

7501 Department of Human Resources

The Department of Human Resources (CalHR) is responsible for managing the state's personnel functions and represents the Governor as the "employer" in all matters concerning state employer-employee relations. CalHR is responsible for issues related to recruitment, selection, salaries, benefits, and position classification, as well as provides a variety of training and consultation services to state departments and local agencies. CalHR's main objectives are to:

- Manage examinations, salaries, benefits, position classification, training, and all other aspects of state employment other than those areas assigned to the State Personnel Board (SPB) under the civil service provisions of Article VII of the California Constitution.
- Represent the Governor in collective bargaining with unions representing rank and file state employees.
- Set salaries and benefits for employees excluded from collective bargaining and employees exempted from civil service.
- Serve as the sole fiduciary and administrative body for the Savings Plus Program (defined contribution program for full-time and part-time state employees).
- Provide legal representation to state agencies for appeals of disciplinary actions and labor relations matters.
- Hold ex-officio membership to the 13-member Board of Administration of the California Public Employees' Retirement System.

3-YR EXPENDITURES AND POSITIONS

		Positions			Expenditures		
		2014-15	2015-16	2016-17	2014-15*	2015-16*	2016-17*
6200	Human Resources Management	154.7	155.5	178.2	\$27,175	\$30,849	\$33,489
6205	Local Government Services	-	-	-	2,444	2,598	2,713
6210	Benefits Administration	55.5	57.5	57.5	20,620	26,864	26,869
6215	Benefit Payments	-	-	-	33,263	36,503	36,503
9900100	Administration	52.3	54.2	56.2	7,213	7,953	8,262
9900200	Administration - Distributed	-	-	-	-6,221	-6,904	-7,190
TOTALS, POSITIONS AND EXPENDITURES (All Programs)		262.5	267.2	291.9	\$84,494	\$97,863	\$100,646

FUNDING		2014-15*	2015-16*	2016-17*
0001	General Fund	\$6,802	\$8,723	\$9,227
0367	Indian Gaming Special Distribution Fund	6	75	75
0821	Flexelect Benefit Fund	20,433	27,743	27,601
0915	Deferred Compensation Plan Fund	10,814	14,983	15,020
0995	Reimbursements	26,913	30,649	31,831
8008	State Employees Pretax Parking Fund	1,613	1,400	1,400
8049	Vision Care Program for State Annuitants Fund	11,873	8,784	8,784
9740	Central Service Cost Recovery Fund	6,040	5,506	6,708
TOTALS, EXPENDITURES, ALL FUNDS		\$84,494	\$97,863	\$100,646

LEGAL CITATIONS AND AUTHORITY

Government Code, Title 1, Division 4, Chapters 10.3 and 10.5; Government Code, Title 1, Division 7, Chapter 17.5; Government Code, Title 2, Division 5, Parts 2, 2.5, 2.6, and 3; and California Code of Regulations, Title 2, Division 1, Chapter 3.

MAJOR PROGRAM CHANGES

- \$1.9 million (\$600,000 General Fund) and 16 positions is included for the implementation of statewide solutions for workforce and succession planning, recruitment, and training as part of the Civil Service Improvement effort.

DETAILED BUDGET ADJUSTMENTS

		2015-16*			2016-17*		
		General Fund	Other Funds	Positions	General Fund	Other Funds	Positions
Workload Budget Adjustments							
Workload Budget Change Proposals							
• Civil Service Improvement		\$-	\$-	-	\$606	\$1,310	16.0
• Human Resources Audits		-	-	-	400	301	5.7

* Dollars in thousands, except in Salary Range. Numbers may not add or match to other statements due to rounding of budget details.

7501 Department of Human Resources - Continued

	2015-16*			2016-17*		
	General Fund	Other Funds	Positions	General Fund	Other Funds	Positions
• Developmental Disability Internship Program (SB 644)	-	-	-	94	70	2.0
• Information Security Staffing	-	-	-	19	135	1.0
• Review of the Merit System Services Program	-	-	-	-	115	-
• Expansion of the Healthier U State Employee Wellness Program	-	-	-	-	100	-
Totals, Workload Budget Change Proposals	\$-	\$-	-	\$1,119	\$2,031	24.7
Other Workload Budget Adjustments						
• Expenditure by Category Redistribution	\$906	\$2,400	-	\$906	\$2,400	-
• Salary Adjustments	106	423	-	106	423	-
• Benefit Adjustments	61	233	-	79	304	-
• Retirement Rate Adjustments	39	146	-	39	146	-
• Pro Rata	-	-	-	-	-142	-
• Miscellaneous Baseline Adjustments	-	-	-	-632	347	-0.5
• Budget Position Transparency	-906	-2,400	-31.3	-906	-2,400	-30.8
Totals, Other Workload Budget Adjustments	\$206	\$802	-31.3	-\$408	\$1,078	-31.3
Totals, Workload Budget Adjustments	\$206	\$802	-31.3	\$711	\$3,109	-6.6
Totals, Budget Adjustments	\$206	\$802	-31.3	\$711	\$3,109	-6.6

PROGRAM DESCRIPTIONS

6200 - HUMAN RESOURCES MANAGEMENT

The Human Resource Management Division's main objectives are to:

- Provide human resource services, including the development of policy relative to classification and compensation standards and consulting with departments and agencies on position allocation, effective personnel management practices, workforce planning, and statewide training.
- Administer the Dymally-Alatorre Bilingual Services Act, develop and administer tests, administer the on-line examination and certification system, provide statewide equal employment opportunity policy and guidance, provide medical and psychological screening services, and maintain a listing of certified administrative hearing and medical examination interpreters for use in California hearings and proceedings.
- Represent the Governor as the "employer" in contract negotiations with the state's 21 bargaining units and set pay and benefits for employees excluded from the collective bargaining process, including: supervisors, managers, executives, and confidential employees.
- Represent the Governor, state agencies, and departments in all matters pertaining to labor relations, personnel and discipline, wage and hour claims, and employment law.

6205 - LOCAL GOVERNMENT SERVICES

The Local Government Services Division provides direction and assistance to local, grant-aided agencies to ensure that their personnel programs are operated efficiently and continue to qualify for federal funds.

6210 - BENEFITS ADMINISTRATION

The Benefits Division designs, acquires, and administers a comprehensive employee benefit package designed to assist the state in attracting and retaining a qualified and diverse workforce. Benefits include health, dental, vision, employee assistance, life insurance, long-term disability insurance, and legal services. The Benefits Division also manages the master service agreement with the State Compensation Insurance Fund to provide for the state's workers' compensation program. The Savings Plus Program administers a tax-deferred savings program for all state employees to supplement retirement through various programs.

9900 - ADMINISTRATION

The Administrative Services Division provides internal support and service to the Department's line programs and SPB, including: fiscal, human resources, contract, procurement, legislation, communication, information technology, and

* Dollars in thousands, except in Salary Range. Numbers may not add or match to other statements due to rounding of budget details.

7501 Department of Human Resources - Continued

telecommunication services.

DETAILED EXPENDITURES BY PROGRAM

		<u>2014-15*</u>	<u>2015-16*</u>	<u>2016-17*</u>
	PROGRAM REQUIREMENTS			
6200	HUMAN RESOURCES MANAGEMENT			
	State Operations:			
0001	General Fund	\$7,180	\$8,635	\$9,139
0367	Indian Gaming Special Distribution Fund	6	75	75
0995	Reimbursements	13,949	16,633	17,567
9740	Central Service Cost Recovery Fund	6,040	5,506	6,708
	Totals, State Operations	\$27,175	\$30,849	\$33,489
	PROGRAM REQUIREMENTS			
6205	LOCAL GOVERNMENT SERVICES			
	State Operations:			
0995	Reimbursements	2,444	2,598	2,713
	Totals, State Operations	\$2,444	\$2,598	\$2,713
	PROGRAM REQUIREMENTS			
6210	BENEFITS ADMINISTRATION			
	State Operations:			
0001	General Fund	-\$317	\$87	\$87
0821	Flexelect Benefit Fund	656	1,424	1,282
0915	Deferred Compensation Plan Fund	10,814	14,983	15,020
0995	Reimbursements	9,467	10,370	10,480
	Totals, State Operations	\$20,620	\$26,864	\$26,869
	PROGRAM REQUIREMENTS			
6215	BENEFIT PAYMENTS			
	Unclassified:			
0821	Flexelect Benefit Fund	\$19,777	\$26,319	\$26,319
8008	State Employees Pretax Parking Fund	1,613	1,400	1,400
8049	Vision Care Program for State Annuitants Fund	11,873	8,784	8,784
	Totals, Unclassified	\$33,263	\$36,503	\$36,503
	PROGRAM REQUIREMENTS			
9900	ADMINISTRATION - TOTAL			
	State Operations:			
0001	General Fund	-\$61	\$1	\$1
0995	Reimbursements	1,053	1,048	1,071
	Totals, State Operations	\$992	\$1,049	\$1,072
	SUBPROGRAM REQUIREMENTS			
9900100	Administration			
	State Operations:			
0001	General Fund	\$6,160	\$6,905	\$7,191
0995	Reimbursements	1,053	1,048	1,071
	Totals, State Operations	\$7,213	\$7,953	\$8,262
	SUBPROGRAM REQUIREMENTS			
9900200	Administration - Distributed			
	State Operations:			
0001	General Fund	-\$6,221	-\$6,904	-\$7,190
	Totals, State Operations	-\$6,221	-\$6,904	-\$7,190

* Dollars in thousands, except in Salary Range. Numbers may not add or match to other statements due to rounding of budget details.

7501 Department of Human Resources - Continued

	2014-15*	2015-16*	2016-17*
TOTALS, EXPENDITURES			
State Operations	51,231	61,360	64,143
Unclassified	33,263	36,503	36,503
Totals, Expenditures	\$84,494	\$97,863	\$100,646

EXPENDITURES BY CATEGORY

1 State Operations	Positions			Expenditures		
	2014-15	2015-16	2016-17	2014-15*	2015-16*	2016-17*
PERSONAL SERVICES						
Baseline Positions	294.0	298.5	298.5	\$21,744	\$22,494	\$22,494
Budget Position Transparency	-	-31.3	-30.8	-	-3,306	-3,306
Total Adjustments	-31.5	-	24.2	-2,068	529	2,193
Net Totals, Salaries and Wages	262.5	267.2	291.9	\$19,676	\$19,717	\$21,381
Staff Benefits	-	-	-	9,134	11,462	12,362
Totals, Personal Services	262.5	267.2	291.9	\$28,810	\$31,179	\$33,743
OPERATING EXPENSES AND EQUIPMENT				\$22,204	\$29,947	\$30,166
SPECIAL ITEMS OF EXPENSES				217	234	234
TOTALS, POSITIONS AND EXPENDITURES, ALL FUNDS (State Operations)				\$51,231	\$61,360	\$64,143

4 Unclassified	Expenditures		
	2014-15*	2015-16*	2016-17*
Other Special Items of Expense	\$33,263	\$36,503	\$36,503
TOTALS, EXPENDITURES, ALL FUNDS (Unclassified)	\$33,263	\$36,503	\$36,503

DETAIL OF APPROPRIATIONS AND ADJUSTMENTS

1 STATE OPERATIONS	2014-15*	2015-16*	2016-17*
0001 General Fund			
APPROPRIATIONS			
001 Budget Act appropriation	\$7,554	\$8,519	\$9,227
Allocation for employee compensation	76	106	-
Allocation for staff benefits	33	61	-
Budget Position Transparency	-	-906	-
Current Service Level Current and Budget Year Rounding Adjustments	-	-2	-
Expenditure by Category Redistribution	-	906	-
Past year expenditure adjustments	-1	-	-
Section 3.60 pension contribution adjustment	117	39	-
Totals Available	\$7,779	\$8,723	\$9,227
Unexpended balance, estimated savings	-977	-	-
TOTALS, EXPENDITURES	\$6,802	\$8,723	\$9,227
0367 Indian Gaming Special Distribution Fund			
APPROPRIATIONS			
001 Budget Act appropriation	\$75	\$75	\$75
Totals Available	\$75	\$75	\$75
Unexpended balance, estimated savings	-69	-	-

* Dollars in thousands, except in Salary Range. Numbers may not add or match to other statements due to rounding of budget details.

7501 Department of Human Resources - Continued

1 STATE OPERATIONS	2014-15*	2015-16*	2016-17*
TOTALS, EXPENDITURES	\$6	\$75	\$75
0821 Flexelect Benefit Fund			
APPROPRIATIONS			
001 Budget Act appropriation	\$1,265	\$1,412	\$1,282
Allocation for employee compensation	4	6	-
Allocation for staff benefits	2	4	-
Budget Position Transparency	-	-100	-
Expenditure by Category Redistribution	-	100	-
Section 3.60 pension contribution adjustment	7	2	-
Totals Available	\$1,278	\$1,424	\$1,282
Unexpended balance, estimated savings	-622	-	-
TOTALS, EXPENDITURES	\$656	\$1,424	\$1,282
0915 Deferred Compensation Plan Fund			
APPROPRIATIONS			
001 Budget Act appropriation	\$14,732	\$14,867	\$15,020
Allocation for employee compensation	44	60	-
Allocation for staff benefits	20	35	-
Budget Position Transparency	-	-240	-
Expenditure by Category Redistribution	-	240	-
Section 3.60 pension contribution adjustment	67	21	-
Totals Available	\$14,863	\$14,983	\$15,020
Unexpended balance, estimated savings	-4,049	-	-
TOTALS, EXPENDITURES	\$10,814	\$14,983	\$15,020
0995 Reimbursements			
APPROPRIATIONS			
Reimbursements	\$26,913	\$30,649	\$31,831
TOTALS, EXPENDITURES	\$26,913	\$30,649	\$31,831
9740 Central Service Cost Recovery Fund			
APPROPRIATIONS			
001 Budget Act appropriation	\$5,970	\$5,366	\$6,708
Allocation for employee compensation	65	72	-
Allocation for staff benefits	28	42	-
Budget Position Transparency	-	-507	-
Current Service Level Current and Budget Year Rounding Adjustments	-	2	-
Expenditure by Category Redistribution	-	507	-
Past year expenditure adjustments	1	-	-
Section 3.60 pension contribution adjustment	100	24	-
Totals Available	\$6,164	\$5,506	\$6,708
Unexpended balance, estimated savings	-124	-	-
TOTALS, EXPENDITURES	\$6,040	\$5,506	\$6,708
Total Expenditures, All Funds, (State Operations)	\$51,231	\$61,360	\$64,143
4 UNCLASSIFIED	2014-15*	2015-16*	2016-17*
0821 Flexelect Benefit Fund			
APPROPRIATIONS			
Government Code section 1156 (claims paid)	\$26,319	\$26,319	\$26,319
Past year expenditure adjustments	-6,542	-	-
TOTALS, EXPENDITURES	\$19,777	\$26,319	\$26,319

* Dollars in thousands, except in Salary Range. Numbers may not add or match to other statements due to rounding of budget details.

7501 Department of Human Resources - Continued

4 UNCLASSIFIED	2014-15*	2015-16*	2016-17*
8008 State Employees Pretax Parking Fund			
APPROPRIATIONS			
Government Code section 1156.1	\$1,400	\$1,400	\$1,400
Past year expenditure adjustments	<u>213</u>	<u>-</u>	<u>-</u>
TOTALS, EXPENDITURES	\$1,613	\$1,400	\$1,400
8049 Vision Care Program for State Annuitants Fund			
APPROPRIATIONS			
Government Code section 22959.6	\$8,784	\$8,784	\$8,784
Past year expenditure adjustments	<u>3,089</u>	<u>-</u>	<u>-</u>
TOTALS, EXPENDITURES	\$11,873	\$8,784	\$8,784
Total Expenditures, All Funds, (Unclassified)	\$33,263	\$36,503	\$36,503
TOTALS, EXPENDITURES, ALL FUNDS (State Operations and Unclassified)	\$84,494	\$97,863	\$100,646

FUND CONDITION STATEMENTS

	2014-15*	2015-16*	2016-17*
0821 Flexelect Benefit Fund ^N			
BEGINNING BALANCE	\$9,302	\$9,497	\$4,477
Prior Year Adjustments	<u>1,683</u>	<u>-</u>	<u>-</u>
Adjusted Beginning Balance	\$10,985	\$9,497	\$4,477
REVENUES, TRANSFERS, AND OTHER ADJUSTMENTS			
Revenues:			
4129000 Other Fees and Licenses	281	337	405
4163000 Investment Income - Surplus Money Investments	29	29	30
4170900 Contributions to Fiduciary Funds	18,608	22,330	26,796
4171400 Escheat - Unclaimed Checks, Warrants, Bonds, and Coupons	<u>28</u>	<u>29</u>	<u>30</u>
Total Revenues, Transfers, and Other Adjustments	<u>\$18,946</u>	<u>\$22,725</u>	<u>\$27,261</u>
Total Resources	\$29,931	\$32,222	\$31,738
EXPENDITURE AND EXPENDITURE ADJUSTMENTS			
Expenditures:			
7501 Department of Human Resources (State Operations)	656	1,424	1,282
7501 Department of Human Resources (Unclassified)	19,777	26,319	26,319
8880 Financial Information System for California (State Operations)	<u>1</u>	<u>2</u>	<u>1</u>
Total Expenditures and Expenditure Adjustments	<u>\$20,434</u>	<u>\$27,745</u>	<u>\$27,602</u>
FUND BALANCE	\$9,497	\$4,477	\$4,136
Reserve for economic uncertainties	9,497	4,477	4,136
0915 Deferred Compensation Plan Fund ^N			
BEGINNING BALANCE	\$10,528,432	\$11,065,729	\$11,656,779
Prior Year Adjustments	<u>620</u>	<u>-</u>	<u>-</u>
Adjusted Beginning Balance	\$10,529,052	\$11,065,729	\$11,656,779
REVENUES, TRANSFERS, AND OTHER ADJUSTMENTS			
Revenues:			
4163000 Investment Income - Surplus Money Investments	37	39	41
4164000 Gain/Loss on Sale of Investments	361,879	390,829	422,095
4170900 Contributions to Fiduciary Funds	743,145	802,596	866,803
4172500 Miscellaneous Revenue	<u>11,249</u>	<u>12,569</u>	<u>13,027</u>
Total Revenues, Transfers, and Other Adjustments	<u>\$1,116,310</u>	<u>\$1,206,033</u>	<u>\$1,301,966</u>
Total Resources	\$11,645,362	\$12,271,752	\$12,958,745
EXPENDITURE AND EXPENDITURE ADJUSTMENTS			

* Dollars in thousands, except in Salary Range. Numbers may not add or match to other statements due to rounding of budget details.

7501 Department of Human Resources - Continued

	2014-15*	2015-16*	2016-17*
Expenditures:			
7501 Department of Human Resources (State Operations)	10,814	14,983	15,020
Payments to Participants	568,819	600,000	600,000
Total Expenditures and Expenditure Adjustments	<u>\$579,633</u>	<u>\$614,983</u>	<u>\$615,020</u>
FUND BALANCE	\$11,065,729	\$11,656,779	\$12,343,725
Reserve for economic uncertainties	11,065,729	11,656,779	12,343,725
8049 Vision Care Program for State Annuitants Fund ^N			
BEGINNING BALANCE	\$352	\$619	\$3,580
Prior Year Adjustments	954	-	-
Adjusted Beginning Balance	\$1,306	\$619	\$3,580
REVENUES, TRANSFERS, AND OTHER ADJUSTMENTS			
Revenues:			
4129000 Other Fees and Licenses	447	469	493
4163000 Investment Income - Surplus Money Investments	4	4	4
4170900 Contributions to Fiduciary Funds	10,735	11,272	11,835
Total Revenues, Transfers, and Other Adjustments	<u>\$11,186</u>	<u>\$11,745</u>	<u>\$12,332</u>
Total Resources	\$12,492	\$12,364	\$15,912
EXPENDITURE AND EXPENDITURE ADJUSTMENTS			
Expenditures:			
7501 Department of Human Resources (Unclassified)	11,873	8,784	8,784
Total Expenditures and Expenditure Adjustments	<u>\$11,873</u>	<u>\$8,784</u>	<u>\$8,784</u>
FUND BALANCE	\$619	\$3,580	\$7,128
Reserve for economic uncertainties	619	3,580	7,128

CHANGES IN AUTHORIZED POSITIONS

	Positions			Expenditures		
	2014-15	2015-16	2016-17	2014-15*	2015-16*	2016-17*
Baseline Positions	294.0	298.5	298.5	\$21,744	\$22,494	\$22,494
Budget Position Transparency	-	-31.3	-30.8	-	-3,306	-3,306
Salary and Other Adjustments	-31.5	-	-0.5	-2,068	529	494
Workload and Administrative Adjustments						
Civil Service Improvement						
Assoc Govtl Program Analyst	-	-	2.0	-	-	124
Office Techn (Typing)	-	-	1.0	-	-	38
Sr Programmer Analyst (Spec)	-	-	1.0	-	-	81
Staff Pers Program Analyst	-	-	9.0	-	-	643
Staff Svcs Mgr I	-	-	1.0	-	-	71
Staff Svcs Mgr II (Supvry)	-	-	1.0	-	-	78
Temporary Help	-	-	1.0	-	-	66
Developmental Disability Internship Program (SB 644)						
Office Techn (Typing)	-	-	1.0	-	-	38
Staff Svcs Analyst (Gen)	-	-	1.0	-	-	46
Human Resources Audits						
Assoc Pers Analyst	-	-	5.5	-	-	342
Temporary Help	-	-	0.2	-	-	12
Information Security Staffing						
Sys Software Spec III (Tech)	-	-	1.0	-	-	89
Review of the Merit System Services Program						

* Dollars in thousands, except in Salary Range. Numbers may not add or match to other statements due to rounding of budget details.

7501 Department of Human Resources - Continued

	Positions			Expenditures		
	2014-15	2015-16	2016-17	2014-15*	2015-16*	2016-17*
Temporary Help (Limited Term 06-30-2017)	-	-	-	-	-	71
TOTALS, WORKLOAD AND ADMINISTRATIVE ADJUSTMENTS	-	-	24.7	\$-	\$-	\$1,699
Totals, Adjustments	-31.5	-31.3	-6.6	-\$2,068	-\$2,777	-\$1,113
TOTALS, SALARIES AND WAGES	262.5	267.2	291.9	\$19,676	\$19,717	\$21,381

* Dollars in thousands, except in Salary Range. Numbers may not add or match to other statements due to rounding of budget details.