

ANALYSIS

Item 50: Department of Administrative Services Chief Human Resources Office Staffing

Analyst: Kim To

Request: Increase the Other Funds expenditure limitation by \$1,669,855 and authorize the establishment of two permanent positions (1.16 FTE), for the Department of Administrative Services, Chief Human Resources Office, to address the increased cost of statewide training and to support the newly independent Oregon Department of Emergency Management.

Analysis: The Department of Administrative Services (DAS) is requesting an Other Funds expenditure limitation increase of \$1,669,855, and two new permanent positions full-time (1.16 FTE), for the Chief Human Resources Office (CHRO) to address increased costs for statewide training and to support the newly independent Oregon Department of Emergency Management.

Under statute, DAS is required to offer specified training programs to government employees. The COVID-19 pandemic has dramatically affected the way state government employees receive training. For example, significant portion of in-person classroom training offerings moved to online training. The DAS Chief Human Resources Office is requesting an increase of \$1,408,525 in Other Funds limitation to renew contracts with training partners, pay for contracted instructors, and other costs associated with delivering enterprise training. The enterprise training costs will be funded by training fees.

In addition, HB 2927 (2021) renames the Office of Emergency Management (OEM) to the Oregon Department of Emergency Management (ODEM) and establishes ODEM as an independent state agency, effective July 1, 2022. As part of this process, ODEM was granted the authority to recruit 47 new positions. The DAS Chief Human Resources Office is requesting an increase of \$261,330 in Other Funds limitation to establish two permanent positions (1.16 FTE) for its Client Agency program to support ODEM. The enterprise training costs will be funded by training fees. The Client Agency costs are funded by assessments on state agencies.

Recommendation: The Legislative Fiscal Office recommends that the Joint Interim Committee on Ways and Means recommend including an increase of \$1,669,855 in the Other Funds expenditure limitation and the authorizing the establishment of two permanent full-time positions (1.16 FTE) for the Department of Administrative Services in a budget reconciliation bill during the 2022 legislative session to address workload and increased statewide training costs for the Chief Human Resources Office.

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Department of Administrative Services
Ball

Request: Increase Other Funds expenditure limitation by \$1,669,855 for the Chief Human Resources Office and establish two permanent positions (1.16 FTE) to address additional workload and an increased level of training for staff across the enterprise.

Recommendation: Approve the request during the February 2022 Legislative Session.

Discussion: The Department of Administrative Services (DAS), Chief Human Resources Office (CHRO) is experiencing an increased workload in human resource services in its client agency program directly related to the establishment of the Oregon Department of Emergency Management as a stand-alone state agency, effective July 1, 2022. The new agency has requested human resources support from CHRO. The additional workload is anticipated to require two additional permanent positions (1.16 FTE) within the program.

The additional positions requested include one Human Resource Analyst 2 and one Human Resource Consultant 1. The program will recover its costs through charges for services and the cost of the positions is projected at \$261,330 in the 2021-23 biennium.

Additionally, DAS CHRO is requesting an increase in Other Funds expenditure limitation associated with enterprise training. Under statute, CHRO is required to offer multiple training programs to all employees of Oregon state government, which includes management trainings, project management, business analysis training, etc. The COVID-19 pandemic has impacted the delivery of trainings to state employees and the program is experiencing higher costs.

Generally, training to state employees is a charge collected from the agency whose employees attend a training. These fees pay for the contracted instructors, supplies, materials, and any other costs associated with delivering training programs. CHRO is requesting a total of \$1,408,525 in additional Other Funds expenditure limitation associated with increasing training costs.

Legal Reference: Increase the Other Funds expenditure limitation established by chapter 425, section 2(4), Oregon Laws 2021, for the Department of Administrative Services Chief Human Resources Office, by \$1,669,855 for the 2021-23 biennium.



Oregon

Kate Brown, Governor

Department of Administrative Services

Chief Human Resource Office
155 Cottage Street NE
Salem, OR 97301
FAX: (503) 378-6879

December 9, 2021

Senator Elizabeth Steiner Hayward
Representative Dan Rayfield
Interim Joint Committee on Ways and Means
900 Court Street NE
H-178 State Capitol
Salem, Oregon 97301-4048

Dear Co-Chairpersons:

Nature of the Request

The Department of Administrative Services (DAS) requests an increase in Other Funds expenditure authority of \$1,669,855 for the Chief Human Resources Office (CHRO) and the establishment of two permanent positions.

Agency Action

During the 2021 legislative session, House Bill 2927 was signed into law by the Governor on July 19, 2021. This bill renames the Office of Emergency Management (OEM) to the Oregon Department of Emergency Management (ODEM) and establishes the department as independent state agency, effective July 1, 2022.

As a part of this process, the ODEM seeks human resource services from the DAS CHRO Client Agency program. Prior to the 2021-23 session, ODEM had 44 FTE and was granted 47 new FTE to recruit over the next year. Current staffing levels within the CHRO HR Client Agency program are not sufficient to take on this additional workload without additional positions and expenditure authority. This request is also supported by ODEM.

Additionally, the global COVID-19 pandemic has dramatically impacted the way state government employees receive training. In March 2020, the CHRO was asked, in a very short timeframe, to switch all classroom training offerings to online training. As an example of this, the CHRO has been asked to deliver 156 training sessions to approximately 2,300 managers, as a part of the Performance Accountability and Feedback portion of the Oregon Management Project. These changes in training delivery require additional expenditure limitation, and the cost is funded by training fees.

December 9, 2021

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Action Requested

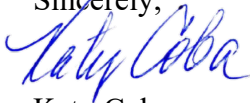
The department requests an increase in Other Funds limitation of \$261,330 to establish two permanent positions (1.16 FTE) for the HR Client Agency program and \$1,408,525 for enterprise training.

Legislation Affected

Oregon Laws 2021, Chapter 425, Section 2, Subsection (4).

Thank you for your consideration.

Sincerely,



Katy Coba

DAS Director | Chief Operating Officer

CC: Dustin Ball, Department of Administrative Services
Kim To, Legislative Fiscal Office