Program
- 101 KAR 3:045 – Compensation Plan and Pay Incentives for Unclassified Service

**36**

Personnel Board Appeals filed requiring OLS litigation support.

39

Prelitigation settlement agreements completed for the Workers' Compensation Program.

155

Reviews of minimum qualification reconsideration requests.

189

Responses to Open Records Requests.

255

Responses to employee records requests.

734

Responses to investigative requests regarding state employment.

810

Consultations with Executive Branch human resources and legal staff on personnel issues.

2,559

Personnel actions reviewed for legal sufficiency.

13,093

Background checks conducted.

OFFICE OF DIVERSITY, EQUALITY & TRAINING

About ODET

The Office of Diversity, Equality & Training (ODET) is responsible for the development and implementation of statewide programs and initiatives in the areas of equal employment opportunity, accessibility, retention, inclusion, and diversity. ODET serves as the subject matter expert in these areas, and as such provides training, professional development and related programs on behalf of the Executive Branch.



Pictured above: Featured speaker Kyra Elzy stands with Deputy Secretary Geri Grigsby (Finance & Administration Cabinet) and Secretary Mary Elizabeth Bailey (Personnel Cabinet) at the 2023 KyLEAD Conference.

Program Highlights

Governor's LEAD Conference

The Governor's Conference on Leadership, Equality, Accessibility and Diversity (KyLEAD) continues to attract attendees from both private and public sectors. The 2023 conference featured approximately 800 participants, presenters and vendors in attendance.

Employee Resource Groups

Employee Resource Groups (ERG) ERGs are voluntary, employee-led groups of individuals who share a common interest in diversity and inclusion and are committed to creating a sense of belonging amongst all state government employees. The Commonwealth has eight ERGs that are available to all Executive Branch employees.

Governor's Minority Management Trainee Program

Created in 1995, the Governor's Minority Management Trainee Program (GMMTP) is a twelve-month transformational leadership development program designed to provide guidance and leadership development opportunities for minority employees in the merit system.

Participants receive in-depth, practical training through classroom instruction and hands-on experience. They also participate in projects and programming to further their professional capabilities.

Training Course Highlights

- Americans with Disabilities Act
- Anti-Harassment
- Embracing Diversity
- Inclusive Leadership
- Sexual Harassment

OFFICE OF ADMINISTRATIVE SERVICES

About the Office of Administrative Services

The Office of Administrative Services (OAS) manages the cabinet's budget, accounting, procurement, human resources, payroll, benefits, facilities management, and technology. Within OAS are three Divisions: Financial Services, Human Resources, and Technology Services.

Division of Financial Services (DFS)

DFS manages the \$160 million budget for the Cabinet providing monthly budget reports, processing invoices, depositing revenues, overseeing the contractual process for Cabinet goods and services, and providing asset and property management.

Division of Human Resources (DHR)

DHR processes Personnel Cabinet personnel actions, processes time and payroll, manages the performance process for Cabinet employees and provides assistance with employee benefits including insurances, leave, FMLA, and sick leave sharing.

Division of Technology Services (DTS)

DTS provides IT leadership, research, input, direction, and oversight of all technology and technology-related initiatives in the Personnel Cabinet. DTS manages all IT projects within the Program/Project Management Office (PMO) to ensure project progress, delivery, and budget compliance.

Notable Accomplishments

- Completed the previous year's IT Audit by the Audit of Public Accounts without any formal findings or comments.
- Completed all contract renewals and required RFP's for the upcoming 2024-2026 Biennium.
- Completed the financial close out of fiscal year 2024.
- Provided technical support for the 2023 KyLEAD Virtual Conference.
- Successfully tested KHRIS during Executive Branch disaster recovery exercise.

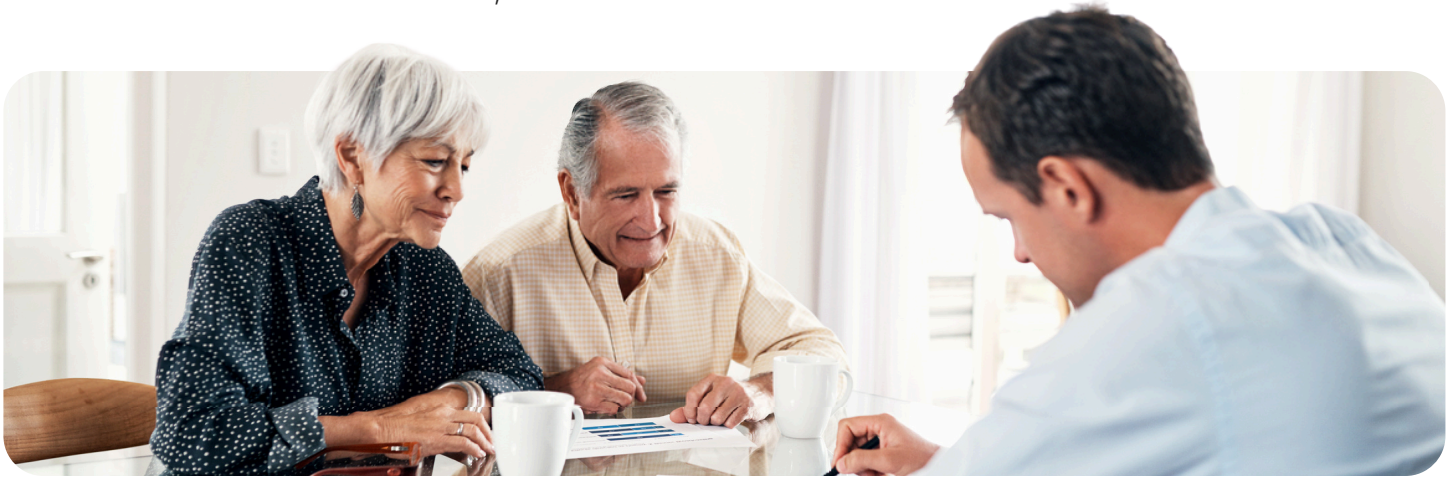
DTS Accomplishments by the Numbers

- Supports more than **500,000** end users in the Personnel Cabinet's 3 Enterprise HR systems: KHRIS, MyPURPOSE, and ImageConnect
- Responded to over **7,600** IT support requests
- Implemented **135** system change requests
- Migrated **40** servers, the entire KHRIS landscape to upgraded servers
- Migrated **31** Terabytes of data, all KHRIS databases to the new storage appliance

KENTUCKY DEFERRED COMPENSATION AUTHORITY

The Kentucky Public Employees' Deferred Compensation Authority (KDC) is the official supplemental retirement system for the employees of the Commonwealth, public education, and local programs. KDC is authorized by KRS 18A.230-18A.350.

KDC is an Authority operated under the direction of a seven-member Board of Trustees and Executive Director and assigned to the Personnel Cabinet for administrative purposes only. KDC consists of the following three branches: Executive Branch, Administrative Services Branch, and Investment Services Branch.



ACCOMPLISHMENTS FROM THIS FISCAL YEAR

- **\$4.2 Billion** Assets Under Management
- **85,479** Plan Participants
- Auto-Enrolled Participants: **3,832**
- Participant Contribution Increases – **16,029**
- Total Enrollments – **9,526**
- Total Participant Conversations – **41,772**
 - Columbus call center volume – **37,233** (Columbus)
 - Frankfort call center volume – **4,167** (Frankfort Internal Rep)



- KDC turned 50 this year— Kentucky Deferred Compensation has proudly been serving the Commonwealth of Kentucky since 1974.
- KDC Auto Enrollment Program has enrolled 19,000 total participants; with a 93% retention rate (leading the nation in Governmental DC Plans).

GOVERNMENTAL SERVICES CENTER

About GSC

The Governmental Services Center (GSC) is the training and development office for Kentucky state employees. GSC partners with agencies, helping them develop their employees through their training programs. GSC offers classroom and online training opportunities to state employees, and state agencies.

Highlighted Services

eLearning

GSC manages a vast collection of eLearning courses offered through CommonwealthU. Additionally, GSC creates playlists for specific topics. Playlists are collections of learning content curated by the Personnel Cabinet. Playlists can be found on the Learner Home Screen.

Virtual Instructor-Led Training

These sessions are far from your typical webinar! GSC offers interactive virtual sessions where you'll be engaged from the moment you log into the course. GSC offers sessions on a variety of topics like Leadership, Work Relationships, and Customer Service.

Consulting Services

GSC can provide customized development opportunities for agencies. GSC can meet with leadership and determine the best training solution, offering sessions virtually or in-person at any location in Kentucky. In addition, GSC can recommend eLearning opportunities to meet a team's needs.

Highlighted Training

New Trainings Developed in FY24

- Customer Service
- Working Through Change
- Articulate Storyline Train-the-Trainer
- Introduction to Articulate Storyline

Trainings Created with the Help of GSC

- Workers' Compensation Overview: Supervisor's Responsibilities
- Understanding Burnout
- Deferred Compensation Authority: What Does Retirement Mean to Me?

In this fiscal year, there were:

67,304

Course completions within the CommonwealthU training catalog.

17,245

Course completions of GSC-created online courses.

365

Attendees of GSC's virtual, instructor-led trainings.

8

One-on-one consultations with agencies throughout state government to develop individualized training material.

OFFICE OF PUBLIC AFFAIRS

About the Office of Public Affairs

The Office of Public Affairs (OPA) provides communication planning and marketing services for the Personnel Cabinet. OPA promotes employee benefits, programs and services, policies, and new initiatives. OPA is also responsible for media relations, website design and maintenance, social and electronic media, publications, and all communication distributed from the Cabinet.

State Employee Newsletter

Communication from one centralized voice is essential for state government. Because of this, OPA coordinates e-newsletters to all Executive Branch state employees. This keeps employees engaged and up to date with the latest information regarding their benefits and other HR initiatives.

Recruitment

OPA and DHRA work together in recruitment efforts, including social media promotion, brochure and flyer designs, and event support. OPA helped in the development and marketing of new initiatives that were announced in Fiscal Year 2024-25.

Severe Weather Alerts

OPA works alongside the Division of Emergency Management to distribute crucial updates to employees regarding office closures and severe weather alerts through e-mail and across various social media platforms.

Media Relations

OPA works to generate positive news about state employees and Personnel Cabinet programs and initiatives and handles all media requests that are sent to the Cabinet.

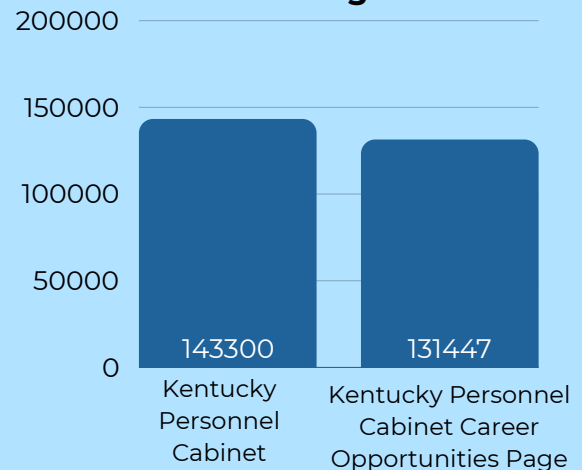
Social Media

OPA continues to utilize platforms such as Facebook, X, and LinkedIn to communicate with state employees and members of the public.

Follow us!

- Facebook: Kentucky Personnel Cabinet
- Facebook: Kentucky Personnel Cabinet - Career Opportunities
- X: @kypersonnel
- LinkedIn: Commonwealth of Kentucky

Facebook Page Reach



This metric counts reach from the organic distribution of Facebook posts and stories. It also includes reach from other sources, such as tags, check-ins and Page or profile visits.