



State Agencies Have Increased Their Use of Other Personal Services Employees

at a glance

In Fiscal Year 2005-06, the state hired 20,255 OPS employees, which represented a 7% increase from the previous year. Expenditures for these employees also have increased in recent years, with agencies spending \$194.3 million on OPS employee salaries in Fiscal Year 2005-06.

Agencies hire OPS employees for many reasons, including the need to fulfill peak workload demands. Agencies hire such employees for a wide range of occupations, including office clerks and service workers. Agencies report that they want to retain OPS employees because of the importance of their work and because it would not be cost-effective to replace them, given their expertise.

Scope

As directed by the Legislature, this report examines Florida state agency use of Other Personal Services employees (OPS). The report addresses four questions.

1. How many OPS staff do agencies employ?
2. Why do agencies use OPS staff?
3. In what occupations are OPS employees working?
4. Why do agencies retain their OPS employees?

Background

State law authorizes agencies to hire temporary employees and gives the Department of Management Services responsibility for developing

and implementing state policy for temporary employment. The Executive Office of the Governor has responsibility for approving agency requests to utilize such employees for extended periods.

State law authorized the use of OPS employees nearly 25 years ago. In 1983, the Legislature established a category of temporary employment in s. 110.131, *Florida Statutes*; this category is called Other Personal Services (OPS). These temporary state employees are paid on an hourly basis and do not receive benefits such as health, disability, and life insurance, and membership in the state's retirement system. OPS employees may work either full- or part-time in a wide range of occupations. Executive agencies that participate in the State Personnel System, as well as other state entities are users of OPS employees.¹

The Department of Management Services has primary responsibility for OPS policy. Florida law specifies that the Department of Management Services (DMS) has responsibility for creating and administering statewide policy related to OPS employees.² Accordingly, the department adopts rules and maintains information on OPS employees. For example, DMS maintains information on OPS employees' occupations, rate of pay, and number of hours worked.

In addition, the Executive Office of the Governor's Office of Policy and Budget is responsible for

¹ The State Personnel System does not include the Legislature, the State University System, the Department of the Lottery, and the State Court System.

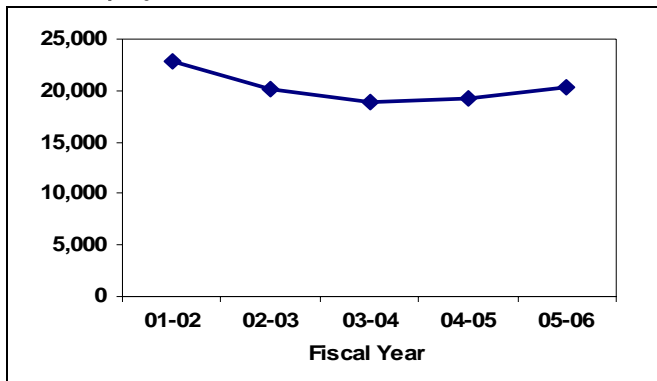
² Section 110.131, *F.S.*

approving employment extensions for OPS employees each fiscal year.³ Some OPS employees are limited to working a maximum of 1,040 hours for an agency per fiscal year. However, agencies may submit requests to extend OPS employment. Other OPS employees, such as contracted physicians and seasonal workers (e.g., lifeguards) are exempt from the time limit and employment extension request process.⁴

How many OPS staff do agencies employ?

During Fiscal Year 2005-06, state agencies hired 20,255 OPS employees, which represents an 11% decrease in such staff when compared to Fiscal Year 2001-02 (22,864).⁵ However, the number of OPS employees increased by 7% between Fiscal Year 2003-04 and Fiscal Year 2005-06 (see Exhibit 1).

Exhibit 1 OPS Employment Has Increased in Recent Years¹



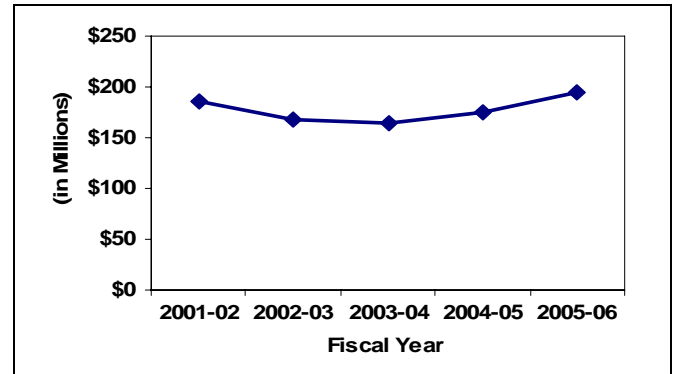
¹ Counts of OPS employees include anyone employed as OPS in that year, regardless of duration of employment.
Source: OPPAGA analysis of Department of Financial Services' Bureau of State Payrolls' payroll image log.

Spending on OPS employee salaries also increased.⁶ State agencies spent \$194.3 million on OPS employee salaries in Fiscal Year 2005-06. Total expenditures increased by 4.4% from Fiscal Year 2001-02 through

³ Section 110.131(2), F.S.
⁴ Section 110.131(2)(6)(a), F.S. OPS board members, consultants, seasonal employees, institutional clients, employees hired for emergencies, and employees hired for projects identified by time-limited grants are exempt from the 1,040-hour time limit as are OPS employees working for the Florida School for Deaf and Blind.
⁵ Decreases in OPS employees may be attributed to executive branch initiatives intended to reduce the state agency budgets and personnel.
⁶ Numbers for OPS salaries include Social Security, Medicare and, if applicable, Federal Insurance Contributions Act payments made by the state.

Fiscal Year 2005-06, and grew by \$29.7 million (18%) over the last two fiscal years (see Exhibit 2).

Exhibit 2 State Agency Expenditures for OPS Salaries Have Increased in the Last Two Fiscal Years



Source: OPPAGA analysis of Department of Financial Services' Bureau of State Payrolls' payroll image log.

The recent increase in OPS employees was due in part to short-term employment situations such as the need to hire temporary employees to provide medical services and assist with hurricane recovery efforts. For example, the Department of Community Affairs has increased the number of OPS employees it hired by 159% since Fiscal Year 2003-04.⁷ The agency reports that most of these staff were temporary employees who were hired to go door-to-door to provide information about hurricane relief efforts and to staff one-stop service centers so storm victims could file for assistance.

Ten agencies use the most OPS employees. In Fiscal Year 2005-06, 10 state agencies were the predominant users of Other Personal Services employees. These agencies employed 81% (16,493) of OPS employees during that year (see Exhibit 3).⁸ The Department of Health and the Department of Children and Families were the largest employers of OPS staff. The Department of Health reported that it hires some health care practitioners as OPS employees in order to match market rate salaries in some parts of the state. The Department of Children and Families reported that it hires residents of treatment facilities as OPS employees as part of

⁷ This change represents an increase of 131 OPS employees for Fiscal Year 2004-05 and 50 additional employees for Fiscal Year 2005-06.
⁸ The number of OPS employees within agencies may include double counts of individuals that changed agencies during the fiscal year. According to data from the Department of Management Services, less than 1% of OPS employees changed agencies during Fiscal Year 2005-06.

vocational work programs that prepare them for re-entry into the community.

**Exhibit 3
Ten Agencies Hired 81% of OPS Employees
Throughout Fiscal Year 2005-06**

Agency	Number	Percentage
Health	3,275	16.2%
Children and Families	3,156	15.6%
Environmental Protection	2,080	10.3%
Agriculture and Consumer Services	2,063	10.2%
Agency for Persons with Disabilities	1,363	6.7%
Fish and Wildlife Conservation Commission	1,037	5.1%
Corrections	997	4.9%
Highway Safety and Motor Vehicles	988	4.9%
Education ¹	922	4.6%
Business and Professional Regulation	612	3.0%
Total	16,493	81.4%

¹ Counts of OPS employees include anyone employed as OPS in that year, regardless of duration of employment. Agencies report that because of turnover or seasonal needs, the average monthly number of OPS employees is lower than these totals.

² Department of Education numbers include OPS employees for the Florida School for Deaf and Blind.

Source: OPPAGA analysis of Department of Financial Services' Bureau of State Payrolls' payroll image log.

Why do agencies use OPS staff?

Agencies use Other Personal Services employees for a wide variety of reasons. Human resource officers and program managers we surveyed at agencies with high numbers of OPS employees provided various reasons for hiring OPS employees.⁹ The reason agencies most often identified as "very important" was meeting seasonal workload peaks, such as hiring personnel to conduct alligator population counts, and staffing educational/recreational youth summer camps. Three agencies reported that an important reason they hired OPS staff was to meet workload when they had not received approval to create permanent full-time equivalent positions, while four indicated that they used OPS staff for special projects. For example, Department of Corrections hires OPS employees with correctional experience to staff health services operations at institutions in between contracts with healthcare providers.

⁹ We surveyed 28 human resource officers and program managers at nine agencies with the highest number of the OPS employees. Twenty-four of these staff responded, but one agency we surveyed sent responses from four additional divisions, for a total of 28 responses.

The agencies we surveyed indicated that the perceived lower cost and easier hiring process for OPS employees were not important factors in their decision to hire OPS staff.

In what occupations are OPS employees working?

In Fiscal Year 2005-06, state agencies reported that they hired OPS employees for a number of occupations ranging from office clerks to agricultural workers to law enforcement officers. Most of these employees did not supervise other agency staff.

Exhibit 4 shows that slightly over half (10,694) of the OPS employees worked in jobs that were classified within 10 of 171 occupational groups specified by the Department of Management Services. The largest single category was office clerks. However, many OPS employees work in professional occupations. For example, the community social service specialist group includes such occupations as rehabilitation counselors and health educators; these employees may counsel clients or coordinate plans for clients' treatment, care and rehabilitation. Additionally, agricultural inspectors protect consumer safety by examining agricultural facilities and products, an occupation that requires specialized training and expertise.

**Exhibit 4
In Fiscal Year 2005-06, Over Half of OPS Employees
Worked in 10 Occupational Groups**

Occupational Group	Number	Percentage
Office clerks, general	3,185	15.18%
Personal care and service worker	1,282	6.10%
Management analysts	1,126	5.36%
Community/social service specialist	1,056	5.03%
Executive secretaries and administrative assistants	877	4.17%
Agricultural workers	872	4.15%
Registered nurses	854	4.06%
Life/physical/social science technicians	501	2.38%
Agricultural inspectors	479	2.28%
Law enforcement	462	2.20%
Total	10,694	50.90%

Source: OPPAGA analysis of Department of Management Services' data.

Most OPS employees are not supervising other agency staff. Agency data reported to the Department of Management Services indicates that less than 1% (0.06) of OPS employees supervised

other employees.¹⁰ A few agencies that responded to our survey noted that OPS supervision of others usually occurs when the agency receives a new project, such as a federal grant. These agencies indicated that they lack FTEs for these projects and so hire OPS employees to manage and staff the grants. Other agencies noted that physicians or nurses hired as OPS employees may supervise other staff.

Why do agencies retain OPS employees?

Although Florida law provides that some OPS employees may work no more than 1,040 hours per fiscal year, agencies seek to retain these staff past this limit. State agencies report that they generally want to retain OPS employees due to the importance of their work and because it would not be cost-effective to replace them, given their expertise.

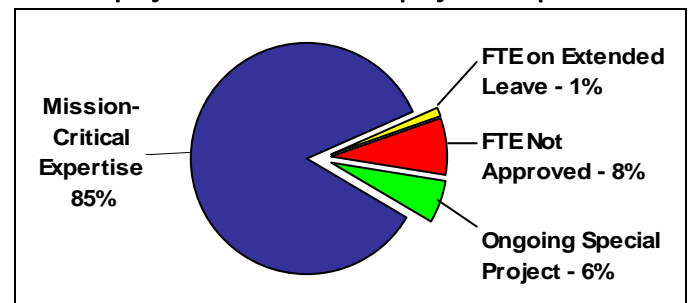
To assess the retention of OPS employees, we reviewed agency requests to extend their employment. A substantial number of OPS employees are not subject to the time limit requirement. Specifically, seven agencies reported to the Executive Office of the Governor that 2,379 OPS employees in Fiscal Year 2006-07 were exempt from the time limits. In addition, 23 agencies submitted requests to extend the employment of 1,856 OPS employees for this period.¹¹ Executive Office of the Governor staff approved extensions for most (1,736, or 93%) of these employees.

Agencies that requested employment extensions indicated that the primary reason for doing so was to retain the knowledge base of staff who provided mission-critical work. For example, the Department of Children and Families sought to retain OPS licensing counselors who inspect childcare homes and facilities, open new childcare facilities and investigate complaints against these facilities. The agency indicates that these OPS employees are necessary to meeting the department’s statutory mandates.¹²

Further, agencies indicated in their requests for extensions that while there was not a permanent need for a full-time equivalent position, retaining existing OPS staff would avoid the need and cost to train a new employee, particularly in cases of employees with substantial professional expertise. For example, the Department of Environmental Protection reported that it would cost \$13,010 to train a new employee to collect fees and process submerged land leases.

Agencies provided three other reasons for retaining OPS employees. Specifically, a budget request for a full-time position had not been approved; the employee was working on a special project that requires more time; or the employee was performing the duties of a permanent employee on extended leave.¹³

Exhibit 5 Agencies Primarily Request Extensions for OPS Employees Because of Employees’ Expertise



Source: OPPAGA analysis of Executive Office of the Governor, Office of Policy and Budget data.

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¹⁰ Agency reports of the percentage of OPS employees that supervise other staff may be low because of variation in how agencies define “supervisor”. Further, some agencies’ policies may prohibit OPS employees from supervising other staff.

¹¹ For Fiscal Year 2006-07, the following agencies did not submit requests to extend the employment of OPS employees: Department of Community Affairs, Department of Corrections, Department of Elder Affairs, Department of the Lottery, Public Service Commission, Department of Veterans Affairs, and State Court System.

¹² Chapter 402, F.S.

¹³ Rule 60L-33.005(2)(a-d), F.A.C.