

ANALYSIS

Item 75: Department of Administrative Services Chief Human Resource Office Workload

Analyst: Kim To

Request: Increase the Other Funds expenditure limitation by \$505,831 and authorize the establishment of three permanent full-time positions (1.50 FTE) for the Department of Administrative Services (DAS), Chief Human Resources Office (CHRO) to respond to new positions and staff turnover in state agencies.

Analysis: Demand for the services of the Department of Administrative Services (DAS), Chief Human Resources Office continues to increase with new positions and staff turnover in state agencies. To address this increase in workload, DAS requests two permanent full time Human Resource Consultant 1 positions (1.00 FTE) for the statewide classification and compensation unit to support existing staff with pay equity analysis, classification studies, and to assist agencies on statewide policy and compensation practices. The agency also requests an additional Human Resource Consultant 1 position (0.50 FTE) to assist in the development and delivery of training, technology, and change management. Based on 12 months of funding in the current 2021-23 biennium, the cost of establishing these three permanent positions is \$361,106 Other Funds. In addition to the three permanent positions, DAS requests an additional \$144,725 Other Funds expenditure limitation increase to cover Workday licensing fees resulting from the increase in budgeted positions throughout the state. The agency anticipates using existing cash balances within DAS CHRO to fund this request.

The Legislative Fiscal Office office recommends approval of the request with one modification - establishing the three positions as limited duration to allow for further assessment of the current unusual labor market.

Recommendation: The Legislative Fiscal Office recommends that the Emergency Board increase Other Funds expenditure limitation for the Department of Administrative Services by \$505,831 and authorize the establishment of three limited duration positions (1.50 FTE) to address workload and increased need for statewide technology and training costs for the Chief Human Resources Office.

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Department of Administrative Services
Ball

Request: Increase Other Funds expenditure limitation by \$505,831 and establish three permanent full-time positions (1.50 FTE) in the Chief Human Resource Office to address increased workload and to develop the state's workforce.

Recommendation: Approve the request.

Discussion: The Department of Administrative Services (DAS), Chief Human Resources Office (CHRO) continues to experience workload increases. The addition of new positions, as well as staff turnover in state agencies has increased the demand of services from CHRO. Specifically, the statewide classification and compensation unit is requesting to establish two permanent full-time Human Resource Consultant 1 positions (1.00 FTE) to address increased workload associated classification studies, pay equity analysis, and to assist agencies on statewide policy and compensation practices. An additional Human Resource Consultant 1 position (0.50 FTE) is requested to assist in the development and delivery of training, technology, and change management.

The cost of establishing these three positions is \$361,106, for 12-months in the current 2021-23 biennium. Because these are permanent positions, if approved they will be carried forward into the 2023-25 biennium at a full 24-month cost, which is roughly double the 2021-23 amount.

Along with the increase in budgeted positions across the enterprise, CHRO is also experiencing an increase in Workday licensing fees and is requesting additional Other Funds expenditure limitation in the amount of \$144,725 to address this increased cost.

This request will be funded using existing cash balances within DAS CHRO.

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 \$505,831 for the 2021-23 biennium.



Oregon

Kate Brown, Governor

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April 28, 2022

Senator Peter Courtney, Co-Chair
Representative Dan Rayfield, Co-Chair
Joint Emergency Board
900 Court Street NE
H-178 State Capitol
Salem, OR 97301

Dear Co-Chairs:

Nature of the Request

The Department of Administrative Services (DAS) requests an increase in expenditure authority of \$505,831 and the establishment of three permanent full-time positions at the Human Resource Consultant level (1.50 FTE).

Agency Action

The Statewide Classification and Compensation unit is responsible for maintaining the state's compensation plan for approximately 40,000 employees in classified, unclassified, and management service positions and for the development and maintenance of the classification system. The unit is responsible for advising and counseling agencies on appropriate classification allocations, reviewing agency analyses, reviewing and responding to requests for unscheduled pay equity salary adjustments, reviewing and responding to all new position establishments across the enterprise, and providing advice and counsel on statewide policy and compensation practices. Every three years, the unit is also responsible for the coordination and completion of the pay equity analysis for the executive branch, and for the past several years, has been leading the Management Classification Review portion of the Oregon Management Project (TOMP). The unit is also responsible for the research, analysis, and publishing of the biennial Salary and Benefit Report, which is a requirement of Executive Order 17-08 to ensure the state is a market employer.

The Classification and Compensation unit is also responsible for conducting classification studies, which are typically a result of the collective bargaining process. The unit is responsible for gathering subject matter experts (SMEs) and come to consensus on defining the work in a classification specification, and then staff are responsible for shepherding the SMEs through the Central Evaluation Team (CET) for salary range placement. Moreover, the Classification and Compensation staff are involved in the collective bargaining process as a result of CET evaluation and are deeply involved in collective bargaining related to the presentation of the biennial Salary and Benefit Report, and the analysis of salary selective requests.

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This limitation request is for two additional HR Consultant 1 positions in the Classification and Compensation unit to assist in the increased demands and workload to help meet the needs of the enterprise.

Additionally, there is only one position dedicated to developing the state's workforce through education, training delivery, and curriculum development within the CHRO. With the shift in where and how our employees work, the demand for employee development and training to meet statutory requirements and agency business needs has increased exponentially.

There is a dramatic increase in online and virtual learning, and significant risk of having only one person completing this work. The request is for one Human Resource Consultant 1 position that will work collaboratively with state agencies and CHRO staff to assist in development and delivery of training, technology, and change management. This position will also strategize and focus on enterprise succession planning efforts in support of a 2017 Secretary of State audit to maintain the skilled workforce that continues to provide critical services to Oregonians.

DAS is also requesting Other Funds limitation of \$144,725 for Workday licensing because of newly budgeted positions created by legislative action in the 2021 and 2022 Legislative Sessions.

Action Requested

The department requests an increase in Other Funds limitation of \$505,831 and the establishment of three permanent positions (1.50 FTE).

Legislation Affected

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

Sincerely,



Katy Coba
DAS Director | Chief Operating Officer

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