

STO Turnover Review

During the April 2, 2024 Senate Finance Constitutional Subcommittee Budget Hearing, the Subcommittee quoted the STO's average turnover rate at being "nearly 30%." While the STO has not been informed of how that rate was determined, in order to approach a turnover rate of that magnitude, it would require the inclusion of short-term temporary employees including interns. Using a standardized calculation method, the STO's average turnover rate of approximately 19% has been consistent with or slightly higher than the average rate of 18% for all state agencies during this period. A comparison of the STO's standardized calculation method against a presumed sample calculation is shown below:

STO & Standardized Calculation		Presumed SFC Calculation	
FTE Separations / Average FTE Count		Avg. Total Separations (including Temps/Interns)** / Authorized FTE Count	
7/1/2014 - 6/30/2023*		7/1/2014 - 3/31/2024	
Average Turnover	19.06%	Calculated Turnover Rate	29.28%

* The STO included completed fiscal year data dating back to 7/1/2014 in this calculation. The STO's FY2024 turnover rate was 4.35% through the end of the third quarter (3/31/2024) which would have lowered the average had it been included.

**Approximately 53% of the separations necessary to calculate a "nearly 30%" turnover rate were temporary staff. According to the Division of State Human Resources (DSHR) in a 10/21/2021 HR Advisory Meeting presentation on calculating turnover rates, HR staff should "filter to exclude temp, temp grant, and time limited employees. Including those numbers can artificially inflate your rate."