



# Jan. 12<sup>th</sup> Brief: Human Resource Management

## CAPITAL FACILITIES AND GOVERNMENT OPERATIONS

### SUMMARY

The Department of Human Resource Management (DHRM) is the central human resource office for the state's workforce. Department staff is responsible for recruitment, training, classification and compensation systems for the state. The mission of DHRM is to develop, implement and administer a statewide human resource management system for state employees that will promote quality government, attract/retain quality employees, and render assistance to state agencies.

During the 2006 General Session the Legislature passed House Bill 269, *Human Resource Management Amendments*, which allowed DHRM to remain an independent department rather than become a division within DAS as previously planned. The bill also allowed DHRM to operate an internal service fund for field services provided to other state agencies.

### ISSUES AND RECOMMENDATIONS

#### *Prior Budget Increases*

During the 2008 General Session the Legislature approved a budget increase of \$50,000 ongoing and \$250,000 onetime to administer the Teacher Salary Supplement Program as required by S.B. 35.

#### *FY 2009 Budget Reductions*

During the 2008 Special Session the Legislature reduced the DHRM line item budget by \$148,700 ongoing General Fund which will primarily reduce travel and current expenses. The Legislature increased the line item's budget by \$34,000 onetime in FY 2009.

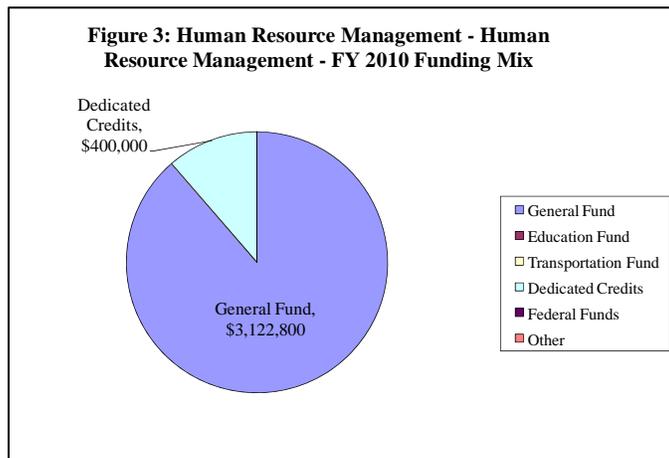
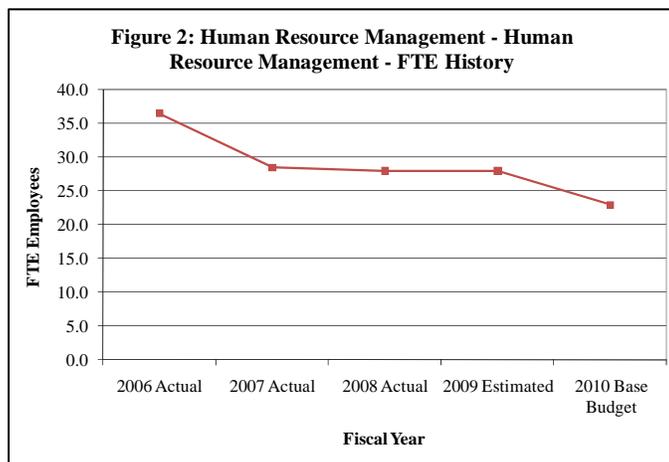
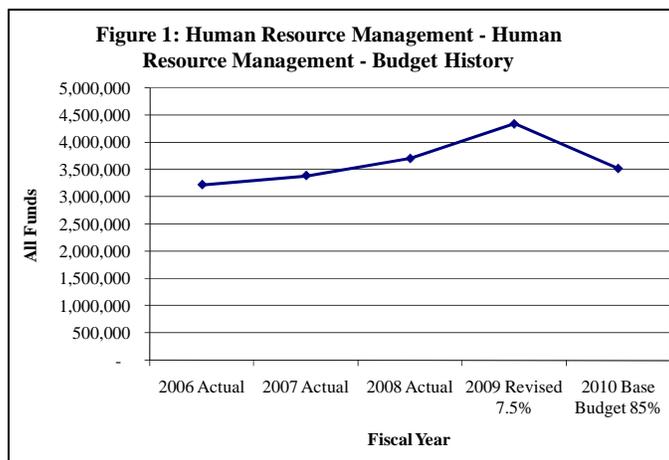
#### *FY 2009 Additional 7.5% Budget Reductions*

The Analyst recommends a one-time reduction of \$278,100 General Fund including: \$189,200 in personnel expenses, and \$88,900 in data processing expenses.

#### *FY 2010 Base Budget Reduction of 15%*

The Analyst recommends ongoing budget reductions of \$551,100 General Fund including: \$176,100 from data processing expenses and \$375,000 from personnel (a reduction of 4.0 FTE).

Such a reduction may increase employee workloads and reduce turn-around time for statewide HR planning and administration. These reductions may also affect the state-wide HR information systems and the agencies that use them.



**CAPITAL FACILITIES AND GOVERNMENT OPERATIONS**

**LEGISLATIVE ACTION**

The Analyst recommends the Legislature consider adopting:

1. A FY 2009 one-time 7.5% reduction of \$278,100 from the General Fund
2. A FY 2010 ongoing 15% base budget reduction of \$551,100 from the General Fund

**BUDGET DETAIL TABLE**

<b>Human Resource Management</b>								
	<b>FY 2007</b>	<b>FY 2008</b>	<b>FY 2009</b>	<b>7.5%</b>	<b>FY 2009</b>	<b>FY 2010</b>	<b>15%</b>	<b>FY 2010</b>
<b>Sources of Finance</b>	<b>Actual</b>	<b>Actual</b>	<b>Approp</b>	<b>Reduction</b>	<b>Revised</b>	<b>Base</b>	<b>Reduction</b>	<b>Revised</b>
General Fund	3,196,500	3,317,300	3,673,900	0	3,673,900	3,673,900	(551,100)	3,122,800
General Fund, One-time	12,500	50,000	34,000	(278,100)	(244,100)	0	0	0
Uniform School Fund	0	0	0	0	0	0	0	0
Dedicated Credits Revenue	295,600	343,200	400,000	0	400,000	400,000	0	400,000
Beginning Nonlapsing	631,900	686,300	512,800	0	512,800	0	0	0
Closing Nonlapsing	(686,300)	(512,800)	0	0	0	0	0	0
Lapsing Balance	(57,000)	(176,500)	0	0	0	0	0	0
<b>Total</b>	<b>3,393,200</b>	<b>3,707,500</b>	<b>4,620,700</b>	<b>(278,100)</b>	<b>4,342,600</b>	<b>4,073,900</b>	<b>(551,100)</b>	<b>3,522,800</b>
<b>Programs</b>								
Administration	807,300	853,400	923,600	(69,300)	854,300	1,227,300	(135,600)	1,091,700
Central Operations	0	0	0	0	0	(7,500)	0	(7,500)
Classification and Employee Rela	1,222,800	1,270,000	1,355,900	(101,700)	1,254,200	1,280,100	(203,400)	1,076,700
Information Technology	1,093,600	1,217,500	1,448,100	(88,900)	1,359,200	1,174,000	(176,100)	997,900
Management Training and Develc	269,500	353,900	650,600	0	650,600	400,000	0	400,000
Teacher Salary Supplement	0	12,700	242,500	(18,200)	224,300	0	(36,000)	(36,000)
<b>Total</b>	<b>3,393,200</b>	<b>3,707,500</b>	<b>4,620,700</b>	<b>(278,100)</b>	<b>4,342,600</b>	<b>4,073,900</b>	<b>(551,100)</b>	<b>3,522,800</b>
<b>Categories of Expenditure</b>								
Personal Services	1,805,900	1,965,700	2,143,900	(189,200)	1,954,700	2,143,900	(375,000)	1,768,900
In-State Travel	1,300	3,500	8,200	0	8,200	8,200	0	8,200
Out of State Travel	26,800	53,800	78,000	0	78,000	78,000	0	78,000
Current Expense	471,300	482,400	859,500	0	859,500	587,100	0	587,100
DP Current Expense	1,087,900	1,202,100	1,531,100	(88,900)	1,442,200	1,256,700	(176,100)	1,080,600
<b>Total</b>	<b>3,393,200</b>	<b>3,707,500</b>	<b>4,620,700</b>	<b>(278,100)</b>	<b>4,342,600</b>	<b>4,073,900</b>	<b>(551,100)</b>	<b>3,522,800</b>
<b>Other Data</b>								
Budgeted FTE	28.50	28.00	28.00	0.00	28.00	28.00	(4.00)	24.00
Actual FTE	22.30	23.04	0.00	0.00	0.00	0.00	0.00	0.00