

Budget Brief – Human Resource Management

NUMBER CFGO-08-20

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.

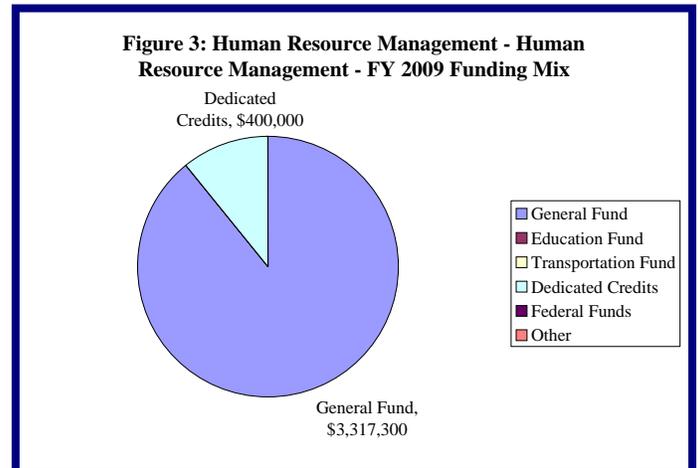
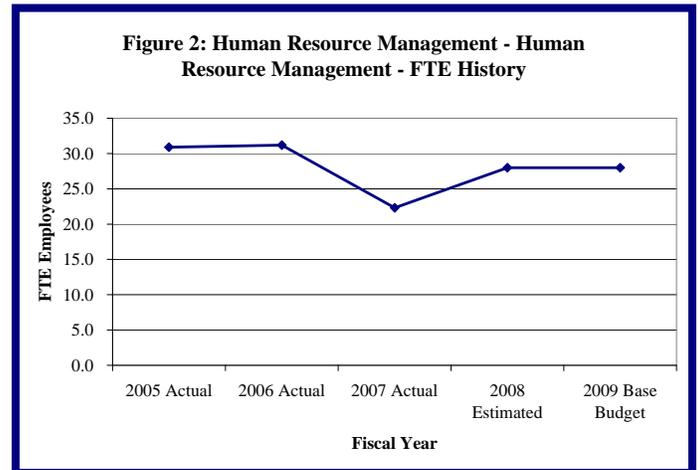
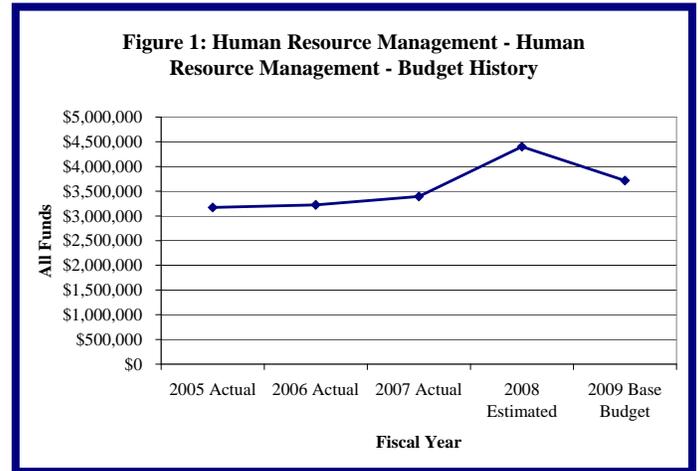
ISSUES AND RECOMMENDATIONS

Internal Service Fund

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. See Budget Brief CFAS-08-21 for more information on the DHRM internal service fund.

No Budget Requests for FY 2009

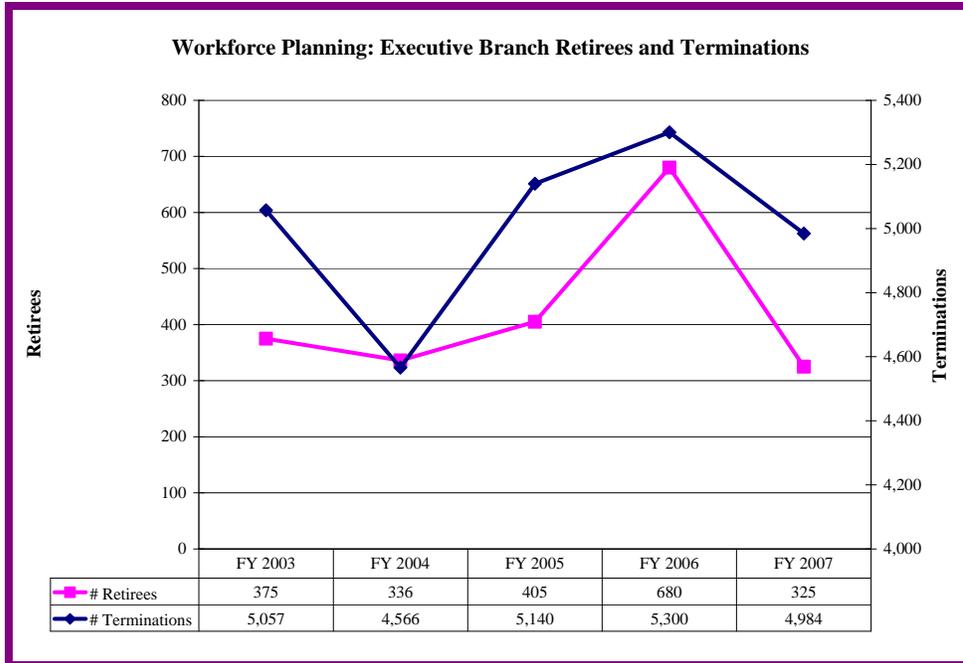
The Department of Human Resource Management is not requesting any additional building blocks for the FY 2009 budget.



ACCOUNTABILITY DETAIL

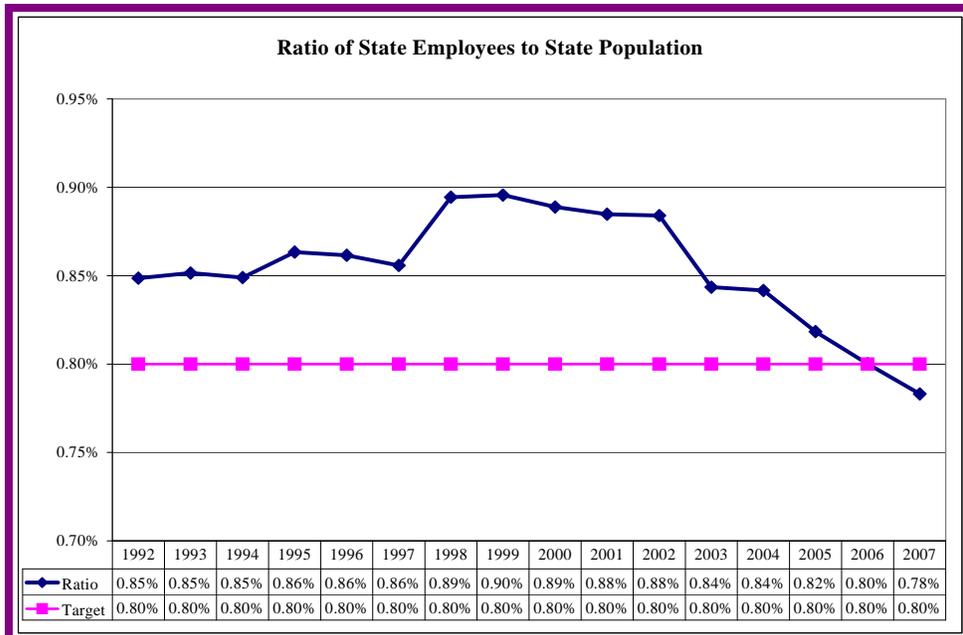
Retirements and Terminations

As part of workforce planning, the division monitors the number of retirees and terminations in order to plan for future workforce needs. Terminations include all individuals leaving state employment.



State population growth and state employee growth

An important component of the overall state human resource management is the ratio of state employees to state population. As the state’s population has grown rapidly over the past decade, the ratio of state employees to the population has decreased, suggesting increased efficiency of the state workforce.



The ratio of state employees to state population was 0.78 percent in FY 2007 (or 1:128), the lowest number of state employees per capita in at least fifteen years.

BUDGET DETAIL

The division utilizes funding from the General Fund and Dedicated Credits. Dedicated Credits are collected from training fees. Most of the division's funding is used for staff support and IT costs. The number of FTEs in the Department has declined in FY 2007 due to a transfer of eight FTEs from DHRM's Information Technology program to the new Department of Technology Services. There will be no cost savings – personal services expenditures will become current expenses.

Intent Language

The Analyst recommends the Legislature adopt the following supplemental intent language for Fiscal Year 2008:

Under terms of UCA 63-38-8.1(3), the Legislature intends not to lapse Item 48, Chapter 1, and Item 44, Chapter 371, Laws of Utah 2007. Expenditure of these funds is limited to: Information Technology - \$325,000; Consulting Services - \$100,000.

LEGISLATIVE ACTION

The Analyst recommends the Legislature consider adopting:

1. A total base appropriation of \$3,317,300 for the Division of Human Resource Management.
2. Intent language making the FY 2008 appropriation nonlapsing limited to specific uses.

BUDGET DETAIL TABLE

Human Resource Management - Human Resource Management						
Sources of Finance	FY 2007 Actual	FY 2008 Appropriated	Changes	FY 2008 Revised	Changes	FY 2009* Base Budget
General Fund	3,196,500	3,317,300	0	3,317,300	0	3,317,300
General Fund, One-time	12,500	0	0	0	0	0
Dedicated Credits Revenue	295,600	400,000	0	400,000	0	400,000
Beginning Nonlapsing	631,900	0	686,300	686,300	(686,300)	0
Closing Nonlapsing	(686,300)	0	0	0	0	0
Lapsing Balance	(57,000)	0	0	0	0	0
Total	\$3,393,200	\$3,717,300	\$686,300	\$4,403,600	(\$686,300)	\$3,717,300
Programs						
Administration	807,300	1,021,900	(41,000)	980,900	0	980,900
Policy	1,222,800	1,240,700	41,000	1,281,700	0	1,281,700
Management Training and Development	269,500	400,000	261,300	661,300	(261,300)	400,000
Information Technology	1,093,600	1,054,700	425,000	1,479,700	(425,000)	1,054,700
Total	\$3,393,200	\$3,717,300	\$686,300	\$4,403,600	(\$686,300)	\$3,717,300
Categories of Expenditure						
Personal Services	1,805,900	2,039,600	(7,800)	2,031,800	400	2,032,200
In-State Travel	1,300	3,200	5,000	8,200	0	8,200
Out of State Travel	26,800	22,600	65,400	88,000	(15,000)	73,000
Current Expense	471,300	618,900	166,300	785,200	(266,000)	519,200
DP Current Expense	1,087,900	1,033,000	427,400	1,460,400	(405,700)	1,054,700
Other Charges/Pass Thru	0	0	30,000	30,000	0	30,000
Total	\$3,393,200	\$3,717,300	\$686,300	\$4,403,600	(\$686,300)	\$3,717,300
Other Data						
Budgeted FTE	28.5	28.0	0.0	28.0	0.0	28.0
Actual FTE	22.3	0.0	0.0	0.0	0.0	0.0

*Does not include amounts in excess of subcommittee's state fund allocation that may be recommended by the Fiscal Analyst.