

STATE HUMAN RESOURCES COMMISSION MEETING
NC OFFICE OF STATE HUMAN RESOURCES, CONFERENCE ROOM
116 WEST JONES STREET - RALEIGH, NORTH CAROLINA
VIA TELECONFERENCE
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MEETING MINUTES – June 6, 2019

Members Present

Members present at the OSHR Large Conference Room and via teleconference for the meeting were: Chair Dekhasta Becton Rozier, Commissioner Ross Beamon, Commissioner John Eller, Commissioner Martin Falls, Commissioner Emily Jones, Commissioner April Page and Commissioner Phillip Strach.

Other Attendees

Other attendees present were: Barbara Gibson, Director, Judy Estevez, Chief Deputy, and Tammy Penny, Deputy Director, Office of State Human Resources; Lars Nance and Christine Ryan, Legal Division, Office of State Human Resources; Denise Mazza, State Human Resources Commission Administrator, Office of State Human Resources; Twanetta Lytle, Jill Lucas, Vanessa Voight, and Teasha Barrett of the Office of State Human Resources; and Amanda Thompson, SBI Crime Lab.

Opening

The Commission convened its open meeting at 9:03 a.m. in the Learning and Development Center Commission Conference Room.

The State Human Resources Commission (SHRC) last convened on April 4, 2019. Pursuant to North Carolina General Statutes, Chapter 138A, the North Carolina Ethics Act, Chair Dekhasta Becton Rozier asked all Commissioners if there were any conflicts of interest or potential conflicts of interest with respect to any matters coming before the Commission. There were no conflicts of interest or potential conflicts of interest noted by any Commissioner.

There were no adjustments to the agenda as proposed for the June 6, 2019 meeting.

CONSENT AGENDA ITEMS

Approval of the minutes for the April 4, 2019 State Human Resources Commission Meeting as amended by striking the words “and other things” on page 7 at the second sentence in the parenthetical.

Approval of the exception to the E&E on the State Budget Management Analyst I Classification.

Motion: Commissioner Strach made a motion to recommend approval of the consent agenda items.

Seconded: Commissioner Jones seconded the motion.

The motion carried.

Business Session

Public Comment

No one signed up for public comment.

State Human Resources Director’s Report

Director Barbara Gibson began by welcoming everyone and shared the following details of Governor Cooper’s Executive Order 95 entitled “Paid Parental Leave” with the Commission. Starting on September 1, 2019, eligible employees who are birth mothers will receive eight weeks of leave – four weeks for disability and recovery, and four weeks for bonding. Other eligible employees will receive four weeks of leave for bonding. This leave will be paid at 100% of the employee’s base salary. The benefit will afford new parents time to recover and bond with babies and newly-placed foster and adopted children as well as serve as an incentive to recruit and retain younger workers in state government careers. This is critical as the average age of state employees continues to rise with a significant number of experienced employees set to retire in the next five to ten years. At present, approximately 56,000 state employees are eligible to receive this benefit. It is anticipated that other entities will also choose to offer the benefit to their employees.

Director Gibson then updated the Commission on the progress of Mercer, the human resources contractor studying the Statewide Compensation System. The scope includes a total of 864 roles in state government, law enforcement and the university system. This covers about 82% of state employees, with approximately 50% of jobs benchmarked. Mercer has collected salary surveys and will age the data to make it consistent with January 1, 2020, and anticipates getting a market match for about 80% of benchmarked jobs. The effects of all this will only be seen if adequate funding is allocated. OSHR has also been working closely with all agencies to develop materials to support Governor Cooper’s call to provide \$20 million to the Salary Adjustment Fund which is critical to the effective functioning of the Statewide Compensation

System. Inconsistent application of classification and compensation under the pilot programs in different agencies creates inequities across state government. The legislature appears to be divided on this issue at this time with the proposed Senate bill included expanded salary flexibility to all agencies to allow top-of-range salaries to candidates who meet minimum qualifications. OSHR is also concerned with the proposed budget cuts to programs, especially to the Market to Minimum Fund in that it is essential to ensuring that agencies with limited salary reserves can pay the minimum salary for critical positions as well as a resource to pay Mercer for the current study. Additionally, the Governor and the legislature continue to differ on proposed pay increases for state employees for this year and next – the Senate proposed a pay increase of 2.5% (but does not apply to all employees) and the Governor proposed a pay increase of 1.5%. OSHR will continue to monitor the progress of budget negotiations.

Director Gibson also explained that, in light of agencies' concerns regarding the need for increased salary flexibility to hire and keep state employees, OSHR issued revised Interim Salary Administration Guidelines on May 15th that delegated increased temporary authority under certain conditions until the Mercer study is complete, such as:

- More flexibility in setting salaries without submitting to OSHR when candidates meet minimum qualifications but would not otherwise fully qualify for the salary using the traditional methodology used in OSHR policy for new hire salary determination;
- With limited exceptions, more flexibility for in-range salary adjustments of current employees, to include up to 15% for job change and labor market and up to 20% for equity adjustments;
- With limited exceptions, more flexibility by removing the need to submit to OSHR salary recommendations over \$100,000 or recommendations of greater than a 20% increase; and
- More flexibility by allowing up to 5% in range salary adjustments for cabinet exempt employees without submitting to OSHR; and
- Other flexibility available by requesting Non-Standard Classification Salary Exception for positions that need to be filled higher in the salary range due to market demands or special skills or certifications.

These guidelines also emphasize the need for documentation on the agency level to support such salary actions and OSHR will provide training and resources to help agencies manage this flexibility.

In closing, Director Gibson notified the Commission that effective May 1, 2019, Scarlette Gardner is the new Director of Safety, Health and Workers' Compensation and Christine Ryan has joined OSHR as Assistant General Counsel and liaison to the Commission. Gardner has been serving in the role on an interim basis and is currently launching a major new initiative "Flag the Hazard." Ryan previously worked in Labor Standards at the Department of Labor and has also worked at several state, federal and county agencies including the Department of Commerce, Department of Justice, the FBI and the Baltimore County State's Attorney.

Vanessa Voight – Classification Specs – New, Revised and Abolished for the New Compensation System

Vanessa Voight, Consultant III with Total Rewards, presented six revised specs to the SHRC. Five of them are in the Forensic Scientist Series - Scientist 1, 2, 3, Supervisor and Manager. The E&Es for each were lowered to modernize them to match the E&E with the positions in other states and to enable better recruitment. The sixth specification - Human Services Facility Director 2 – revised the E&E at the request of DHHS to comply with changing regulations.

Motion: Commissioner Falls made a motion to recommend approval of the six revised classification specs for the new compensation system.

Second: Commissioner Beamon seconded the motion.

Motion carried.

Adjournment

Chair Rozier asked if there were any other business items to be heard during the business session. There being none, the Chair asked for a motion to adjourn.

Motion: Commissioner Falls made a motion to adjourn.

Seconded: Commissioner Jones seconded the motion.

Motion carried.

The Commission adjourned at 9:26 a.m.

Executive Session

The State Human Resources Commission did not have an executive session at its June 6, 2019 meeting.

Minutes submitted by:

Denise H. Mazza, State Human Resources Commission Administrator