Agency Summary & Statutory Authority
The Division of Human Resources (DHR) is organized within the Office of the Governor. The division is responsible for employee recruitment, job classification, employee assessment and selection processes, compensation issues, workforce planning and development, employee relations, and providing human resource policy to comply with applicable laws and regulations, [Statutory Authority: Chapter 53, Title 67, Idaho Code].

- The Division of Human Resources is funded primarily by dedicated funds. Revenue is received from fees paid by all agencies with classified employees. Agencies pay an amount equivalent to a portion of each classified position’s gross salary.
- The cash balance at the end of FY 2021 in its dedicated fund was $1,911,800.
- There are no current audit findings.

Please see publications from the Legislative Services, Budget & Policy Analysis Division for additional details: https://legislature.Idaho.gov/lso/bpa/pubs/
Governor’s FY2023 Budget Recommendation
Division of Human Resources
PRESENTED BY LORI WOLFF, DHR ADMINISTRATOR
Overview of DHR

- Responsible for the administration of the State of Idaho personnel system
- Provides a system for classified state employees to be examined, selected, retained, promoted, and compensated based on merit and performance of duties
- Advises on employee compensation changes and HR employee relations issues
- Provides professional training for state employees
- Dedicated fund agency, meaning agencies pay a percentage of their classified employee payroll for DHR services
Priorities for Division of Human Resources

Luma Phase 2 Implementation – Human Capital Management: January 2023

◦ All Human Resource Management systems will be replaced under Luma, and all agencies will transition to new HCM
◦ Opportunity to reduce manual work, improve onboarding processes, promote consistency in personnel management, access to better information and data

HR Modernization: January 2023

◦ Better consistency across state agencies
◦ Reduction in duplication of work and effort
◦ Standardization of personnel policies and information
◦ Improved onboarding and employee engagement
HR Modernization: Timeline [January 2023]

Go live! January 2023
HR Modernization: Current Model

STATE AGENCIES

STATE EMPLOYEES

HR CONSULTATION
HR Modernization: Proposed Structure

STATE AGENCIES

STATE EMPLOYEES

DHR

HR SERVICES

DHR

HR SERVICES

STATEWIDE HR POLICIES, PROCESSES, & TRAINING

QUESTIONS & CHALLENGES

POLICIES / PROCESSES / TRAINING
HR Modernization: Organization Chart [Central Office]

Division of Human Resources

HR Operations

Training, Development & Systems
- HR Systems
- Training & Development

HR Field Operations
- HR Field Operations
- Investigations

HR Policies & Processes/Employee Support Services
- HR Policies & Processes
- Employee Support Services

Office of the Administrator
- Innovation
- Fiscal
- Communications
- Administrative Support

DRAFT FOR JFAC
* = requested position added
FY22 Supplemental: Human Resource Modernization

Governor’s Recommendation: **Transfer 5 FTE (LBB: 6-81)**

- Transfer 5 vacant HR Positions from Agencies
  - Division of Veteran Services, the Department of Labor, the Department of Water Resources, Division of Occupational Licensing, and the Department of Juvenile Corrections
  - Statewide HR Positions: Recruitment Manager, Employee Services Manager, Training and Development Manager, Occupational Health Manager, Civil Rights/ADA Manager

- **Spending Authority for Dedicated Funds**
  - FY22 Supplemental = $218,600
  - FY23 Annualization = $356,000
FY22 Supplemental: Classification/Compensation Review

Governor’s Recommendation: $1.25 Million one-time General Fund (LBB: 6-81)

- Conduct a Classification/compensation study of the current personnel system
  - Hasn’t been done since 2006
- Goals
  - Review and consolidate current classified and non-classified job classes (approximately 2,574).
  - Review state’s usage of Hay Methodology in determining pay schedules
  - Identify and recommend classification and compensation changes to Legislature
FY22 Supplemental: Innovation Center

Governor’s Recommendation: $10M one-time General Fund (LBB: 6-81)

- Serves as a catalyst for performance and operational improvements for State Government
- Creates a line of accountability for agencies to seek projects and investments that make measurable improvements
- Offers a partnership between the Governor’s office and state agencies to solve business problems
- Provides support and enables state agencies to fulfill their core missions
- Pursues technology that replaces low-skill jobs (AI, UI, reduce in-person)
- Uses business process reengineering because it’s not always a technology problem
- Explores modern solutions because more people/staff cannot always be the answer
- Fills the need for tools that can ebb and flow with environmental demands
FY2023 Line Item: Employee Engagement Survey

Governor’s Recommendation: $200,000 Ongoing Dedicated Funds (LBB: 6-82)

• Invest in an employee engagement surveys system across all state agencies
• Measure employee experience and engagement at all levels
• Understand and predict the behavior of our state employees
• Engage state employees early and often
• Boost state employment, increase retention and improve overall performance
• Gather insights to drive experience outcomes, build trust, and reduce turnover
Questions?

Idaho Division of Human Resources
Executive Office of the Governor