



**STATE OF OKLAHOMA
OFFICE OF PERSONNEL MANAGEMENT**

"Serving Equal Opportunity Employers"

OPM 05-29

DATE: June 10, 2005

TO: All Appointing Authorities

FROM: Oscar B. Jackson, Jr., IPMA-CP, Administrator and
Cabinet Secretary of Human Resources and Administration

A handwritten signature in black ink, appearing to read "Oscar B. Jackson, Jr.", positioned to the right of the "FROM:" field.

RE: 2005 Human Resources Legislation

During the 2005 session, the Oklahoma Legislature passed a number of human resources-related bills that affect state agencies and employees. Though we may provide you with more detailed information regarding several individual bills in the coming weeks, you may find the following list helpful in the interim. This list includes major, generally-applicable HR-related legislation. It does not include legislation regarding specific agencies, retirement, insurance, or appropriations. You may access the signed bills mentioned in this memo on the Website of the [Secretary of State](#).

If you have questions concerning state government HR legislation, please contact Dayna R. Petete, OPM Assistant Administrator for Communications and Legislative Liaison, by phone at (405) 521-6293, or via e-mail at Dayna.Petete@opm.state.ok.us.

Compensation

**Senate Bill 473
Capps/Braddock**

Section 5 of Enrolled SB 473 clarifies that Oklahoma has a public accountability pay system, which prohibits the payment of state employees for time not worked unless the time not worked is covered by available paid leave.

Adds 74:840-2.30; effective July 1, 2005.

CORE/PeopleSoft

**House Bill 1046
Benge & Newport/
Morgan & Crutchfield**

Section 3 of Enrolled HB 1046 requires state agencies using the state-wide CORE Enterprise Resources Planning software system to pay for all transactions at a rate established by the Office of State Finance, which is to be based on the cost to OSF for providing such services. Also authorizes OSF to collect up to \$4 million in the first year; during each subsequent year, transaction services will be evaluated and adjusted based on the cost of services provided.

Noncodified; effective July 1, 2005.

Employee Actions

**House Bill 1500
Balkman/Nichols**

Section 3 of Enrolled HB 1500 requires:

- State agencies to notify OPM when an employee is demoted as a result of a position audit or reclassification, and

- OPM to review the agency's decision before the demotion occurs and respond to the agency within ten days of receiving notification.

Section 3 also provides that this requirement does not apply to demotions that are a result of a position audit or reclassification performed by OPM.

Amends 74:840-6.5; effective July 1, 2005.

Grievance Procedure

House Bill 1755
Miller/Nichols

Section 1 of Enrolled HB 1755 requires the Merit Protection Commission to establish rules to monitor state agency grievance processes to ensure full compliance with the law, and provides that MPC may recommend any changes necessary to improve such processes.

Amends 74:840-1.9; effective November 1, 2005.

Leave

Senate Bill 315
Leftwich/Terrell, et al.

Section 1 of Enrolled SB 315 permits all state employees to exceed the maximum annual leave accumulation limits, provided that the excess is used, at the Appointing Authority's discretion, during the same calendar year in which it accrues or within 12 months of the date on which it accrues.

Amends 74:840-2.20; effective July 1, 2005.

Senate Bill 315
Leftwich/Terrell, et al.

Section 2 of Enrolled SB 315 increases the amount of paid military leave for which state employees who are called to active duty in the National Guard are eligible to receive. Currently, employees receive their full regular pay for the first 20 workdays in the federal fiscal year; SB 315 increases the number of workdays of full regular pay to 30.

Amends 44:209; effective July 1, 2005.

Senate Bill 473
Capps/Braddock

Section 2 of Enrolled SB 473 makes 74:840-2.15 consistent with OAC 530:10-7-12, which requires employees to take compensatory time before taking annual leave and prohibits the extension of the 180-day limit for use of compensatory time to institutional employees.

Amends 74:840-2.15; effective July 1, 2005.

Longevity

Senate Bill 473
Capps/Braddock

Section 3 of Enrolled SB 473 requires agencies to post an employee's longevity date as directed by the OPM Administrator when the employee initially enters on duty with the agency.

Amends 74:840-2.18; effective July 1, 2005.

Miscellaneous

Senate Bill 473
Capps/Braddock

Section 1 of Enrolled SB 473 authorizes OPM to charge all state agencies using payroll services provided by OPM at a rate established by the Administrator.

Amends 74:840-1.18; effective July 1, 2005.

Performance Management Process

House Bill 1755 *Miller/Nichols*

Section 2 of Enrolled HB 1755 clarifies numerous items related to the Performance Management Process (PMP):

- Replaces “service rating” with “performance evaluation” throughout the section;
- Revises Subsection B to more accurately reflect the components of the PMP, as spelled out in the Merit Rules and the PMP handbook, i.e., identification of employee accountabilities and behaviors, mid-term interview, identification of performance strengths and performance areas for development, final interview, and opportunity for the employee to submit written comments;
- Requires that each performance evaluation contain the agency number, date of review, and employee identification number;
- Clarifies that:
 - o Non-probationary employees shall be rated at least once a year;
 - o Permanent classified employees who disagree with their performance evaluation may file an internal agency grievance;
 - o All employees (classified and unclassified) who believe that their employing agency has not complied with Subsection B, which lists the required components of PMP, may file a complaint through an internal agency dispute resolution process or, if there is no such process in their agency, through MPC, which only has jurisdiction to investigate or hear appeals regarding the failure of an agency to comply with Subsection B;
- Amends Subsection I, which requires OPM to conduct an annual random audit of state agency compliance with 74:840-4.17, to require agencies not in compliance to submit a written plan to OPM detailing its efforts to come into compliance.

Amends 74:840-4.17; effective November 1, 2005.

Productivity Enhancement Program (PEP)

House Bill 1650 *Hilliard & Sherrer/ Paddock*

Enrolled HB 1650 requires that a state employee recipient of a PEP cash incentive award be paid in one lump sum if the 12-month period during which the idea was implemented mirrors the fiscal year, or two single payments if the implementation period occurs in two fiscal years.

Amends 74:4117; effective November 1, 2005.

Reduction-in-Force

House Bill 1500 *Balkman/Nichols*

Section 2 of Enrolled HB 1500 requires state agencies to provide their reduction-in-force implementation plan to the Director of the Office of State Finance, Oklahoma Public Employees Association, and other associations representing state employees at the time of the RIF.

Amends 74:840-2.27C; July 1, 2005.

Unclassified Service

House Bill 1500 *Balkman/Nichols*

Section 4 of Enrolled HB 1500 changes the name of the *Oklahoma Biennial Compensation Review Board* to the *Oklahoma Compensation and Unclassified Positions Review Board* and expands the jurisdiction of the Board to include review of agency proposals to add unclassified positions to the state service and of positions currently in the unclassified service.

Section 4 also requires:

- Merit System agencies to submit requests for unclassified authorizations to the OPM Administrator who, following review and analysis, will forward all requests to the Oklahoma Compensation and Unclassified Positions Review Board with recommendations, and
- OPM to review and analyze positions currently in the unclassified service and provide recommendations to the Board.

Amends 74:841.30; effective July 1, 2005.

House Bill 1500
Balkman/Nichols

Section 5 repeals the State Classification Task Force, which was created in 2003 to review state unclassified positions and make recommendations to the Legislature concerning the current unclassified service and feasibility of proposals to add positions to or remove positions from the unclassified service, and transfers these duties to the *Oklahoma Compensation and Unclassified Positions Review Board*. [Note: Section 6 of SB 473 amended 74:840-5.1B. Those changes were added to HB 1500.]

Repeals 74:840-5.1B; effective July 1, 2005.

Vendor Access

Senate Bill 586
Coffee, et al./
Newport, et al.

Section 1 requires state agencies to:

- Provide for a one-day employee benefit informational meeting no less than 15 working days before the annual benefits enrollment deadline;
- Invite vendors approved for state payroll deductions to such meetings to provide benefit information and answer questions, and encourage them to attend;
- Provide adequate space to vendors to meet with employees; and
- Give employees, both active and retired, adequate notice of the meeting and allow each active employee to spend at least 30 minutes during the workday to attend the meetings.

Section 2 requires that vendor materials be placed in the annual benefit enrollment materials provided to state employees and their dependents.

Amends 74:1344 and adds 74:1344.1; effective July 1, 2005.

Voluntary Payroll Deduction

House Bill 1245
Carey/Gumm

Enrolled HB 1245 expands the entities with voluntary payroll deduction status to include any credit union, bank, and savings association with an office in Oklahoma.

Amends 62:7.10; July 1, 2005.