

**STATE HUMAN RESOURCES COMMISSION MEETING
LEARNING AND DEVELOPMENT CENTER, COMMISSION CONFERENCE ROOM
101 WEST PEACE STREET - RALEIGH, NORTH CAROLINA**

MEETING MINUTES – APRIL 6, 2017

Members Present

Members present at the Learning and Development Center for the meeting were: Commissioner Martin Falls. Members who were on the phone for this meeting were: Chair Susan Manning, Commissioner Jon Eller, Commissioner Kelly Sizemore, Commissioner Gail Hobbs, Commissioner Phil Strach, Commissioner Dan Barrett, and Commissioner Ross Beamon.

Other Attendees

Other attendees present were: Barbara Gibson, Director, Office of State Human Resources; Lars Nance, Legal Division, Office of State Human Resources; Jessica Middlebrooks, Legal Division, Office of State Human Resources; Bailey Bruce, State Human Resources Commission Administrator, Office of State Human Resources.

Opening

The State Human Resources Commission (SHRC) last convened on April 6, 2017. Pursuant to North Carolina General Statutes §138A and the North Carolina Ethics Act, Chair Susan Manning 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. The Commission convened its open meeting at 9:03 a.m. in the Learning and Development Center Commission Conference Room.

Business Session

CONSENT AGENDA ITEMS

1. Approval of Minutes for the February 2, 2017 State Human Resources Commission Meeting
2. 2016 Settlement Costs Report

Chair Manning asked to move the Settlement Costs Report to the Business Agenda.

Motion: Commissioner Beamon made a motion to recommend approval of the Consent Agenda consisting only of the minutes.

Seconded: Commissioner Hobbs seconded the motion.

The motion carried.

Public Comment

No one signed up for Public Comment.

State Human Resources Director's Report

Director Barbara Gibson began by welcoming everyone and recapping what she and the Commission spoke about at the previous meeting. Director Gibson then introduced the newest OSHR team members (Lou Ann Phillips, Lars Nance, Ronnie Condrey, and Melody Hunter-Pillion). Director Gibson then announced the employees who are leaving (Paula Kukulinski and Ray Scerri). Director Gibson proceeded to speak about the reorganization of OSHR. This included consolidating Legal into one division under the direction of Lars Nance, combining Diversity and Inclusion and Employee Relations under Nancy Astrike, and moving Temporary Solutions back under the Business group. Director Gibson then spoke about the Bonus Leave and introduced Ray Scerri to give further information. Director Gibson informed the Commission that OSHR has reviewed the Applicant Tracking System and has decided to not proceed with that program at this time. Director Gibson told the commission that OSHR has embarked on an initiative to reduce the applicant informing turnaround time from 90 days to 60. Director Gibson continued by saying that per their last meeting, OSHR has formed a group to review the Veteran's Preference Policy. Member of this include Nancy Astrike, Commissioner Martin Falls, Jeremy Tudor, and other HR Directors. Director Gibson informed the Commission of agencies reviewing the Performance Management deadlines and selecting which works best for their agencies. Director Gibson shared that OSHR has had many meetings internally and externally regarding the Compensation Program. OSHR has surveyed HR Directors and has categorized issues to work on a plan of action. Director Gibson explained that OSHR hopes to have implantation timelines in place after the "plan of action" stage. There are some range concerns, some specific employee concerns, as well as, funding issues. Director Gibson told the Commission that OSHR wants to make sure there is flexibility, but at the same time fiscal responsibility, defensibility, equity, and good solid documentation. Director Gibson spoke of the work to be done on the communication and training for managers and supervisors to understand the system and ensure the integrity is maintained after implementation. Director Gibson transitioned to speaking of the Governor's budget. Director Gibson explained that there was an allotment to bring employees who were below the salary range into their proper salary range and that there was an allotment for the one time Legislative increase. Director Gibson told the Commission that on March 23rd, 2017 OSHR presented to the Joint Appropriations Committee on general government at the legislature. Director Gibson explained that a request went to all agencies asking for measures of efficiency and effectiveness and that she answered questions by showing employee turnover rate, market pay gap figures, performance ratings, and open worker's comp claims. Director Gibson concluded by saying that the last few months have been busy. OSHR will continue to work diligently to continue moving all the projects forward. Chair Manning opened to meeting to Commissioner questions. Commissioner Eller asked about the work on Local Government issues and how to bridge the gap of issues he had spoken to Paula Kukulinski about after her departure. Director Gibson explained that OSHR has asked for two additional positions to help on the Local Government team and that OSHR realizes there is great deficit for the amount of responsibility in that area. Commissioner Eller thanked Director Gibson for the support. Chair Manning echoed John thanks and reemphasized the need to update the rules and policies. Chair Manning asked Director Gibson if she has an update on the implementation timeline for the compensation project. Director Gibson explained that while she did not have a timeline set yet, she hoped it would meet a 2017 deadline. Chair Manning asked Director Gibson if OSHR was working on a "plan B" if the budget does not include the anticipated allotment. Director Gibson said OSHR will build it into their project plan. Commissioner Barrett asked Director Gibson for an update on the rules postponed at the

previous meeting. Jessica Middlebrooks explained that they were successfully reviewed and OSHR was able to make the non-substantial changes suggested by the Commission. Chair Manning asked for any additional questions regarding the Director's report. Hearing none, the meeting continued to the next item.

Continuous Posting – DPS – Public Safety Officer

Jeremy Tudor, OSHR Talent Acquisition Manager, spoke to the Commission regarding the Continuous Posting for DPS Public Safety Officers. Mr. Tudor explained that this would allow the Department of Public Safety to continuously post and accept applications for this title. This would save the State time and money by creating a more efficient posting and screening process. Mr. Tudor explained that it would also allow the DPS to fill vacancies in a more expeditious manner and may, in fact, create a pool of viable applicants in anticipation of need. Mr. Tudor concluded by explaining that it would in no way disadvantage applicants who may be interested in vying for these positions since they may apply at any time within the prescribed 6 or 12-month timeframe.

Motion: Commissioner Falls made a motion to recommend approval of the Continuous Posting.

Seconded: Commissioner Strach seconded the motion.

The motion carried.

Begin Rulemaking Process for Continuous Postings

Jessica Middlebrooks, OSHR General Counsel, spoke to the Commission regarding the Rulemaking process for Continuous Posting. Mrs. Middlebrooks began by explaining that currently, all continuous posting requests submitted to the Office of State Human Resources (OSHR) are thoroughly vetted and preliminarily approved before presentation to the State Human Resources Commission (SHRC) for final approval. Although each case is somewhat different, all cases have reached a point of decisive importance prior to the agency or university's justification to OSHR. Typical classifications requested and approved for continuous posting are in public safety and healthcare job families, representing both the foundation of the State's work and the most prolific classifications where fierce competition for qualified talent prevails. Mrs. Middlebrooks continued by stating that the SHRC meets regularly only 6 times per year, the timing of requests placed before the commission is sometimes later than the criticality of the continuous recruiting situation demands. Due to the crucial nature of positions considered for continuous posting approval, each request presented to OSHR by an agency or university is now duly considered by OSHR and may, based on the merits of the business case presented by the agency, be initially preliminarily approved or sent back to the agency or university requiring additional information. Mrs. Middlebrooks told that Commission that OSHR requests a detailed business justification and metrics. Specifics requested include challenges that have been identified, solutions that have been attempted, criticality of skill set, recruiting/retention issues, applicable metrics and the comprehensive rationale for the request. In all cases, justification and preliminary approval is based on multiple factors. Mrs. Middlebrooks concluded by stating that in the interests of quickly meeting the State's business needs, agile hiring for the State's most critical job classifications and greater efficiency, OSHR respectfully requests that the SHRC enable final determination decisions about continuous recruiting requests be transferred to the State Human Resources Director or

designee. Furthermore, OSHR requests approval to begin the rule making process to change the final approval authority accordingly.

Motion: Commissioner Falls made a motion to recommend approval of Beginning the Rulemaking Process for Continuous Postings

Seconded: Commissioner Eller seconded the motion.

The motion carried.

2016 Settlement Costs Report

Chair Manning explained that she asked to move this item to the Business session because she had a question specifically on the State Auditor's case listed in the report. Lars Nance, Legal Division, spoke to the Commission regarding the Settlement Costs Report. Mr. Nance explained that this is not a Settlement. Mr. Nance explained that this was a fully litigated case which went before the Office of Administrative Hearings. Mr. Nance explained the basic rationale seemed to be that there was a worry that the timeframe of work was quite short. Mr. Nance explained that part of the large reward was due to the amount of back pay awarded to the individual. Chair Manning asked if she was right to assume that there was not an appeal. Mr. Nance confirmed this.

Motion: Commissioner Strach made a motion to recommend approval of the Settlement Costs Report

Seconded: Commissioner Beamon seconded the motion.

The motion carried.

Adjournment

Chair Manning asked if there were any other business items to be heard during the business session. There being no additional items on the agenda, Chair Manning asked for a motion to adjourn the business session at 10:09 am.

Motion: Commissioner Falls made a motion to adjourn the Business Session.

The motion carried.

Executive Session

The State Human Resources Commission did not have an executive session at its April 6, 2017 meeting.

Minutes submitted by:

Bailey Bruce, State Human Resources Commission Administrator