

Biennium: 2010-12 ▾

Mission and Vision**Mission Statement**

Department of Human Resource Management (DHRM) addresses the diverse human resources needs of our customers through guidance, consultation, training and delivery of services.

Vision Statement

The Commonwealth is an employer of choice.

Executive Progress Report**Service Performance and Productivity**● *Summary of current service performance*

AGENCY EXECUTIVE PROGRESS REPORT

The Virginia Department of Human Resource Management (DHRM) functions to attract and retain a state public workforce proficient at providing services to the citizens of the Commonwealth. DHRM provides compensation and HR policy recommendations, health benefits, equal employment rights, training, workplace safety initiatives and an opportunity to help others through a workplace-giving program.

The agency has become one of the most respected HR offices in the country, earning an A in Governing Magazine's Government Performance Project, Virginia was the only state to receive an A for its HR program.

The agency has experienced significant challenges in recent years - chief among them a 37 percent budget cut. The agency has developed more efficient business processes and has made greater use of technology to automate those processes.

The agency has been in the forefront in using technology with the development of its Web-based data warehouse that puts tools in agencies' hands to transform agency data in the central legacy system into information available on their agency desktops. Each agency may pull standard reports or develop customized reports as needed. DHRM spearheaded a government-wide workforce planning activity that prompted state agencies to develop workforce plans that identified skill gaps and outlined succession plans.

Workforce planning, a critical HR function in the face of an impending flood of retirements, will be enhanced by a new Learning Management System (LMS), a collaborative effort among agencies that provides the opportunity to transfer knowledge to a new generation of state workers. The LMS has garnered a national award for implementation, and avoided \$5 million in expenses for multiple training systems.

The agency's State Employees Workers' Compensation Services area has also gained national attention for its public-private partnership that won a national Innovation Award from the Council of State Governments. The partnership has resulted in savings of over \$27 million and grows each year. The savings are measured by a model developed by the program actuary firm of William M. Mercer and are designed to measure cash flow savings as compared to actuarial projections.

The employee-run Commonwealth of Virginia Campaign (CVC), the authorized workplace giving campaign for state employees, provides a key indicator of state employee morale. CVC has won several awards for its communication videos, and was the first program nationally to automate the charity application and to move to a paperless process.

SERVICE AREAS

DHRM is comprised of seven service areas. All service areas utilize annual customer satisfaction surveys with a 90% customer satisfaction target.

DIRECTOR'S EXECUTIVE AGREEMENT

DHRM is guided by 10 components of the Director's Executive Agreement with the Governor. They are:

- Recommend state employee compensation adjustments;
- Facilitate Statewide Workforce Planning;
- Support supervisory and management training;
- Implement a Learning Management System;
- Develop an employee Web portal;
- Conduct a comprehensive review of employee benefits;
- Maintain a competitive health benefits plan;
- Maintain a competitive workers' compensation plan for state employees, and;
- Implement a cost containment and education program to increase workplace safety.
- Increase utilization of "EmployeeDirect"

Each of the areas significantly impacts the day-to-day work life of state employees. The progress being made to successfully meet those goals provides a reading as to the overall well being of the Commonwealth's workforce.

RECOMMEND STATE EMPLOYEE COMPENSATION ADJUSTMENTS

DHRM's Office of Agency Human Resource Services (AHRM) conducts a mandated annual assessment of Commonwealth salaries in comparison with private sector salaries.

The annual salary assessment findings and recommendations for salary adjustments for the classified workforce were submitted to the Secretary of Administration. The findings were also provided to the General Assembly by November 1st.

The assessment relied on estimates of market movement reported by national compensation consulting firms. Also, there was a comparison of average state salaries with private industry salaries for selected occupations.

FACILITATE STATEWIDE WORKFORCE PLANNING

DHRM began to identify workforce planning as an important activity during a strategic planning session in 1998. Since that time, the workforce-planning program has risen in importance. Efforts to date have been aimed primarily at increasing managers' awareness of the need for workforce planning so that agencies can respond to their staffing challenges more effectively.

The focus going forward will be on expanding strategies to ensure a continuing high level of performance by state agencies. DHRM is enhancing Web-based reports to support this effort, including additional trend analysis and flexibility for agencies to generate ad hoc reports.

Workforce planning is an integral part of any organization's management of its human resources. Workforce planning is an effort to coordinate human resource management programs so that they support the strategic goals of the organization. Programs such as job evaluation, compensation management, performance management, training and development, and recruitment are all components of a successful workforce planning effort.

The focus of workforce planning is expanding to include all aspects of talent management.

SUPPORT SUPERVISORY AND MANAGEMENT TRAINING

Many managers and supervisors in the state workforce have been promoted to their positions because of their technical expertise, not because of their skills as managers. Many have not had appropriate training to perform their management functions.

The lack of management and supervisory training has a negative impact on the workforce and manifests itself in different ways:

- Managers avoid problems and do not have the skills to deal with difficult situations such as performance issues.
- Management decisions are reversed in grievance hearings because managers do not know how to handle situations appropriately.
- Employee morale suffers when managers do not perform their job in a fair and impartial manner, which leads to lower productivity and increased turnover.
- The Commonwealth is exposed to potential legal liability.

To address the problem, DHRM, in collaboration with 78 state employees from 41 agencies, established Commonwealth management training criteria and began the development of the "Managing Virginia Program" (MVP) to provide a range of training opportunities for managers and supervisors. The training, which began July 1, 2005, is available through a variety of means, including online, teleconferencing, videoconferencing, classroom and Master Trainer. A tiered rollout has been developed that will end in December 2005.

IMPLEMENT A LEARNING MANAGEMENT SYSTEM

Training is a critical component of workforce planning and staff development. Agencies must have the ability to track the knowledge, skills and abilities of employees to form succession plans to transfer knowledge to mitigate the impact of retirements. Because there was no centralized, statewide system, agencies developed their own tracking methods, both manual and automated, with information remaining with the agency rather than moving with the employee as the employee changed jobs. DHRM took the lead in forming a task force to examine Learning Management Systems and make a recommendation for purchase of a system. Requirements were developed, systems reviewed, an RFP posted and a vendor selected, all in a collaborative environment in which the agencies shared opinions and decisions.

In June 2004, a contract was signed with Meridian, of Chantilly, Virginia, and system development began. DHRM is the business owner of the LMS, and manages the core system. Each agency was able to customize the LMS look and feel for the agency. During the following months data was imported from various agency systems into the LMS databases. The first phase of the Statewide LMS was completed on Feb. 28, 2005 and the system went "live" on March 1. Since the launch of the LMS, additional agencies and local governments have expressed interest in joining the LMS consortium.

The participating agencies in the first wave of implementation were the Department of Human Resource Management, Department of General Services, Department of Juvenile Justice, Virginia Department of Corrections, Virginia Department of Transportation, Virginia Information Technologies Agency, the Virginia Employment Commission, and the Virginia State Police,

As estimated \$5 million taxpayer dollars will be avoided through utilization of the statewide LMS, not only in eliminating the purchase of duplicate systems but also reducing by 75 percent the cost of tracking individual training records.

DEVELOP AN EMPLOYEE WEB PORTAL

This item was removed from the Executive Agreement because of the PPEA for the enterprise solution currently being reviewed.

CONDUCT A COMPREHENSIVE REVIEW OF EMPLOYEE BENEFITS

As part of the Governor's Executive Agreement with the Department of Human Resource Management, DHRM was tasked with the requirement to conduct a review of employee benefits. A steering committee consisting of the DHRM director, policy and health benefits staff, and staff from the Virginia Retirement System met and concluded that the scope of the benefits study should focus on the leave system for classified employees (those subject to provisions of the Virginia Personnel Act). While some leave benefits were overhauled in 1999 with the development and implementation of the Virginia Sickness and Disability Program (VSDP), there has been no significant review of the entire leave program in many years.

Before finalizing the focus of the proposed study, it was presented to the Human Resource Advisory Council whose members provided input and suggestions for the study. The Department of Planning and Budget, Department of Accounts, the Virginia Governmental Employee Association, and staff of the Senate Finance Committee and House Appropriations Committee also were briefed about the study and given the opportunity to provide comments.

An Employee Benefits Focus Group was formed to provide input and to serve as active participants in the study. Fifteen agencies of varying sizes and complexities representing each Cabinet area were invited to participate in the focus group. The focus group was comprised of recently hired and long-term employees representing human resources, management/supervisory, and non-management staff. This group was tasked with reviewing the current leave system, identifying issues, and developing recommendations.

Employees want more flexibility in how they can use their leave. Often they have a limited understanding of the type of leave benefits available to them. This fact reinforces the concern raised by the focus group regarding the need to simplify the leave benefit program. The issues that the Commonwealth of Virginia faces with employees and benefits

are not unique. The demographics of the workforce are changing and the "one-size-fits-all" approach to leave benefits is no longer efficient or effective.

Employers are being forced to recognize the demands being placed on them by the different employee populations and the impact they have on the workplace. The workforce is made up of more single parents, grandparents who are raising grandchildren, more Generation X and Y employees, and aging employees. As indicated in the state's workforce planning report, younger employees are not being retained in state employment. The younger employees entering the work force are seeking flexibility in work and in benefits. Conversely, long-term or older employees are looking for leave programs to help them balance the demands of work, home and the possibility of caring for aging parents.

The current leave program requires an inordinate amount of time to administer. The focus group shared their frustration with having to understand the many different types of leave as well as the time spent to administer and manage employees' use of leave.

Following their review of the State's current leave program and other leave plans, the focus group concluded that a PTO Program, or some version of such a program, best addresses the issues that have been identified. Based on the information presented in this study the Employee Benefits Focus Group recommends that the current leave benefits program be revised to:

- Ø meet the demands of the emerging workforce;
- Ø enhance recruitment and retention initiatives;
- Ø provide flexibility;
- Ø reduce unscheduled absences; and;
- Ø address the administrative burden of the current system.

MAINTAIN A COMPETITIVE HEALTH BENEFITS PLAN

COVA Care, introduced to state employees in the 2003-04 fiscal year, heralded a new direction in the provision of health care for state employees. Under the new system, premiums were reduced and patient co-pays and other out-of-pocket expenses were increased. At the same time, the program emphasized preventive care and regular health checkups. As a result, utilization of preventive care services by state employees increased 18 percent during the first year of COVA Care.

In FY09, the Agency created a pilot project in the Hampton Roads area to proactively manage and incent employees to take an active role in their own wellness program. This project was developed through a PPEA project with Optima Health as the third party administrator of the program. The pilot is scheduled for two years with three one year extensions available.

MAINTAIN A COMPETITIVE WORKERS' COMPENSATION PLAN FOR STATE EMPLOYEES

The Department of Human Resource Management's State Employee Workers' Compensation Services earned national prominence in 2002 when it received a National Innovation Award from the Council of State Governments. The public-private partnership has saved millions of taxpayer dollars since its inception in 1999 and has reduced lost-time claims by more than 30 percent through an aggressive return-to-work program. The service area uses experienced-based premiums to set individual agency rates.

IMPLEMENT A COST CONTAINMENT AND EDUCATION PROGRAM TO INCREASE WORKPLACE SAFETY

DHRM's State Employee Workers' Compensation Services has moved aggressively to reduce workplace injuries through training and safety surveys at state agencies. In addition to inspections, the office regularly conducts training, including seven regional claims training programs, loss control and OSHA certification training and the annual "Safety Day," which brings together safety officers from around the Commonwealth for intensive hands-on training activities. DHRM's State Employee Workers' Compensation Services continues to rack up impressive savings through its aggressive safety and return-to-work programs and loss-control efforts.

INCREASE UTILIZATION OF "EMPLOYEE DIRECT"

Introduced in 2002, EmployeeDirect is an online self-service portal that allows employees secure access to their individual health benefits plans and personnel profiles. Use of EmployeeDirect has significantly reduced the processing of paper health benefits forms, allow HR staff time for more value-added activities. Use of EmployeeDirect has avoided an estimated \$900,000 in costs in one year, including an estimated one-hour of employee and Benefits Administrator time saved, averaging \$20, per transaction.

The established goal was a 10 percent increase. New security measures and login procedures to protect a member's identity online may have contributed to a lower rate of increase in utilization.

- *Summary of current productivity*

The current DHRM productivity measure is Average Health Benefits Cost per employee. For FY09 (the most recent completed fiscal year) this measure was \$9,405 compared to the prior year of \$9,224. DHRM has implemented a pilot program in the Hampton Roads area to encourage and incent state employees to pursue healthy behaviors. The pilot region will be compared to a comparable region to establish best practices for incenting and encouraging health choices.

Initiatives, Rankings and Customer Trends

- *Summary of Major Initiatives and Related Progress*

DHRM was guided by 10 components of the Director's Executive Agreement with the Governor. They were:

- Recommend state employee compensation adjustments;
- Facilitate Statewide Workforce Planning;
- Support supervisory and management training;
- Implement a Learning Management System;
- Develop an employee Web portal;
- Conduct a comprehensive review of employee benefits;
- Maintain a competitive health benefits plan;
- Maintain a competitive workers' compensation plan for state employees, and;
- Implement a cost containment and education program to increase workplace safety.

Increase utilization of "EmployeeDirect"

Each of the areas significantly impacts the day-to-day work life of state employees. The progress being made to successfully meet those goals provides a reading as to the overall well being of the Commonwealth's workforce.

RECOMMEND STATE EMPLOYEE COMPENSATION ADJUSTMENTS

The Commonwealth's compensation philosophy is to pay employees in a manner sufficient to support and develop a high performance workforce that provides quality services in a fiscally responsible manner to the citizens of Virginia. DHRM's Office of Agency Human Resource Services (AHRS) conducts an annual assessment of Commonwealth salaries in comparison with private sector salaries.

The annual salary assessment findings and recommendations for salary adjustments for the classified workforce are submitted to the Secretary of Administration. The findings are also provided to the General Assembly annually by November 1st.

The assessment relies on estimates of market movement reported by national compensation consulting firms. Also, there is a comparison of average state salaries with private industry salaries for selected occupations.

SUPPORT SUPERVISORY AND MANAGEMENT TRAINING

Many managers and supervisors in the state workforce have been promoted to their positions because of their technical expertise, not because of their skills as managers. Many have not had appropriate training to perform their management functions.

The lack of management and supervisory training has a negative impact on the workforce and manifests itself in different ways:

- Managers avoid problems and do not have the skills to deal with difficult situations such as performance issues.

- Management decisions are reversed in grievance hearings because managers do not know how to handle situations appropriately.

- Employee morale suffers when managers do not perform their job in a fair and impartial manner, which leads to lower productivity and increased turnover.

- The Commonwealth is exposed to potential legal liability.

To address the problem, DHRM, in collaboration with 78 state employees from 41 agencies, established Commonwealth management training criteria and began the development of the "Managing Virginia Program" (MVP) to provide a range of training opportunities for managers and supervisors. The training is available through a variety of means, including online, teleconferencing, videoconferencing, classroom and Master Trainer. The first online modules were available July 1, 2005.

IMPLEMENT A LEARNING MANAGEMENT SYSTEM

Training is a critical component of workforce planning and staff development. Agencies must have the ability to track the knowledge, skills and abilities of employees to form succession plans to transfer knowledge to mitigate the impact of retirements. Because there was no centralized, statewide system, agencies developed their own tracking methods, both manual and automated, with information remaining with the agency rather than moving with the employee as the employee changed jobs. DHRM took the lead in forming a task force to examine Learning Management Systems and make a recommendation for purchase of a system. Requirements were developed, systems reviewed, an RFP posted and a vendor selected, all in a collaborative environment in which the agencies shared opinions and decisions.

In June 2004, a contract was signed with Meridian, of Chantilly, Virginia, and system development began. DHRM is the business owner of the LMS, and manages the core system. Each agency was able to customize the LMS look and feel for the agency. During the following months data was imported from various agency systems into the LMS databases. The first phase of the Statewide LMS was completed on Feb. 28, 2005 and the system went "live" on March 1. Since the launch of the LMS, additional agencies and local governments have expressed interest in joining the LMS consortium.

The participating agencies in the first wave of implementation were the Department of Human Resource Management, Department of General Services, Department of Juvenile Justice, Virginia Department of Corrections, Virginia Department of Transportation, Virginia Information Technologies Agency, the Virginia Employment Commission, and the Virginia State Police.

As estimated \$5 million taxpayer dollars will be avoided through utilization of the statewide LMS, not only in eliminating the purchase of duplicate systems but also reducing by 75 percent the cost of tracking individual training records.

DEVELOP AN EMPLOYEE WEB PORTAL

This item was removed from the Executive Agreement because of the PPEA for the enterprise solution currently being reviewed.

CONDUCT A COMPREHENSIVE REVIEW OF EMPLOYEE BENEFITS

As part of the Governor's Executive Agreement with the Department of Human Resource Management, DHRM was tasked with the requirement to conduct a review of employee benefits. A steering committee consisting of the DHRM director, policy and health benefits staff, and staff from the Virginia Retirement System met and concluded that the scope of the benefits study should focus on the leave system for classified employees (those subject to provisions of the Virginia Personnel Act). While some leave benefits were overhauled in 1999 with the development and implementation of the Virginia Sickness and Disability Program (VSDP), there has been no significant review of the entire leave program in many years.

Before finalizing the focus of the proposed study, it was presented to the Human Resource Advisory Council whose members provided input and suggestions for the study. The Department of Planning and Budget, Department of Accounts, the Virginia Governmental Employee Association, and staff of the Senate Finance Committee and House Appropriations Committee also were briefed about the study and given the opportunity to provide comments.

An Employee Benefits Focus Group was formed to provide input and to serve as active participants in the study. Fifteen agencies of varying sizes and complexities representing each Cabinet area were invited to participate in the focus group. The focus group was comprised of recently hired and long-term employees representing human

resources, management/supervisory, and non-management staff. This group was tasked with reviewing the current leave system, identifying issues, and developing recommendations.

Employees want more flexibility in how they can use their leave. Often they have a limited understanding of the type of leave benefits available to them. This fact reinforces the concern raised by the focus group regarding the need to simplify the leave benefit program. The issues that the Commonwealth of Virginia faces with employees and benefits are not unique. The demographics of the workforce are changing and the "one-size-fits-all" approach to leave benefits is no longer efficient or effective.

Employers are being forced to recognize the demands being placed on them by the different employee populations and the impact they have on the workplace. The workforce is made up of more single parents, grandparents who are raising grandchildren, more Generation X and Y employees, and aging employees. As indicated in the state's workforce planning report, younger employees are not being retained in state employment. The younger employees entering the work force are seeking flexibility in work and in benefits. Conversely, long-term or older employees are looking for leave programs to help them balance the demands of work, home and the possibility of caring for aging parents.

The current leave program requires an inordinate amount of time to administer. The focus group shared their frustration with having to understand the many different types of leave as well as the time spent to administer and manage employees' use of leave.

Following their review of the State's current leave program and other leave plans, the focus group concluded that a PTO Program, or some version of such a program, best addresses the issues that have been identified. Based on the information presented in this study the Employee Benefits Focus Group recommends that the current leave benefits program be revised to:

meet the demands of the emerging workforce;
enhance recruitment and retention initiatives;
provide flexibility;
reduce unscheduled absences; and;
address the administrative burden of the current system.

MAINTAIN A COMPETITIVE HEALTH BENEFITS PLAN

COVA Care, introduced to state employees in the 2003-04 fiscal year, heralded a new direction in the provision of health care for state employees. Under the new system, premiums were reduced and patient co-pays and other out-of-pocket expenses were increased. At the same time, the program emphasized preventive care and regular health checkups. As a result, utilization of preventive care services by state employees increased 18 percent during the first year of COVA Care.

MAINTAIN A COMPETITIVE WORKERS' COMPENSATION PLAN FOR STATE EMPLOYEES

The Department of Human Resource Management's State Employee Workers' Compensation Services earned national prominence in 2002 when it received a National Innovation Award from the Council of State Governments. The public-private partnership has saved millions of taxpayer dollars since its inception in 1999 and has reduced lost-time claims by more than 30 percent through an aggressive return-to-work program. The service area uses experienced-based premiums to set individual agency rates.

IMPLEMENT A COST CONTAINMENT AND EDUCATION PROGRAM TO INCREASE WORKPLACE SAFETY

DHRM's State Employee Workers' Compensation Services has moved aggressively to reduce workplace injuries through training and safety surveys at state agencies. In addition to inspections, the office regularly conducts training, including seven regional claims training programs, loss control and OSHA certification training and the annual "Safety Day," which brings together safety officers from around the Commonwealth for intensive hands-on training activities.

DHRM's State Employee Workers' Compensation Services continues to rack up impressive savings through its aggressive safety and return-to-work programs and loss-control efforts.

INCREASE UTILIZATION OF "EMPLOYEEEDIRECT"

Introduced in 2002, EmployeeDirect is an online self-service portal that allows employees secure access to their individual health benefits plans and personnel profiles. Use of EmployeeDirect has significantly reduced the processing of paper health benefits forms, allow HR staff time for more value-added activities. Use of EmployeeDirect has avoided an estimated \$900,000 in costs in one year, including an estimated one-hour of employee and Benefits Administrator time saved, averaging \$20, per transaction.

The established goal was a 10 percent increase. New security measures and login procedures to protect a member's identity online may have contributed to a lower rate of increase in utilization.

- *Summary of Virginia's Ranking*

Virginia received an A- from Governing Magazine on the People section of Governing Performance Project. Virginia was rated with the highest grade awarded in the nation. Virginia was the only state to receive a grade of A for its "people" policies.

DHRM is in the process of researching appropriate national trends and available data in the following areas:

- Amount of time to fill an open position.
- Percent of new employees who left state service voluntarily.
- Percent of voluntary terminations
- Percent of new employees terminated.
- Total benefit dollars per state employee
- Benefits dollars per dollar of salary
- Percent of health insurance covered by the state.
- Number of discriminations charges for state employees
- Percent of discrimination charges per 1,000 state employees
- Amount of training dollars per employee
- Percent of employees with career plans.
- Percentage of promotions, classified and non-classified employees.

- *Summary of Customer Trends and Coverage*

Aging workforce

Greater emphasis on outsourcing.

Future Direction, Expectations, and Priorities

- *Summary of Future Direction and Expectations*

FUTURE DIRECTION

- Continue the flexibility in human resource management
- Focus on long-term planning for human resource management
- Establish an effective workforce planning program
- Improve health and safety of employees in the workplace
- Increase statewide communications to employees
- Enhance career planning and employee development
- Strengthen central data collection and information

- *Summary of Potential Impediments to Achievement*

POTENTIAL IMPEDIMENTS

- Inadequate funding and staffing levels
- Doing more with less
- Rising health care costs
- Inadequate reserves for Health Benefit and Workers' Compensation Programs
- Aging workforce
- Not an employer of choice
- Antiquated human resources information systems
- Inflexibility of laws, regulations, policies and procedures
- Risk aversion

Service Area List

Service Number	Title
129 704 01	Agency Human Resource Services
129 704 03	Equal Employment Services
129 704 06	Health Benefits Services
129 704 09	Personnel Development Services
129 704 17	State Employee Services
129 704 18	State Employee Workers' Compensation Services
129 704 19	Administrative and Support Services

Agency Background Information

Statutory Authority

§ 2.2-1202 - Annual Salary Survey – Review Commonwealth salaries annually to determine where discrepancies in compensation exist between the public and private sector. Report findings to the Governor and General Assembly by December 15.

§ 2.2-1201(7) - Application Form -Design and utilize an employment application form that also includes information on prior volunteer work performed by applicant.

§2.2-2817.1 amended Chapter 421 (05) – Alternate work schedules – Requires each agency to develop policy on alternate work schedules and telecommuting, identifying employees eligible to participate and noting, with justification, broad categories of employees ineligible to participate. Requires each agency head to set annual percentage targets for the number of positions eligible for alternative work schedules. By July 1, 2009, each state agency shall have a goal of not less than 25% of its eligible workforce participating in alternative work schedules. By January 1, 2010, each state agency, except the Department of State Police, shall have a goal of not less than 20% of its eligible workforce telecommuting. Requires each agency to report annually to the Secretary of Administration (SOA) and DHRM on the status and efficiency of telecommuting and employee participation in alternate work schedules.

§ 2.2-1201(1) – Classification – Make recommendations to the Governor regarding establishment and maintenance of a classification plan for service of the Commonwealth. Recommend amendments as necessary.

§ 2.2-1201(2) – Compensation – Make recommendations to the Governor regarding the establishment and administration of a compensation plan for all employees. Recommend amendments as necessary.

§2.2-1201.1 – Criminal Background Checks – Develop a statewide policy on conducting criminal background checks for sensitive positions.

§ 2.2-1201(11) – Disciplinary Actions – Establish and administer regulations relating to disciplinary actions. Regulations permit no suspension of any state employee under investigation to be without pay for more than 10 days without a hearing by a level of supervision above the employee's immediate supervisor or agency head.

§ 2.2-4117 – Dispute Resolution – Requires adoption of a written policy to encourage use of dispute resolution proceedings.

§ 2.2-1201(14-15) – Employment Level Annual Report – Submit to members of the General Assembly by September 30th an annual report showing employment levels, changes, and terminations.

§ 2.2-1201(9) – Evaluation of Personnel Activities – Establish and administer a program evaluating the effectiveness of

agencies' performance of personnel activities.

§ 29 U.S.C. Chapters 8,9; Executive Order 27 (02) – Fair Labor Standards Act (FLSA) – Establishes minimum wage, overtime, record keeping, child labor, and equal pay standards.

§ 29 U.S.C. 2611(et seq.) – Family & Medical Leave Act (FMLA) – Comply with requirements of federal law to provide up to 12 weeks of unpaid, job-protected leave to eligible employees for certain specified family and medical reasons, to maintain employees' health insurance during the period of leave under FMLA, and to return employees to their same or equivalent positions upon their return from FMLA leave.

2009 Appropriation Act, Item 85.B.1 and B2 – Human Resource Shared Service Center – Requires DHRM to operate a human resource service center to support the human resource needs of agencies identified by the Secretary of Administration in consultation with the Department of Planning and Budget and to recover the costs of services provided.

Executive Order 44 (03); 2009 Appropriation Act Item 473.B.1– Military leave – Supporting State Employees Called to Active Duty – Requires DHRM to issue a policy establishing supplemental pay for classified state employees called to active duty military service in the Armed Forces of the US.

§ 2.2-1201(5) – Performance Evaluation – Establish and administer a system of performance evaluation for all state employees, based on quality of service rendered, related where practicable to specific standards of performance.

§ 2.2-1201(3) – Personnel Information System – Design and maintain personnel information system.

§ 2.2-1201(13) – Personnel Policies – Develop, disseminate and interpret state personnel policies and procedures to all agencies covered by the Virginia Personnel Act. Has authority to establish and interpret personnel policies and procedures, and to assure full compliance with such policies. Has no authority over state grievance procedures.

§ 42.1-86.1 to § 42.1- 88 – Records Management – Requires agency to maintain a retention and disposition schedule of public documents approved by the Librarian of Virginia.

Executive Order 73 (01) – Recruitment; Position Advertising – Expands use of the Internet for the Commonwealth Recruitment and Position Advertising.

§ 2.2-1201(6) – Recruitment; Re-employment Opportunities Pool – Establish and administer a system of recruitment designed to attract high quality employees to service of the Commonwealth.

§ 22.1-289.1 – Teacher Salary Survey – Review biannually to determine if teachers are paid at a competitive rate and report to Governor, General Assembly and Board of Education by June 1 of odd numbered years.

§ 2.2-2903 amended (07) – Veterans Preference – Requires that preference shall be given to veterans who have a service-connected disability rating fixed by the United States Veterans Administration.

2009 Appropriation Act, Item 434.D.1. – VITA – Requires DHRM to conduct a timely review of all compensation actions for VITA employees to ensure proper application of classification and compensation policies/procedures and report to VITA within five days of completion. Also requires a report to the VITA Investment Board.

§ 2.2-1201(12) - Employee Suggestion Program - Adopt and implement centralized reward and recognition program for employees whose proposed cost savings or process improvements are implemented, including requirements for notification of receipt within 30 days and determination of the feasibility of the proposal within 60 days of receipt. .

§ 2.2-2902.1. - Employees – right to contact elected officials Address in HR policy the right of state employees to contact elected officials to express concerns.

§ 2.2-1201(14-15) - Employment Level Annual Report - Submit annual report to members of the General Assembly by September 30th showing employment levels, changes, and terminations. .

Executive Order 54 (03) - Energy Conservation by State Agencies Requires agencies to implement an energy plan to reduce energy consumption, monitor and report progress to DMME, and use the Energy Efficiency and Operational Performance Contracting Act in procurement to accomplish energy conservation projects. .

§ 2.2-1201(10) - Equal Employment Opportunity - Establish and administer program to assure equal employment opportunity to applicants and to state employees in all incidents of employment. .

Executive Order 1 (02) Equal Employment Opportunity - Prohibits state agencies from engaging in unlawful employment discrimination and authorizes OEES to investigate and resolve such complaints. .

§ 2.2-1201(9) - Evaluation of Personnel Activities - Establish and administer a program of evaluation of effectiveness of performance of the personnel activities of the agencies. .

29 U.S.C.Chapters 8 & 9Executive Order 27 (02) - Fair Labor Standards Act (FLSA) - Establishes minimum wage, overtime, record keeping, child labor, and equal pay standards.

29 U.S.C. 2611(et seq.) Family & Medical Leave Act (FMLA) - Comply with requirements of federal law to provide up to 12 weeks of unpaid, job-protected leave to eligible employees for certain specified family and medical reasons, to maintain employees' health insurance during the period of leave under FMLA, and to return employees to their same or equivalent position upon their return from FMLA leave.

Executive Order 53 (03) - Financial Disclosure Statements - Requires agency head to provide updated information on positions designated to complete statement of economic interests, to have those statements submitted in a timely fashion, and to ensure that staff understand the importance and necessity of maintaining high ethical standards and conduct.

26 U.S.C. § 125 - Health Insurance - Cafeteria Plan Rules - Requires state to comply with IRS 125 rules to avoid

constructive receipt when employees are allowed to pay health care premiums on pre-tax basis. ·

42 U.S.C. § 300bb-2 - Health Insurance - Consolidated Omnibus Budget Reconciliation Act. Requires state to provide notice to employees and dependents covered under the state's health care plan of their rights to continue coverage upon certain qualifying events, such as termination of employment.

29 U.S.C. § 1181, 29 U.S.C. § 1182, 42 U.S.C. § 1320d-1329d-8, 26 U.S.C. § 7702B - Health Insurance - Health Insurance Portability and Accountability Act Requires state to issue certification of prior coverage upon termination of coverage; prohibits discrimination based on an individual's health status; requires privacy protection of plan members' individual identifiable health information; requires submission of electronic data in a standard format to business partners. Requires that electronic systems, which store or transmit individual identifiable health information be evaluated and made secure from unauthorized sources.

§ 2.2-1818.G. Health Insurance – Health Savings Accounts. Directs DHRM to include a High Deductible Health Plan (HDHP) that would qualify for a Health Savings Account pursuant to § 223 of the Internal Revenue Code of 1986, as amended, as one of its health benefit plan offerings in each planning district by July 1, 2006.

§ 2.2-1204 Health Insurance – Local Government Employees. Directs DHRM to establish a health insurance plan for employees of local governments, local officers, teachers, and retirees.

42 U.S.C. § 1395y Health Insurance - Medicare Secondary Payor. Requires state coverage to be primary to Medicare for active employees and their dependents; forbids state from offering any incentive to enroll in Medicare in lieu of state's coverage.

29 U.S.C. § 1185a Health Insurance – Mental Health Parity Act of 1996 Provides for parity in application of limits to certain mental health benefits.

29 U.S.C. § 1185 Health Insurance - Newborns' and Mothers' Protection Act of 1996 Provides protections for mothers and their newborns with regard to length of hospital stays following birth of a child.

§2.2-2818 Health Insurance - State Employees. Directs DHRM to administer a state health insurance plan for state employees and retired state employees.

§ 2.2-2820, §2.2-2818 Health Insurance - Part-Time State Employees. Directs DHRM to develop and administer a state health insurance plan for part-time state employees. Directs DHRM to offer part-time employees the same health care plan offered to full-time employees. Part-time employees pay entire premium.

29 U.S.C. § 1169 - Health Insurance - Qualified Medical Child Support Orders. Requires state to honor DSS orders to cover a child under an employee's plan; allows for alternative recipient to receive benefit payments rather than employee.

§ 2.2-2819 Health Insurance – Surviving Spouse and Dependents of State Employees Permits purchase of continued health insurance coverage for surviving spouse and dependents of active or retired state employee in certain circumstances.

29 U.S.C. § 1185b - Health Insurance - Women's Health and Cancer Rights Act of 1998 Requires plans that provide mastectomy coverage to also provide for reconstructive surgery; also requires annual notice of this benefit.

§ 2.2-1204; § 51.1-513.1; §2.2-1208 - Long Term Care Insurance - Authorizes DHRM to establish a long-term care insurance program. Requires that DHRM develop, implement and administer a LTC insurance program for any person with five or more years of VRS service with any employer. Local government employees, officers, teachers eligible for other LTC programs are ineligible.

§ 2.2-2821 Loss Prevention Program - Establishes the requirement to develop loss prevention programs. ·

Executive Order 44 (03) - Military leave - Supporting State Employees Called to Active Duty - Requires DHRM to issue a policy establishing supplemental pay for classified state employees called to active duty military service in the Armed Forces of the US.

§ 2.2-2818.L - Ombudsman - Requires DHRM to appoint an ombudsman to protect state employees' interest under state health plan.

§ 2.2-1201(5) - Performance Evaluation - Establish and administer a system of performance evaluation for all state employees, based on quality of service rendered, related where practicable to specific standards of performance.

§ 2.2-1201(3) - Personnel Information System - Design and maintain personnel information system.

§ 2.2-1201(13) - Personnel Policies - Develop, disseminate and interpret state personnel policies and procedures to all agencies covered by the Virginia Personnel Act. Authority to establish and interpret personnel policies and procedures, and to assure full compliance with such policies. Has no authority over state grievance procedures.

§ 2.2-4300 to § 2.2-4343 Procurement - Requires purchasing in accordance with mandates of the Virginia Public Procurement Act.

Executive Order 29 (02) - Procurement – Equal Opportunity - Requires each agency to prepare a written program to facilitate participation of small businesses and businesses owned by women and minorities in procurement transactions with the agency.

§ 42.1-86.1 to § 42.1- 88 - Records Management - Requires agency to maintain a retention and disposition schedule of public documents approved by the Librarian of Virginia.

Executive Order 9 (02) - Recruitment; Hiring Guidelines Requires all Cabinet Secretaries and Agency Heads to adhere to hiring policies and procedures to manage employment without adversely affecting essential services.

Executive Order 73 (01) Recruitment; Position Advertising - Expands use of the Internet for the Commonwealth Recruitment and Position Advertising.

§ 2.2-1201(6) Recruitment; Re-employment Opportunities Pool - Establish and administer a system of recruitment designed

to attract high quality employees for service to the Commonwealth.

Executive Order 52 (99) - Safe and Healthy Workplace Establishes an initiative to assure a safe and healthy workplace for state employees, to reduce the incidence of work-related accidents and illnesses, to assure that injured employees receive any benefits for which they are eligible in a timely manner, and to assist employees in returning to work.

Executive Order 69 (04) - Secure Commonwealth Initiative - Requires agency heads to certify to the Governor by June 1, 2004 that they have completed updates and/or development of plans that address continuity of their operations and services, and the security of their customers and employees, in the event of natural or man-made disasters or emergencies, including terrorist attacks. Requires that agencies exercise and test plan on or before September 1, 2005.

HD 8 (05) Study – Community Service Workers Interim Report on the Status, Impact, and Utilization of Community Health Workers - Requires DHRM, James Madison University and the Community Health Worker (CHW) Study Resolution Committee to review the Direct Services Career Group Description to ensure that CHWs are appropriately identified as a health care support occupation and defined in accordance with the Committee's findings.

29 U.S.C. §§ 621-633(a) - The Age Discrimination in Employment Act of 1967 Prohibits discrimination in all privileges and conditions of employment against persons age 40 and over.

42 U.S.C. Chapter 126 - The Americans with Disabilities Act of 1990 - Prohibits discrimination in all privileges and conditions of employment against qualified persons with a disability.

29 U.S.C. § 206 - The Equal Pay Act of 1963 - Prohibits differentiation in pay for equal work based on gender.

8 U.S.C. 1324 a & b - The Immigration Reform and Control Act of 1986 - Prohibits discrimination based on national origin and citizenship status in all privileges and conditions of employment.

42 U.S.C. 2000(e)(k) - The Pregnancy Discrimination Act of 1978 - Requires employers to treat women affected by pregnancy, childbirth, and related medical conditions, the same as other employees for all employment-related purposes.

42 U.S.C. 2000h 2 - Title IX of the Education Amendments of 1972 - Prohibits discrimination based on gender in all privileges and conditions of employment in education programs or activities that receive federal financial assistance.

42 U.S.C. 2000C-2000E-17 - Title VII of the Civil Rights Act of 1964 - Prohibits discrimination in all privileges and conditions of employment due to race, color, national origin, gender (including sexual harassment), and religion.

§ 2.2-1201(8) - Training and Management Development Establish and administer a comprehensive and integrated program of employee training and management development.

29 U.S.C. § 1607.18 - Uniform Guidelines on Employee Selection Procedures - Requires employers to determine whether tangible employment practices result in disparate impact against minorities and women, and to take affirmative corrective action if found.

§ 2.2-2903 - Veterans Preference - Requires that "additional consideration" shall be given to veterans who have a service-connected disability rating fixed by the United States Veterans Administration.

Executive Order 40 (02) - Veteran Services - Identify opportunities for improving services to veterans and implement appropriate changes, with a report on progress due to the SOA by June 30, 2003.

§ 2.2-2675 to § 2.2-2678 - Virginia Council on Human Resources Advises the Governor, DHRM and EDR on personnel matters and designates DHRM to take the lead on staff assistance.

§ 2.2-2821 - Workers' Compensation Insurance Plan - Establishes Workers' Compensation Insurance Plan.

§ 2.2-1201(16) - Workers' Compensation - Administers the workers compensation insurance plan for state employees.

§ 2.2-3200 to § 2.2-3206 - Workforce Transition Act - Provides transitional severance benefit to eligible state employees.

Customers

Customer Group	Customers served annually	Potential customers annually
DHRM Internal Service Areas	7	7
Federal Government Agencies	8	10
General Assembly	140	140
General Public	25,000	3,563,770
Governor, Cabinet, & staff	1	1
Judicial branch	3	7
Legislative branch agencies	6	7
Local Governments	375	960
Other states	49	49
Private Sector	10,000	270,000
State Agencies	180	180
State Employees	140,785	140,785

State Retirees	26,000	26,000
----------------	--------	--------

Anticipated Changes To Agency Customer Base
 [Nothing entered]

Partners

Partner	Description
DHRM partners with several firms especially in the health benefits and worker's compensation programs. See individual service areas.	The majority of the agency 's partners are firms that are third party administrators for different employee benefits.

Products and Services

- *Description of the Agency's Products and/or Services:*
 Products and services provided by the agency are shown under each individual service area.
- *Factors Impacting Agency Products and/or Services:*
 [Nothing entered]
- *Anticipated Changes in Products or Services:*
 [Nothing entered]

Finance

- *Financial Overview:*
 See Financial Breakdown tab.
- *Financial Breakdown:*

	FY 2011		FY 2012	
	General Fund	Nongeneral Fund	General Fund	Nongeneral Fund
Base Budget	\$5,106,998	\$4,219,396	\$5,093,884	\$4,154,432
Change To Base	\$0	\$0	\$0	\$0
Agency Total	\$5,106,998	\$4,219,396	\$5,093,884	\$4,154,432

This financial summary is computed from information entered in the service area plans.

Human Resources

- *Overview*
 See separate tabs.
- *Human Resource Levels*

Effective Date	9/1/2009	
Total Authorized Position level	94	
Vacant Positions	-7	
Current Employment Level	87.0	
Non-Classified (Filled)	0	breakout of Current Employment Level
Full-Time Classified (Filled)	87	
Part-Time Classified (Filled)	0	
Faculty (Filled)	0	
Wage	5	
Contract Employees	0	
Total Human Resource Level	92.0	= Current Employment Level + Wage and Contract Employees

- *Factors Impacting HR*
 The greatest factor impacting DHRM is the potential retirement of many of its employees. DHRM has the highest average age of any state agencies. Knowledge transfer is an important aspect of the agency's Workforce Plan.
- *Anticipated HR Changes*
 Anticipate additional position level reduction due to budget cuts.

Information Technology

- *Current Operational IT Investments:*
 DHRM has a goal to "create technologically advanced systems and efficient infrastructure capabilities to enable timely delivery of accurate and consistent employment information throughout the Commonwealth;" The goal seeks to achieve an evolving, robust, secure and integrated human resource information system that assists management and human resource practitioners in addressing ongoing business needs and responding to new information challenges. DHRM has worked towards this goal by leveraging the use of technology with existing resources to develop better ways of

providing information. In support of the Governor's initiatives, DHRM IT initiatives have enhanced the employer, employee, and citizen portals whereby DHRM constituents access its systems.

The highest IT priority in the agency is e-HR. In support of this priority, DHRM has made some constituent online self-services available 24-7 through the Employee Direct single sign-on web portal where employees have online, real-time access to display or update their Health Benefits information, to access the Adjunct Emergency Workforce and to access the CVC Online Pledge Processing.

DHRM has focused on providing agencies HR management and customers a variety of secure, web-based, customized HR tools to analyze, summarize or list their agency data. The HR tools are available 24-7 through the Human Resource Management (HuRMan) portal.

DHRM is in the process of web-enabling the Personnel Information Management System (PMIS) and of providing secure web-based access for employees to their personal information. Ultimately DHRM has the intention of moving the PMIS database from a mainframe, hierarchical environment to a client server, relational database.

DHRM is partnering with other agencies to cross-integrate HR or administrative systems resident on different platforms. DHRM is integrating PMIS/BES with VRS retiree systems (VIPERS) as retirees use Employee Direct to update their health benefits information, both PMIS/BES and VIPERS are updated online, real-time, virtually eliminating the need for duplicate entry in both systems. DHRM is also providing PMIS/BES data to VRS in support of HB 1830 which mandates automatic enrollment in the Commonwealth's 457 Deferred Compensation Plan for salaried state employees hired or rehired on or after January 1, 2008.

DHRM is partnering with DOA to partially integrate PMIS with the DOA Payroll (CIPPS) system to have both enterprise systems holding consistent information. DHRM is managing the administration and ownership of Employee Identification Numbers, which are now used as unique, required person identifiers in both PMIS and CIPPS. Also, PMIS is driving the edits and validation of mailing addresses based on the official standards adopted by USPS to make PMIS and CIPPS consistent in address information and format.

DHRM collects employee performance evaluation data, and calculates any statewide performance-based increases as directed by the Governor and General Assembly.

Implementing and maintaining an Enterprise-Wide Learning Management System (LMS)

DHRM is the business owner of the Enterprise Commonwealth of Virginia Knowledge Center. As the super-owner agency, DHRM maintains and manages configured business needs and profiles from agencies using or in the process of using this system, which can be customized for each agency's use.

Training is a critical component of workforce planning and staff development. Agencies must have the ability to track the knowledge, skills, and abilities of its employees to form succession plans in order to transfer knowledge to mitigate the impact of retirements.

In the past, there was no centralized, enterprise-wide system to track the knowledge of its employees. Agencies developed their own tracking methods, both manual and automated, with the information remaining with the agencies rather than moving with the employee as he/she changed jobs. DHRM took the lead in forming a task force to examine Learning Management Systems (LMS) and make a recommendation for purchase of an enterprise-wide system. Detailed system requirements were developed, many systems reviewed, an RFP posted, and a vendor selected, all in a collaborative environment in which the agencies shared opinions and decisions for the benefit of the enterprise as a whole.

In June 2004, a contract was signed with Meridian Knowledge Solutions of Chantilly, Virginia, and system development began. DHRM is the business owner of the LMS and manages the core system. During the following months, legacy data was imported from various agency systems into the LMS database. The first phase of the enterprise-wide LMS, known as the Commonwealth of Virginia Knowledge Center (COVKC), was completed on February 28, 2005 and the system went "live" on March 1, 2005.

The participating agencies in the first wave of implementation were the Department of Human Resource Management (DHRM), Department of General Services (DGS), Department of Juvenile Justice (DJJ), Virginia Department of Corrections (VADOC), Virginia Department of Transportation (VDOT), Virginia Information Technologies Agency (VITA), Virginia Employment Commission (VEC), and the Virginia State Police (VSP).

Since 2005, the COVKC has grown exponentially each year. A State Knowledge Center Administrator was hired in August 2007 to handle the overall support and implementation of the system across the Commonwealth. In addition, the overall implementation at the agency level jumped to a total of 104 live agencies using the Knowledge Center.

DHRM continues to maintain, support, and grow the COVKC on a daily basis. The main business objectives for the COVKC Administration Team are, among others, to:

- Support all current agencies using the system
- Market and demo the system to those agencies not yet using it
- Train Administrators at each agency to implement the system for their needs, including branding the site and adding content
- Design, test, and implement new system features
- Report, test, and communicate any system issues
- Create and publish statewide training initiatives (such as the Cyber Security Awareness Training, Conflict of Interest Act Training, CommonHealth programs, and many more)
- Document processes and share with the COVKC user community

While the current system continues to grow and improve, it is not a true enterprise-wide system. Therefore, the main goal of the COVKC Administration is to have all agencies participating and supporting their own Knowledge Center sites. To achieve this goal, DHRM will continue to heavily market the system, as well as continue to improve the system to meet agency needs.

In addition to this primary strategic goal, the following additional goals are targeted over the next 5 years:

- Move the hosting of the system to the Commonwealth, which would require additional COVKC Administration Team Members, IT hardware, and a funding strategy to maintain the system in the future
- Upgrade to the next-generation version of the system, Meridian Global, which will significantly enhance its capabilities and attractiveness to agencies
- Pilot the implementation of individual development plans (otherwise known as "career pathing")
- Release a Performance Management Console to handle online evaluations, including 360-degree peer review feedback and online EWP creation and storage
- Add an e-Commerce feature to handle online payments for training

As the basis for the development of these strategic goals, DHRM has identified key considerations that, if significantly changed, could affect the ability to implement the goals appropriately. Primary considerations include changes in budget, staffing, and technical infrastructure.

- Implementing and maintaining an automated Enterprise-Wide solution for time, attendance and Leave (TAL)
- DHRM has explored options for implementing an automated solution to replace the intensely manual, error-prone, often redundant and at times 'insecure' Time, Attendance, and Leave (TAL) processes that most agencies find they must use.
- DHRM has been exploring options for extending the capabilities and information that PMIS could exchange with agency systems in an effort to eliminate unnecessary data entry and streamline HRM-related business processes across Commonwealth agencies. The TAL domain alone indicates opportunities for lowering operational costs in agencies through cost avoidance, improving operational efficiencies, and delivering a higher degree of customer service.
- DHRM's objective is to obtain resources via a PIF grant to complete our efforts to extend the existing functionality of the Personnel Management Information System (PMIS) by incorporating a web-based Enterprise Solution for TAL management. All state agencies are stakeholders in this effort.
- DHRM is actively partnering with its stakeholders and understands the need to provide greater access to HR data resident in its systems (primarily PMIS) as well as respond to the need for an automated TAL offering within the Commonwealth. A requirements sub-group comprised of 13 agencies representing over 20,000 employees was quickly formed in the initial business process and conducted a preliminary cost benefit analysis and identified most of the core application requirements.
- The responsible stewardship of state resources demands the adoption of a modern, affordable solution for the automation of TAL.

- *Factors Impacting the Current IT:*

The lack of adequate funding and staffing threatens the overall quality of the Agency's services, its ability to initiate much needed new programs, its ability to compete in the market for talent, and the timely implementation of system changes and updates;

The rates implemented by the VITA/NG partnership increased DHRM IT costs without increase of services provided and without supporting funding for that increase;

Quick and Accurate Response to inquiries: DHRM must be able to respond quickly and accurately to information queries from various constituents such as the Governor, the General Assembly, management, employees, the public, and the press; It needs flexible systems to be able to adapt to unplanned mandates;

The agency's ability to respond is hampered by the lack of staff and systems integration; a medium/long-term solution the migration of the legacy system to a client server based system with full time staff and increasing the base budget by approximately by \$450,000 annually (\$90,000 total comp x 5 employees);

Information Technology Procurement: DHRM must meet industry IT standards in order to be efficient and effective in its delivery of services and therefore equipment needs to be replaced or ordered; VITA/NG procurement has been very detrimental to DHRM services when any type of equipment has been ordered through the partnership; it may take 2 to 3 months to get the goods that were taking 2 to 3 weeks when DHRM was responsible for the procurement

The lack of adequate staffing levels engender two critical threats to the continuity of IT service provided DHRM systems. First, due to inadequate staffing levels, there is little to no cross training to build staff-resource backup capacity in the event of an emergency. Second, due to inadequate staffing levels, there is little or no succession planning to ensure continuity of service due to the normal attrition of staff. As a general rule, automated systems degrade and eventually fail without senior technical staff to maintain them.

- *Proposed IT Solutions:*

The increase of the VITA/NG rates and budget cuts within DHRM are requiring reductions in service levels. Systems

that were supporting the Knowledge Creation and Management and Human Resource Management lines of businesses. These functions are mission critical and DHRM is mandated by code to provide them to constituents.

- Appropriate funding to support the VITA/NG billing increase
- Appropriate funding to support the lack of staffing
- Adequate time delivery on the procurement through VITA/NG
- Anticipated changes in State Employee Health Benefits Program: DHRM received an unsolicited PPEA proposal for patient care coordination and provider coordination services. This project has been implemented in the Hampton Roads area. If ultimately adopted statewide, this would provide a database and associated analytic tools that would enable a third party administrator (TPA) to manage some of the diverse functions within state employee health benefits. The system architecture and data interoperability would be provided by the TPA. The Governor's Executive Order 42 (2006) titled "Strengthening Transparency and Accountability in Health Care", (http://www.governor.virginia.gov/Initiatives/ExecutiveOrders/2006/EO_42.cfm) set the goals of improving:
 - 1) Health Information Technology
 - 2) Transparency of Quality Measurements
 - 3) Transparency of Pricing Information
 - 4) Promoting Quality and Efficiency of Care
- Implementation of more workforce planning tools during the 2009-2010 biennium to allow different types of data analyses.
- Implementation of additional employee 24-7 self-service applications available to all employees during 2009-2010 biennium.
- Development and implementation of new features in the Personnel Management Information System (PMIS) to extend the existing functionalities by incorporating a web-based Enterprise Solution for Time, attendance and Leave management

● *Current IT Services:*

Estimated Ongoing Operations and Maintenance Costs for Existing IT Investments

	Cost - Year 1		Cost - Year 2	
	General Fund	Non-general Fund	General Fund	Non-general Fund
Projected Service Fees	\$809,810	\$247,193	\$821,957	\$250,901
Changes (+/-) to VITA Infrastructure	\$0	\$0	\$0	\$0
Estimated VITA Infrastructure	\$809,810	\$247,193	\$821,957	\$250,901
Specialized Infrastructure	\$0	\$0	\$0	\$0
Agency IT Staff	\$0	\$0	\$0	\$0
Non-agency IT Staff	\$0	\$0	\$0	\$0
Other Application Costs	\$0	\$0	\$0	\$0
Agency IT Current Services	\$809,810	\$247,193	\$821,957	\$250,901

Comments:

[Nothing entered]

● *Proposed IT Investments*

Estimated Costs for Projects and New IT Investments

	Cost - Year 1		Cost - Year 2	
	General Fund	Non-general Fund	General Fund	Non-general Fund
Major IT Projects	\$0	\$0	\$0	\$0
Non-major IT Projects	\$0	\$0	\$0	\$0
Agency-level IT Projects	\$0	\$0	\$0	\$0
Major Stand Alone IT Procurements	\$0	\$0	\$0	\$0
Non-major Stand Alone IT Procurements	\$0	\$0	\$0	\$0
Total Proposed IT Investments	\$0	\$0	\$0	\$0

● *Projected Total IT Budget*

	Cost - Year 1		Cost - Year 2	
	General Fund	Non-general Fund	General Fund	Non-general Fund
Current IT Services	\$809,810	\$247,193	\$821,957	\$250,901

Proposed IT Investments	\$0	\$0	\$0	\$0
Total	\$809,810	\$247,193	\$821,957	\$250,901

[Appendix A](#) - Agency's information technology investment detail maintained in VITA's ProSight system.

Capital

- **Current State of Capital Investments:**
DHRM does not have Capital expenditures. Agency staff are either home-based or utilize rented state owned offices.
- **Factors Impacting Capital Investments:**
[Nothing entered]
- **Capital Investments Alignment:**
[Nothing entered]

Agency Goals

Goal 1

Provide statewide leadership in all areas of human resources management and address continuously changing management needs of state agencies throughout the Commonwealth.

Goal Objectives

- Provide high-level customer service

Link to State Strategy

- nothing linked

Objective Measures

- Percentage of customers rating services received as good or better

Measure Class: Measure Type: Measure Frequency: Preferred Trend:

Measure Baseline Value: Date:

Measure Baseline Description: FY 08 actual results

Measure Target Value: Date:

Measure Target Description: 90% as of June 30, 2010

Data Source and Calculation: We will receive 90% favorable customer service ratings from state and local government agencies and employees receiving training, consulting, and administrative services. Agencies and employees respond annually to DHRM surveys, and provide feedback upon the completion of training with a DHRM course evaluation.

Goal 2

Provide timely, accurate, and consistent human resource information utilizing cost effective delivery channels.

Goal 3

Develop and implement a statewide workforce planning program to forecast human resource trends and to assist agency management in addressing their human resource needs.

Goal 4

Strengthen the culture of preparedness across state agencies, their employees and customers

Goal Summary and Alignment

This goal ensures compliance with federal and state regulations, policies and procedures for Commonwealth preparedness, as well as guidelines promulgated by the Assistant to the Governor for Commonwealth Preparedness, in collaboration with the Governor's Cabinet, the Commonwealth Preparedness Working Group, the Department of Planning and Budget and the Council on Virginia's Future. The goal supports achievement of the Commonwealth's statewide goal of protecting the public's safety and security, ensuring a fair and effective system of justice and providing a prepared response to emergencies and disasters of all kinds.

Goal Alignment to Statewide Goals

- Elevate the levels of educational preparedness and attainment of our citizens.

Agency Comment: The goal supports achievement of the Commonwealth's statewide goal of protecting the public's safety and security, ensuring a fair and effective system of justice and providing a prepared response to emergencies and disasters of all kinds.

Goal Objectives

- We will be prepared to act in the interest of the citizens of the Commonwealth and its infrastructure during emergency situations by actively planning and training both as an agency and as individuals.

Objective Strategies

- In conjunction with the Governor's Office on Commonwealth Preparedness, work began on the Adjunct Emergency Workforce, including the development of the timeline for the roll out, training, and implementation phases. It is anticipated that the Governor will issue an announcement in September or October following an agency head meeting. DHRM has been asked to draft a general policy guide for agencies that explains the program and how it will affect employees in terms of salary, overtime, reimbursement for lodging/expenses, etc. The employee training would likely begin in November and run through March. Adequate resources for managing the adjunct workforce are going to be needed to ensure expectations are met for what will become a highly visible program.

Link to State Strategy

- nothing linked

Objective Measures

- Completion of timeline for roll out, training, and Implementation

Measure Class: Measure Type: Measure Frequency: Preferred Trend:

Measure Baseline Value: Date:

Measure Baseline Description: This is a new measure, thus a baseline is not available

Measure Target Value: Date:

Measure Target Description: Completion of timeline

Data Source and Calculation: In conjunction with the Governor's Office on Commonwealth Preparedness, work began on the Adjunct Emergency Workforce, including the development of the timeline for the roll out, training

Goal 5

Use resources efficiently and manage programs effectively, consistent with applicable state and federal requirements

Goal Summary and Alignment

To ensure that resources are used efficiently and programs are managed effectively, and in a manner consistent with applicable state and federal requirements.

Goal Alignment to Statewide Goals

- Be recognized as the best-managed state in the nation.

Goal Objectives

- To ensure that resources are used efficiently and programs are managed effectively, and in a manner consistent with applicable state and federal requirements

Link to State Strategy

- nothing linked

Objective Measures

- Percent of scorecard categories marked as "meets expectation" for the agency

Measure Class: Measure Type: Measure Frequency: Preferred Trend:

Measure Baseline Value: Date:

Measure Baseline Description: In fiscal year 2007, DHRM achieved 100% "meets expectations" on the Scorecard

Measure Target Value: Date:

Measure Target Description: 100%

Data Source and Calculation: The Management Scorecard grades agencies on six criteria. The number of cases where DHRM scored "Meets Expectations" divided by the number 6

- Average Employer Health Claim Cost per Employee

Measure Class: Measure Frequency: Preferred Trend:

Measure Baseline Value: Date:

Measure Baseline Description: FY 08 Avg Employer Health Claim Cost per Employee

Measure Target Value: 9224 Date: 6/30/2009

Measure Target Description: Maintaining cost of Health Care is Program Goal

Data Source and Calculation: Sum of all Employee Health Benefits Claims Cost divided by the Total Number of Employees in Health Benefits Program. This information is obtained from the Commonwealth of Virginia Health Benefits Annual Report

Service Area Strategic Plan

Department of Human Resource Management (129)

3/11/2014 3:30 pm

Biennium: 2010-12 ▾

Service Area 1 of 7

Agency Human Resource Services (129 704 01)

Description

Agency Human Resource Services

This statutorily mandated service area is responsible for delivering services in all functional areas of human resource (HR) management. These functional areas include: HR program development, administration, consultation, oversight, and compliance; HR infrastructure development and management; compensation management and salary administration; HR information system (HRIS) systems support; policy development and administration; talent management and workforce planning; employment and career services, including an online Recruitment Management System (RMS); employee outreach services; legislative studies; related communication and training; and a Shared Service Center that provides comprehensive on-site HR services to 16 agencies without human resource staff.

This service area provides statewide oversight, consultation, advice, technical assistance, guidance, systems support, and direct services to agencies in the management of their human resource programs. The unit also works in collaboration with other DHRM program offices to ensure that the agency's mission is achieved.

Background Information

Mission Alignment and Authority

- *Describe how this service supports the agency mission*

This unit provides statewide oversight, consultation, advice, technical assistance, guidance, systems support, and direct services to agencies in the management of their human resource programs. The unit also works in collaboration with other DHRM program offices to ensure that the agency's mission is achieved.

- *Describe the Statutory Authority of this Service*

§ 2.2-1202 - Annual Salary Survey – Review Commonwealth salaries annually to determine where discrepancies in compensation exist between the public and private sector. Report findings to the Governor and General Assembly by December 15.

§ 2.2-1201(7) - Application Form - Design and utilize an employment application form that also includes information on prior volunteer work performed by applicant.

§ 2.2-2817.1 amended Chapter 421 (05) – Alternate work schedules – Requires each agency to develop policy on alternate work schedules and telecommuting, identifying employees eligible to participate and noting, with justification, broad categories of employees ineligible to participate. Requires each agency head to set annual percentage targets for the number of positions eligible for alternative work schedules. By July 1, 2009, each state agency shall have a goal of not less than 25% of its eligible workforce participating in alternative work schedules. By January 1, 2010, each state agency, except the Department of State Police, shall have a goal of not less than 20% of its eligible workforce telecommuting. Requires each agency to report annually to the Secretary of Administration (SOA) and DHRM on the status and efficiency of telecommuting and employee participation in alternate work schedules.

§ 2.2-1201(1) – Classification – Make recommendations to the Governor regarding establishment and maintenance of a classification plan for service of the Commonwealth. Recommend amendments as necessary.

§ 2.2-1201(2) – Compensation – Make recommendations to the Governor regarding the establishment and administration of a compensation plan for all employees. Recommend amendments as necessary.

§ 2.2-1201.1 – Criminal Background Checks – Develop a statewide policy on conducting criminal background checks for sensitive positions.

§ 2.2-1201(11) – Disciplinary Actions – Establish and administer regulations relating to disciplinary actions. Regulations permit no suspension of any state employee under investigation to be without pay for more than 10 days without a hearing by a level of supervision above the employee's immediate supervisor or agency head.

§ 2.2-4117 – Dispute Resolution – Requires adoption of a written policy to encourage use of dispute resolution proceedings.

§ 2.2-1201(14-15) – Employment Level Annual Report – Submit to members of the General Assembly by September 30th an annual report showing employment levels, changes, and terminations.

§ 2.2-1201(9) – Evaluation of Personnel Activities – Establish and administer a program evaluating the effectiveness of agencies' performance of personnel activities.

§ 29 U.S.C. § Chapters 8,9; Executive Order 27 (02) – Fair Labor Standards Act (FLSA) – Establishes minimum wage, overtime, record keeping, child labor, and equal pay standards.

§ 29 U.S.C. 2611(et seq.) – Family & Medical Leave Act (FMLA) – Comply with requirements of federal law to provide up to 12 weeks of unpaid, job-protected leave to eligible employees for certain specified family and medical reasons, to maintain employees' health insurance during the period of leave under FMLA, and to return employees to their same or equivalent positions upon their return from FMLA leave.

2009 Appropriation Act, Item 85.B.1 and B2 – Human Resource Shared Service Center – Requires DHRM to operate a human resource service center to support the human resource needs of agencies identified by the Secretary of Administration in consultation with the Department of Planning and Budget and to recover the costs of services provided.

Executive Order 44 (03); 2009 Appropriation Act Item 473.B.1– Military leave – Supporting State Employees Called to Active Duty – Requires DHRM to issue a policy establishing supplemental pay for classified state employees called to active duty military service in the Armed Forces of the US.

§ 2.2-1201(5) – Performance Evaluation – Establish and administer a system of performance evaluation for all state employees, based on quality of service rendered, related where practicable to specific standards of performance.

§ 2.2-1201(3) – Personnel Information System – Design and maintain personnel information system.

§ 2.2-1201(13) – Personnel Policies – Develop, disseminate and interpret state personnel policies and procedures to all agencies covered by the Virginia Personnel Act. Has authority to establish and interpret personnel policies and procedures, and to assure full compliance with such policies. Has no authority over state grievance procedures.

§ 42.1-86.1 to § 42.1- 88 – Records Management – Requires agency to maintain a retention and disposition schedule of public documents approved by the Librarian of Virginia.

Executive Order 73 (01) – Recruitment; Position Advertising – Expands use of the Internet for the Commonwealth Recruitment and Position Advertising.

§ 2.2-1201(6) – Recruitment; Re-employment Opportunities Pool – Establish and administer a system of recruitment designed to attract high quality employees to service of the Commonwealth.

§ 22.1-289.1 – Teacher Salary Survey – Review biannually to determine if teachers are paid at a competitive rate and report to Governor, General Assembly and Board of Education by June 1 of odd numbered years.

§ 2.2-2903 amended (07) – Veterans Preference – Requires that preference shall be given to veterans who have a service-connected disability rating fixed by the United States Veterans Administration.

2009 Appropriation Act, Item 434.D.1. – VITA – Requires DHRM to conduct a timely review of all compensation actions for VITA employees to ensure proper application of classification and compensation policies/procedures and report to VITA within five days of completion. Also requires a report to the VITA Investment Board.

Customers

Agency Customer Group	Customer	Customers served annually	Potential annual customers
Federal Government Agencies	Federal Government Agencies	2	10
General Assembly	General Assembly	25	140
General Public	General Public	100	3,563,770
Governor, Cabinet, & staff	Governor, Cabinet, & staff	1	1
Judicial branch	Judicial branch	4	7
Legislative branch agencies	Legislative branch agencies	5	7
Local Governments	Local Governments	25	960
Other states	Other states	35	49
Private Sector	Private Sector	25	270,000
State Agencies	State Agencies	150	180
State Employees	State Employees	72,000	140,785

Anticipated Changes To Agency Customer Base
 [Nothing entered]

Partners

Partner	Description
[None entered]	

Products and Services

- *Factors Impacting the Products and/or Services:*
 [Nothing entered]
- *Anticipated Changes to the Products and/or Services*
 [Nothing entered]
- *Listing of Products and/or Services*
 - Provide HR Management Consulting - Consulting to agencies' HR staff, agencies' management, cabinet officials - Classification and compensation management - HR policy guidance, assistance, and administration - Infrastructure management: - HR Management Manual - Development/application of compensation tools - Career

Base				
Service Area Total	\$1,498,804	\$0	\$1,498,804	\$0
Base Budget	\$1,498,804	\$0	\$1,498,804	\$0
Change To Base	\$0	\$0	\$0	\$0
Service Area Total	\$1,498,804	\$0	\$1,498,804	\$0
Base Budget	\$1,498,804	\$0	\$1,498,804	\$0
Change To Base	\$0	\$0	\$0	\$0
Service Area Total	\$1,498,804	\$0	\$1,498,804	\$0

Human Resources

- *Human Resources Overview*
The service unit is primarily staffed with professionals; there is limited administrative support staff. Staff is highly experienced and continues to adapt to changing requirements and expectations. Occasionally, staff is augmented with wage employees for specific projects.

- *Human Resource Levels*

Effective Date	7/1/2009	
Total Authorized Position level	15	
Vacant Positions	1	
Current Employment Level	14.0	
Non-Classified (Filled)	0	<i>breakout of Current Employment Level</i>
Full-Time Classified (Filled)	16	
Part-Time Classified (Filled)	0	
Faculty (Filled)	0	
Wage	3	
Contract Employees	0	
Total Human Resource Level	17.0	<i>= Current Employment Level + Wage and Contract Employees</i>

- *Factors Impacting HR*
Average age of staff continues to increase; resources for training are limited.
- *Anticipated HR Changes*
Over next several years, significant number of staff could retire. This will necessitate costs to recruit to replace staff, or require a readjustment/realignment of products, services, and expectations.

Service Area Objectives

- Provide high-level customer service

Alignment to Agency Goals

- Agency Goal: Provide statewide leadership in all areas of human resources management and address continuously changing management needs of state agencies throughout the Commonwealth.

Link to State Strategy

- nothing linked

Objective Measures

- Percentage of customers rating services received as good or better

Measure Class: Other Measure Type: Outcome Measure Frequency: Annual Preferred Trend: Up

Measure Baseline Value: 91.67 Date: 7/1/2009

Measure Baseline Description: FY 08 actual results

Measure Target Value: 90 Date: 6/30/2012

Measure Target Description: 90% as of June 30, 2012

Data Source and Calculation: Agencies and employees respond annually to DHRM surveys, and provide feedback upon the completion of training with a DHRM course evaluation. Customer satisfaction surveys use a Likert scale of 1 to 6, with 6 as the highest score. Percentage of favorable ratings represents number of ratings 5 to 6 divided by total number of responses.

Service Area Strategic Plan

Department of Human Resource Management (129)

3/11/2014 3:30 pm

Biennium: 2010-12 ▾

Service Area 2 of 7

Equal Employment Services (129 704 03)

Description

Equal Employment Services

This statutorily mandated service area is responsible for the administration of a comprehensive equal employment opportunity program. This includes investigation/resolution of complaints of illegal discrimination filed by state employees (classified, faculty, wage and probationary) and applicants for state employment as well as the administration of a compliance program to determine whether agencies' human resource management practices result in disparate impact against protected classes.

In addition, this service area provides training and technical guidance to state agencies and local governments concerning equal employment opportunity related matters. Moreover, this service area is responsible for responding to appeals of hearing officers' rulings from grievant and agency management officials concerning whether rulings comport with state human resource management policies and procedures.

Background Information

Mission Alignment and Authority

- Describe how this service supports the agency mission

Equal employment opportunity is an integral component of human resource management. Federal and state anti-discrimination laws prohibit discrimination in all privileges and conditions of employment.

- Describe the Statutory Authority of this Service

Code of Virginia at § 2.2-1201(10), Equal Employment Opportunity, establishes and administers a program to assure equal employment opportunity to applicants and to state employees in all incidents of employment;

Governor's Executive Order No. 1 (2006), Equal Employment Opportunity, prohibits state agencies from engaging in acts of unlawful employment discrimination and authorizes OEES to investigate and resolve such complaints;

Code of Virginia at § 2.2-1201(9), Evaluation of Personnel Activities, establishes and administers a program to evaluate the effectiveness of performance of the personnel activities of the agencies;

29 U.S.C. §§ 621-633(a), Age Discrimination in Employment Act of 1967, as amended, prohibits discrimination in all privileges and conditions of employment against persons age 40 and over;

42 U.S.C. Chapter 126, Americans with Disabilities Act of 1990, prohibits discrimination in all privileges and conditions of employment against qualified persons with a disability;

29 U.S.C. § 206, Equal Pay Act of 1963, prohibits differentiation in pay for equal work based on gender;

8 U.S.C. 1324 a & b, Immigration Reform and Control Act of 1986, prohibits discrimination based on national origin and citizenship status in all privileges and conditions of employment;

42 U.S.C. 2000(e)(k), Pregnancy Discrimination Act of 1978, requires employers to treat women affected by pregnancy, childbirth, and related medical conditions, the same as other employees for all employment-related purposes;

42 U.S.C. 2000h 2, Title IX of the Education Amendments of 1972, prohibits discrimination based on gender in all privileges and conditions of employment in education programs or activities that receive federal financial assistance;

42 U.S.C. 2000C-2000E-17, Title VII of the Civil Rights Act of 1964, as amended, prohibits discrimination in all privileges and conditions of employment due to race, color, national origin, gender (including sexual harassment), and religion;

29 U.S.C. § 1607.18, Uniform Guidelines on Employee Selection Procedures, requires employers to determine whether tangible employment practices result in disparate impact against minorities and women, and to take affirmative corrective action if found; and

Code of Virginia at Chapter 413§ 2.2-2903 amended (05), Veterans Preference, requires that "additional consideration" shall be given to veterans who have a service-connected disability rating fixed by the United States Veterans Administration.

PL 110-325, 2008 § 3406, ADA Amendments Act of 2008, carries out the ADA's objectives of providing a clear and comprehensive national mandate for the elimination of discrimination and clear, strong, consistent, enforceable standards addressing discrimination by reinstating a broad scope of protection to be available under the ADA;

PL 111-2, 2009 §181, Lilly Ledbetter Fair Pay Act of 2009, amends Title VII of the Civil Rights Act of 1964 (42 USC 2000e-5(e)), the Age Discrimination in Employment Act of 1967(29 U.S.C. 626(d)), the Americans With Disabilities Act of 1990 (42 U.S.C. 12111 et seq., 12203) and the Rehabilitation Act of 1973 (29 U.S.C. 794a(a)) to declare that an

Base Budget	\$790,780	\$6,217	\$782,780	\$6,217
Change To Base	\$0	\$0	\$0	\$0

Service Area Total	\$790,780	\$6,217	\$782,780	\$6,217
Base Budget	\$790,780	\$6,217	\$782,780	\$6,217
Change To Base	\$0	\$0	\$0	\$0

Service Area Total	\$790,780	\$6,217	\$782,780	\$6,217
Base Budget	\$790,780	\$6,217	\$782,780	\$6,217
Change To Base	\$0	\$0	\$0	\$0

Service Area Total	\$790,780	\$6,217	\$782,780	\$6,217
Base Budget	\$790,780	\$6,217	\$782,780	\$6,217
Change To Base	\$0	\$0	\$0	\$0

Service Area Total	\$790,780	\$6,217	\$782,780	\$6,217
Base Budget	\$790,780	\$6,217	\$782,780	\$6,217
Change To Base	\$0	\$0	\$0	\$0

Service Area Total	\$790,780	\$6,217	\$782,780	\$6,217
Base Budget	\$790,780	\$6,217	\$782,780	\$6,217
Change To Base	\$0	\$0	\$0	\$0

Service Area Total	\$790,780	\$6,217	\$782,780	\$6,217
--------------------	-----------	---------	-----------	---------

Human Resources

- *Human Resources Overview*

The service unit is primarily staffed with professionals; there is limited administrative support staff. Staff is highly experienced and continues to adapt to changing requirements and expectations.

- *Human Resource Levels*

Effective Date	7/1/2009
Total Authorized Position level	7
Vacant Positions	0
Current Employment Level	7.0
Non-Classified (Filled)	0
Full-Time Classified (Filled)	7

breakout of Current Employment Level

Part-Time Classified (Filled)	0
Faculty (Filled)	0
Wage	2
Contract Employees	0
Total Human Resource Level	9.0 = <i>Current Employment Level + Wage and Contract Employees</i>

- **Factors Impacting HR**
Average age of staff continues to increase; resources for training and/or professional development are limited.
- **Anticipated HR Changes**
Over the next several years, a significant number of staff could retire. This will necessitate costs to recruit and replace staff or require a readjustment/realignment of products, services and expectations.

Service Area Objectives

- Provide high-level customer service

Link to State Strategy

- nothing linked

Objective Measures

- Percentage of customers rating services received as good or better

Measure Class: Measure Type: Measure Frequency: Preferred Trend:

Measure Baseline Value: Date:

Measure Baseline Description: FY 08 actual results

Measure Target Value: Date:

Measure Target Description: 90% as of June 30, 2012

Data Source and Calculation: Agencies and employees respond annually to DHRM surveys, and provide feedback upon the completion of training with a DHRM course evaluation. Customer satisfaction surveys use a Likert scal of 1 to 6, with 6 as the highest score. Percentage of favorable ratings represents number of ratings 5 and 6 divided by total number of responses.

- Promote fairness and equity in state employment.

Objective Description

Promote fairness and equity in state employment

Objective Strategies

- Identify agencies with disparate impact indicators by using the EEO Assessment Tool
- Review any additional information submitted by each agency
- Counsel agencies with disparate impact indicators

Link to State Strategy

- nothing linked

Objective Measures

- Percentage of agencies with disparate impact indicators counseled

Measure Class: Measure Type: Measure Frequency: Preferred Trend:

Measure Baseline Value: Date:

Measure Baseline Description: FY 09 Actual is used as the baseline

Measure Target Value: Date:

Measure Target Description: 100 % of agencies identified with post-audit disparate impacts received counseling

Data Source and Calculation: Statistical analysis of indicators using the EEO Assessment Tool, review of response of agencies showing pre-audit non-compliance, and documentation of counseling agencies who are post-audit non-compliant

Service Area Strategic Plan

Department of Human Resource Management (129)

3/11/2014 3:30 pm

Biennium: 2010-12 ▾

Service Area 3 of 7

Health Benefits Services (129 704 06)

Description

This statutorily mandated service area has the responsibility of administering a comprehensive health benefits program for state employees, state retirees and their dependents. It is also responsible for providing health benefits to local governments and school jurisdiction employees, dependents and retirees.

Associated outcomes include providing health benefits and related programs that are competitive with private industry and other governmental entities. In FY 08, the state health plan enrolled more than 95,000 employees and received over 6.5 million claims, paying out \$762.1 million in benefits, including 2.3 million prescriptions and \$158.1 million in prescription drug claims. In FY 08, customer satisfaction with the overall health plan and health care was 96.1 percent, which was above the 90 percent target.

Background Information

Mission Alignment and Authority

- Describe how this service supports the agency mission

This service area directly aligns with DHRM's mission to provide our customers with guidance, consultation, training, and delivery of services.

The service area also aligns with agency goals:

- Provide statewide leadership in all areas of human resources management and address continuously changing management needs of state agencies throughout the Commonwealth
- Provide timely, accurate and consistent human resource information utilizing cost effective delivery channels.

In addition, the service area aligns with Council on Virginia's Future vision and long-term objectives; to be the best managed state in the country, and to inspire and support Virginians toward healthy lives and strong and resilient families.

- Describe the Statutory Authority of this Service

Code of Virginia Section 2.2-2818

Customers

Agency Customer Group	Customer	Customers served annually	Potential annual customers
DHRM Internal Service Areas	Agency internal service areas	7	7
General Public	General Public	100	3,563,770
Governor, Cabinet, & staff	Governor, staff and cabinet	1	1
State Agencies	HR Departments	180	180
Legislative branch agencies	Legislative branch agencies	7	7
Local Governments	Local Employers	240	1,000
Local Governments	Local Governments	325	960
Other states	Other states	49	49
Private Sector	Private Sector	125	270,000
State Employees	Retiree benefits	26,000	26,000
General Assembly	Senators, delegates & staff	140	140
State Employees	State Employees	100,900	140,785
State Retirees	State Retirees	26,000	26,000
Local Governments	TLC groups and retirees	29,000	120,000

Anticipated Changes To Agency Customer Base

Partnerships with private sector employers for Healthy Virginians initiatives will increase number of customers in that area. Expansion of The Local Choice health program to more local government entities will increase the number of local governments and local government employees and retirees served

Partners

Partner	Description
Anthem Blue Cross and Blue Shield	Third party administrator for medical/surgical benefits provided under state and The Local Choice health programs
Aon Consulting	Actuarial and health benefits consulting for state and The Local Choice health programs
Continental Health Promotion	Third party administrator for wellness programs provided to state employees and employees of The Local Choice groups

To Base	\$0	\$0	\$0	\$0
---------	-----	-----	-----	-----

Service Area Total	\$0	\$2,618,660	\$0	\$2,553,696
Base Budget	\$0	\$2,618,660	\$0	\$2,553,696
Change To Base	\$0	\$0	\$0	\$0

Service Area Total	\$0	\$2,618,660	\$0	\$2,553,696
Base Budget	\$0	\$2,618,660	\$0	\$2,553,696
Change To Base	\$0	\$0	\$0	\$0

Service Area Total	\$0	\$2,618,660	\$0	\$2,553,696
Base Budget	\$0	\$2,618,660	\$0	\$2,553,696
Change To Base	\$0	\$0	\$0	\$0

Service Area Total	\$0	\$2,618,660	\$0	\$2,553,696
Base Budget	\$0	\$2,618,660	\$0	\$2,553,696
Change To Base	\$0	\$0	\$0	\$0

Service Area Total	\$0	\$2,618,660	\$0	\$2,553,696
--------------------	-----	-------------	-----	-------------

Human Resources

• *Human Resources Overview*

The service unit is staffed primarily with professionals and specialists, with some administrative support staff. Staff members are highly experienced in their field, keep abreast of state and federal regulatory changes and industry trends, and adapt to changing requirements and expectations including a constantly changing legislative environment.

• *Human Resource Levels*

Effective Date	7/1/2009	
Total Authorized Position level	20	
Vacant Positions	0	
Current Employment Level	20.0	
Non-Classified (Filled)	0	<i>breakout of Current Employment Level</i>
Full-Time Classified (Filled)	20	
Part-Time Classified (Filled)	0	
Faculty (Filled)	0	
Wage	0	
Contract Employees	0	
Total Human Resource Level	20.0	<i>= Current Employment Level + Wage and Contract Employees</i>

• *Factors Impacting HR*

Average age of staff continues to increase, and a number are at or approaching retirement eligibility. Two new positions have been added to support the retiree program.

• *Anticipated HR Changes*

Over the next several years there is anticipated to be some staff turnover due to retirement. In addition, legislative mandates may necessitate additional staff. The factors will result in recruitment cost or require a

readjustment or realignment of products, services and expectations.

Service Area Objectives

- Provide high-level customer service

Link to State Strategy

- nothing linked

Objective Measures

- Percentage of customers rating services received as good or better

Measure Class: Measure Type: Measure Frequency: Preferred Trend:

Measure Baseline Value: Date:

Measure Baseline Description: FY08 satisfaction rating

Measure Target Value: Date:

Measure Target Description: 90% as of June 30, 2012

Data Source and Calculation: Customer satisfaction surveys conducted annually for medical, surgical, dental, drug and behavioral health third party administrators (TPA). Surveys for each TPA are weighted based on percentage of total claims. Percentage represents customer ratings of 7 to 10.

- Promote a healthy lifestyle for state employees

Objective Description

Promote a healthy lifestyle for state employees.

Objective Strategies

- Continue focus on integrated case management and chronic disease management programs, incorporating individual vendor strategies and strengths into a comprehensive and broad based program.
- Evaluate wellness and preventive care benefit provisions under the state health program to ensure they are competitive and encourage appropriate lifestyle behaviors that promote better health habits. Deliver to local government employers high-quality, cost effective health programs that are competitive with public carrier offerings and provide wellness, preventive care and disease management focus similar to those offered to state employees.
- Implement educational, wellness and disease management programs to improve the health and fitness of state and local government employees and retirees and their families and to help them better manage chronic conditions.

Link to State Strategy

- nothing linked

Objective Measures

- Percentage of enrolled participants in the disease management program

Measure Class: Measure Type: Measure Frequency: Preferred Trend:

Measure Baseline Value: Date:

Measure Baseline Description: 41% participation in disease management program

Measure Target Value: Date:

Measure Target Description: 43% participation in disease management program

Data Source and Calculation: percentage participation in disease management program as provided by the third party administrator

- Percentage increase in utilization for the state wellness program

Measure Class: Measure Type: Measure Frequency: Preferred Trend:

Measure Baseline Value: Date:

Measure Baseline Description: Percentage of state employees participating in CommonHealth

Measure Target Value: Date:

Measure Target Description: 2% increase in employees participating in wellness programs

Data Source and Calculation: CommonHealth Participation Rate

- Percentage increase of employees and family members utilizing annual checkups and screenings

Measure Class: Measure Type: Measure Frequency: Preferred Trend:

Measure Baseline Value: Date:

Measure Baseline Description: FY 08 actual results

Measure Target Value: Date:

Measure Target Description: 10% increase in employees and family members having preventive tests

Data Source and Calculation: Increase number of annual checkups and screenings

- Maintain a competitive health benefits program for state and local government employees and retirees.

Objective Description

The program provides a cost-effective health benefit program for state employees and retirees and employees and retirees of local government groups participating in The Local Choice program.

Alignment to Agency Goals

- Agency Goal: Provide statewide leadership in all areas of human resources management and address continuously changing management needs of state agencies throughout the Commonwealth.

Link to State Strategy

- nothing linked

- Comply with federal regulations for Medicare Part D Drug Benefit program for state retiree health programs.

Objective Description

Retiree programs have been evaluated in context with the new Medicare Part D drug benefit and the part D benefit has been integrated with the existing retiree programs and communicated to the Medicare-eligible retiree population. Communication and education to this population continues to be extremely important, as is compliance with federal regulations and CMS (Center for Medicare Services) guidelines and standards.

Alignment to Agency Goals

- Agency Goal: Provide statewide leadership in all areas of human resources management and address continuously changing management needs of state agencies throughout the Commonwealth.

Objective Strategies

- Continue to communicate Medicare Part D benefits to retirees and assist them, through written communication and retiree meetings, in making informed decisions about their drug benefit.
- Evaluate retiree health program options to determine cost effective program that meets retiree health care coverage needs.
- Perform cost-benefit analysis of Enhanced Medicare Part D benefit to determine if retirees are best being served by continuation of benefit through retiree health program or whether a commercial Part D program would provide a comparable benefit at a substantially lower cost.

Link to State Strategy

- nothing linked
-

Service Area Strategic Plan

Department of Human Resource Management (129)

3/11/2014 3:30 pm

Biennium: 2010-12

Service Area 4 of 7

Personnel Development Services (129 704 09)

Description

This statutorily mandated unit is responsible for administering a comprehensive and integrated statewide program of employee training and management development for the Commonwealth's workforce. It provides both Open Enrollment and customized in-house courses to all state agencies. It also provides organizational development consulting to state agencies, and maintains the state-approved vendor pricing agreement for soft-skills classes (both instructor-led and technologically delivered). The unit manages three statewide programs: the Virginia Certified Manager's Program (VaCPM), the Managing Virginia Program (MVP), and the Human Resource Institute (HRI). This unit is also responsible for the site administration of the DHRM Knowledge Center – the statewide learning management system. Associated outcomes include the training of a better-prepared workforce and managerial staff for the Commonwealth.

Background Information

Mission Alignment and Authority

- Describe how this service supports the agency mission

Personnel Development Services (PDS) is an integral component of human resource management, it specifically ties into all primary goals of the Department of Human Resource Management (DHRM). In addition, it aligns with the Council on Virginia's Future vision and long-term objectives to be the best managed state in the Country.

- Describe the Statutory Authority of this Service

The Code of Virginia mandates that the Department of Human Resource Management (DHRM) establish and administer a comprehensive and integrated program of employee training and management development. The Virginia Administrative Code directs DHRM to plan, conduct, and coordinate a comprehensive program of employee training and management development to meet the needs of the Commonwealth's work force.

Code of Virginia at 2.2-1201 (8):

The Department shall have the following duties:

- Establish and administer a comprehensive and integrated program of employee training and management development.

Virginia Administrative Code:

VAC AGENCY NO. 55

DEPARTMENT OF HUMAN RESOURCE MANAGEMENT

AGENCY SUMMARY

The Department of Human Resource Management establishes and maintains a human resource management program to attract and retain a qualified work force for the Commonwealth in accordance with the Virginia Personnel Act. . . . It plans, conducts, and coordinates a comprehensive program of employee training and management development to meet the needs of the Commonwealth's work force.

Customers

Agency Customer Group	Customer	Customers served annually	Potential annual customers
Federal Government Agencies	Federal Government	0	10
General Assembly	General Assembly	140	140
General Public	General Public	10	0
Governor, Cabinet, & staff	Governor, Cabinet, & staff	1	1
Judicial branch	Judicial agencies	4	7
Legislative branch agencies	Legislative agencies	5	7
Local Governments	Local Governments	5	960
State Agencies	State agencies	180	180
State Employees	State employees	3,000	140,785

Anticipated Changes To Agency Customer Base

[Nothing entered]

Partners

Partner	Description
State Training Council	PDS partners regularly with the agencies on the State Training Council. The Managing Virginia Program is one result of that partnership. Others include sharing resources and networking, and using the Council for a focus group on statewide initiatives.

Products and Services

Budget	\$481,424	\$257,816	\$481,424	\$257,816
Change To Base	\$0	\$0	\$0	\$0

Service Area Total	\$481,424	\$257,816	\$481,424	\$257,816
Base Budget	\$481,424	\$257,816	\$481,424	\$257,816
Change To Base	\$0	\$0	\$0	\$0

Service Area Total	\$481,424	\$257,816	\$481,424	\$257,816
Base Budget	\$481,424	\$257,816	\$481,424	\$257,816
Change To Base	\$0	\$0	\$0	\$0

Service Area Total	\$481,424	\$257,816	\$481,424	\$257,816
--------------------	-----------	-----------	-----------	-----------

Human Resources

- *Human Resources Overview*

[Nothing entered]

- *Human Resource Levels*

Effective Date	7/1/2009
Total Authorized Position level	5
Vacant Positions	0
Current Employment Level	5.0
Non-Classified (Filled)	0
Full-Time Classified (Filled)	5
Part-Time Classified (Filled)	0
Faculty (Filled)	0
Wage	0
Contract Employees	0
Total Human Resource Level	5.0

breakout of Current Employment Level

= Current Employment Level + Wage and Contract Employees

- *Factors Impacting HR*

[Nothing entered]

- *Anticipated HR Changes*

[Nothing entered]

Service Area Objectives

- Provide high-level customer service

Objective Description

Provide high-level customer service.

Alignment to Agency Goals

- Agency Goal: Provide statewide leadership in all areas of human resources management and address continuously changing management needs of state agencies throughout the Commonwealth.

Objective Strategies

- Increase access to learning by offering more online, distant learning and partnership courses
- Provide annual statewide training report

Link to State Strategy

- nothing linked

Objective Measures

- Percentage of customers rating services received as good or better

Measure Class: Measure Type: Measure Frequency: Preferred Trend:

Measure Baseline Value: Date:

Measure Baseline Description: Baseline of FY09 results

Measure Target Value: Date:

Measure Target Description: 90% in FY 2010

Data Source and Calculation: Customer satisfaction surveys using a Likert scale of 1 to 6, with 6 as the highest score. Percentage of favorable ratings represents number of ratings 5 and 6 divided by total number of responses.

- Increase the utilization of the VaCPM program

Alignment to Agency Goals

- Agency Goal: Provide statewide leadership in all areas of human resources management and address continuously changing management needs of state agencies throughout the Commonwealth.

Link to State Strategy

- nothing linked
-

Service Area Strategic Plan

Department of Human Resource Management (129)

3/11/2014 3:30 pm

Biennium: 2010-12

Service Area 5 of 7

State Employee Services (129 704 17)

Description

This service unit provides a range of services to Commonwealth of Virginia employees, including: Development of employee communications; implementing employee reward and recognition programs; organizing employee special events and programs; managing the Executive Order-driven annual workplace giving Commonwealth of Virginia Campaign; coordinating employee-focused wellness programs; and developing and implementing employee discount programs.

Associated outcomes include enhancing employee morale through the participation in the Commonwealth of Virginia Campaign and development of effective employee communications, reward and recognition programs and wellness programs.

Background Information

Mission Alignment and Authority

- Describe how this service supports the agency mission
The Office of State Employee Services aligns to the agency's mission of addressing the diverse human resources needs of our customers through guidance, consultation, and training. It aligns to the agency's goals of providing timely, accurate, and consistent human resource information utilizing cost effective delivery channels; providing statewide leadership in all areas of human resources management and addressing continuously changing management needs of state agencies throughout the Commonwealth; and developing and implementing a statewide workforce planning program to forecast human resource trends and to assist agency management in addressing their human resource needs.
- Describe the Statutory Authority of this Service
Executive Order Thirty-Two (02) Commonwealth of Virginia Campaign
Code of Virginia § 2.2-1201.4 Employee communication
Executive Order Sixty-Five (00) Electronic government
Executive Order Seventy-Three (01) Use of Internet for recruiting

See additional information in the Statutory Authority section for the agency.

Customers

Agency Customer Group	Customer	Customers served annually	Potential annual customers
Federal Government Agencies	acts as state liaison with federal Savings Bond Program and provides support for federal queries relating to state policies and programs.	0	0
Private Sector	answers queries about state policies and activities and provides customer service and information to charities as part of the workplace giving campaign.	0	0
Local Governments	assists in the development and dissemination of information to local governments relating to clarification of health insurance policies and benefits. CommonHealth Coordinators provide members of The Local Choice with training materials.	240	960
DHRM Internal Service Areas	Communications and special events assistance for office areas within the Department.	5	5
State Employees	develops communications tools and programs for human resource initiatives. CommonHealth Coordinators provide training and guidance to employees on healthy lifestyle choices.	115,000	140,785
Governor, Cabinet, & staff	provides communications support and staff assistance for multiple initiatives associated with the Governor's office.	1	1
General Public	provides support for agency office areas relating to FOIA requests and other public queries and interacts with donors and charities in a variety of ways	1,300	3,563,770
State Agencies	responds to agency needs relating to employee programs, providing consulting assistance and materials as appropriate	140	140

Anticipated Changes To Agency Customer Base

Potential increase in the number of charities due to a change in eligibility requirements for the workforce giving campaign. Increased workload in communications because of the Healthy Virginians initiative, including greater interface with and involvement from the private sector

Partners

Partner	Description
United Way of Hampton Roads	third party processor of charitable pledges for workplace charitable giving campaign.

Products and Services

- *Factors Impacting the Products and/or Services:*
[Nothing entered]
- *Anticipated Changes to the Products and/or Services*
[Nothing entered]
- *Listing of Products and/or Services*
 - Development of communications materials, including e-newsletters, the DHRM Web site and e-mail lists.
 - Responses to media, citizen and organization inquiries.
 - Coordination of special programs and events, such as the Governor’s Awards program, wellness initiatives and other rewards and recognition events.
 - Oversight of Commonwealth of Virginia (CVC) workplace charitable giving campaign.
 - Records Management. This involves overseeing the proper maintenance of agency public records at the Library of Virginia.
 - FOIA Coordination. The service area coordinates responses to FOIA requests received by the agency.

Finance

- *Financial Overview*
[Nothing entered]
- *Financial Breakdown*

	FY 2011		FY 2012		FY 2011	FY 2012	FY 2011	FY 2012
	General Fund	Nongeneral Fund	General Fund	Nongeneral Fund				
Base Budget	\$0	\$214,966	\$0	\$214,966				
Change To Base	\$0	\$0	\$0	\$0				
Service Area Total	\$0	\$214,966	\$0	\$214,966				
Base Budget	\$0	\$214,966	\$0	\$214,966				
Change To Base	\$0	\$0	\$0	\$0				
Service Area Total	\$0	\$214,966	\$0	\$214,966				
Base Budget	\$0	\$214,966	\$0	\$214,966				
Change To Base	\$0	\$0	\$0	\$0				
Service Area Total	\$0	\$214,966	\$0	\$214,966				

Human Resources

- *Human Resources Overview*
During FY09 the CommonHealth function which was previously outsourced was brought in-house. This resulted in 10 new positions, which serve as home-based regional CommonHealth Coordinators. These staff present and train employees statewide in the benefits and rewards of making healthy choices.
- *Human Resource Levels*

Effective Date	7/1/2005
Total Authorized Position level	5
Vacant Positions	0
Current Employment Level	5.0

Non-Classified (Filled)	0	breakout of Current Employment Level
Full-Time Classified (Filled)	5	
Part-Time Classified (Filled)	0	
Faculty (Filled)	0	
Wage	0	
Contract Employees	0	
Total Human Resource Level	5.0	= Current Employment Level + Wage and Contract Employees

- *Factors Impacting HR*
[Nothing entered]
- *Anticipated HR Changes*
[Nothing entered]

Service Area Objectives

- Provide high-level customer service

Objective Description

This activity provides a central outlet for information to the agency's internal and external customers. Information is developed and disseminated electronically that focuses on workplace issues and reinforces the agency's mission, training, provision of health benefits, EEO policies and workers' compensation matters.

Alignment to Agency Goals

- Agency Goal: Provide timely, accurate, and consistent human resource information utilizing cost effective delivery channels.

Objective Strategies

- Maintain a five-day turnaround for routine posting of Web new pages.
- Update DHRM Web pages to make material more readable and customer friendly.
- Develop a customer satisfaction survey to gauge levels of satisfaction with service and distribute annually.
- Coordinate with ITECH on delivery of new products and services to customers on an as-needed basis.
- Develop employee electronic newsletter for distribution on quarterly basis with opt-out feature.
- Develop communications program to emphasize workplace wellness activities.
- Develop targeted communications programs to highlight employee benefit programs.
- Coordinate financial planning programs for state employees as needed.
- Develop and update as needed targeted e-mail lists.
- Add employee feedback feature to DHRM Web site.
- Use an Employee Recognition Council to enhance agency awareness of Virginia Public Service Week and assist in the development of agency-specific recognition programs.
- Develop a Speakers Bureau of previous Governor's Award recipients to be available for agency events to promote the program and reward and recognition events in general.
- Develop a training module for the Managing Virginia Program emphasizing the value of recognizing outstanding employees.
- Develop a "Wall of Fame" in an appropriate public location featuring past recipients of Governor's Awards.
- Coordinate special events regionally, and provide rewards and recognition, as needed, to motivate financial planning among the state workforce.
- Analyze trends in agency giving and focus on areas of opportunity to increase contributions.
- Enhance the wellness program for delivery to agencies, including communications, recognition, special programs and a revised program focus.
- Plan rewards and recognition events for agency wellness coordinators, and promote their successes through on-line publications and Web sites.
- Develop message board for coordinators to share information and successes.
- Coordinate communications messages developed by Office of Health Benefits to focus on wellness initiatives.

Link to State Strategy

- nothing linked

Objective Measures

- Percentage of customers rating services received as good or better

Measure Class: Measure Type: Measure Frequency: Preferred Trend:

Measure Baseline Value: Date:

Measure Baseline Description: FY09 actual results

Measure Target Value: Date:

Measure Target Description: 90% as of June 30, 2012

Data Source and Calculation: Agencies and employees respond annually to DHRM surveys, and provide feedback upon completion of training with a DHRM course evaluation. Customer satisfaction surveys use a Likert scale of 1 to 6, with 6 as the highest score. Percentage of favorable ratings represents number of ratings 5 and 6 divided by total number of responses. The previous measure of 90% favorable ratings of 4, 5 and 6 divided by total number of responses was achieved in FY07 with 91% rating.

- Provide an annual workplace charitable giving program through the Commonwealth of Virginia Campaign (CVC) program, maximizing charitable dollars raised, volunteerism and employee participation.

Objective Description

The annual Commonwealth of Virginia Campaign (CVC) administers the workplace giving program, which over the last eight years has raised over \$25 million for non-profit organizations of the employee's choice. The campaign involves over 1,300 approved local, state and national charities. It also trains and motivates 250 statewide volunteers, provides training and marketing materials, recognizes and celebrates agency participation with special events and works to maximize the dollars raised and employees participating in the program. In 2004, CVC raised over \$4.4 million, a 22 percent increase over the previous year. This included a special campaign for Hurricane Relief, which raised over \$502,000.

Alignment to Agency Goals

- Agency Goal: Provide statewide leadership in all areas of human resources management and address continuously changing management needs of state agencies throughout the Commonwealth.
- Agency Goal: Provide timely, accurate, and consistent human resource information utilizing cost effective delivery channels.
- Agency Goal: Develop and implement a statewide workforce planning program to forecast human resource trends and to assist agency management in addressing their human resource needs.

Objective Strategies

- Develop an electronic payroll deduction system as a more cost-effective and efficient approach to donating.
- Create a new-hire and retiree information program for awareness of CVC and its opportunities.
- Provide leadership in developing a recognition and awards program for CVC Coordinators.
- Increase participation among employee groups with lower than average participation rates through increased marketing and coordinator empowerment.
- Analyze trends in agency giving and focus on areas of opportunity to increase contributions.
- Increase participation among employee groups with lower than average participation rates by implementing specific tools, events, and communications.
- Pilot an electronic payroll deduction/pledge system to reduce costs and improve efficiency.
- Evaluate existing workplace giving program with electronic pledge processing and determine program cost effectiveness and applicability statewide.

Link to State Strategy

- nothing linked

Objective Measures

- Total charitable contributions raised by state employees in dollars

Measure Class: Measure Type: Measure Frequency: Preferred Trend:

Measure Baseline Value: Date:

Measure Baseline Description: \$4.4 million in CY 2008

Measure Target Value: Date:

Measure Target Description: \$4.4 million, which will maintain the current level even with a smaller projected workforce

Data Source and Calculation: Total charitable contributions raised by state employees. Two percent increase in Commonwealth of Virginia Campaign as shown in the CVC Final Giving Report

Service Area Strategic Plan

Department of Human Resource Management (129)

3/11/2014 3:30 pm

Biennium: 2010-12 ▾

Service Area 6 of 7

State Employee Workers' Compensation Services (129 704 18)

Description

This statutorily mandated service area is responsible for establishing a workers' compensation insurance program for all state employees. Additional responsibilities of this unit include loss prevention programs to reduce the likelihood of workplace injuries, ensuring that injured employees receive timely, quality medical care, payment of lost wages, a disability management program to assure return-to-work with the agency whenever possible, or rehabilitation/job training and job placement. The program receives between 9,500 - 10,500 new claims every year and issued 91,485 checks totaling more than \$51 million in benefits in FY 09.

Associated outcomes include providing cost containment, consultation, guidance and educational programs to increase safety in the workplace, increase return-to-work opportunities, and reduce the program cash flow claims payments.

Background Information

Mission Alignment and Authority

- Describe how this service supports the agency mission
This service area directly aligns with DHRM's mission to provide our customers with guidance, consultation, training, and delivery of services.
- Describe the Statutory Authority of this Service
Code of Virginia § 65.2 Workers' Compensation Act
Code of Virginia § 2.2-2821 Workers' Compensation Program Established
29 CFR 1910 OSHA General Industry Regulations
EO 94 (05) Workplace Safety and Employee Health

Customers

Agency Customer Group	Customer	Customers served annually	Potential annual customers
State Employees	Injured workers	10,000	140,785
Local Governments	Local government WC Training	16	960
State Agencies	State Agencies WC insurance	134	180
Private Sector	WC Training for private employers	10	270,000

Anticipated Changes To Agency Customer Base
[Nothing entered]

Partners

Partner	Description
Third Party Administrators	The Program has outsourced claims administration and cost containment services to Managed Care Innovations. Managed Care Innovations and their subcontractors provide claims adjusting services, medical cost containment services, loss control services, field vocational and medical services, surveillance, discount prescription drug program, and a preferred provider network. The staff of 57 is co-located with the DHRM workers' compensation staff.

Products and Services

- Factors Impacting the Products and/or Services:
Increased unemployment in some geographic areas of Virginia causing an inability to locate alternative employment when the employee is unable to return to work at the state agency.
- Anticipated Changes to the Products and/or Services
The demand for return-to-work assistance is anticipated to increase as a higher percentage of employees injured participate in the Virginia Sickness and Disability Program which separates employees after six months of disability.
- Listing of Products and/or Services
 - Policy Administration: This statutorily mandated unit is responsible for establishing a workers' compensation insurance program for all full-time and part-time state employees and all self-insurance policy administration. The program's actuary develops premiums using an experience-based model as required by the Appropriations Act. Premiums are developed by September 1 in advance of the biennium and submitted to the Governor and the General Assembly for approval. Premiums are charged to all state agencies annually using premium statements that provide detailed information on how the premium for each agency was developed.
 - Claims Management The Claims Management unit receives between 9,500 and 10,500 new state employee workers' compensation claims a year. These services are outsourced through a public-private partnership through a competitive procurement process. The staff of the contractor is housed on the DHRM premises and works very closely with management and agencies. Each claim must be investigated and evaluated for coverage under the

Workers' Compensation Act. The program is responsible for assuring that state injured employees receive timely, quality medical care, payment of lost wages, rehabilitation/job training and job placement. Claims are administered in compliance with Virginia law. This unit works closely with the Office of the Attorney General staff that provides legal defense on any contested matters.

- Loss Control Loss prevention services are provided predominantly by contract staff as part of the public private partnership. The program provides educational programs to state agency employees to reduce the likelihood of workplace injuries and to assure OSHA laws are understood and mandated programs developed. Consultants analyze data to determine the agencies with the greatest risks and conduct consultation visits to agencies to provide advice and guidance on ways to reduce and eliminate workplace injuries.

Finance

- *Financial Overview*
[Nothing entered]
- *Financial Breakdown*

	FY 2011		FY 2012		FY 2011	FY 2012
	General Fund	Nongeneral Fund	General Fund	Nongeneral Fund		
Base Budget	\$0	\$1,121,737	\$0	\$1,121,737		
Change To Base	\$0	\$0	\$0	\$0		
Service Area Total	\$0	\$1,121,737	\$0	\$1,121,737		
Base Budget	\$0	\$1,121,737	\$0	\$1,121,737		
Change To Base	\$0	\$0	\$0	\$0		
Service Area Total	\$0	\$1,121,737	\$0	\$1,121,737		

Human Resources

- *Human Resources Overview*
[Nothing entered]
- *Human Resource Levels*

Effective Date	7/1/2009	
Total Authorized Position level	6	
Vacant Positions	2	
Current Employment Level	4.0	
Non-Classified (Filled)	0	<i>breakout of Current Employment Level</i>
Full-Time Classified (Filled)	4	
Part-Time Classified (Filled)	0	
Faculty (Filled)	0	
Wage	1	
Contract Employees	0	
Total Human Resource Level	5.0	<i>= Current Employment Level + Wage and Contract Employees</i>

- *Factors Impacting HR*
[Nothing entered]
- *Anticipated HR Changes*
[Nothing entered]

Service Area Objectives

- Provide high-level customer service

Link to State Strategy

- nothing linked

Objective Measures

- Percentage of customers rating services received as good or better

Measure Class: Other Measure Type: Outcome Measure Frequency: Annual Preferred Trend: Up

Measure Baseline Value: 87.3 Date: 6/30/2008

Measure Baseline Description: FY 08 actual results

Measure Target Value: 90 Date: 6/30/2012

Measure Target Description: 90% as of June 30, 2012

Data Source and Calculation: Customer Satisfaction Survey of the State Employee Workers' Compensation Program, with number of respondents scoring the program 4 or higher on a scale of 6, with 6 as the high. This calculation has been modified to be consistent with other Service Areas.

- Increase return to work rates

Objective Description

The program actively works with state employees and agencies to promote employees' return-to-work in a safe and healthy manner according to the Workplace Safety and Health Executive Order. The program's primary goal is to communicate with the employee, agency, and treating physician in order to increase opportunities for return-to-work with the agency as a first priority. The program provides education, advice, and guidance as agencies implement and improve their return-to-work programs.

Alignment to Agency Goals

- Agency Goal: Provide statewide leadership in all areas of human resources management and address continuously changing management needs of state agencies throughout the Commonwealth.

Objective Strategies

- RTWC will conduct reviews of agencies' lost time claims to determine if best practices are being followed.
- Increase utilization of job club through early intervention to increase return to work.
- Increase utilization of field vocational and medical services within the first six months of disability to increase return to work.
- Develop improved analytical reports to identify cases in need of early intervention for use by RTWC
- RTWC will meet with agency human resource directors to discuss best-practice strategies to increase retention and return-to-work opportunities for state employees.
- RTWC will conduct training for agencies on evaluating work restrictions, modifying job duties, and creating transitional employment.
- RTWC will evaluate agencies' return-to-work practices and programs and provide consultation services as required.
- Conduct periodic audits of claims service provider's data to increase the accuracy of disability tracking data
- Collaborate with the Virginia Retirement System to create a joint agency return to work training and return to work modification of agency policy to include non-occupational injuries
- Establish baseline for lost work days in FY10. Information will be tracked and utilized ongoing to focus reduction efforts.

Link to State Strategy

- nothing linked

Objective Measures

- Rate of injured employees returning to work under the State Employee Workers' Compensation Services Program

Measure Class: Other Measure Type: Outcome Measure Frequency: Annual Preferred Trend: Up

Measure Baseline Value: 84 Date: 6/30/2005

Measure Baseline Description: FY 06 Actual

Measure Target Value: 88 Date: 6/30/2012

Measure Target Description: 88% as of June 30, 2012

Data Source and Calculation: Percentage of employees returning to work after workplace injury as reported in the Workers' Compensation Claims System Return-to-Work Report

Service Area Strategic Plan

Department of Human Resource Management (129)

3/11/2014 3:30 pm

Biennium: 2010-12

Service Area 7 of 7

Administrative and Support Services (129 704 19)

Description

This Service Area includes the Director's Office, fiscal, contracts, logistics, and Information Technology. It is responsible for the Council on Human Resources, a statutorily mandated advisory board, as well as other employee outreach initiatives.

This service area uses cutting-edge Web-based technology to provide interactive applications for a range of Human Resource functions, including recruitment, policy, benefits, compensation, communications and EEO services.

Among the contracts monitored by this office is the \$750 million health benefits contracts package. Others include the \$7 million annual State Employees Workers Compensation Services contract with a private vendor and an auditing contract for the Commonwealth of Virginia Campaign.

Associated outcomes include developing, monitoring and reporting on DHRM's strategic plan and operating budget of \$7 million within required timelines, providing required accounting information to DOA and complying with the agency's procurement requirements. The Management Scorecard is used to verify the outcomes. Surveys are measurements used to verify customer satisfaction.

Background Information

Mission Alignment and Authority

- Describe how this service supports the agency mission
This service area provides the administrative support for the other service areas which provides the programs supporting the agency's mission
- Describe the Statutory Authority of this Service
Same as the agency itself

Customers

Agency Customer Group	Customer	Customers served annually	Potential annual customers
-----------------------	----------	---------------------------	----------------------------

Anticipated Changes To Agency Customer Base
[Nothing entered]

Partners

Partner	Description
---------	-------------

[None entered]

Products and Services

- Factors Impacting the Products and/or Services:
[Nothing entered]
- Anticipated Changes to the Products and/or Services
[Nothing entered]
- Listing of Products and/or Services
[None entered for this Service Area]

Finance

- Financial Overview
[Nothing entered]
- Financial Breakdown

	FY 2011		FY 2012	
	General Fund	Nongeneral Fund	General Fund	Nongeneral Fund
Base Budget	\$2,335,990	\$0	\$2,330,876	\$0
Change To Base	\$0	\$0	\$0	\$0
Service Area Total	\$2,335,990	\$0	\$2,330,876	\$0

Human Resources

- Human Resources Overview
[Nothing entered]
- Human Resource Levels

[Empty input field]

Effective Date		
Total Authorized Position level	0	
Vacant Positions	0	
Current Employment Level	0.0	
Non-Classified (Filled)		} breakout of Current Employment Level
Full-Time Classified (Filled)		
Part-Time Classified (Filled)		
Faculty (Filled)		
Wage		
Contract Employees		
Total Human Resource Level	0.0	= Current Employment Level + Wage and Contract Employees

- **Factors Impacting HR**
[Nothing entered]
- **Anticipated HR Changes**
[Nothing entered]

Service Area Objectives

- Provide high-level customer service

Alignment to Agency Goals

- Agency Goal: Provide statewide leadership in all areas of human resources management and address continuously changing management needs of state agencies throughout the Commonwealth.
- Agency Goal: Provide timely, accurate, and consistent human resource information utilizing cost effective delivery channels.

Objective Strategies

- Procedures will be current and followed for all major accounting activities.
- All reconciliations completed and reviewed timely.
- Contract administration will be conducted in compliance with APSPM.
- Check all requisitions for availability for eVA registrations and SWAM status for increasing SWAM participation
- Utilize DMBE to assist in developing minority vendor resources.
- Monitor prime vendor subcontracting reporting for SWAM usage.
- Maintains current Personnel Information Management System (PMIS) and Benefits Eligibility System (BES); modifies, tests and implements new and existent procedures to maintain systems running and up to date;
- Maintains current Performance Management Program linking pay increases to employee performance ratings;
- Maintains Performance Increase Distribution Calculation processes to allow users to calculate the maximum utilization of available pay increases;
- Collects, reports, and stores employee evaluations into PMIS; provide PMIS evaluation data extracts for agency in-house systems update upon request;
- Plans, designs, develop and implements new applications to generate all the reporting in DHRM servers, removing it from VITA mainframes;
- Designs, develops and implements processes to improve PMIS web-enabled turn-around documents;
- Design, develops and implement processes that allow more integration of customer agencies' integrated HR systems with PMIS and BES; these processes allow agencies to avoid double data entry;
- Develops and implement system changes to allow customer agencies the use of PMIS Employee ID number as an alternate method to the Social Security Number;
- Provides Helpdesk services satisfying requests from customer agencies; produces special ad hoc reports, as required and run special software modifications to create data sets as needed by DHRM constituents;
- Maintains the DHRM data warehouse and workforce planning tools; plans, designs, develops and implement web-enabled tools to assist agencies in the monitoring and proactive review of their employment practices;
- Plans, designs, develops and implements web-enabled Query Tools that provide the capability for authorized users to access their Agency's and Sub-agencies data;
- Maintains EEO Assessment web-enabled tools designed to assist agencies in the monitoring and proactive review of their employment practices to ensure fairness and equity and compliance with relevant Equal Employment Opportunity (EEO) laws and regulations;
- Maintain an on-line, web-based system that allows agencies to track applicant data on individuals applying for vacancies being recruited through the DHRM web site; data is tracked from the receipt of application to the final selection process and will be used to provide comprehensive statistical analysis and reporting on the recruitment

and selection processes of the Commonwealth;

- Maintains, develops and implements new processes for the web-tool Agency Metrics for Training system where agencies are able to report on-line quarterly training data;
- Maintains the health benefits employee self-service EmployeeDirect; designs, develops and implement new processes and changes to the system depending on GA resolutions;
- Maintains automated tools that allow health benefits data to be in compliance with HIPPA
- Reconciles BES retiree health benefits records to VRS retiree payroll (VIPERS) deduction records each quarter to identify and resolve discrepancies;
- Designs, develops and implements integrated interfaces between BES and VIPERS
- Designs and implements physical systems changes to DHRM IT infrastructure
- Maintains DHRM computer network responding in a speedier manner to requests for desktop helpdesk, and hardware and software upgrades;
- Participates in VITA Hot Site / Disaster Recovery Test to ensure that, all PMIS and BES files and programs would function flawlessly after a "switchover" to an emergency off-site computer center;

Link to State Strategy

- nothing linked

Objective Measures

- Percentage of customers rating services received as good or better

Measure Class: Measure Type: Measure Frequency: Preferred Trend:

Measure Baseline Value: Date:

Measure Baseline Description: FY 08 actual results

Measure Target Value: Date:

Measure Target Description: 90% as of June 30, 2012

Data Source and Calculation: Agencies and employees respond annually to DHRM surveys, and provide feedback upon the completion of training with a DHRM course evaluation. Customer satisfaction surveys use a Likert scale of 1 to 6, with 6 as the highest score. Percentage of favorable ratings represents number of ratings 4, 5 and 6 divided by total number of responses.