

## 2017-19 Biennium Budget Decision Package

**Agency:** 120 Human Rights Commission

**Decision Package Code/Title:** HR– Provide Essential Human Resources Services

**Budget Period:** 2017-19

**Budget Level:** PL- Policy/Performance level

**Agency Recommendation Summary Text:** The Human Rights Commission will purchase human resource (HR) services considered essential to the agency in supporting agency business needs and reducing risk from the Department of Enterprise Services. A separate request seeks to restore basic level HR services to all small agencies. This proposal seeks to augment the basic level with a more complete set of HR services including consultation and support for labor relations, performance management, classification, workforce management, and recruitment

**Fiscal Summary:** Decision package total dollar and FTE cost/savings by year, by fund, for 4 years. Additional fiscal details are required below.

Operating Expenditures	FY 2018	FY 2019	FY 2020	FY 2021
Fund 001-1	\$32,000	\$32,000	\$32,000	\$32,000
<b>Total Cost</b>	<b>\$32,000</b>	<b>\$32,000</b>	<b>\$32,000</b>	<b>\$32,000</b>
Staffing	FY 2018	FY 2019	FY 2020	FY 2021
FTEs	0.0	0.0	0.0	0.0
Revenue	FY 2018	FY 2019	FY 2020	FY 2021
	0.0	0.0	0.0	0.0
<b>Object of Expenditure</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>
Obj. E	\$32,000	\$32,000	\$32,000	\$32,000

### Package Description

Small agencies have had access to dedicated HR specialists necessary to support their needs through DES. Purchasing these services from DES costs a fraction of what it would to replicate these services in each agency. Providing small agencies access to these professional services significantly reduces financial and legal risk to the state. The enacted FY15-17 budget reduced funding equivalent to the cost of providing small agency HR services. While DES implemented additional efficiencies and identified temporary means to close the remaining fiscal gap in FY16, a more sustainable solution is required to ensure small agencies have access to these vital services.

DES has worked with the Office of Financial Management to create two categories of HR services:

- A. A set of basic HR services necessary to meet minimum HR compliance and accurate payroll processing activities for any agency. The proposal to fund these minimal basic services for all

small agencies is proposed in a separate package.

- B. A set of additional HR services that, together with the basic service, form a more complete set of essential HR services. For a number of agencies, the basic level of service will not be sufficient to address specific agency business needs or to manage legal and financial risk.

This decision package requests funding those essential services. This would allow the agency to continue to receive the following services as needed:

- **Life Cycle Recruitment Services** – Services include pre-recruitment consultation, writing of targeted job announcements, candidate outreach, in-depth application assessment, drafting interview questions, reference checking and guidance of offers.
- **Classification Services** – Determine position allocations and provide employee notification letters for appointing authority. Provide consultation on the development of position descriptions. Provide desk audits when needed. Assist with WMS and EMS evaluations and banding.
- **Labor and Employee Relations** – Provide rules guidance and interpretation for represented and non-represented state employees to ensure the agency creates a positive and respectful work environment.
- **Performance Management** – Consultation on performance appraisals and setting expectations. Consult on corrective and disciplinary actions; assist with documentation and processing including development of disciplinary letters. Provide tools and checklists.
- **Workforce Management Support** – Assist with “just in time” HR projects such as temporary layoffs and hiring freezes and changes that occur in Washington Management Service.
- **Human Resource Consultation** - Provide the agency with an HR consultant to discuss current HR topics and keep the agency informed on HR issues at monthly meetings, or as needed.
- **Investigations/Fact Finding** – Provide immediate employee complaint intake to determine next steps. Perform personnel related investigations and fact-finding for small to medium sized investigations (less than 20 hours).
- **Supervisor Coaching** – Provide best practices and guidance to new supervisors to ensure they set clear expectations and coach their staff to maximize agency performance.

**Base Budget:** If the proposal is an expansion or alteration of a current program or service, provide information on the resources now devoted to the program or service. Please include annual expenditures and FTEs by fund and activity (or provide working models or backup materials containing this information).

Funding for HR services is not currently part of the agency or DES budget.

**Decision Package expenditure, FTE and revenue assumptions, calculations and details:** Agencies must clearly articulate the workload or policy assumptions used in calculating expenditure and revenue changes proposed.

DES queried small agencies to identify those needing access to services beyond the basic level. They then determined the cost of providing services based on agency responses. DES calculates the rate necessary to recover the cost of these essential services to be \$32,000 per year during the 2017-19 biennium.

## Decision Package Justification and Impacts

### What specific performance outcomes does the agency expect?

Describe and quantify the specific performance outcomes the agency expects as a result of this funding change.

Funding for this package supports the Results Washington goal of efficient, effective & accountable government, and allows agencies the opportunity to become an employer of choice that provides agencies the tools to create a culture of respect, feedback, and recognition. Shared services are an efficient use of state resources. Using the expertise of HR professionals will help the agency manage risk associated with personnel issues. Additionally, this package will allow agency staff to focus on the core mission of the agency and less on administrative activities.

### Performance Measure detail:

Fully describe and quantify expected impacts on state residents and specific populations served.

Human resources support plays an essential role in developing the employee-centered activities of an agency. HR activities that support staff development and recruiting high quality employees will ensure better interaction with the citizens our agency serves.

What are other important connections or impacts related to this proposal? Please complete the following table and provide detailed explanations or information below:

Impact(s) To:		Identify / Explanation
Regional/County impacts?	No	Identify:
Other local gov't impacts?	No	Identify:
Tribal gov't impacts?	No	Identify:
Other state agency impacts?	No	Identify:
Responds to specific task force, report, mandate or exec order?	No	Identify:
Does request contain a compensation change?	No	Identify:
Does request require a change to a collective bargaining	No	Identify:

agreement?		
Facility/workplace needs or impacts?	No	Identify:
Capital Budget Impacts?	No	Identify:
Is change required to existing statutes, rules or contracts?	No	Identify:
Is the request related to or a result of litigation?	No	Identify lawsuit (please consult with Attorney General's Office):
Is the request related to Puget Sound recovery?	No	If yes, see budget instructions Section 14.4 for additional instructions
Identify other important connections		

Please provide a detailed discussion of connections/impacts identified above.

**What alternatives were explored by the agency and why was this option chosen?**

1. Absorb the cost within existing budget– This would involve the agency purchasing the services from DES within its existing budget. This option reduces funds available to perform the agency mission. The agency does not have the funds. The deputy director, the director and policy analyst have tried to absorb the duties which have taken away from performing the essential functions of our agency mission.
2. Go without these essential HR services or try to assign HR responsibilities to an existing employee with no additional funding - This would involve the agency doing the work with existing staff. This option reduces staff time available to perform the agency mission. All of our current employees are already specialized in their current roles and do not have the time nor the education/experience to take on the additional personnel responsibilities and execute them successfully. In this option, it is likely that the agency will be going without these services. This will increase risk to the agency beyond an acceptable level.
3. Request funding for a new HR professional within the agency - This is the most costly option but would provide some of the expertise and capacity needed to perform personnel functions. The kind of essential HR service support we are seeking from DES Small Agency HR services is professional level, expert support. If the agency were to hire someone in-house we would need to fill it at the Human Resource Consultant 4 (HRC4) level. The salary and benefits cost of a full time HRC4 plus related supplies, travel, and other costs is estimated at \$74,000 per year which is more than double the proposed cost of the DES service offering. Our agency may not need a full time professional, but we will benefit from a full complement of HR expertise. The team at DES can provide more specialized expertise than is likely available in any one individual.
4. Request funding to purchase HR services from DES. – Recommended – The DES Small Agency HR Support option is the most economic option that will still meet our business need. This option is less expensive than hiring staff. It provides access to the array of necessary expertise when needed. It provides an objective resource for managers and staff when dealing with personnel issues.

**What are the consequences of not funding this request?**

Not funding this request would mean that the agency would have to operate without HR services which are critical for the agency's success. It would affect our ability to focus on the mission-critical work of our agency, weaken our ability to recruit and retain high-quality individuals, and increase our risks of non-compliant employment practices and related financial and legal risks.

Many of these services are similar to preventive health care. Investments and guidance up front can prevent major mistakes that can lead to legal and financial costs, as well as consequences for culture and trust from which it can take years to recover.

Examples of this are:

**Recruitment** – These services include candidate outreach and assistance with assessment and selection.

Without these HR services, hiring managers would need to spend more of their limited time conducting outreach to qualified candidates or hope that there are enough qualified candidates in the applicant pool. HR support would also help reduce the risk of unfair hiring practices by ensuring the assessment and selection process is correct and using behavior and performance based techniques to find the best candidate available.

**Labor Relations** – Labor relations support includes HR consultation on what level of corrective or disciplinary action is the most appropriate based on principles of just cause, writing of expectation and disciplinary letters to ensure clarity and appropriateness, ensuring processes are followed according to the collective bargaining agreement, and working with union representatives to ensure all disagreements are handled at the lowest possible level. DES HR Consultants are familiar with the Collective Bargaining Agreements (CBA) and can provide clear guidance and counsel on the best approaches to creating and maintaining a work environment that complies with the CBAs.

**Performance Management** – These services include supervisor guidance on creating clear performance expectations that achieve business results, creating development plans that help fill in the gap between expectations and reality and creating purposeful succession planning the helps match employee skillsets with business needs. These services make sure that the right people are in the right positions with the right skillsets to do the work which ensures business efficiency and reduces time and money spent on disciplinary actions and appeal processes that go with them.

**Investigations** – These services include full responsibilities through the investigative process. From initial intake, scheduling and conducting interviews gathering all tangible evidence, through delivering the final report to the Appointing Authority. Without this service, managers would be forced to either undergo costly training to become eligible to conduct an administrative investigation or pursue an outside investigator which can cost anywhere from \$5,000 to \$15,000. These services make sure complaints and claims are thoroughly investigated by a neutral third party who is familiar with the state and CBA specific rules and nuances.

**How has or can the agency address the issue or need in its current appropriation level?**

See discussion above about risks and consequences.

**Other supporting materials:** Please attach or reference any other supporting materials or information that will help analysts and policymakers understand and prioritize your request.

See the attached service level descriptions.

**Information technology:** Does this Decision Package include funding for any IT-related costs, including hardware, software, services (including cloud-based services), contracts or IT staff?

No 

Yes Continue to IT Addendum below and follow the directions on the bottom of the addendum to meet requirements for OCIO review.)

## 2017-19 Biennium Budget Decision Package

**Agency:** 120 Human Rights Commission  
**Decision Package Code/Title:** AK Administrative Services Manager  
**Budget Period:** 2017-19  
**Budget Level:** PL- Policy/Performance level

**Agency Recommendation Summary Text:** The Human Rights Commission is requesting funding to hire an Administrative Services Manager so that executive staff who are currently absorbing this work may focus on fulfilling the agency’s mission of enforcing the Washington Law Against Discrimination.

**Fiscal Summary:** Decision package total dollar and FTE cost/savings by year, by fund, for 4 years. Additional fiscal details are required below.

Operating Expenditures	FY 2018	FY 2019	FY 2020	FY 2021
Fund 001-1	\$112,607	\$107,060	\$107,060	\$107,060
<b>Total Cost</b>	<b>\$112,607</b>	<b>\$107,060</b>	<b>\$107,060</b>	<b>\$107,060</b>
Staffing	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>
FTEs	0	0	0	0
<b>Revenue</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>
<b>Object of Expenditure</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>
Obj. A- Salaries	\$73,140	\$73,140	\$73,140	\$73,140
Obj. B- Benefits	24,911	24,911	24,911	24,911
Obj. E-Goods/Services	8,054	8,029	8,029	8,029
Obj. G-Travel	980	980	980	980
Obj. J-Capital Outlays	5,522	0	0	0

### Package Description

The WSHRC) has taken significant budget reductions, 41% since 2008. Management and administrative staff have been substantially reduced in order to retain investigative staff that is needed in order to fulfill the mission of the agency and our federal contracts. WSHRC does not currently employ an administrative services manager and other staff has absorbed those duties, which include budget, personnel, procurement, public records, state required reporting, federal

contract draw downs and certification, and other duties as assigned.

The WSHRC has used the LEAN process to streamline its mission, however, management and administrative staff is over extended. In 2014, an administrative position that became vacant was not filled in order for the agency to obtain information technology (IT) support. IT support is critical to operations. The agency had gone without sufficient IT support since September of 2014. The WSHRC filled an IT Specialist 5 (ITS5) position in June of 2016.

The WSHRC has three administrative staff to support the entire agency's civil rights enforcement and education. That includes one person answering a statewide phone number.

The Director and Deputy Director currently handle all of the high level administrative responsibilities for the agency in addition to supervising staff on a day-to-day basis housed at various locations throughout the state. Additional funds are imperative in order to, at a minimum, allow for one full time administrative services manager.

For additional information, please contact Sharon Ortiz, Executive Director at 360-753-2558.

#### **Base Budget:**

This proposal is not an expansion or alteration of a current program or service.

The agency does not currently have an Administrative Services Manager and there is insufficient funding to fill this vital position.

#### **Decision Package expenditure, FTE and revenue assumptions, calculations and details:**

As a result of insufficient administrative support WSHRC struggles to keep up with day-to-day operations. The WSHRC processes over 1100 cases of discrimination a year with a staff of 26, responds to daily public records requests, conducts education and outreach, has two large federal contracts to investigate complaints, and requires a significant amount of administrative support to fulfill its mission.

The cost of providing these services is estimated at \$107,060 per year during the 2017-19 biennium for salaries, benefits, travel, goods and services. An additional one-time cost of \$5,522 is needed for computer equipment and furniture.

#### **Decision Package Justification and Impacts**

##### **What specific performance outcomes does the agency expect?**

Funding for this package will allow the agency to have a dedicated FTE to manage payroll, budget, accounts payable and receivable, travel, public disclosure, records management, prepare administrative, business safety program, facilities and contracts and supervision of relevant staff. The agency will better meet its performance standards. This position would afford management the opportunity to focus on the agency's enforcement mission, which is the essential function of

the agency. Cases can then be processed in a timely manner, managers can give attention to investigators and the discrimination complaints filed with the agency.

**Performance Measure detail:**

**Fully describe and quantify expected impacts on state residents and specific populations served.**

This position will insure that the agency is in compliance with state rules and regulations with regard to financial issues, public record issues and federal contract compliance. It will allow executive staff to focus on supporting human rights investigations for Washington's citizens.

What are other important connections or impacts related to this proposal? Please complete the following table and provide detailed explanations or information below:

Impact(s) To:		Identify / Explanation
Regional/County impacts?	No	Identify:
Other local gov't impacts?	No	Identify:
Tribal gov't impacts?	No	Identify:
Other state agency impacts?	No	Identify:
Responds to specific task force, report, mandate or exec order?	No	Identify:
Does request contain a compensation change?	No	Identify:
Does request require a change to a collective bargaining agreement?	No	Identify:
Facility/workplace needs or impacts?	No	Identify:
Capital Budget Impacts?	No	Identify:
Is change required to existing statutes, rules or contracts?	No	Identify:
Is the request related to or a result of litigation?	No	Identify lawsuit (please consult with Attorney General's Office):
Is the request related to Puget Sound recovery?	No	If yes, see budget instructions Section 14.4 for additional instructions
Identify other important connections		

Please provide a detailed discussion of connections/impacts identified above.

**What alternatives were explored by the agency and why was this option chosen?**

The agency has tried to absorb the duties of the former administrative manager. The WSHRC had to make a choice of hiring an ITS5 or the administrative service manager. The deputy director and the director absorbed the high level administrative duties and the agency policy analyst absorbed the public records oversight. Other duties were taken on by administrative staff. The WSHRC made the decision because the IT system was failing and it had no alternative but to get IT assistance.

**What are the consequences of not funding this request?**

The result is a state agency that struggles daily to complete its work and staff retention. Civil rights compliance investigation suffers because managers are spread too thin.

**How has or can the agency address the issue or need in its current appropriation level?**

The WSHRC cannot afford to hire such a position under the current budget. If the agency were to reallocate a position from investigation to administration, it would impact the agency's ability to respond to human rights complaints in a timely way.

**Other supporting materials:** Please attach or reference any other supporting materials or information that will help analysts and policymakers understand and prioritize your request.

**Information technology:** Does this Decision Package include funding for any IT-related costs, including hardware, software, services (including cloud-based services), contracts or IT staff?

No 

Yes Continue to IT Addendum below and follow the directions on the bottom of the addendum to meet requirements for OCIO review.)