

State of Alaska FY2004 Governor's Operating Budget

Department of Administration Personnel Component Budget Summary

Component: Personnel

Contact: Dianne Corso, Acting Director, Division of Personnel
Tel: (907) 465-4429 **Fax:** (907) 465-2576 **E-mail:** Dianne_Corso@admin.state.ak.us

Component Mission

To assist state agencies to hire and retain a qualified workforce.

Component Services Provided

Provide policy direction and accurate procedures and guidelines to state agencies on all aspects of workforce management and development. These include:

- Recruitment
- Selection
- Classification
- Pay
- Implementation of employment laws including Americans with Disabilities Act, Family Medical Leave Act, Alaska Family Leave Act, and Title 7 Discrimination and Harassment laws
- Workforce Analysis and Planning

Provide training for:

- Statewide human resources staff on all technical areas of personnel management
- All state supervisors and managers on their responsibilities under the law and state labor contracts

Provide centralized infrastructure for state personnel management including:

- Workplace Alaska – the state's online recruitment and hiring system
- Employee database and reports
- Employee and position records
- Classification system including job class specifications

Component Goals and Strategies

ENSURE VALID, EFFICIENT, COST EFFECTIVE AND RESPONSIVE CORE HUMAN RESOURCES SYSTEMS THROUGH

- Clear and accurate policies and procedures
- Comprehensive training for all levels of the Statewide Human Resource Team
- Audit of statewide practices
- Optimal use of technology

BUILD STRONG WORKING RELATIONSHIPS WITH ALL STAKEHOLDERS THROUGH

- Improving the effectiveness of communications
- Joint training
- Collaborative problem solving
- Information exchange

MAXIMIZE THE BENEFITS TO STATE MANAGERS, PROGRAMS AND THE PUBLIC OF HUMAN RESOURCE TEAM WORK EFFORTS BY

- Implementing a strategic planning process for state human resource management
- Including agencies in division work planning

Key Component Issues for FY2003 – 2004

RECRUITMENT AND RETENTION OF A QUALIFIED WORKFORCE continues to be the number one issue facing state managers. Factors affecting recruitment and retention include: demographics; low in-state unemployment; state wages

being significantly below market; unmanageable workload resulting in paid or uncompensated overtime, burnout, and poor supervision and management. We continue to improve the quarterly State Workforce Profile to better inform agencies about statewide demographics and trends and to provide them with agency specific data. An on-line exit survey for employees leaving state government was implemented in November to provide more information about why employees leave state service. Legislation will be sought again this session to provide pay flexibility when pay is a factor in recruitment and retention problems.

INTERGRATE AND MAKE FULLY OPERATIONAL THE EQUAL EMPLOYMENT OPPORTUNITY FUNCTION – Executive Order 104, which has been submitted to the Alaska Legislature for approval, transfers the function of administering the equal employment opportunity to the Division of Personnel effective March 23, 2003. In FY2004 the Division must prepare a statewide Affirmative Action Plan (last updated in 1998) and develop and implement credible statistical reporting procedures in order to meet state and federal legal requirements and to support agency recruitment efforts. The Division must also prepare and implement regulations as required by AS 39.28.040. Three of the four vacant positions and funding have been transferred from the Office of the Governor.

Major Component Accomplishments in 2002

DIVERSITY INITIATIVE – To implement Administrative Order 195, the division developed and began implementation of the following:

- Diversity training for all employees and for supervisors
- Stronger diversity components for the Customer Service in the public Sector, Effective Interviewing & Hiring and Workplace Alaska classes.
- Standardized new employee orientation guidelines including coverage of all discrimination and harassment rules and laws
- Standardized informal discrimination and harassment complaint process for all agencies
- A broader scope student intern program

STATEWIDE TRAINING FOR SUPERVISORS AND MANAGERS – Lack of good supervision and management is the #1 reason employees leave jobs. Lack of good supervision and management results in expensive grievances, complaints, and lawsuits, and contributes to operational inefficiency. In recognition of the importance of training in retention of employees and increasing the capacity for efficiency and cost effectiveness, we have begun a major overhaul of the state's supervisor training program. Many classes have been reworked to meet newly established learning objectives. All trainers have been through a three day train the trainer program to assure high quality of training and consistency in delivery. Further, we have trained some 1,000 supervisors in a joint training effort with ASEA.

Statutory and Regulatory Authority

AS 39.25	State Personnel Act
AS 39.26	Rights of State Employees
AS 39.27	Pay Plan for State Employees
AS 44.21.020(1),(8)	Duties of Department
AS 44.21.500-508	<i>Office of Equal Employment Opportunity (Repealed)</i>
AS 23.10	Employment Practices and Working Conditions
AS 23.40	Labor Organizations
2 AAC 07	Personnel Rules
2 AAC 10	Collective Bargaining Among Public Employees
8 AAC 97	Labor Relations

Alaska Constitution, Art. XII, Sec. 6

Personnel
Component Financial Summary

All dollars in thousands

	FY2002 Actuals	FY2003 Authorized	FY2004 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	1,677.0	1,887.7	2,115.9
72000 Travel	60.3	40.6	65.6
73000 Contractual	547.8	510.0	426.7
74000 Supplies	39.4	25.5	34.4
75000 Equipment	94.1	0.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	2,418.6	2,463.8	2,642.6
Funding Sources:			
1004 General Fund Receipts	2,054.4	1,876.6	1,815.6
1007 Inter-Agency Receipts	364.2	511.1	750.9
1061 Capital Improvement Project Receipts	0.0	76.1	76.1
Funding Totals	2,418.6	2,463.8	2,642.6

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Proposed Changes in Levels of Service for FY2004

Required Diversity Training – Administrative Order 195 requires diversity training for all employees and specialized classes for supervisors and for employees who interact with the public on a daily basis. While some agencies are in the process of developing their own classes, the Division must make it available for all others. The new classes have been developed and training was begun in FY2003, however, training some 14,000 employees, 1,800 supervisors, and an undetermined number of customer service employees requires additional training resources. Additional interagency funding are requested.

EEO Function: Division of Personnel will provide complaint intake and processing, training, statistical reporting and analysis and affirmative action planning services for all state agencies. Three positions and funding have been transferred to the Division of Personnel from the Office of the Governor subject to Executive Order 104.

Summary of Component Budget Changes

From FY2003 Authorized to FY2004 Governor

All dollars in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2003 Authorized	1,876.6	0.0	587.2	2,463.8
Adjustments which will continue current level of service:				
-Annualize FY2003 COLA Increase for Confidential Bargaining Unit	0.0	0.0	0.9	0.9
-Office of Equal Employment Opportunity	188.2	0.0	0.0	188.2
-\$75 per Month Health Insurance Increase for Non-covered Staff	0.8	0.0	0.0	0.8
Proposed budget decreases:				
-General reduction	-250.0	0.0	0.0	-250.0
Proposed budget increases:				
-State Employee Training	0.0	0.0	238.9	238.9
FY2004 Governor	1,815.6	0.0	827.0	2,642.6

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Personal Services Information

	Authorized Positions		Personal Services Costs	
	<u>FY2003</u> <u>Authorized</u>	<u>FY2004</u> <u>Governor</u>		
Full-time	31	33	Annual Salaries	1,664,765
Part-time	0	0	Premium Pay	0
Nonpermanent	2	4	Annual Benefits	601,527
			<i>Less 6.68% Vacancy Factor</i>	(151,320)
			Lump Sum Premium Pay	928
Totals	33	37	Total Personal Services	2,115,900

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accounting Clerk II	0	0	1	0	1
Administrative Clerk I	0	0	1	0	1
Administrative Clerk III	1	0	2	0	3
Administrative Manager I	0	0	1	0	1
Analyst/Programmer I	0	0	1	0	1
Analyst/Programmer III	0	0	1	0	1
Analyst/Programmer IV	0	0	1	0	1
Data Processing Mgr II	0	0	1	0	1
Division Director	0	0	1	0	1
EEO Trainer/Community Liaison	1	0	0	0	1
Employment Law Specialist	1	0	0	0	1
Human Resource Specialist I	0	0	9	0	9
Human Resource Specialist II	1	0	1	0	2
Human Resource Specialist III	0	0	1	0	1
Human Resource Technician I	0	0	3	0	3
Human Resource Technician II	0	0	1	0	1
Personnel Manager I	1	0	1	0	2
Personnel Manager II	0	0	1	0	1
Personnel Specialist I	0	0	1	0	1
Personnel Specialist III	0	0	1	0	1
Program Assistant	1	0	0	0	1
Student Intern I	0	0	1	0	1
Training Specialist	1	0	0	0	1
Totals	7	0	30	0	37