



State of Arizona Workforce Report

Janice K. Brewer
Governor

2010

David Raber, Interim Director
Department of Administration



JANICE K. BREWER
Governor

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ARIZONA DEPARTMENT OF ADMINISTRATION

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September 2010

The Honorable Janice K. Brewer
Governor, State of Arizona
The Honorable Robert Burns
President, Arizona State Senate
The Honorable Kirk Adams
Speaker, Arizona House of Representatives
1700 West Washington
Phoenix, Arizona 85007

Dear Governor Brewer, President Burns and Speaker Adams:

It is my pleasure to share with you the 2010 annual report on state personnel and the operation of the state personnel system. This year's Workforce Report includes over 30 charts and tables of information regarding the status of the State's workforce.

During this past fiscal year state government endured another year of unprecedented challenges as the state and the nation experienced an economic recession which directly impacted the state budget. The state implemented a hiring freeze in February 2008 and agency budgets were significantly reduced. Many agencies experienced layoffs and reductions in force during fiscal years 2009 and 2010. The impacts of these actions are clearly illustrated in many of the charts and tables contained herein:

- There were 30,832 active employees at the end of FY2010 (page iii). This is the lowest staffing level in the past 10 years and represents a decrease of 17.4% since 2007.
- The average salary of a covered employee (\$37,684) remained essentially unchanged for the third consecutive year (page 2)
- Total costs for overtime have decreased by over \$44.6 million (73% reduction) from 2007 levels (page 3)
- The separation rate of covered employees (page 10) decreased from 17.3% in 2007 to the current rate of 15.5% and is below the public sector benchmarks

We hope the information provided in this report will assist you when making decisions regarding Arizona State government and its employees.

Sincerely,

A handwritten signature in black ink, appearing to read "DRABER".

David Raber
Interim Director

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Overview

Arizona Revised Statutes (ARS) §41-763.01 requires the Director of the Arizona Department of Administration (ADOA) to provide an annual report to the Governor and the Legislature on the status of the state's human resources and the operation of the state human resources system. The statute requires that the report include information on the following:

- All state employees including the executive, legislative and judicial branch agencies.
- The number of employees affected by and reasons for turnover within state service.
- Information concerning employee compensation during the preceding year
- Overtime pay requirements of all state agencies.
- Other information as determined by the Director.

Figure A – Fiscal Year 2010 Active Employee Headcount

Agency	Active Employees
ADOA Human Resources Personnel System	30,832
Arizona Schools for the Deaf And Blind	388
Auditor General's Office	175
Court Of Appeals Div I (Phoenix)	99
Court Of Appeals Div II (Tucson)	38
Gaming, Dept of	100
Government Information Technology Agency	19
Governor's Office	127
Governor's Office of Equal Opportunity	5
House Of Representatives	198
Joint Legislative Budget Committee	22
Law Enforcement Merit System Council	1
Legislative Council	39
Public Safety, Dept of	1,989
Retirement System	213
Secretary of State/ Library, Archives & Public Records	137
Senate	120
Supreme Court	516
Tourism, Office of	23
TOTAL	35,041

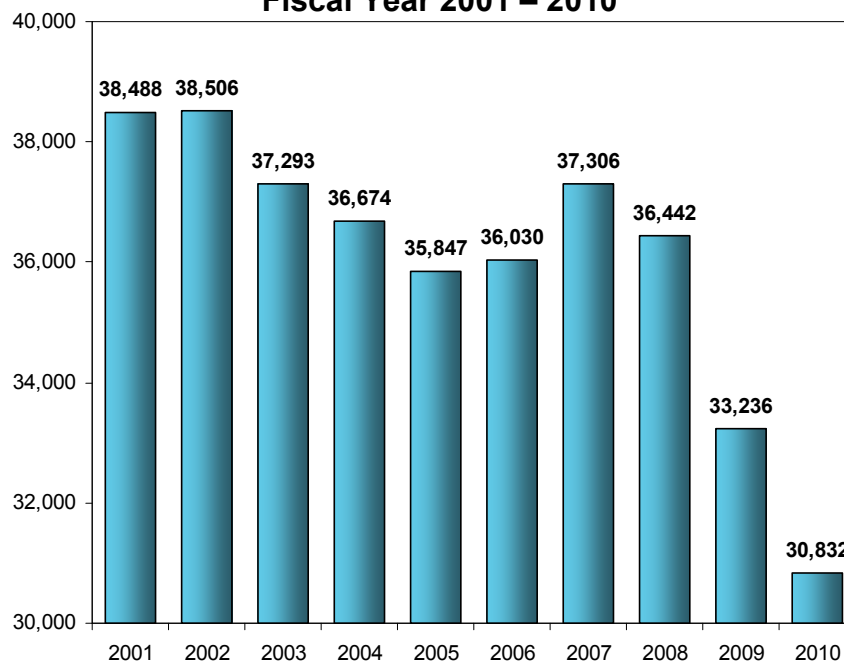
Source: The state's Human Resources Information Solution. Data includes covered and uncovered, regular, active employees at fiscal year end (June 30).

In Arizona State government the majority of agencies are subject to the jurisdiction of the ADOA Human Resources System. However, there are 18 agencies that are not included in this personnel system. Agencies that are not within the ADOA Human Resources System have the authority to develop their own employment, compensation, attendance/leave, and employee relations policies and procedures. Figure A identifies the agencies (excluding the universities) within Arizona State Government and the number of active employees at the end of the fiscal year.

The largest of the human resources systems within Arizona State Government is the ADOA Human Resources System, also known as the Arizona State Service. The ADOA Human Resources System and the Law Enforcement Merit System Council (the Department of Public Safety's personnel system) are the State's only merit systems established by statute. Merit system employees may only be separated from service for cause. Non-merit employees of all systems serve at the pleasure of the appointing authorities and can be separated without the right of appeal. They are considered "at will" employees.

The total number of employees in the ADOA Human Resources System decreased significantly in 2010, dropping to the lowest staffing levels in the past ten years. The decrease in the number of active employees in the past year was 7.2%. The change from 2008 was 15.4%, and the change from 2007, when the state entered a hiring freeze, was 17.4%. This reduction in the size of the workforce has been unprecedented and includes a total reduction of 20% compared with the staffing levels of 2002. Figure B illustrates the unprecedented and significant decrease in staffing levels in state government.

**Figure B – Employee Headcount – ADOA Personnel System
Fiscal Year 2001 – 2010**



The remainder of this report addresses the ADOA Human Resources System. This report is intended to focus attention on the majority of the state’s workforce which is comprised of regular, permanent, full-time employees. Therefore employees that were in positions identified as limited, seasonal, or working part-time of less than 0.25 full time equivalent have been excluded.

Section One – Compensation

This section provides information concerning the compensation of state employees.

Section Two – Mobility

This section illustrates mobility patterns of employees, including turnover rates of different categories of employees and future projections of retirement eligibility.

Section Three – Equal Employment

Comparative data is presented to illustrate the ethnic, gender, and occupational diversity of the state’s workforce.

Section Four – Workforce Characteristics

The majority of the information presented in this section illustrates agency level detail with five years of historical information.

The HRIS system captures information from approximately 100 different agencies, boards, and commissions that are included within the ADOA Human Resources System. Many of these organizations are quite small in size. For many of the tables contained herein, organizations with less than 50 active employees have been consolidated into one line item noted as “small agencies”.



1 Compensation

- Average Salary of Covered Employees by Agency
- Total Overtime Costs by Agency
- Distribution of Overtime Costs by Agency
- Average Sick Leave Use and Cost

... the average annual salary for covered employees has remained essentially unchanged for the past three years ...

**Table 1-1 – Agency Comparison of Average Salary per Covered Employee
Fiscal Year 2006 - 2010**

Agency	Average Covered Employee Wages				
	2006	2007	2008	2009	2010
Small Agencies	\$35,331	\$34,857	\$35,422	\$35,224	\$35,750
Administration	\$35,274	\$36,224	\$36,736	\$39,433	\$40,631
Agriculture	\$34,538	\$34,946	\$37,064	\$35,561	\$34,649
AHCCCS	\$31,982	\$32,607	\$33,184	\$33,577	\$34,219
Attorney General	\$39,284	\$38,132	\$39,889	\$38,858	\$38,965
Commerce	\$42,391	\$43,344	\$42,428	\$40,177	\$40,033
Corporation Commission	\$41,284	\$42,538	\$41,895	\$42,709	\$43,142
Corrections	\$36,686	\$39,913	\$39,286	\$39,572	\$39,367
Early Childhood Development	N/A	N/A	\$36,875	\$36,082	\$36,479
Economic Security	\$33,658	\$34,497	\$34,673	\$35,018	\$35,085
Education	\$41,612	\$41,375	\$41,952	\$42,397	\$43,900
Environmental Quality	\$40,382	\$40,651	\$40,655	\$40,799	\$40,745
Financial Institutions	\$42,376	\$44,530	\$44,659	\$43,968	\$46,233
Forestry	N/A	N/A	\$40,567	\$40,765	\$40,930
Game & Fish	\$42,014	\$45,402	\$45,392	\$47,220	\$47,072
Health Services	\$38,562	\$41,319	\$41,845	\$41,814	\$41,856
Housing Dept	\$41,238	\$47,536	\$47,536	\$34,475	\$34,475
Industrial Commission	\$33,323	\$35,459	\$36,097	\$36,124	\$35,863
Insurance Dept	\$36,629	\$38,861	\$39,087	\$39,119	\$39,701
Juvenile Corrections	\$36,279	\$38,463	\$38,299	\$38,729	\$39,589
Land Dept	\$43,311	\$43,434	\$45,793	\$46,395	\$46,738
Lottery Commission	\$37,441	\$38,176	\$38,863	\$38,479	\$37,575
Military Affairs	\$31,540	\$30,320	\$30,894	\$33,289	\$35,804
Pioneers Home	\$30,439	\$29,076	\$30,964	\$31,911	\$30,917
Real Estate	\$31,759	\$31,389	\$31,326	\$31,126	\$32,278
Registrar of Contractors	\$34,586	\$36,390	\$36,223	\$36,393	\$35,954
Retirement System	\$31,234	\$31,669	\$28,905	\$26,563	N/A
Revenue	\$34,048	\$34,613	\$34,633	\$35,158	\$35,095
State Parks	\$34,381	\$36,393	\$36,692	\$36,987	\$36,827
Transportation	\$34,309	\$35,645	\$36,261	\$36,736	\$36,810
Veterans Service	\$29,630	\$30,271	\$32,107	\$30,817	\$31,659
Water Resources	\$42,799	\$43,821	\$44,658	\$44,727	\$48,441
Overall Average	\$35,402	\$37,151	\$37,224	\$37,636	\$37,684

Source: The state's Human Resources Information Solution. Calculations are based on annual salary from fiscal year-end (June 30). Performance pay and other additional compensation (stipends) are not included, and furloughs and other unpaid time off are also not included. The Early Childhood Development agency was first established in FY2008; Forestry was previously a division within the Land Dept but in FY2008 became identified within the HRIS system as a separate entity. In FY2010, the Retirement System and the Secretary of State were no longer included within the ADOA Personnel System.

Analysis: The statewide average salary for covered employees has remained essentially unchanged for the past three years. However, eleven agencies experienced a decrease in the average salary for their covered employees.

... total costs for overtime expenditures decreased by 33% last year, continuing a downward trend for the third consecutive year ...

**Table 1-2 – Total Overtime Costs by Agency
Fiscal Year 2006 - 2010**

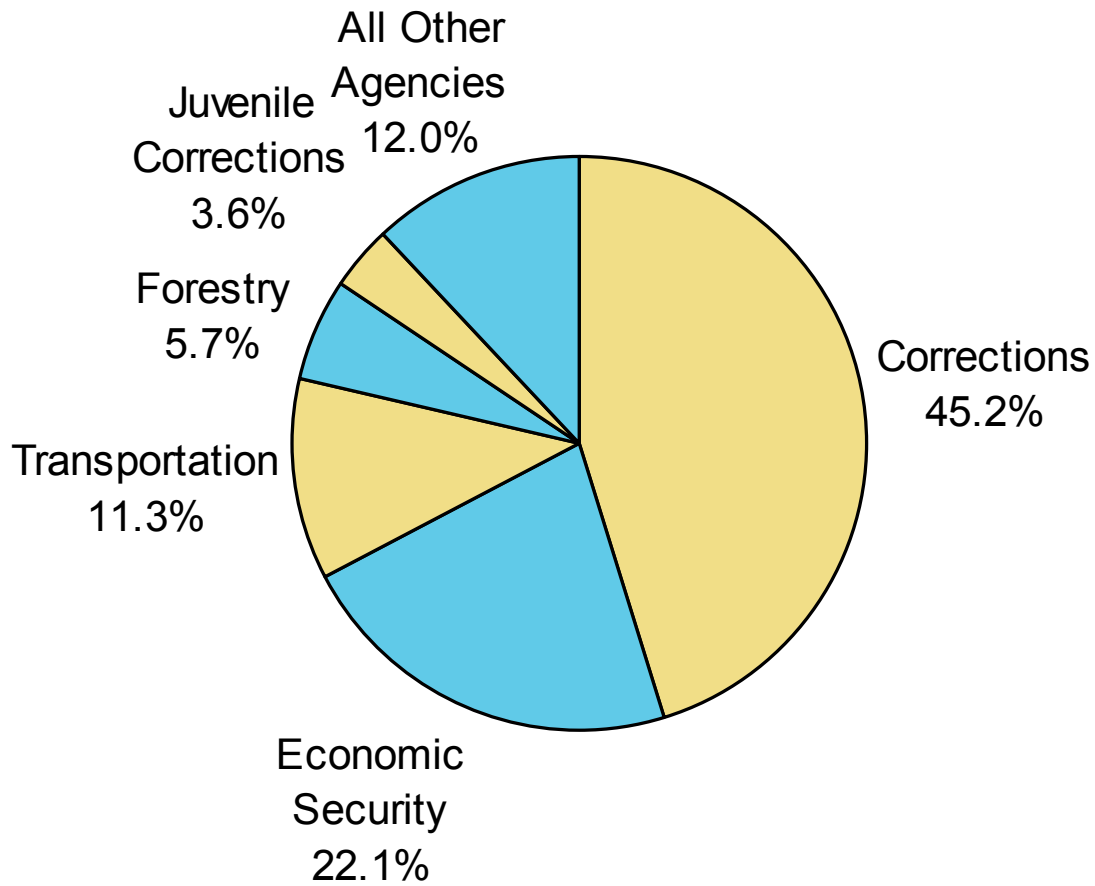
Agency	2006	2007	2008	2009	2010
Small Agency Administration	\$590,745	\$526,039	\$560,400	\$467,011	\$254,565
Agriculture	\$523,988	\$391,164	\$465,108	\$685,851	\$102,580
AHCCCS	\$326,485	\$361,905	\$302,617	\$334,525	\$330,397
	\$115,845	\$89,634	\$134,349	\$8,312	\$78
Attorney General	\$226,758	\$171,527	\$182,392	\$92,866	\$114,335
Commerce	\$39	\$134	\$0	\$275	\$0
Corporation Commission	\$271,911	\$139,473	\$18,944	\$7,860	\$6,862
Corrections	\$29,039,050	\$34,727,394	\$14,074,189	\$8,151,499	\$7,613,439
Early Childhood Development	N/A	N/A	\$0	\$369	\$0
Economic Security	\$10,492,305	\$12,675,683	\$11,960,865	\$8,072,263	\$3,720,439
Education	\$55,833	\$107,917	\$87,397	\$58,406	\$8,375
Environmental Quality	\$40,394	\$56,938	\$81,885	\$64,874	\$33,739
Financial Institutions	\$8,563	\$15,645	\$20,792	\$7,796	\$644
Forestry	N/A	N/A	\$0	\$1,300,947	\$964,026
Game & Fish	\$188,938	\$220,373	\$105,015	\$58,045	\$56,371
Health Services	\$1,368,708	\$1,267,574	\$844,764	\$622,925	\$169,875
Housing	\$109	\$0	\$0	\$0	\$0
Industrial Commission	\$45	\$162	\$614	\$863	\$0
Insurance	\$1,319	\$91	\$0	\$0	\$0
Juvenile Corrections	\$3,801,185	\$3,327,468	\$2,887,795	\$1,191,177	\$612,709
Land Dept	\$733,569	\$765,460	\$1,439,639	\$762	\$1,032
Lottery Commission	\$13,875	\$14,863	\$9,597	\$7,844	\$9,787
Military Affairs	\$353,525	\$312,590	\$583,836	\$641,178	\$500,940
Pioneers Home	\$9,192	\$12,153	\$15,500	\$29,659	\$17,784
Real Estate	\$25	\$0	\$52	\$0	\$24
Registrar of Contractors	\$36,416	\$48,176	\$43,130	\$16,066	\$624
Retirement System	\$28,717	\$21,814	\$42,103	\$25,902	N/A
Revenue	\$247,623	\$213,985	\$143,393	\$93,609	\$47,302
State Parks	\$24,517	\$38,127	\$26,904	\$19,197	\$6,656
Transportation	\$5,666,270	\$5,578,432	\$5,968,928	\$2,541,254	\$1,910,901
Veterans Service	\$391,549	\$428,341	\$589,884	\$518,484	\$364,500
Water Resources	\$5,589	\$8,178	\$924	\$304	\$207
Overall Total	\$54,563,084	\$61,521,238	\$40,591,020	\$25,020,122	\$16,848,191

Source: The state's financial system (Arizona Financial Information System). Data is based on a fiscal year after all corrections have been made at the close of the fiscal year. Expenses may be charged to prior "appropriation years" yet in general are illustrated in the year in which the expense occurred. Data includes all funding sources, but does not include expenditures for compensatory time earned by employees at the appropriate rate for their overtime hours worked. The Early Childhood Development agency was first established in FY2008; Forestry was previously a division within the Land Dept but in FY2008 became identified within the HRIS system as a separate entity. In FY2010, the Retirement System and the Secretary of State were no longer included within the ADOA Personnel System.

Analysis: The State's total overtime expenses decreased by 33% from last year. Eighteen agencies experienced a decrease of 25% or more, and eleven agencies experienced a decrease of over 50%. Compared with overtime expenses in 2007, there has been a 73% decrease in the statewide average.

... five agencies accounted for 88% of the State's overtime expenses. . .

**Table 1-3 – Distribution of Overtime Costs by Agency
Fiscal Year 2010**



Source: The state's financial system (Arizona Financial Information System). Data is based on a fiscal year after all corrections have been made at the close of the fiscal year. Expenses may be charged to prior "appropriation years" yet in general are illustrated in the year in which the expense occurred. Data includes all funding sources, but does not include expenditures for compensatory time earned by employees at the appropriate rate for their overtime hours worked.

Analysis: Five agencies accounted for 88% of the State's total overtime expenses last year.

... the average number of sick leave days used and the average cost of sick leave increased from last year. . .

Table 1-4 – Average Sick Leave Use and Average Costs Per Employee by Agency Fiscal Year 2007 - 2010

Agency	Avg Sick Leave Days				Avg Sick Leave Costs			
	2007	2008	2009	2010	2007	2008	2009	2010
Small Agencies	7.5	6.2	7.6	7.6	\$1,250	\$1,080	\$1,337	\$1,394
Administration	8.0	8.8	7.9	7.6	\$1,320	\$1,489	\$1,462	\$1,423
Agriculture	7.0	7.6	6.1	6.3	\$960	\$1,066	\$877	\$940
AHCCCS	9.1	9.3	9.1	9.3	\$1,274	\$1,386	\$1,335	\$1,407
Attorney General	8.1	8.4	7.6	8.0	\$1,601	\$1,747	\$1,597	\$1,675
Commerce	6.6	8.6	8.5	6.6	\$1,187	\$1,596	\$1,624	\$1,162
Corporation Commission	9.2	10.1	9.5	11.1	\$1,639	\$1,922	\$1,805	\$2,173
Corrections	9.2	10.3	9.6	9.9	\$1,372	\$1,608	\$1,511	\$1,559
Early Childhood Development	N/A	5.5	5.5	7.9	N/A	\$1,372	\$1,189	\$1,752
Economic Security	9.8	10.2	9.4	10.3	\$1,295	\$1,394	\$1,295	\$1,440
Education	8.4	8.8	9.5	9.6	\$1,532	\$1,691	\$1,851	\$1,924
Environmental Quality	9.7	9.7	10.1	10.3	\$1,624	\$1,669	\$1,688	\$1,740
Financial Institutions	7.1	6.8	5.9	6.3	\$1,123	\$1,149	\$916	\$1,081
Forestry	N/A	3.8	6.6	6.9	N/A	\$619	\$1,061	\$1,149
Game & Fish	6.6	5.9	6.5	6.9	\$1,037	\$1,048	\$1,163	\$1,255
Health Services	8.4	9.7	9.2	9.9	\$1,378	\$1,714	\$1,612	\$1,762
Housing Dept	6.8	10.2	8.5	7.9	\$1,280	\$2,022	\$1,640	\$1,511
Industrial Commission	9.4	8.5	8.0	9.6	\$1,262	\$1,222	\$1,143	\$1,407
Insurance Dept	9.1	8.5	6.1	8.5	\$1,480	\$1,445	\$1,078	\$1,523
Juvenile Corrections	9.0	9.0	8.3	9.4	\$1,399	\$1,465	\$1,365	\$1,572
Land Dept	8.5	7.6	10.8	10.1	\$1,397	\$1,322	\$1,954	\$1,833
Lottery Commission	9.1	10.1	8.2	8.8	\$1,449	\$1,662	\$1,302	\$1,442
Military Affairs	8.8	8.3	6.8	8.2	\$1,318	\$1,277	\$1,108	\$1,328
Pioneers Home	10.7	8.4	7.7	7.9	\$1,290	\$1,086	\$1,017	\$998
Real Estate	8.9	9.5	10.5	10.2	\$1,212	\$1,314	\$1,433	\$1,458
Registrar of Contractors	8.9	8.1	8.3	9.4	\$1,297	\$1,321	\$1,261	\$1,395
Retirement System	8.6	8.6	6.8	N/A	\$1,458	\$1,535	\$1,253	N/A
Revenue	10.0	10.0	9.6	10.9	\$1,476	\$1,549	\$1,540	\$1,766
State Parks	8.9	7.7	9.0	8.7	\$1,263	\$1,185	\$1,413	\$1,335
Transportation	9.5	9.2	9.3	10.3	\$1,332	\$1,357	\$1,377	\$1,535
Veterans Service	8.3	8.5	7.4	8.3	\$1,048	\$1,143	\$1,003	\$1,169
Water Resources	8.4	8.9	9.5	7.8	\$1,683	\$1,726	\$1,799	\$1,658
Overall Average	9.2	9.5	9.1	9.8	\$1,342	\$1,464	\$1,411	\$1,520

Source: The Human Resources Information Solution. The above calculations include donated leave and family leave in addition to sick leave. Data includes covered and uncovered employees. The Early Childhood Development agency was first established in FY2008; Forestry was previously a division within the Land Dept but in FY2008 became identified within the HRIS system as a separate entity. In FY2010, the Retirement System and the Secretary of State were no longer included within the ADOA Personnel System.

Analysis: The average cost of sick leave increased by 7.8% last year. Thirteen agencies experienced cost increases of 10% or more and four of those experienced increases in excess of 20%. Only one agency was able to decrease their sick leave costs from the prior year by at least 10%.



2 Employee Mobility

- Changes in Separations by Covered & Uncovered Employees
- Separation Rates of Covered Employees by Agency
- Voluntary and Involuntary Separations by Agency
- Arizona Separation Rates Compared to Benchmarks
- Most Populous Covered Classes
- Covered Classes with the Highest Separation Rates
- Separation Rates by Ethnicity
- Separation Rates by Occupation
- Separation Rates by Age Distribution
- Separation Rates by Length of Service
- Difference in Age Distribution–New Hires and Separations
- Difference in Ethnic Distribution–New Hires and Separations
- Percentage of Separations Due to Retirement
- Retirement Eligibility by Agency

... the separation rate for covered employees remained essentially unchanged from the rate experienced in 2009. . .

**Table 2-1 – Ten Years of Changes in Separations
by Covered and Uncovered Employees
Fiscal Year 2001 - 2010**

Year		Total Employees	Retirements		Resignations		Terminations		Other		Total Separations	
			Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
2001	Covered	31,957	267	0.8%	3,647	11.4%	717	2.2%	233	0.7%	4,864	15.2%
	Uncovered	4,058	24	0.6%	434	10.7%	69	1.7%	57	1.4%	584	14.4%
2002	Covered	31,986	249	0.8%	2,897	9.1%	638	2.0%	292	0.9%	4,076	12.7%
	Uncovered	4,360	19	0.4%	284	6.5%	67	1.5%	63	1.4%	433	9.9%
2003	Covered	31,828	523	1.6%	3,323	10.4%	629	2.0%	423	1.3%	4,898	15.4%
	Uncovered	4,589	92	2.0%	412	9.0%	109	2.4%	142	3.1%	755	16.5%
2004	Covered	30,831	420	1.4%	1,886	6.1%	766	2.5%	1,516	4.9%	4,588	14.9%
	Uncovered	5,843	114	2.0%	314	5.4%	20	0.3%	632	10.8%	1,080	18.5%
2005	Covered	29,742	715	2.4%	2,358	7.9%	963	3.2%	2,275	7.6%	6,311	21.2%
	Uncovered	6,105	159	2.6%	433	7.1%	20	0.3%	538	8.8%	1,150	18.8%
2006	Covered	29,488	635	2.2%	2,195	7.4%	830	2.8%	1,605	5.4%	5,265	17.9%
	Uncovered	6,542	160	2.4%	459	7.0%	14	0.2%	635	9.7%	1,268	19.4%
2007	Covered	30,192	684	2.3%	2,072	6.9%	951	3.1%	1,515	5.0%	5,222	17.3%
	Uncovered	7,114	228	3.2%	405	5.7%	24	0.3%	663	9.3%	1,320	18.6%
2008	Covered	29,840	478	1.6%	1,690	5.7%	850	2.8%	1,392	4.7%	4,410	14.8%
	Uncovered	6,602	317	4.8%	316	4.8%	21	0.3%	538	8.1%	1,192	18.1%
2009	Covered	27,155	435	1.6%	1,052	3.9%	1,813	6.7%	944	3.5%	4,244	15.6%
	Uncovered	6,081	89	1.5%	242	4.0%	154	2.5%	418	6.9%	903	14.8%
2010	Covered	25,252	923	3.7%	1,664	6.6%	947	3.8%	387	1.5%	3,921	15.5%
	Uncovered	5,580	213	3.8%	318	5.7%	209	3.7%	224	4.0%	964	17.3%

Source: The state's Human Resources Information Solution. Data represents separations during the fiscal year (July 1 – June 30).

Analysis: The separation rate for covered employees remained essentially unchanged from the rate experienced last year, whereas the separation rate for uncovered employees increased slightly. The average separation rate for both categories combined (covered and uncovered) increased from 15.5% in 2009 to 15.8% in 2010. Resignations remain the leading category of separations, and showed the largest increase from last year, increasing by an average of 2.5%. However, the relative number of retirements also significantly increased over the past year; the increase was more than double the rate of the year before. Conversely, separation rate for terminations of covered employees decreased.

... the average separation rate of covered employees (15.5%) remained essentially unchanged from last year, but is down from 2006 and 2007 ...

**Table 2-2 – Separation Rates of Covered Employees
by Agency
Fiscal Year 2006 - 2010**

Agency Name	2006	2007	2008	2009	2010
Small Agencies	21.3%	23.1%	18.2%	17.2%	24.1%
Administration	22.5%	19.1%	17.0%	35.4%	18.2%
Agriculture	15.0%	13.3%	15.4%	32.1%	21.7%
AHCCCS	21.4%	16.7%	10.6%	13.8%	28.3%
Attorney General	19.7%	21.3%	18.3%	17.9%	13.2%
Commerce	15.0%	0.0%	10.3%	39.3%	8.0%
Corporation Commission	19.3%	15.3%	11.7%	7.5%	9.5%
Corrections	17.7%	16.4%	13.1%	8.6%	11.6%
Early Childhood Development	N/A	N/A	6.3%	21.7%	41.7%
Economic Security	17.2%	17.8%	16.4%	22.6%	15.9%
Education	17.3%	26.3%	22.8%	16.9%	21.8%
Environmental Quality	16.6%	10.8%	9.0%	8.1%	15.9%
Financial Institutions	18.2%	16.1%	3.8%	23.5%	66.7%
Forestry	N/A	N/A	1.7%	15.4%	22.9%
Game & Fish	11.7%	11.1%	9.5%	5.9%	4.6%
Health Services	23.9%	20.2%	17.0%	13.4%	14.3%
Housing Dept	0.0%	0.0%	0.0%	100%	0%
Industrial Commission	22.8%	32.4%	15.2%	11.1%	8.3%
Insurance Dept	18.5%	18.2%	5.3%	43.1%	6.1%
Juvenile Corrections	27.4%	27.0%	28.3%	24.7%	65.4%
Land Dept	11.5%	13.9%	16.0%	9.2%	10.4%
Lottery Commission	3.9%	6.9%	4.4%	4.2%	9.1%
Military Affairs	16.7%	15.4%	44.4%	0.0%	9.1%
Pioneers Home	23.5%	23.8%	23.3%	19.8%	23.5%
Real Estate	35.3%	26.7%	26.1%	22.2%	50.0%
Registrar of Contractors	28.1%	25.0%	18.4%	4.7%	8.9%
Revenue	15.8%	14.9%	16.2%	74.3%	14.2%
State Parks	11.0%	7.5%	9.3%	15.8%	35.8%
Transportation	15.3%	15.2%	12.0%	7.7%	11.1%
Veterans Service	28.5%	28.3%	39.7%	26.8%	25.2%
Water Resources	9.7%	12.7%	6.2%	8.7%	192.0%
Totals	17.9%	17.3%	14.8%	15.6%	15.5%

Source: The state's Human Resources Information Solution. Data represents separations of covered employees from state service during the fiscal year (July 1 – June 30). The Early Childhood Development agency was first established in FY2008; Forestry was previously a division within the Land Dept but in FY2008 became identified within the HRIS system as a separate entity. In FY2010, the Retirement System and the Secretary of State were no longer included within the ADOA Personnel System.

Analysis: The overall rate of separations from state service remained essentially unchanged from last year, but is down significantly from 2006 and 2007. Nineteen of the larger agencies (63%) experienced an increase in separation rates of covered employees from 2009. Twelve agencies experienced separation rates greater than 20% and six agencies experienced separation rates greater than 30%. Several agencies experienced reductions in force in FY2010 which resulted in separation rates significantly greater than in prior years.

... voluntary separations are the most common reason for covered employees leaving state service ...

**Table 2-3 – Voluntary and Involuntary Separations of Covered Employees by Agency
Fiscal Year 2010**

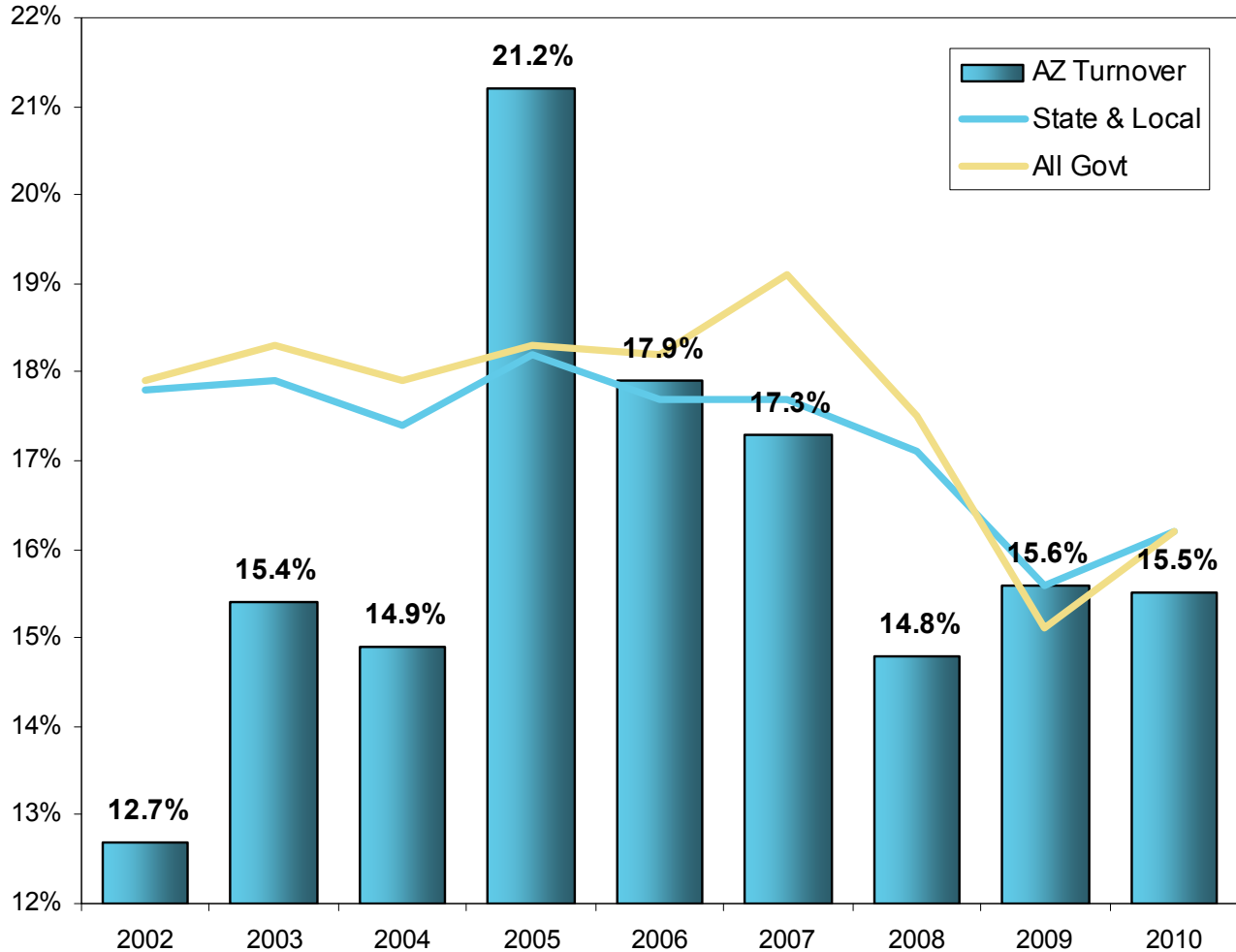
Agency	Voluntary		Involuntary		Total	
	Number	Percent	Number	Percent	Number	Percent
Small Agency Administration	30	15.4%	18	9.2%	48	24.6%
Agriculture	4	17.4%	1	4.3%	5	21.7%
AHCCCS	74	11.3%	111	17.0%	185	28.3%
Attorney General	9	8.5%	5	4.7%	14	13.2%
Commerce	1	4.0%	1	4.0%	2	8.0%
Corporation Commission	11	8.0%	2	1.5%	13	9.5%
Corrections	876	10.4%	104	1.2%	980	11.6%
Early Childhood Development	8	33.3%	2	8.3%	10	41.7%
Economic Security	1,125	13.9%	164	2.0%	1,289	15.9%
Education	31	21.1%	1	0.7%	32	21.8%
Environmental Quality	30	8.6%	25	7.2%	55	15.9%
Financial Institutions	6	28.6%	8	38.1%	14	66.7%
Forestry	11	22.9%	0	0.0%	11	22.9%
Game & Fish	17	4.1%	2	0.5%	19	4.6%
Health Services	148	12.2%	25	2.1%	173	14.3%
Housing		0.0%		0.0%		0.0%
Industrial Commission	13	6.7%	3	1.6%	16	8.3%
Insurance	3	6.1%	0	0.0%	3	6.1%
Juvenile Corrections	124	23.0%	229	42.4%	353	65.4%
Land Dept	9	8.5%	2	1.9%	11	10.4%
Lottery Commission	6	9.1%	0	0.0%	6	9.1%
Military Affairs	1	9.1%	0	0.0%	1	9.1%
Pioneers Home	13	15.3%	7	8.2%	20	23.5%
Real Estate	2	16.7%	4	33.3%	6	50.0%
Registrar of Contractors	7	8.9%	0	0.0%	7	8.9%
Revenue	57	13.4%	3	0.7%	60	14.2%
State Parks	20	13.5%	33	22.3%	53	35.8%
Transportation	279	8.8%	76	2.4%	355	11.1%
Veterans Service	18	12.9%	17	12.2%	35	25.2%
Water Resources	16	32.0%	80	160.0%	96	192.0%
Total	2,974	11.8%	948	3.8%	3,922	15.5%

Source: The state's Human Resources Information Solution. Data represents separations of employees in covered positions from state service during the fiscal year (July 1 – June 30).

Analysis: Voluntary separations are the most common type of separation from state service, accounting for over 75% of separations of covered employees this past year. However, several agencies experienced reductions in force in FY2010 which resulted in higher numbers of involuntary separations.

... the separation rate of covered employees was less than the separation rate of other public sector entities last year ...

**Table 2-4 – Separation Rates
Arizona Compared to Benchmarks
Fiscal Year 2002 - 2010**



Source: The state's Human Resources Information Solution. Data represents separation rate of covered employees from state service during the fiscal year (July 1 – June 30). Comparative data from the national Bureau of Labor Statistics, U.S. Department of Labor, seasonally adjusted turnover rates. State and local includes State and local government entities in the 50 States and the District of Columbia. All Government includes Federal, State, and local government entities in the 50 States and the District of Columbia.

Analysis: The above chart shows the separation rates of covered employees compared to national statistics for other public sector organizations. Arizona has typically experienced a lower separation rate than benchmark organizations. In 2005, the state experienced a relatively high separation rate, however, the rate has decreased each of the next three years, then showed an increase in 2009. The separation rate in 2010 was 0.7% less than both State & Local governments and all governments.

... the Corrections Officer class is the most populous class title ...
 ... Youth Correctional Officers had the highest separation rates ...

**Table 2-5 – Most Populous Covered Class Titles
 Fiscal Year 2010**

Class Title	Number
Corrections Officer (I, II, III, IV)	5,972
Program Services Evaluator (I, II, III, IV, V)	1,971
Child Protective Services Specialist (I, II, III)	955
Administrative Assistant (I, II, III)	935
Customer Services Representative (I, II, III)	916
Human Services Specialist (I, II, III)	780
Information Technology Specialist (1, 2, 3, 4, 5)	727
Corrections Sergeant	562
Motor Vehicle Division Customer Services Rep	556
Highway Operations Technician (1, 2, 3, 4)	524
Program and Project Specialist (I, II)	413
Habitation Technician (II, III)	362

Source: The state's Human Resources Information Solution. Data represents active employees in covered positions (June 2010).

Analysis: The title of Corrections Officer is by far the most populated class series in the state, followed by Program Services Evaluator, and Child Protective Services Specialist.

**Table 2-6 – Covered Classes With The
 Highest Separation Rates
 Fiscal Year 2010**

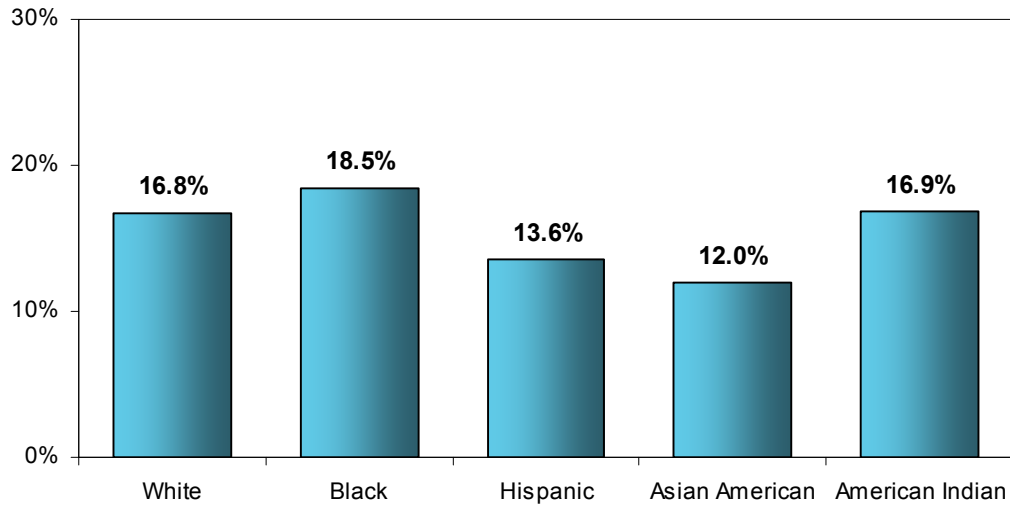
Class Title	Separation Rate
Youth Correctional Officer II	43.2%
Licensed Practical Nurse	39.5%
Correctional Registered Nurse	35.3%
Habilitation Technician II	33.8%
Collector III	33.3%
Park Ranger II	31.5%
Accounting Technician III	27.6%
Psychiatric Nurse II	26.8%
Federal & State Licensing Surveyor	26.4%
Education Program Specialist	26.2%
Child Protective Services Specialist III	24.6%
Customer Services Representative I	23.4%

Source: The state's Human Resources Information Solution. Classes considered in this table include those with 50 or more active covered employees in the respective class. Data represents separations of covered employees from state service during the fiscal year (July 1 – June 30).

Analysis: Classes associated with the Correctional, Social Services, and Revenue industries experienced the highest separation rates relative to the number of employees in their respective classes.

*... the Black ethnic group had the highest separation rate ...
; in the occupational groups, the highest rate was in the Technicians group ...*

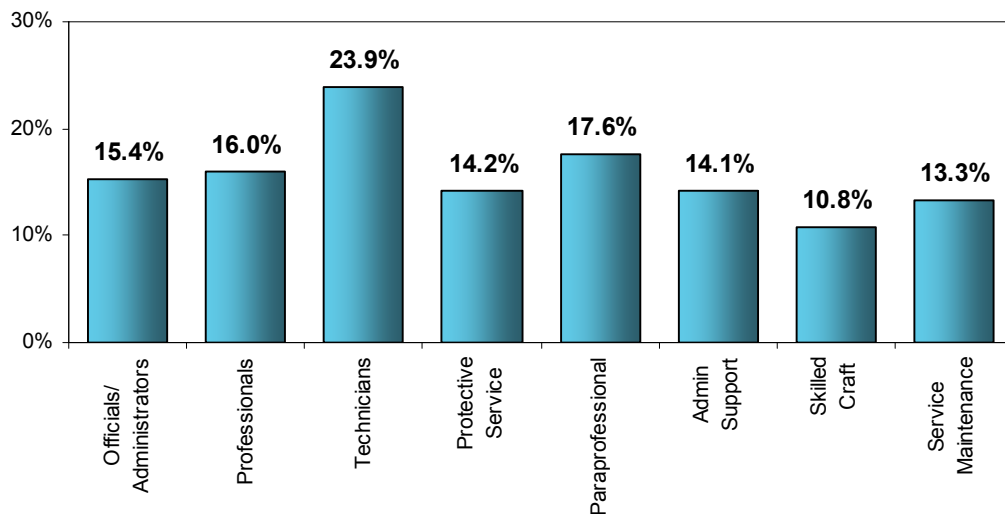
**Table 2-7 – Separation Rates by Ethnic Group
Fiscal Year 2010**



Source: The state's Human Resources Information Solution. Percentages are based upon covered and uncovered employees responding – a small percentage of employees choose not to disclose their ethnicity. Data represents separations from state service during the fiscal year (July 1 – June 30).

Analysis: The highest rate of separations was in the Black ethnic group. Separation rates were lowest among Asian American employees.

**Table 2-8 – Separation Rates by Occupational Code
Fiscal Year 2010**

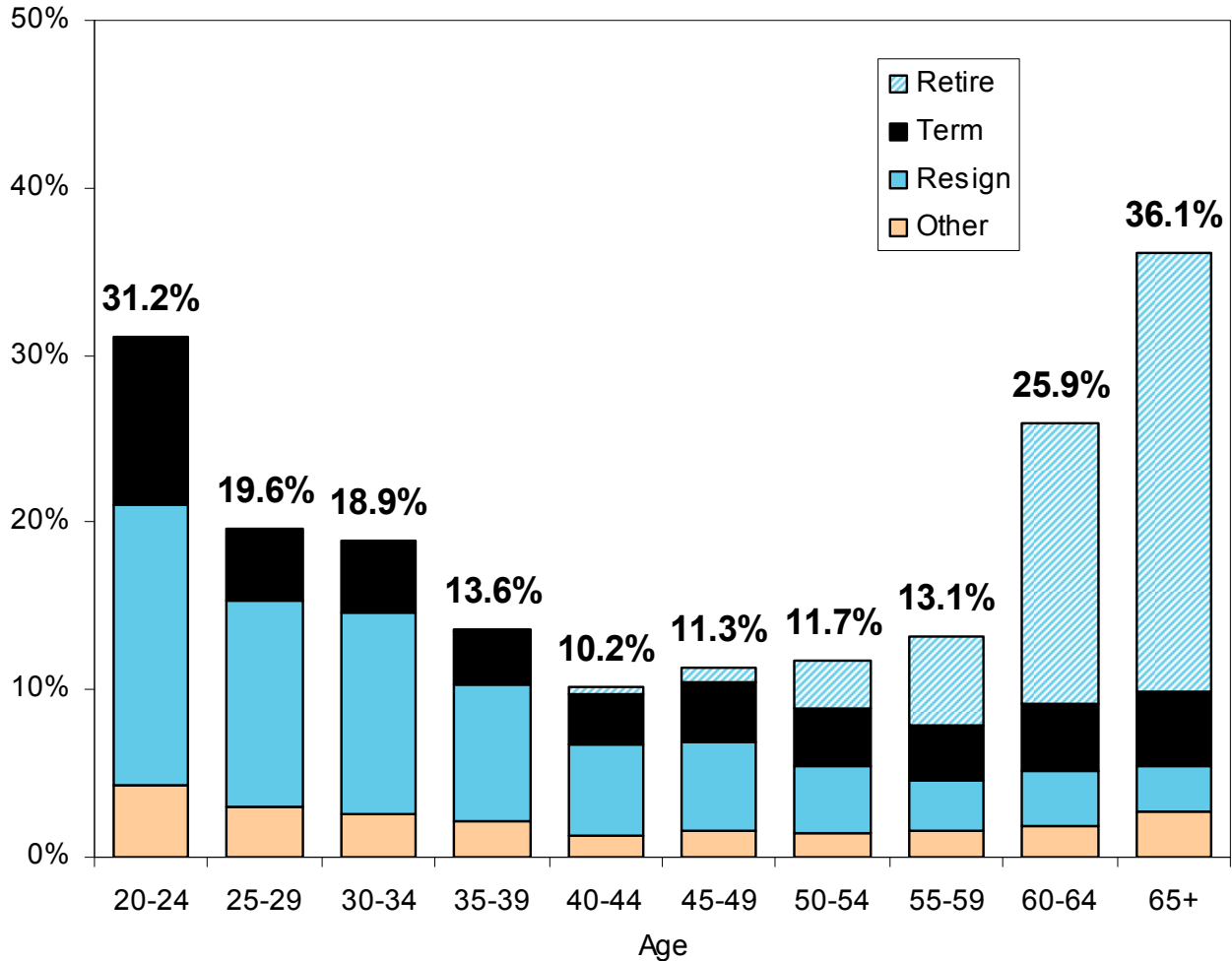


Source: The state's Human Resources Information Solution. Data represents separations from state service during the fiscal year (July 1 – June 30). Data includes covered and uncovered employees.

Analysis: The highest rate of separations was in the Technicians occupational group. Separation rates were lowest among employees assigned to Skilled Craft positions.

... resignations generally decrease with increasing age, while the rate of retirements generally increases ...

**Table 2-9 – Separation Rates by Age Distribution
Fiscal Year 2010**

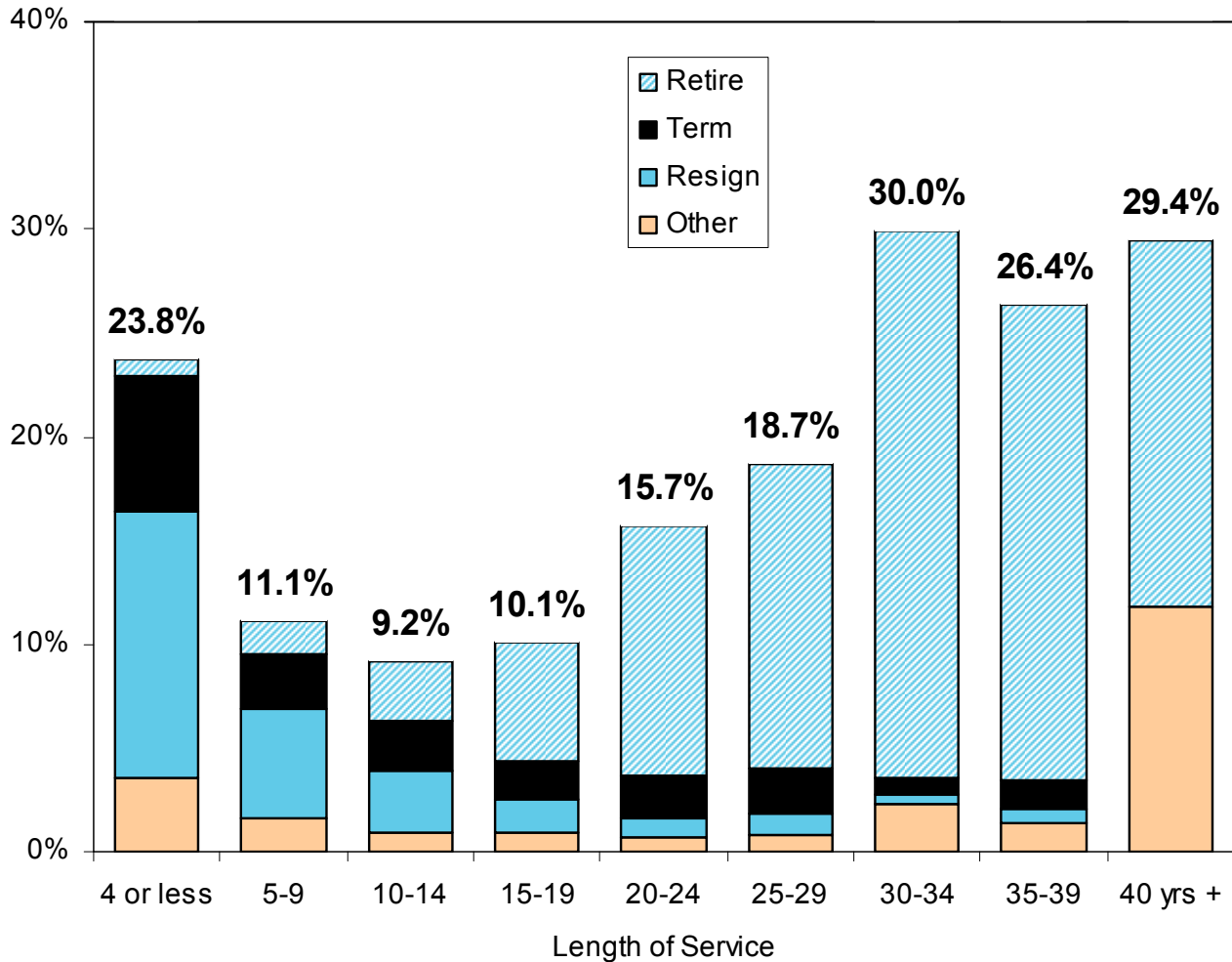


Source: The state's Human Resources Information Solution. Data represents separations from state service during the fiscal year (July 1 – June 30). Data includes covered and uncovered employees.

Analysis: The above chart shows the separation rates by age group for all employees. In 2010, employees in the 20-24 year age bracket experienced a separation rate over 30%. The separation rate generally decreases as the average age increases until employees reach the age of 45, when the separation rate begins to climb again. The relative percentage of separations due to resignations generally decreases with increasing age, while the relative percentage of separations due to retirements generally increases.

... resignations generally decrease with increasing length of service, while retirements generally increase ...

**Table 2-10 – Separation Rates by Length of Service
Fiscal Year 2010**

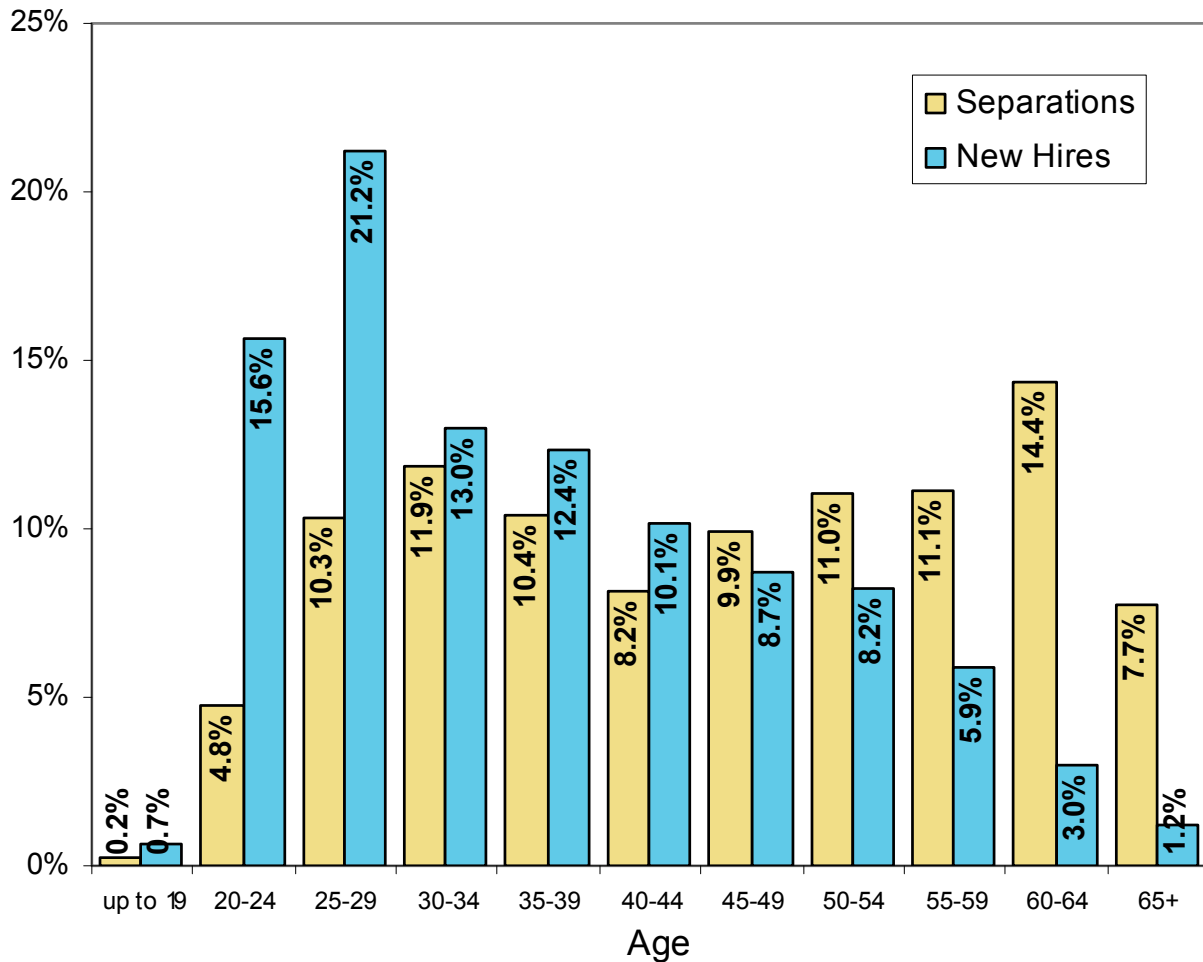


Source: The state's Human Resources Information Solution. Data represents separations from state service during the fiscal year (July 1 – June 30). Data includes covered and uncovered employees.

Analysis: The above chart shows the relative separation rates for the length of service distributions of all employees. In 2010, employees with more than 30 years of service experienced an average separation rate over 29%. The separation rate was lowest for employees with ten to fourteen years of service. The relative percentage of separations due to resignations generally decreases with increasing length of service, while the relative percentage of separations due to retirements generally increases.

... more new hires are in the younger age groups when compared to the age distribution of separating employees ...

Table 2-11 – Difference in Age Distribution between New Hires and Separations Fiscal Year 2010

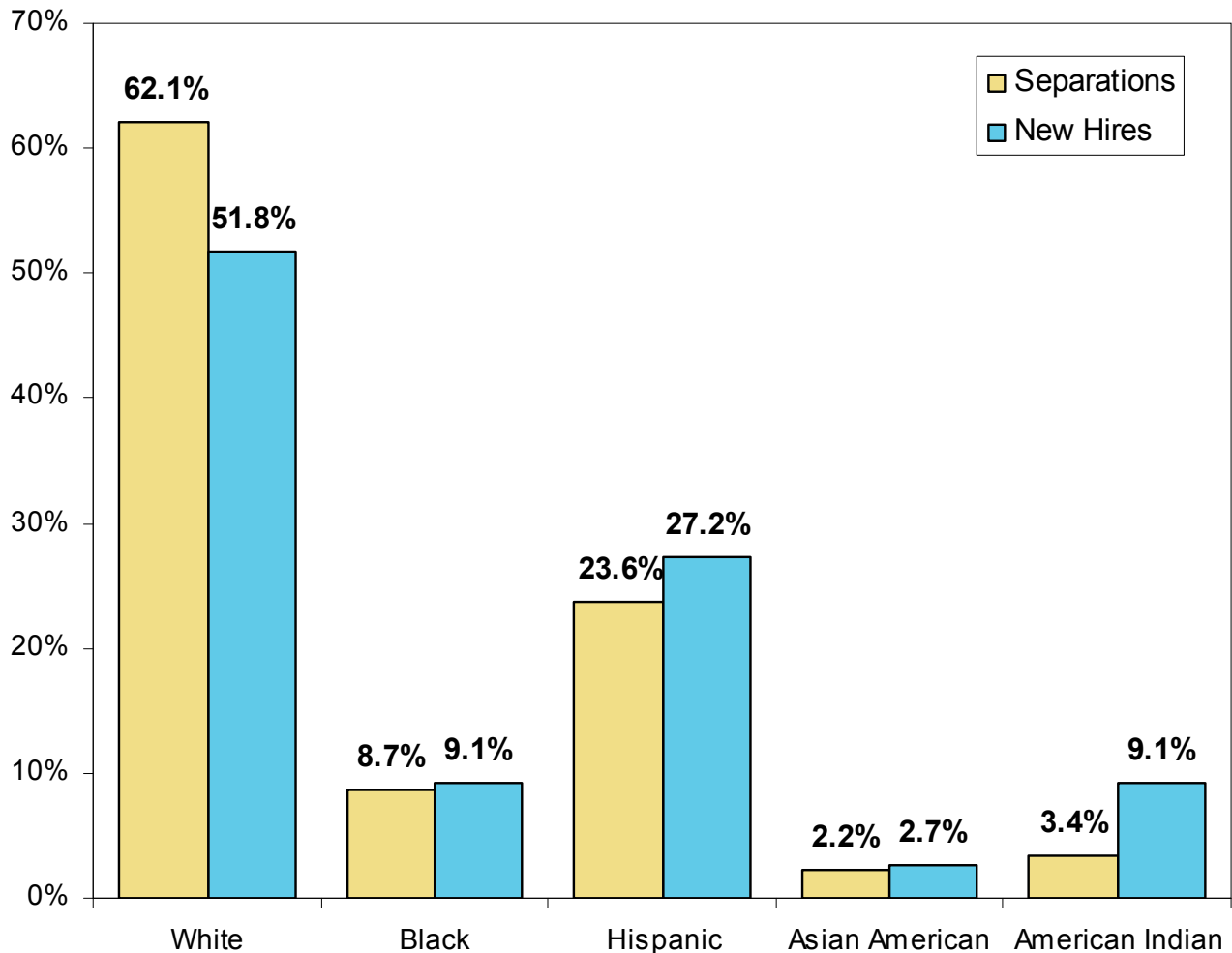


Source: The state's Human Resources Information Solution. Data represents separations from state service during the fiscal year and employees newly hired into state service during the fiscal year (July 1 – June 30). Data includes covered and uncovered employees.

Analysis: The above chart shows the relative difference in age distribution between those employees that separated from state service and those that were newly hired into state service. The average age of a separating employee was 46.4, while the average age of a newly hired employee was 37.3. There was a higher percentage of new hires than separations in all age groups below 45 years of age. Above 45 years of age, the trend reverses and there is a higher percentage of separations. The largest difference between the two groups occurs in the 20-24, 25-29, and 60-64 age groups.

... there was a higher distribution of separations among the White ethnic group than new hires ...

Table 2-12 – Difference in Ethnic Distribution between New Hires and Separations Fiscal Year 2010

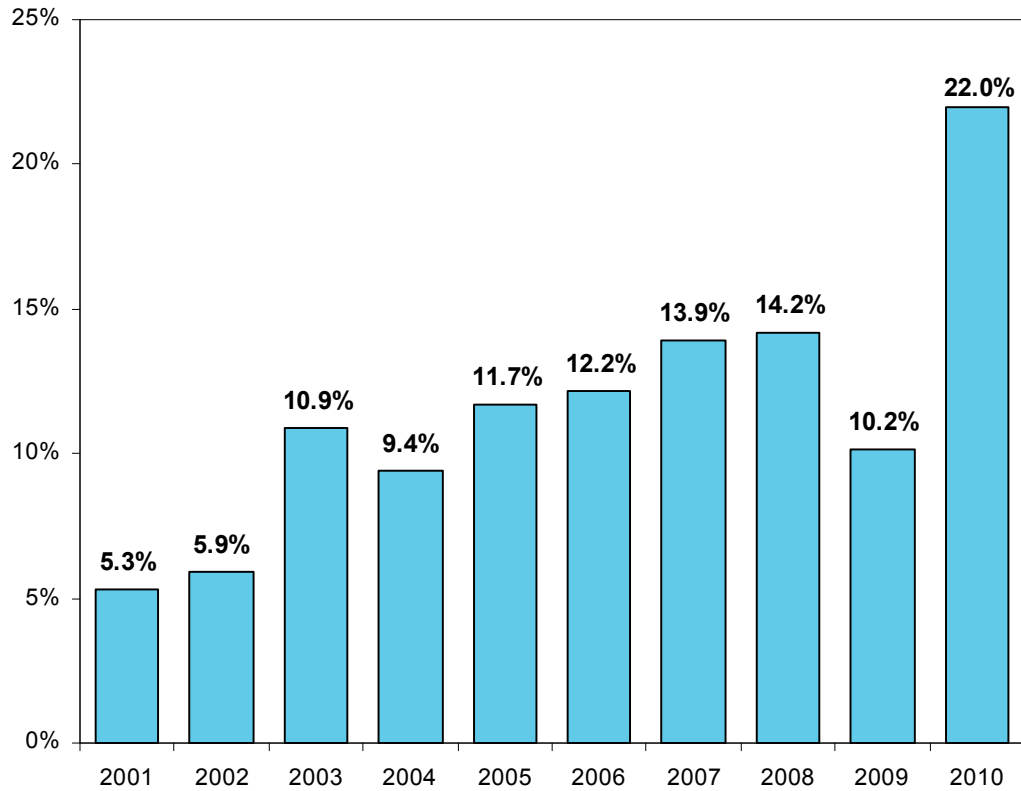


Source: The state's Human Resources Information Solution. Data represents separations from state service during the fiscal year and employees newly hired into state service during the fiscal year (July 1 – June 30). Data includes covered and uncovered employees that voluntarily disclosed their ethnicity – a small percentage of employees choose not to disclose this information.

Analysis: The above chart shows the relative difference in ethnic distribution between those employees that separated from state service and those that were newly hired into state service. In 2010, there was a relatively higher distribution of separations of the White ethnic group compared to new hires. The American Indian ethnic group had a higher distribution of new hires than separations.

. . the percentage of separations as a result of retirement increased significantly from last year . . .

**Table 2-13 – Percentage of Separations Due to Retirement
Fiscal Year 2001 - 2010**



Source: The state's Human Resources Information Solution. Data represents separations from state service during the fiscal year (July 1 – June 30). Includes covered and uncovered employees.

Analysis: The ratio of separations that are due to retirements increased in 2010, resuming the trend of steadily increasing retirements. The average ratio of separations due to retirements from 2003 through 2010 was 12.95%.

... over 93% of the larger state agencies are expected to have at least one quarter of their active workforce eligible to retire in the next five years ...

**Table 2-14 – Retirement Eligibility
Fiscal Year 2011 - 2015**

Agency Name	2011	2012	2013	2014	2015
Small Agencies	17.4%	20.7%	25.1%	29.4%	35.1%
Administration	14.5%	17.0%	22.5%	26.2%	30.6%
Agriculture	16.4%	20.4%	24.7%	27.6%	29.8%
AHCCCS	16.0%	20.9%	25.8%	30.0%	35.4%
Attorney General	14.1%	18.5%	22.7%	26.0%	32.6%
Commerce	20.5%	26.9%	29.5%	33.3%	37.2%
Corporation Commission	14.3%	17.8%	21.6%	25.9%	31.7%
Corrections	10.8%	13.4%	16.5%	20.2%	24.4%
Early Childhood Development	1.6%	4.1%	5.7%	9.8%	13.0%
Economic Security	13.5%	17.1%	20.9%	24.4%	28.6%
Education	11.4%	14.2%	17.8%	23.3%	26.0%
Environmental Quality	16.5%	21.4%	27.1%	32.6%	36.3%
Financial Institutions	27.6%	34.5%	34.5%	41.4%	44.8%
Forestry	20.0%	21.8%	21.8%	29.1%	30.9%
Game & Fish	16.5%	19.5%	24.1%	29.3%	34.5%
Health Services	14.2%	18.3%	22.5%	27.3%	31.8%
Housing	10.0%	18.0%	20.0%	26.0%	30.0%
Industrial Commission	16.5%	19.4%	24.8%	31.0%	38.0%
Insurance	25.0%	30.2%	32.3%	41.7%	46.9%
Juvenile Corrections	13.7%	16.8%	19.5%	25.6%	29.7%
Land Dept	22.3%	27.3%	31.4%	40.5%	45.5%
Lottery Commission	25.3%	29.7%	34.1%	35.2%	37.4%
Military Affairs	12.2%	16.8%	20.1%	22.1%	27.7%
Pioneers Home	9.1%	12.5%	17.0%	23.9%	29.5%
Real Estate	29.0%	38.7%	48.4%	58.1%	58.1%
Registrar of Contractors	20.4%	28.2%	32.0%	35.9%	44.7%
Revenue	19.4%	23.9%	29.5%	34.6%	40.7%
State Parks	21.7%	24.6%	29.1%	31.4%	38.9%
Transportation	16.8%	20.3%	24.5%	27.9%	31.8%
Veterans Service	9.6%	14.8%	17.6%	21.6%	26.8%
Water Resources	15.0%	19.0%	23.0%	26.0%	32.0%
Totals	13.7%	17.1%	20.9%	24.8%	29.2%

Source: The state's Human Resources Information Solution. Projected retirement eligibility is based on years of service and age criteria for the Arizona State Retirement System and Public Safety Personnel Retirement System. Many state employees continue to remain employed with the state after they become eligible to retire. Also, employees may have "purchased" credited service in other organizations resulting in an earlier eligibility date than that which was calculated. Actual retirement rates may differ from the numbers shown above. Data includes covered and uncovered employees.

Analysis: Over 93% of the larger agencies (28) are projected to have at least 25% of their active employees eligible for retirement in five years, and twenty agencies will have at least 30% of their workforce eligible to retire in 2015. Twelve agencies are anticipated to have over 35% of their active employees eligible to retire in five years. Only one agency is expected to have less than 15% of their employees eligible to retire in 2015.

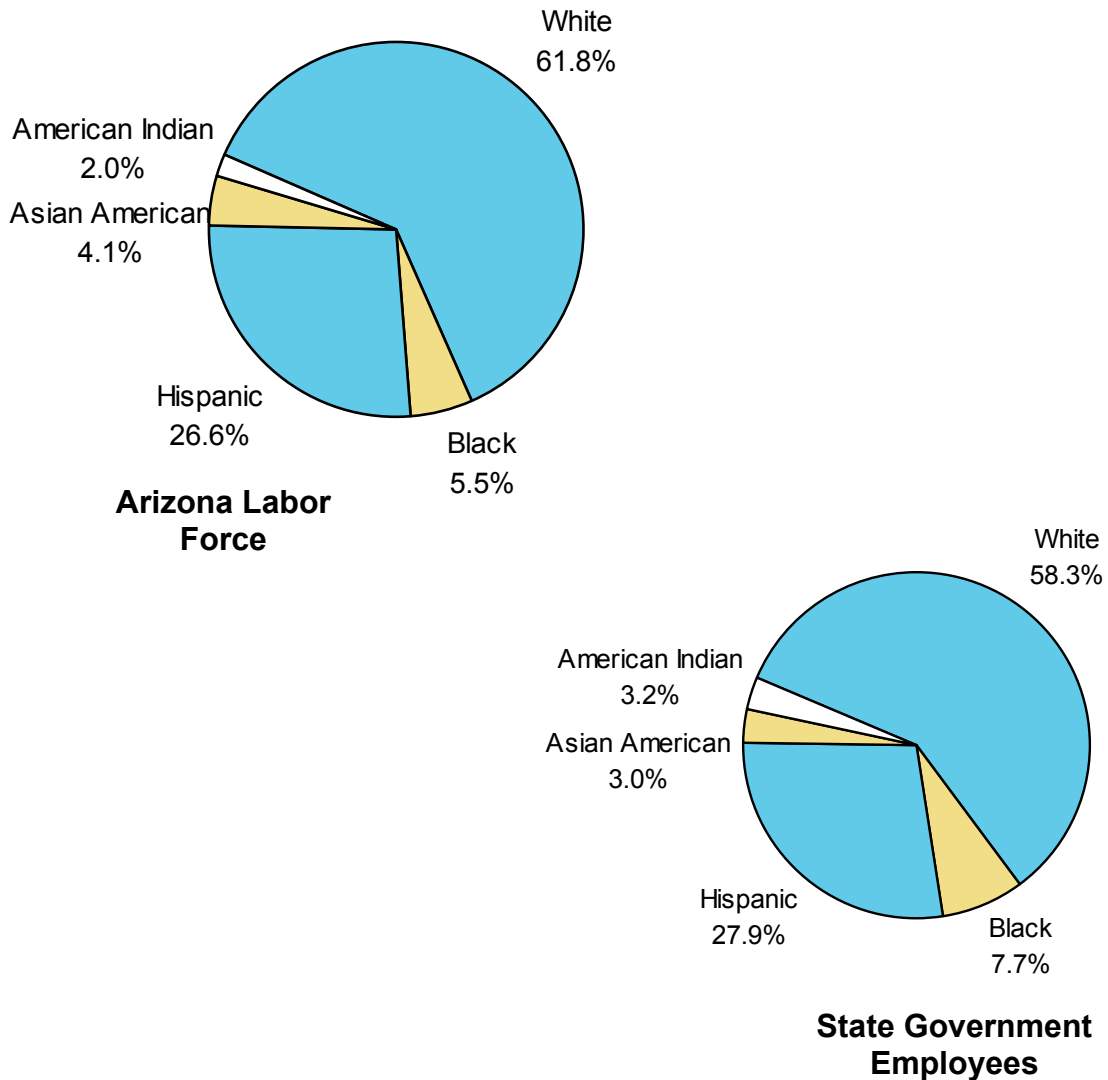


3 Equal Employment

- Distribution of Employees by Ethnic Group
- Distribution of Employees by Occupation
- Minority Representation by Agency
- Gender Representation by Agency
- Changes in Employment by Ethnicity and Gender

... the state's workforce closely resembles the available labor force within Arizona ...

Table 3-1 – Distribution of State Government Employees by Ethnic Group Fiscal Year 2010

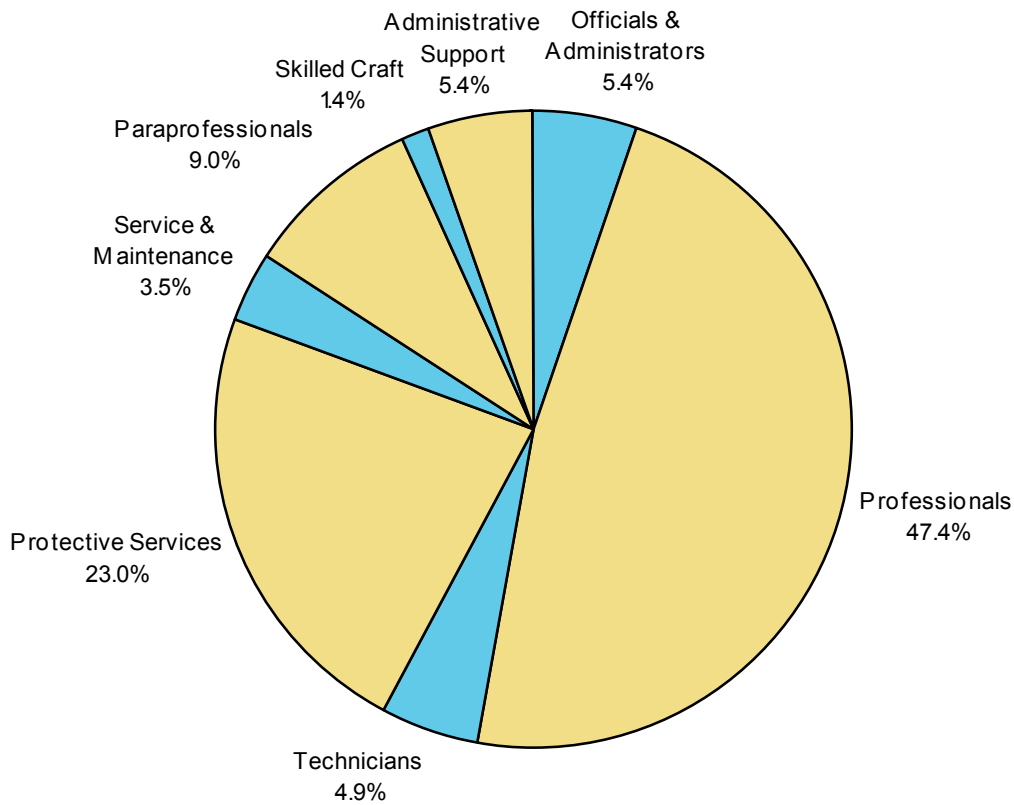


Source: Arizona Labor Force data from the U.S. Equal Employment Commission 2008 EEO-1 Report; State Government Employees data from the State's Human Resources Information Solution June 2010; includes covered and uncovered employees. Percentages are based upon employees responding – a small percentage of employees choose not to disclose their ethnicity.

Analysis: The majority of the state's workforce is comprised of the White and Hispanic ethnic groups. The state government's workforce has a higher percentage of Black, Hispanic, and American Indian ethnic groups than the Arizona Labor Force.

... the professional occupational group accounts for the largest portion of the state's workforce, followed by protective services, and paraprofessionals ...

**Table 3-2 – Distribution of State Government Employees by Occupational Group
Fiscal Year 2010**

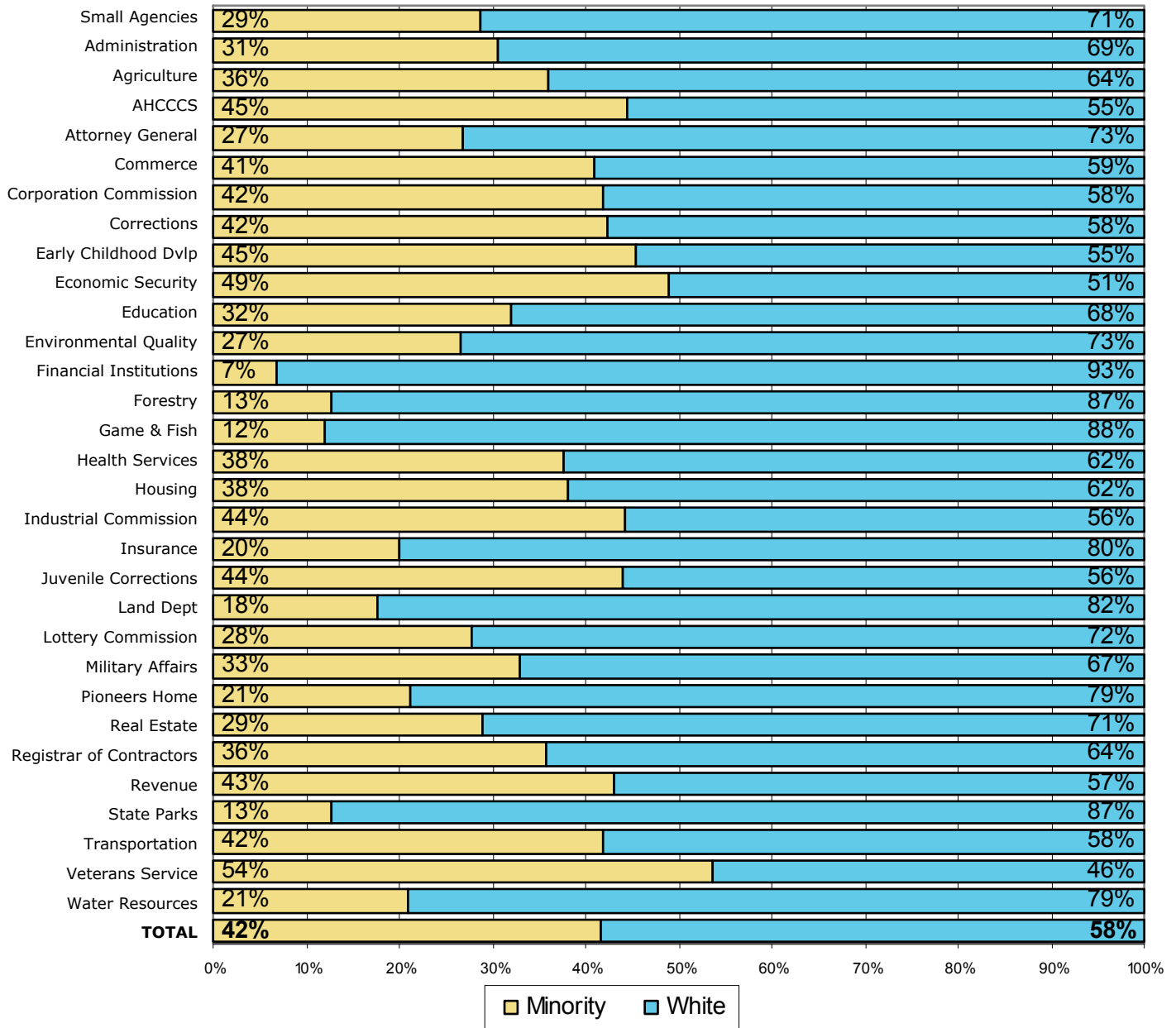


Source: The State's Human Resources Information Solution, June 2010; includes covered and uncovered employees. Categories are based upon the Equal Employment Opportunity Commission's Occupational Categories for State and Local Government (EEO-4).

Analysis: State employees in positions categorized as Professional comprise the largest percentage (47%) of the eight occupational groupings. Skilled craft (1.4%) and service workers (3.5%) encompass the smallest percentage.

... minorities comprise 42% of the employees in the ADOA Human Resources System ...

**Table 3-3 – Minority Representation by Agency
Fiscal Year 2010**

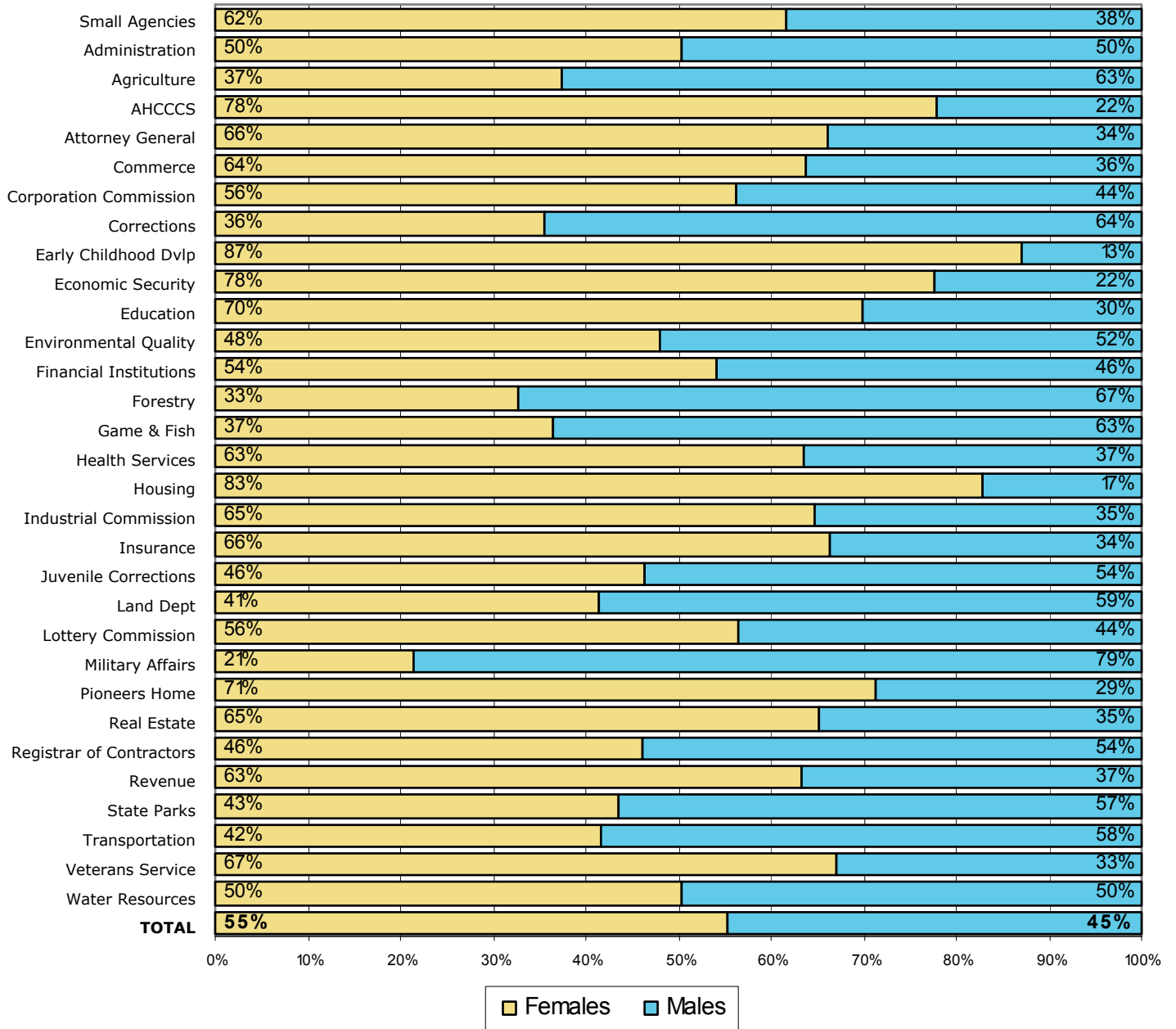


Source: The State’s Human Resources Information Solution (HRIS), June 2010. Percentages are based upon covered and uncovered employees that identified their ethnicity – a small percentage of employees choose not to disclose this information.

Analysis: The table above shows the proportion of minority employees of each of the larger state agencies. One of the larger agencies had a minority distribution that was 10% greater than the statewide average, while 8 agencies had a minority distribution that was 20% or more less than the statewide average.

... females comprise 55% of the employees in the ADOA Human Resources System ...

**Table 3-4 – Gender Representation by Agency
Fiscal Year 2010**

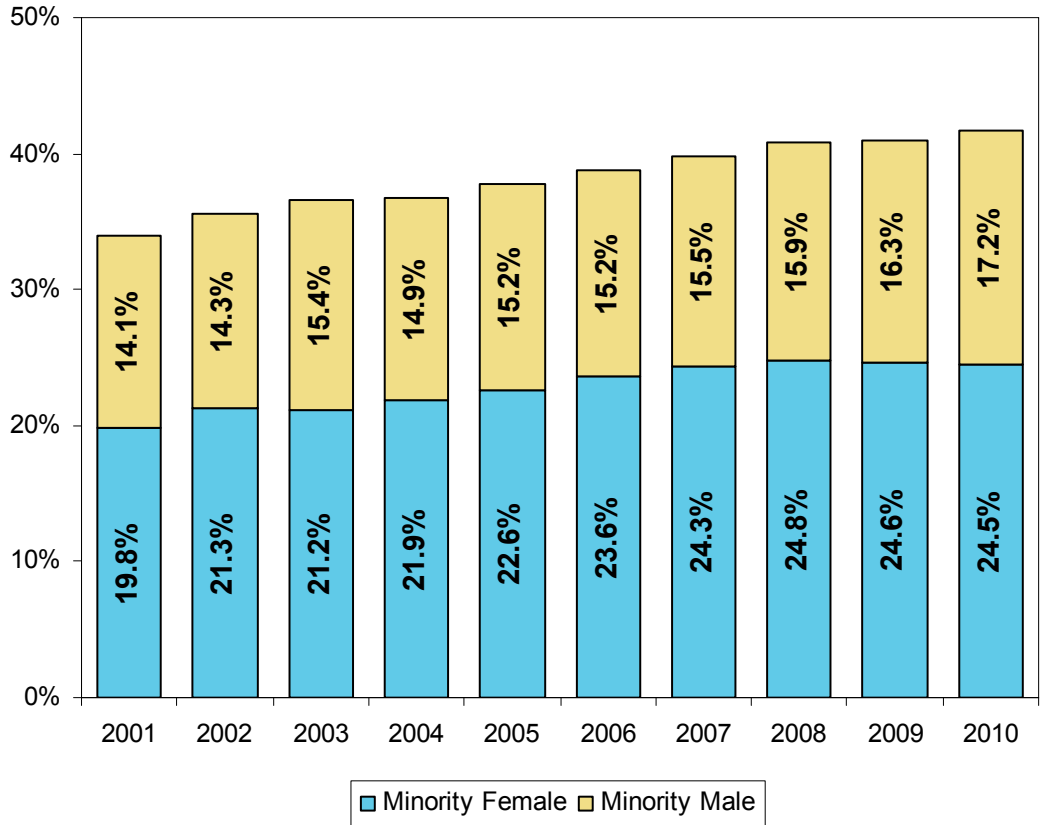


Source: The state's Human Resources Information Solution; June 2010. Includes covered and uncovered employees.

Analysis: Eighteen of the thirty larger agencies (60%) have a workforce where females are in the majority. Ten of the larger agencies had a distribution of females that was 10% or greater than the statewide average, while 8 agencies had a distribution of females that was 10% or less than the statewide average.

... the total percentage of minorities increased again compared with last year, primarily due to relative increases in minority males. . .

**Table 3-5 – Ten Years of Changes in Employment by Ethnicity and Gender
Fiscal Year 2001 – 2010**



Source: The state's Human Resources Management System for years 2001 through 2003. Data for 2004 through 2010 was extracted from the state's Human Resources Information Solution. Data represents fiscal year-end (June 30). Percentages are based upon covered and uncovered employees that identified their ethnicity – a small percentage of employees choose not to disclose this information.

Analysis: The overall growth in the total percentage of minority employees has averaged 0.77% over the past ten years. This growth has been most apparent in the percentage of minority females. The average increase in minority females over the past ten years (average growth rate of 0.47%) has been 1.5 times that of minority males. However, in recent years, the majority of increases have resulted from the relative increase in minority males, while the rate of minority females has remained relatively stable.



4 Workforce Characteristics

- Employees by Agency
- Covered/Uncovered Employees by Agency
- Rank of All States by FTEs to Population
- Ratio of State FTEs to Population
- Rank of All States by Payroll to Population
- Ratio of State Payroll to Population
- State Employees by County
- Age Distribution
- Length of Service Distribution
- Employee Satisfaction

... nearly 87% of the larger agencies experienced a decrease in the average size of their workforce ...

**Table 4-1 – Employees by Agency
Fiscal Year 2006 - 2010**

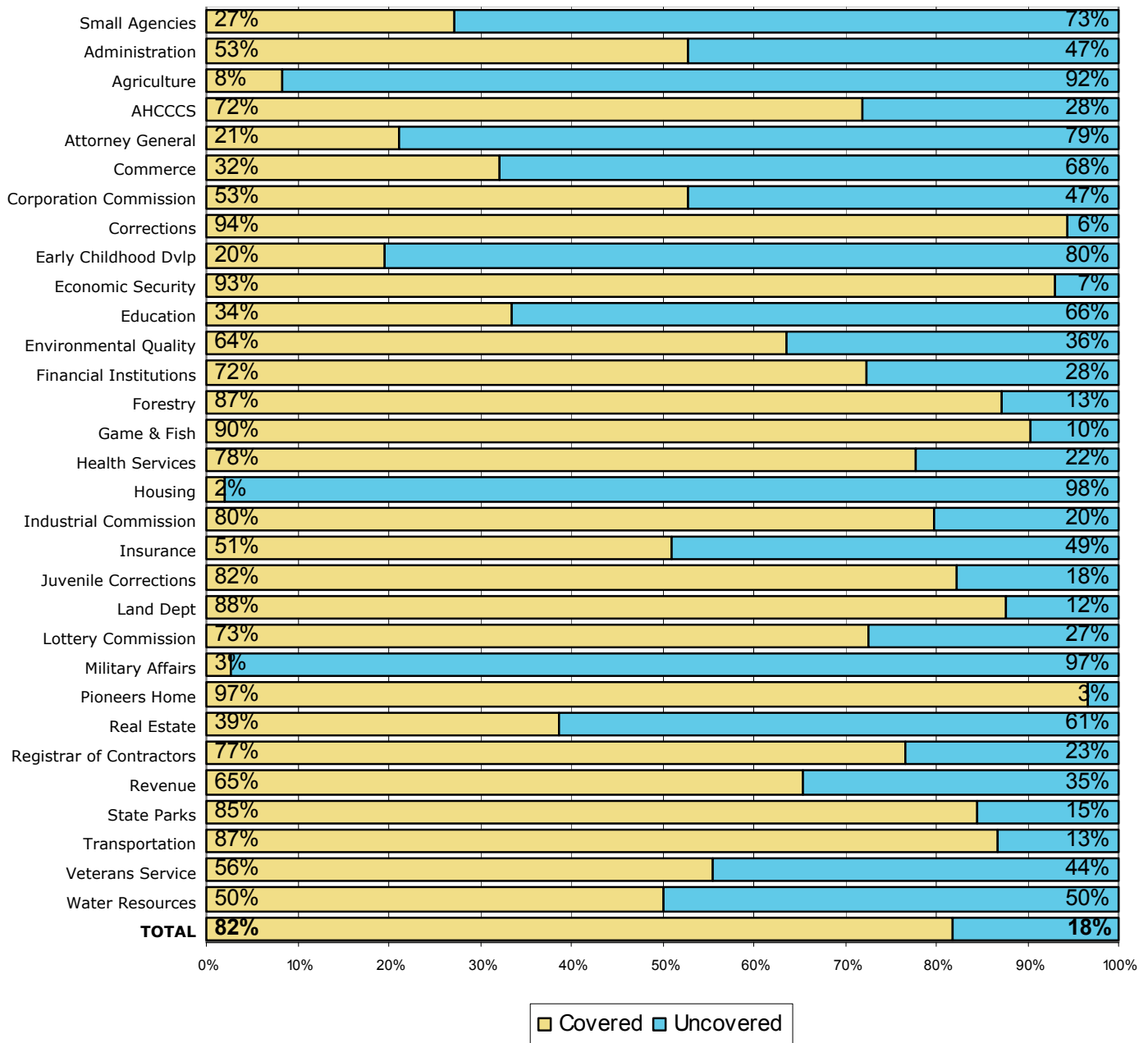
Agency Name	2006	2007	2008	2009	2010
Small Agencies	912	960	916	822	720
Administration	780	807	755	586	519
Agriculture	336	347	313	270	275
AHCCCS	1,321	1,359	1,272	1,115	908
Attorney General	672	678	582	528	503
Commerce	91	92	119	91	78
Corporation Commission	287	293	288	272	259
Corrections	8,967	9,357	9,305	9,145	8,913
Early Childhood Development	N/A	N/A	99	123	123
Economic Security	10,004	10,312	10,187	9,201	8,730
Education	533	576	494	445	438
Environmental Quality	634	656	693	624	546
Financial Institutions	63	63	64	48	29
Forestry	N/A	N/A	62	58	55
Game & Fish	569	574	550	449	461
Health Services	1,855	1,998	1,859	1,676	1,561
Housing	63	64	65	58	50
Industrial Commission	276	270	276	244	242
Insurance	137	132	129	98	96
Juvenile Corrections	1,039	1,083	1,081	975	656
Land Dept	193	195	144	133	121
Lottery Commission	101	99	91	94	91
Military Affairs	500	505	403	393	394
Pioneers Home	103	103	93	94	88
Real Estate	63	60	60	43	31
Registrar of Contractors	123	129	120	117	103
Retirement System	210	221	194	193	N/A
Revenue	995	959	964	644	648
State Parks	289	285	277	244	175
Transportation	4,411	4,579	4,460	3,956	3,669
Veterans Service	277	317	285	273	250
Water Resources	226	233	242	224	100
Totals	36,030	37,306	36,442	33,236	30,832

Source: The state's Human Resources Information Solution. Data includes covered and uncovered active employees at fiscal year-end (June 30). The Early Childhood Development agency was created in FY2008; Forestry was previously a division within the Land Dept but in FY2008 became identified within the HRIS system as a separate entity. In FY2010, the Retirement System and the Secretary of State moved out of the ADOA Personnel System.

Analysis: During the past year, 25 of the larger state agencies experienced a decrease in the number of employees, including 5 agencies that experienced decreases of at least 20%. Compared with staffing levels in 2008, 13 agencies experienced decreases of 20% or more. Compared with staffing levels in 2007, 19 agencies experienced decreases of 20% or more, including 2 that showed decreases of over 50%.

... nearly 82% of employees in the ADOA Human Resources System are covered by the state merit system ...

**Table 4-2 – Covered/Uncovered Employees by Agency
Fiscal Year 2010**



Source: The state’s Human Resources Information Solution. Table includes covered and uncovered active employees at fiscal year-end (June 30).

Analysis: This table illustrates the distinction between “covered” employees (employees in positions covered by the ADOA personnel rules, sometimes referred to as “merit” employees) and “uncovered” employees (employees in positions not covered by the ADOA personnel rules, sometimes referred to as “at will” employees). Nearly 82% of the workforce in the ADOA Human Resources System is covered by the merit system. Twenty-two out of the thirty large agencies (73%) have at least half of their employees covered by the merit system.

... Arizona ranks 46th in the nation in the ratio of full-time equivalent state employees to total population ...

**Table 4-3 - Rank Order of All States by Ratio of State FTEs to State Population
2008**

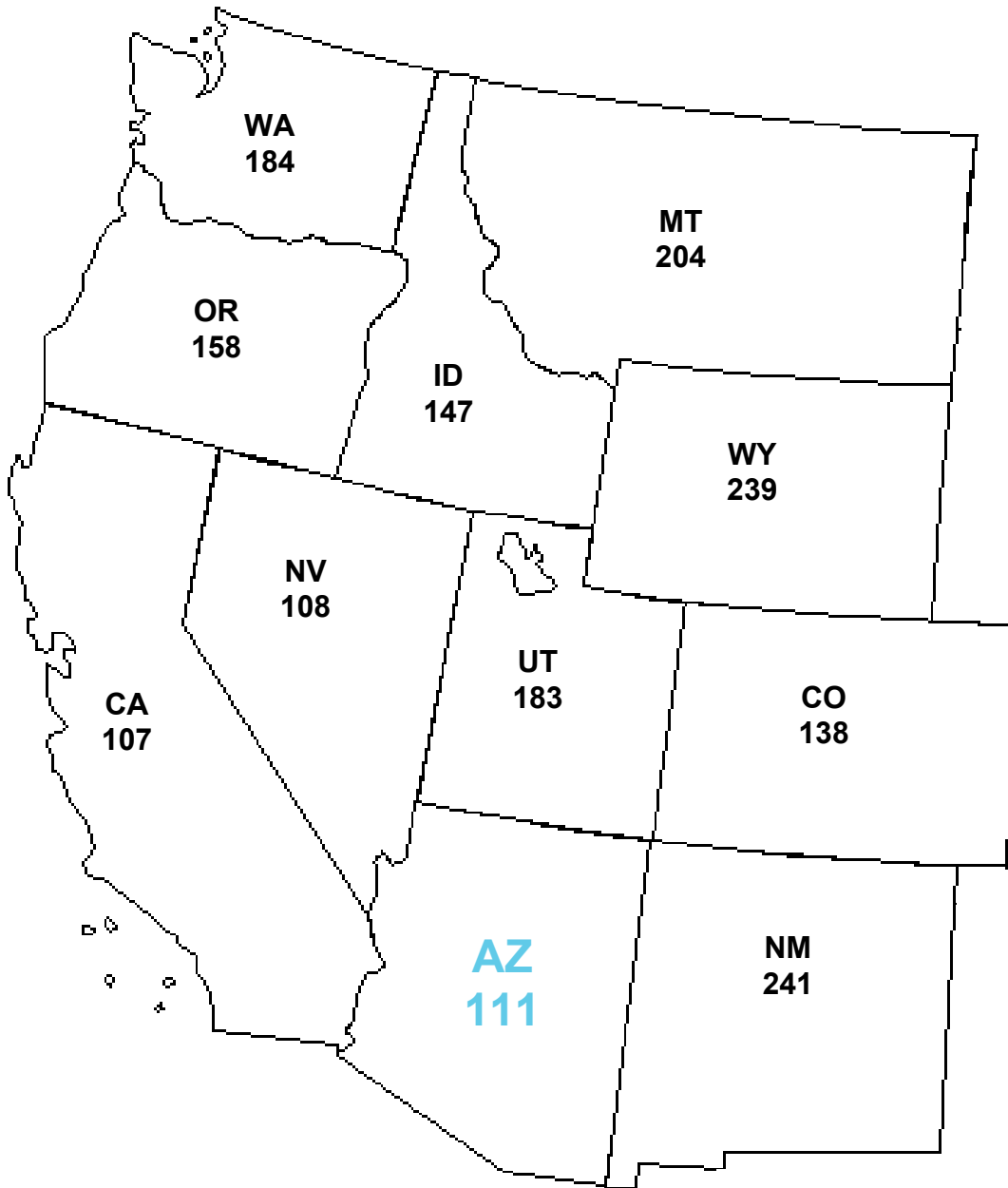
1.....Hawaii	27.....Virginia
2.....Alaska	28.....Oregon
3.....Delaware	29.....Maryland
4.....North Dakota	30.....North Carolina
5.....Vermont	31.....Minnesota
6.....New Mexico	32.....Missouri
7.....Wyoming	33.....New Hampshire
8.....West Virginia	34.....Massachusetts
9.....Arkansas	35.....Idaho
10.....Louisiana	United States Average
11.....Montana	36.....Indiana
12.....Oklahoma	37.....Michigan
13.....Mississippi	38.....Colorado
14.....Rhode Island	39.....Tennessee
15.....Alabama	40.....Georgia
16.....Kentucky	41.....New York
17.....Connecticut	42.....Pennsylvania
18.....Washington	43.....Ohio
19.....Utah	44.....Wisconsin
20.....Iowa	45.....Texas
21.....New Jersey	46..... Arizona
22.....Nebraska	47.....Nevada
23.....Maine	48.....California
24.....South Carolina	49.....Florida
25.....South Dakota	50.....Illinois
26.....Kansas	

Source: U.S. Census Bureau, Governments Division. March 2008. Population data estimate for July 2009.

Analysis: Arizona increased to 46th in the nation in the ratio of full-time equivalent state employees compared to the overall population of the state. In 2007, Arizona ranked 47th, in 2006 Arizona was 46th, in 2002 Arizona was 45th, and in 2000, Arizona was 43rd. Of the Western States, only California and Nevada has fewer state FTEs compared to the overall population of the state.

... of the Western states, there are only two other states with a lower ratio of full-time equivalent state employees to total population than Arizona ...

**Table 4-4 - Ratio of State FTEs to State Population
2008
Employees per 10,000 Population**



Source: U.S. Census Bureau, Governments Division. March 2008. Population data estimate for July 2009.

Analysis: Arizona increased to 9th out of the 11 Western states in the ratio of full-time equivalent state employees compared to the overall population of the state. Arizona had previously ranked 10th in 2007. Arizona's ratio of FTEs per 10,000 population decreased by 9.3% since 2002, compared to the national average decrease of 3.1%.

. . . Arizona still ranks 49th in the nation when comparing total payroll to the state's population. . .

**Table 4-5 - Rank Order of All States by Ratio of Total State Payroll to State Population
2008**

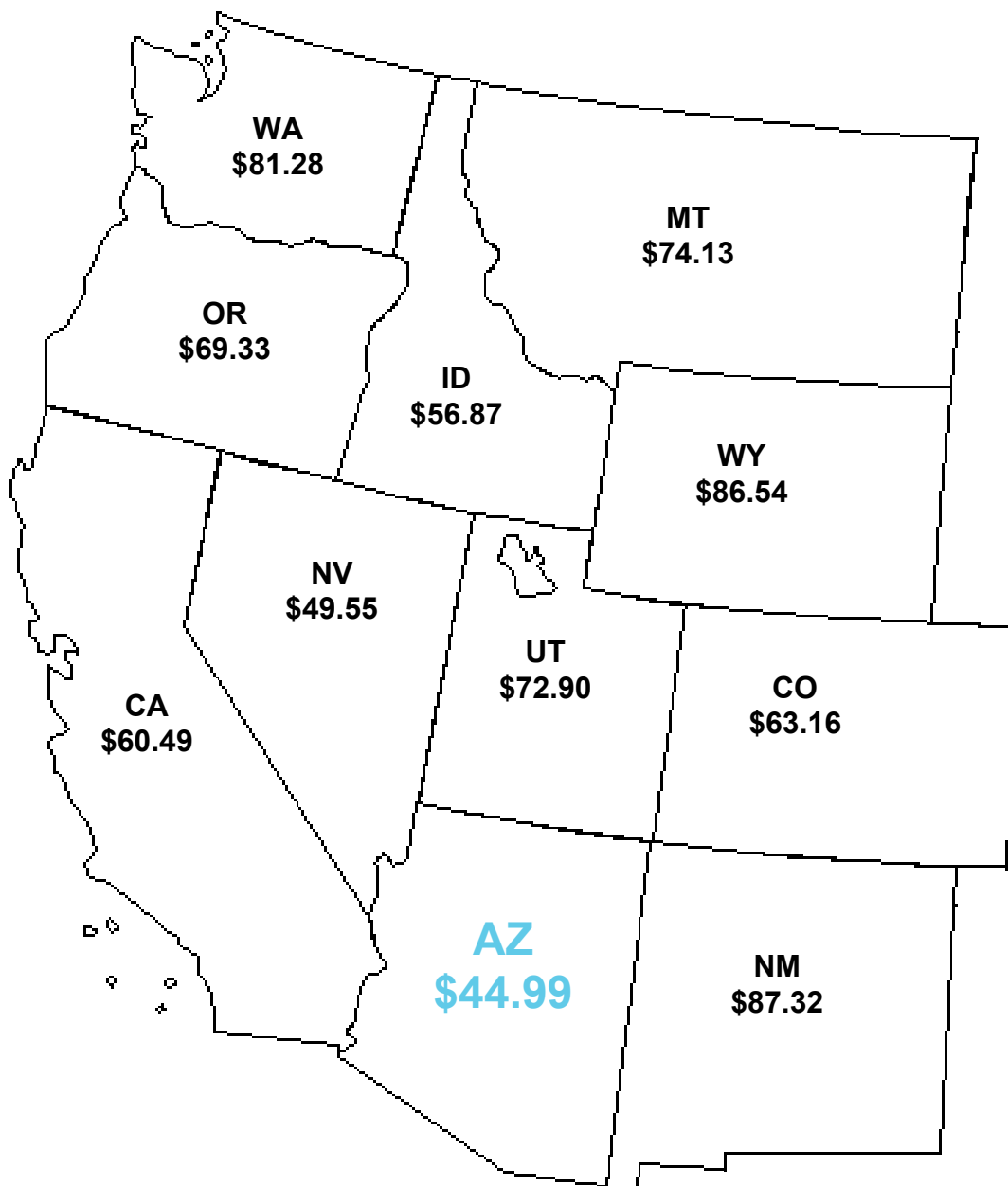
1.....Hawaii	27.....Virginia
2.....Alaska	28.....Mississippi
3.....Delaware	29.....Colorado
4.....Vermont	30.....Michigan
5.....Connecticut	31.....New Hampshire
6.....New Jersey	32.....Kansas
7.....North Dakota	33.....Nebraska
8.....Rhode Island	United States Average
9.....New Mexico	34.....California
10.....Wyoming	35.....North Carolina
11.....Iowa	36.....South Carolina
12.....Washington	37.....South Dakota
13.....Louisiana	38.....Idaho
14.....Montana	39.....Wisconsin
15.....Alabama	40.....Indiana
16.....Utah	41.....Ohio
17.....Arkansas	42.....Pennsylvania
18.....Kentucky	43.....Tennessee
19.....Minnesota	44.....Nevada
20.....Massachusetts	45.....Georgia
21.....Maryland	46.....Missouri
22.....Oklahoma	47.....Texas
23.....West Virginia	48.....Illinois
24.....Oregon	49..... Arizona
25.....Maine	50.....Florida
26.....New York	

Source: U.S. Census Bureau, Governments Division. March 2008. Population data estimate for July 2009.

Analysis: Arizona remained 49th in the nation in 2008 when comparing total payroll to the state's population. Arizona has held this ranking since 2000 when Arizona ranked 47th. Arizona's ratio of total state payroll compared to the overall population of the state was 26% lower than the nationwide average in 2002 and is currently 26% lower in the 2008 census data.

... no other Western state has a lower state payroll when compared to the state's population ...

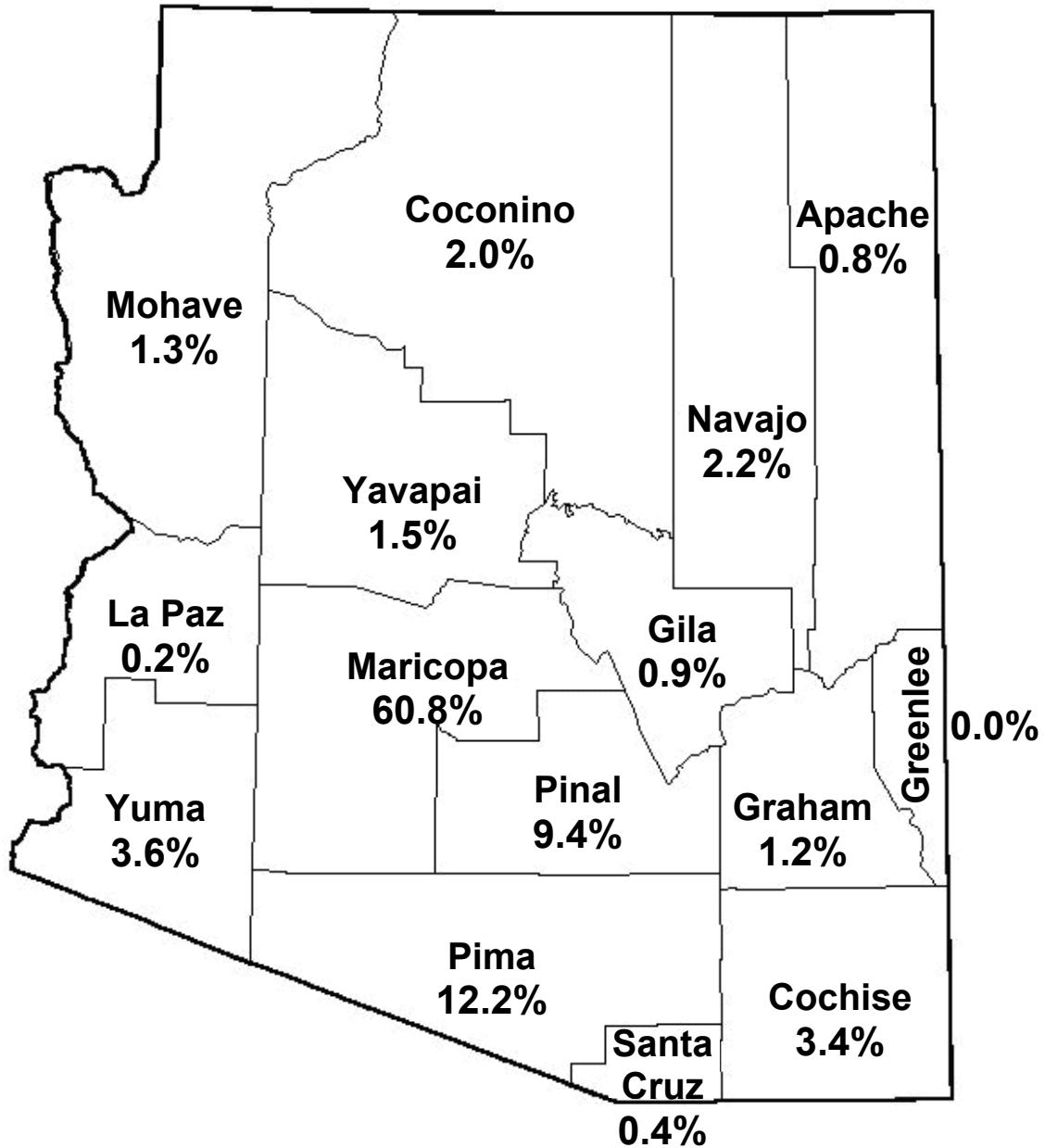
**Table 4-6 - Ratio of Total State Payroll to State Population
2008
Payroll Dollars per Citizen**



Source: U.S. Census Bureau, Governments Division. March 2008. Population data estimate for July 2009.

Analysis: Of the Western States, Arizona continues to have the lowest ratio of state payroll compared to the overall population of the state. Arizona's payroll ratio increased 18.5% since 2002, compared to the national average which increased by 18.4% and the ten other Western States which increased an average of 21.4%.

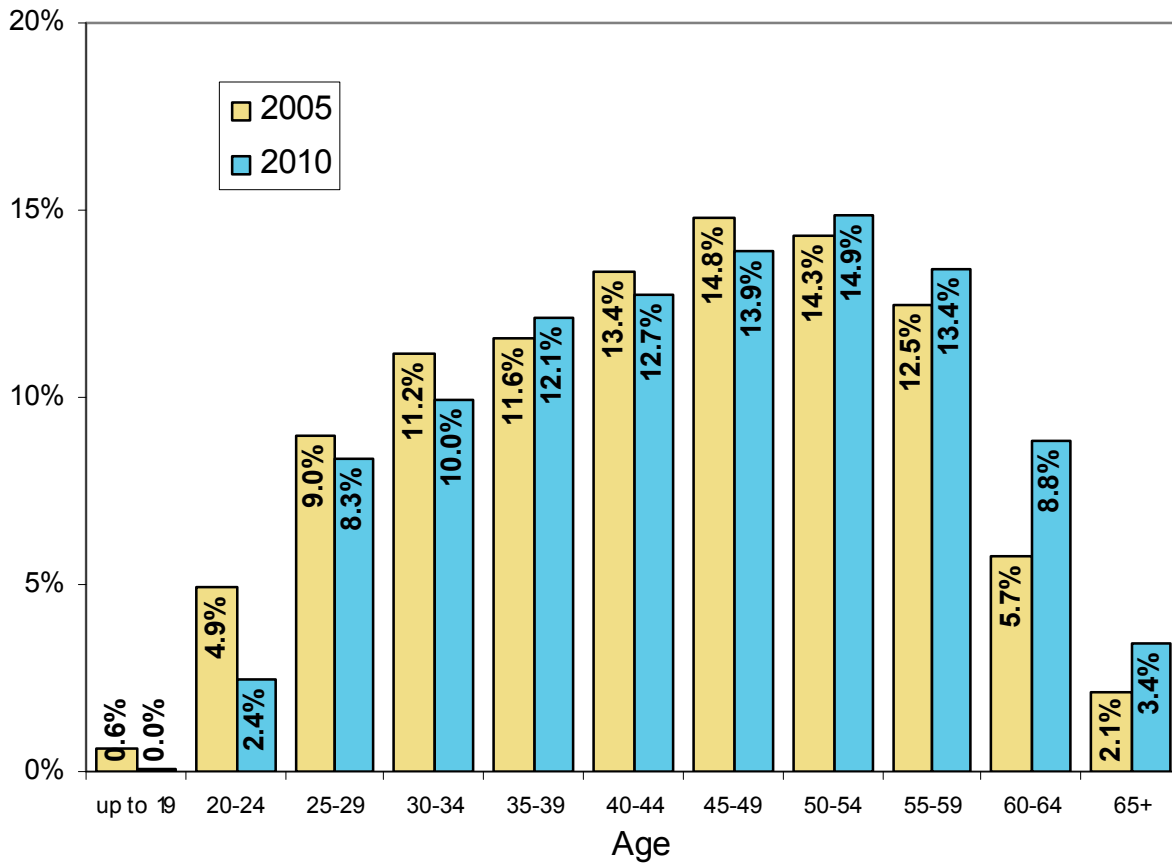
**Table 4-7 – State Employees by County
Fiscal Year 2010**



Source: The state's Human Resources Information Solution. Data represents covered and uncovered active employees at fiscal year-end (June 30).

Analysis: The majority of state employees work in Maricopa County, followed by Pima and Pinal counties. These three counties account for over 82% of all state employees.

**Table 4-8 – Age Distribution for All Employees
Fiscal Year 2005 and 2010**

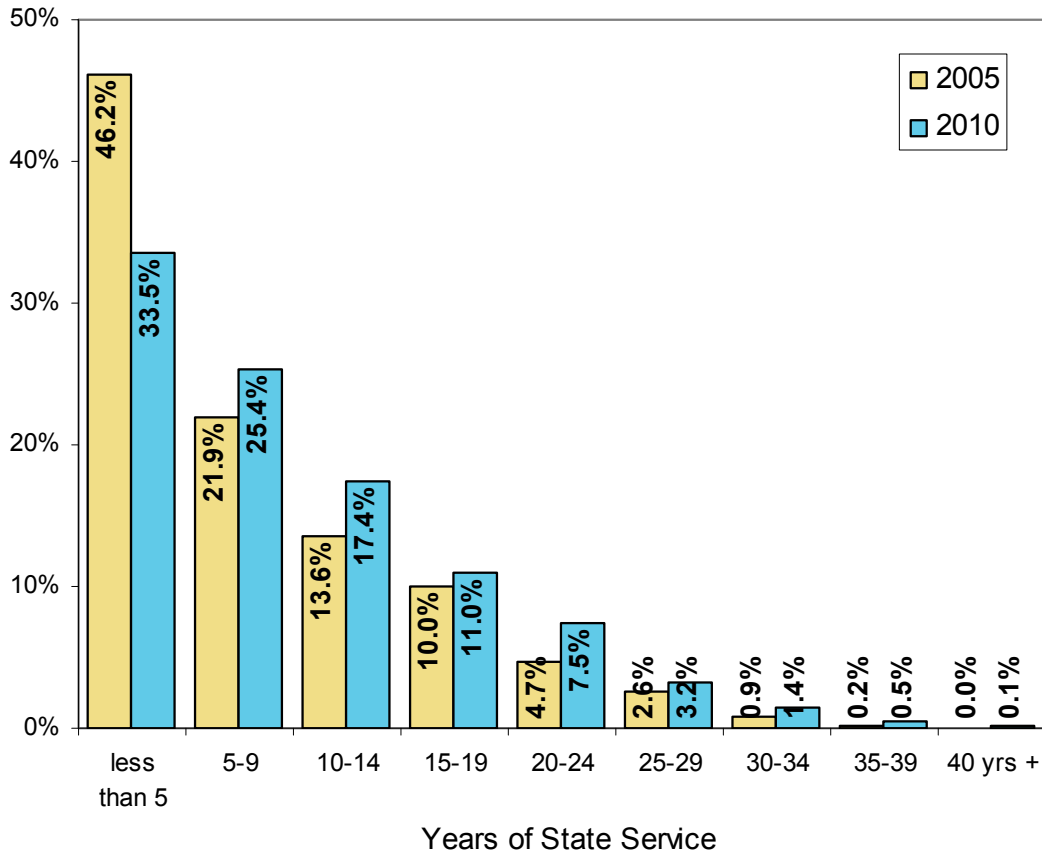


Source: The state's Human Resources Information Solution. Data includes covered and uncovered employees.

Analysis: The above chart shows the age distribution for all employees. In 2010, the average age of a state employee was 46.0 years. More employees were in the 50-54 age group than any other age group. In 2005, 26% of the workforce was less than 35, whereas in 2010, 21% of the workforce was less than 35 years of age. In 2005, 20% of the workforce was over the age of 55; however in 2010, 26% was over 55 years of age.

... in 2010 the average length of service was 10.1 years ...

**Table 4-9 – Length of Service Distribution for All Employees
Fiscal Year 2005 and 2010**



Source: The state's Human Resources Information Solution. Data includes covered and uncovered employees.

Analysis: The above chart shows the length of service distribution for all state employees and the relative changes from 2005. The average length of service with the state in 2010 was 10.1 years of service. 33.5% of state employees have been hired within the last 5 years, and 58.8% of employees have less than 10 years of service with the state.

... 71% of employees indicate they are satisfied with their job ...

**Table 4-10 – Employee Satisfaction
Fiscal Year 2000 – 2009**

Statement	Agree/Strongly Agree					
	FY00	FY01	FY02	FY07	FY08	FY09
Overall, I am satisfied with my job.	72%	67.8%	65.0%	75.0%	73.6%	71.0%
I understand clearly what is expected of me at work.	77%	77.6%	76.1%	82.6%	80.4%	78.8%
I receive adequate feedback on my work.	59%	56.0%	55.7%	62.5%	62.7%	60.4%
I receive the training I need to do my job well.	No prior history			62.7%	60.5%	57.4%
I feel safe at work.	No prior history			72.4%	73.9%	71.6%
I have the proper tools and equipment to do my work.	60%	56.5%	56.1%	64.5%	62.0%	57.9%
Overall, I am satisfied with the state benefits offered to me.	No prior history			70.1%	75.7%	69.2%
My immediate supervisor assigns work fairly to all employees	No prior history			70.7%	69.7%	67.5%
I receive recognition for my work when I deserve it.	50%	46.9%	46.8%	55.5%	56.0%	53.3%
I provide input in my performance plan and evaluation	No prior history			58.7%	63.8%	59.4%
I have the opportunity to learn and do new things in my job.	65%	61.1%	58.8%	66.5%	66.5%	61.6%
My agency supports my participation in training opportunities to improve my job skills.	63%	59.0%	54.6%	64.2%	63.5%	53.3%
My agency supports my participation in education and professional development opportunities.	57%	54.7%	49.0%	59.3%	58.2%	47.0%
In my agency, promotions are based upon qualifications	No prior history			36.6%	38.5%	34.3%
My agency values my ideas on work-related problems.	48%	44.9%	43.4%	48.9%	52.3%	49.4%
My agency will not tolerate discrimination.	No prior history			67.0%	66.3%	66.0%
My agency has a good system in place for communicating necessary information to staff.	45%	42.3%	43.5%	51.4%	53.5%	53.1%
I would recommend my agency to other people as a good place to work	No prior history			58.5%	58.4%	54.5%
Senior management in my agency show care and concern for employees.	43%	39.9%	38.0%	48.1%	50.0%	48.7%
Employee rating of the workplace	No prior history			68.8%	66.4%	60.9%

Source: Survey data from FY2000 through FY2002 was compiled from surveys administered by the Governor's Office of Excellence in Government. Surveys were distributed to agencies and were requested provide a representative sampling of all employees including covered and uncovered. Survey data from FY2007 through FY2009 compiled by the Arizona Dept of Administration.

Analysis: The employee survey was initially administered by the Governor's Office of Excellence in Government. Over the three-year span of this survey, there was a general downward trend across all questions. The surveys from FY2007 through FY2009 included nine new questions that had not been previously surveyed, as well as continuing the history of the original eleven questions. The most recent results show a general decline in satisfaction levels from FY2007 and FY2008; however those questions with history dating to FY2000 through FY2002 are still illustrating higher levels of satisfaction.