



# RETIREMENT & INDEPENDENT ENTITIES AGENCY QUESTIONNAIRE

PLEASE COMPLETE AND RETURN TO BRIAN FAY ([BFAY@LE.UTAH.GOV](mailto:BFAY@LE.UTAH.GOV)) OR ANGELA OH ([AOH@LE.UTAH.GOV](mailto:AOH@LE.UTAH.GOV)) BY END OF BUSINESS ON WEDNESDAY, JANUARY 22, 2014.

## ORGANIZATION

1. What are your organization's mission / purpose?
  - a. DHRM's mission is to develop, implement, and administer a statewide program of human resource management that: aids in the efficient execution of public policy, fosters careers in public service for qualified employees, and assists state agencies in the performance of their missions. (*Utah Code, Section 67-19-6(1)(a)*)
  
2. How do you measure the success of your organization? (Please include specific metrics and measurements for FY 2013 and the first half of FY 2014.)
  - a. The Governor's Operational Excellence initiative has helped the department sharpen our strategic focus by concentrating on measuring and improving our major systems. We have recently assigned staff to improve our focus on improvement initiatives in classification, compensation, employee relations, recruitment, separation, training, and workforce planning.
  - b. (*see attachment A*)
  
3. What have you done to become more productive?
  - a. Over the last year, DHRM has focused its process improvements in three areas:
    - i. automation (i.e. verification of employment, separation process automation, payroll error notification)
    - ii. realignment (i.e. reassigning staff to operational excellence, formalizing the department's strategic roadmap)
    - iii. strategic investments (i.e. new recruitment system, new employee gateway)
  - b. (*see attachment B*)
  
4. Who else does similar things to what you do, (State, federal or local; public or private; etc.), how do you coordinate efforts with those other entities, and where do you overlap?
  - a. Most major private and public organizations have their own enterprise-wide, in-house HR office.

## BUDGET

5. Please explain any changes between your FY 2014 budget and the proposed base budget.
  - a. FY2014 included one-time funding for ALJ (SB191) for \$31,700
  - b. \$3,083,800 is the base budget for FY2014 and for the proposed FY2015

6. What is the status of projects or programs for which you received budget increases in FY 2013 or FY 2014? Did they cost as much as you thought? (If not, what did you do with the funding difference?)
- a. FY2013 - \$12,000 on-going, HB3, 2012 General Session: "To implement the provisions of Public Employee Health Care Benefits" (HB437, 2012 General Session)
    - i. \$12,400 - To ensure all state employees affirmatively enrolled in their PEHP health plans, DHRM hired nine temporary employees to call and provide assistance to those employees who had not yet verified their plan.
    - ii. \$12,000 - These funds were appropriated to provide training to state employees on high-deductible plan options. DHRM initially developed an online, required training in the initial year as well as educating employees during open enrolment periods. DHRM continues to provide oversight, but PEHP now provides that training
  - b. FY2014 - \$75,200 on-going & \$31,700 one-time, SB3 2013 General Session: "To implement the provisions of Administrative Law Judge Amendments" (SB191, 2013 General Session)
    - i. \$31,700 - DHRM hired a compliance specialist to draft required rules, draft required survey and develop general business practices on implementation of SB191.
    - ii. \$75,200 - The bill went into effect January 2014. This funding will be used to fund staff who will implement the administrative provisions of SB191.
7. How is federal funding changing and what is your contingency plan for loss of federal funds?
- a. DHRM is funded from General Fund and Dedicated Credits - NO federal funding.
8. Which areas of your budget present opportunities for savings? (Please be specific.)
- a. HAA - AG's legal fees \$96,500 – this can be done by cost transfer to customer agencies through billing.
  - b. HAC - TSSP \$100,000 – average amount lapsed from FY2008 to FY2013.
  - c. HAA - HB437 \$12,000 (ongoing) – training now provided by Public Employees Health Plan.

### **BALANCES**

9. Please explain any balances your organization has lapsed back to the General Fund.
- a. HAA - Personnel Costs Balance that lapsed back to General Fund FY2013: \$223,365
  - b. HAC – Teacher Salary Supplement lapsed back to General Fund FY2013: \$102,977 (IT Expenses budgeted for but was not spent during the fiscal year)
  - c. HAF – IT lapsed back to General Fund FY2013: \$186,568 (represents two IT staff assigned to DHRM and funded by DHRM but were not filled during the fiscal year)

10. Please explain your organization's need for non-lapsing balances and how the amounts have been determined.
- a. IT non-lapsing balance: \$350,000. A non-lapsing account enables DHRM to do long term planning on systems acquisition, maintenance, & upgrades without constantly relying on a yearly building block request. The non-lapsing balance for IT was determined based on business analysis of different systems i.e. Employee Gateway; Recruitment System; ERIC case management; ERIC knowledgebase; ERIC onboarding; HRE (Human Resource Enterprise).
  - b. Non-lapsing training funds: \$260,000. Utah Code 67-19-6(3) authorizes DHRM to collect fees for training from customer agencies; these funds are non-lapsing but subject to the legislature lapsing a portion of the funds during the appropriations process each year. The non-lapsing training fees DHRM collects are used to:
    - i. ensure that the DHRM can develop and maintain a Statewide Management Liability Prevention Training Program;
    - ii. provide adequate cash on hand so that DHRM can pay the consultants who deliver DHRM's training programs and the state's operational excellence initiatives in a timely manner; and
    - iii. design and pursue new learning and development opportunities for the state's managers and supervisors to support an effective and efficient workforce.

## **EXPENDITURES**

11. Please explain your organization's need for out-of-state travel and identify any opportunities for savings.
- a. DHRM's out-of-state travel funds are used for professional development of senior staff. The department has restricted the use of these funds in recent years.
  - b. The most common uses of these funds are towards National Compensation Association of State Governments, National Association of State Personnel Executives, CLE credits, Association of Government Accounts (currently holding the position of Regional VP), and CPM.
12. Please explain any employee positions that have been funded but are unfilled.
- a. There are no vacant positions in Fund 1000, Dept. 140.

## Agency Questionnaire

### Attachment A: DHRM Performance Metrics

- a. **Customer Service Satisfaction:** A statewide customer service survey is sent twice per year to measure feedback on all DHRM services. September 2013 survey respondents reported an average overall satisfaction score of 3.21 (out of 4.0). This is an improvement from 3.10 in 2012).
- b. **Recruitment Satisfaction:** A monthly hiring manager survey is sent out to measure satisfaction of the hiring process. DHRM's performance consistently shows that roughly 90% of hiring managers in the various agencies report a favorable experience (November 2013 = 90%, and December 2013 = 92.5%).
- c. **Compensation:** In order to attract and retain critical talent it is important that employees move through their salary range. To this end the legislature has approved a 1% General Increase effective for FY 13 and FY 14. These increases resulted in 68.09% of employees working within the 1st and 2nd quartiles of their salary range increasing the State's ability to attract and retain staff. DHRM recommends a 1% General Increase for FY 15 to further reduce salary range compression
- d. **Benefits:** Implemented the provisions of HB 194 passed in the 2013 session. This bill is significant because it capped State employees unused sick leave retirement program II benefits thus reducing the State's post retirement medical liability. In addition, the bill provided funding for a 401(k) match for eligible employees. DHRM conducted 113 trainings attended by approximately 4,600 employees to explain the match. Before these trainings 9,951 employees were enrolled in the 401(k) plans. Since the trainings began, an 2,337 employees have enrolled in the 401(k) program to receive the match authorized by HB 194.
- e. **Benefit Fair Participation:** Conducted 23 benefit fairs, attended by 4,268 employees, to explain premiums and other changes to employee health and retirement effective FY 2014. Fairs were conducted with cooperation from URS, PEHP, UPEA and other vendors.
- f. **DHRM Staffing Ratio:** DHRM has 142 employees, who provide HR Services to approximately 18,604 state employees. This represents an HR to employee ratio of .76 (This means for every 100 state employees, there is .76 human resource employee). The industry average is 1.45.

The Employee Resource Information Center (ERIC) maintains a number of performance measures that track call volume, customer satisfaction and transaction timeliness:

- a. **Customer Call Volume:** ERIC answered 35,598 calls from state employees in FY13, and 15,415 calls in the first half of FY14.

- b. **Customer Service Opinion:** Survey through which customer satisfaction ratings and survey response rates are measured. ERIC's customer satisfaction rating was 91.5% for FY13, and 92.14% for the first half of FY14.
- c. **Issue Resolutions:** For each inbound contact requiring a service or a researched informational response, ERIC resolved 27,771 issues with 98.8% resolved on the first contact in FY13. ERIC resolved 11,328 issues with 99.7% resolved on the first contact for the first half of FY14.
- d. **Transactions Timeliness:** Measured by percentage of transactions completed within three business days. ERIC completed 91.27% of all Human Resource transactions timely in FY13, and 93.73% for the first half of FY14.
- e. **Payroll Processing:** Accuracy is measured by the number of checks that have to be issued to fix an error caused by ERIC compared to the total number of checks issued each pay period. ERIC's payroll processing accuracy was 99.99% for FY13, and 99.98% for the first half of FY14.
- f. **New Hire Processing:** Satisfaction is measured by surveys administered to new hires within the first few weeks of their employment. ERIC's new hire processing satisfaction was 90.44% for FY13, and 90.95% for the first half of FY14.
- g. **Retirement Processing:** Satisfaction is measured by surveys administered to retirees on their last day of employment before retiring. ERIC's retirement processing satisfaction rate was 99% for FY13, and 99% for the first half of FY14.

## Agency Questionnaire

### Attachment B: 2014 Productivity Efforts in DHRM

#### Automation

- a. **Verification of Employment:** Developed a tool to automate the data entry in DHRM's Verification of Employment service, which eliminated the need manual processing.
- b. **Separation Process:** A labor-intensive manual process to deliver documents to terminating employees as required by law was almost entirely automated..
- c. **Payroll Error Notification:** DHRM payroll employees were spending a significant amount of time each pay period to manually email every employee who had common errors on their timesheets such as recording less than 80 hours or lacking supervisory approval. DHRM crafted a mechanism to automate a mass email to be sent to employees who showed on a report of common timesheet errors.
- d. **Internal Issue Escalation:** Using an existing technology solution in a way that had not been done before, DHRM crafted a process to manage ownership of issue resolution more efficiently. Previously, if issues arrived at the Employee Resource Information Center (ERIC) that needed to be handled by other areas of expertise, the issue was manually transferred or escalated to another party. Now, ERIC staff use the Case Management system to automatically transfer issues to the right party and automatically track issue resolution.
- e. **Exit Interview Process:** Currently, there are no standard questions asked of all Executive Branch employees who resign from their positions. This makes it difficult for agency heads to analyze turnover and compare turnover reasons in their departments to other departments. DHRM is creating a proposal for an automated process to gather turnover data from all resigning Executive Branch employees.
- f. **Digitization:** Multiple initiatives to transition to a paperless office (highest impact to date is in HRE).

#### Re-Alignment

- a. Strategic alignment of HR Field staff to the DHRM's mission/vision.
- b. Dedicated staff resources to Operational Excellence.
- c. DHRM realigned data staff resources to better respond to requests from agencies.
- d. Statewide Communication - DHRM streamlined communication processes to better utilize staff time (i.e. implemented the use of webinars, conference calls etc).

#### Strategic investments

- a. **New Gateway:** Employee Gateway is the tool used to communicate with all State Employees. A new and improved Gateway will make it easier for State Employees to find the information they are searching for.

- b. **New Recruitment System:** New and improved recruitment system that will allow for hiring manager transparency. It also provides for several enhancements that make filling positions easier and more accurate.
- c. **Online Supervisor Training Course:** DHRM has created an online course for supervisors that provides training on effective supervision and avoiding liability. Having this course online saves significant time for both DHRM team members and participating agency supervisors.
- d. **Workplace Harassment Prevention Training:** Workplace harassment prevention training is also being delivered online, which has resulted in great staff efficiencies.