

## **Chapter 2**

### **Division of Classification and Compensation**

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*“Classification, briefly, is the grouping together of like things. The grocer, in sorting his products on shelves, will put all the cans of tomatoes together, all the cans of peaches, etc. He not only does that but he goes a step further. He puts all of one brand together.*

*“We are not dealing in tomatoes in classification but with positions. Therefore, classification is grouping together of positions that are so alike in their duties, their responsibilities and also their rate of pay that you can know them by one title. Therefore, you can adopt standard recruitment factors for the filling of those positions. You can treat them uniformly.”*

*J. Earl Kelly  
Director of Classification and Compensation  
January 29, 1949*

*Mr. Kelly was appointed as the first Director of Classification and Compensation in New York State in 1949. This is an excerpt from an address given at the Western New York Conference at the Hotel Rochester, January 29, 1949.*

## **What is Classification and Why is it Necessary?**

Every employer has a Classification and Pay Plan, no matter how simple it may be or by what name it is known.

For the efficient management of business, the kinds of work that need to be performed for the enterprise to succeed must be defined. With the definition of the work, the knowledge and skills needed for each job can be identified, which, in turn, lay the foundation for the recruitment and selection of people capable of performing the organization's work. Pay scales are developed based on the duties performed, the job requirements, and the market value for every class of work in the organization. The larger the business the more important it becomes to have reliable criteria for determining these essential facts.

New York State government is big business and its business is more varied than that of any one private employer within the State. No single employer is engaged in running an accounting firm, a large insurance business, a vast engineering and construction program, and numerous hospitals, schools and universities, while also being responsible for forest management and conservation, administering assistance to families in need, providing rehabilitation programs, securing public safety, and many other enterprises of similar size and importance.

## **The Division of Classification and Compensation**

It is the responsibility of the Division of Classification and Compensation to define the types of work that need to be performed to carry out the many programs that are funded through taxpayer dollars. In defining work the Division must also determine the rate of pay that should be associated with each job class, with such pay in proper relationship to the rates of pay provided for other classes of work performed not only in New York State government, but also in the outside labor market. The foundation of the New York State Classification and Pay Plan is the principle of equal pay for equal work, which by statute is the official policy of the State.

All agencies must get approval from the Division to have new positions classified, and to change the titles of existing positions; to create and allocate new classes, and to change existing titles or salary grade allocations; to establish or modify minimum qualifications; and to approve and/or modify a variety of salary enhancements. Any determination made by the Division that has cost implications must be approved by the Division of the Budget.

In addition to reviewing requests from agencies, Division staff audit jobs, conduct organizational studies and occupational surveys, provide technical analysis and consultation to other divisions within the Department of Civil Service

regarding issues related to duties and responsibilities, and provide an opinion to the Governor's Office of Employee Relations in the review of out-of-title work grievances.

**Section 117 of the Civil Service Law** places the responsibility for the maintenance of the State Classification and Compensation Program with the Director of Classification and Compensation. The duties of the Director are enumerated in **Section 118 of the Civil Service Law** and apply to all State departments, agencies, offices, and numerous boards.

A glossary of common Classification and Compensation terms is provided in Appendix A.

## **Legal Environment**

The basic law on civil service is the **New York State Constitution, Article V, Section 6**, which provides that "Appointments and promotions in the civil service of the state and all of the civil divisions thereof, including cities and villages, shall be made according to merit and fitness to be ascertained, as far as practicable, by examinations which, as far as practicable, shall be competitive." Article V also provides for additional credits in competitive examinations for disabled and non-disabled veterans. Since additional credits for veterans are inconsistent with the constitutional requirement of competition, it is necessary that the provisions for such credits be included in the Constitution itself.

The main body of all provisions pertaining to the administration of civil service procedures and requirements in the State service is contained in the **New York State Civil Service Law** and the **Rules for the Classified Service**. In addition, there are **Regulations of the State Civil Service Commission** and the **Regulations of the Department of Civil Service**. There is also a large body of federal law and case law that deal with civil service questions.

## **Civil Service Administration**

The authority and responsibility for the administration of the Civil Service Law in State government is vested in the Department of Civil Service and the Civil Service Commission. While they are co-located in the same building, they have separate identities and functions.

The **Civil Service Commission** consists of three members appointed by the Governor, with the advice and consent of the Senate, for overlapping six-year terms. The President of the Commission is designated by the Governor from among the three members, and serves at the pleasure of the Governor.

The functions of the Commission may be described as quasi-legislative, appellate, and investigative. The quasi-legislative function involves the promulgation of rules and regulations governing the administration of civil service procedures and requirements. The appellate function involves hearing and determining appeals. These include appeals in disciplinary cases, appeals from examination ratings, performance rating appeals, and appeals from determinations of the Classification and Compensation Division. The Commission is also authorized to hear and determine appeals from most determinations made by the President as head of the Department of Civil Service.

In addition, the Commission has the authority to conduct investigations concerning any matter touching on the enforcement and effect of the Civil Service Law or Rules. In connection with such an investigation, the Commission or its designated representative may issue subpoenas, administer oaths, and interrogate witnesses. The Commission also approves merit awards for outstanding accomplishments or suggestions by State employees.

The President is also the Executive head of the **Department of Civil Service** and is responsible for carrying out all of the executive and administrative functions of the Department. These include, for example, the administration of the examinations program, which encompasses the scheduling, preparation, conduct and rating of examinations; fixing of minimum qualifications; establishing the type and conduct of tests; and deciding whether to hold an open-competitive or promotion examination in any given instance. Other examples of the administrative functions of the Department are the establishment and certification of eligible lists, the maintenance of employment rosters, the certification of payrolls, the provision of services for local jurisdictions, the maintenance and delivery of training programs, the administration of the health insurance program, and all matters of internal management of the Department, including the appointment and assignment of Department personnel.

Appendix E, which is a sample of a structural organization chart, illustrates the program divisions of the Department of Civil Service and the Department's relationship to the Civil Service Commission.

Appendix B illustrates the relationship of agency administrative offices with the Department of Civil Service and other outside agencies that have roles that impact on personnel administration in New York State. For additional information see Section 0200 of the *State Personnel Management Manual*, "Roles and Responsibilities for Personnel Management."