

**OFFICE OF HUMAN RESOURCES  
FISCAL YEAR 2023 BUDGET TESTIMONY  
APRIL 20, 2022**

**INTRODUCTION**

Good afternoon, President Clarke and Members of City Council. I am Michael Zaccagni, Director of Human Resources I am pleased to provide testimony on the Office of Human Resources Fiscal Year 2022 Operating Budget. The FY22 Budget General Fund request OFFICE OF HUMAN RESOURCES is \$6,788,620.

**Mission**

Under the guidance of the Civil Service Commission, the Office of Human Resources (OHR) works to attract, select, and retain a qualified, diverse, and effective workforce to support the goals of the City. OHR is continually reviewing its processes to improve the services it provides and works closely with partner agencies, such as the Chief Administrative Office, to develop innovative people strategies. A key component of OHR's mission is to effectively administer the City's Civil Service system, the purpose of which is to create and maintain workforce management practices that are based on merit and equity.

**Plan**

This past year saw continued challenges across the city. Many organizations in the region have seen staff vacancies increase to historic numbers with demographic shifts and reshuffling in the workforce. Comparing pre-pandemic data to post we have also seen impacts especially in departments such as Prisons, Police, and Fleet Services. We continue to focus on increasing diversity and over the course of the past year, our hiring services team has engaged in targeted recruitment, with the goal of reaching a broader candidate pool. In addition, we have leveraged technology and changed certain assessment processes. One example is the position of firefighter where our initiative has resulted in one of our most diverse Firefighter lists.

- A key goal for this fiscal year is implementation of new certification rules established by the recent Charter Change. We, and many departments, are excited with the change that eliminated the Rule of 2 and look forward to the flexibility the new language will provide.
- For FY 2023 our strategic initiatives remain focused on attracting diverse and qualified candidates to address the staffing needs of departments across the city. The FY 23 budget includes funding so we may build an internal recruitment unit to better engage candidates and stakeholders in the community. In addition, with funding from a CAO grant, we will be standing up a mobile recruitment and testing lab to reach candidates in their neighborhoods.
- The Benefits Division, though challenged with increasing participation goals in contracting opportunities because of the nature of the industry, has developed innovative initiatives to place a greater focus on diversity from both a provider and employee health perspective.
- We continue to improve on time to hire metrics with 97% of lists being established within target date and in an average of 39 days. The City has a bifurcated hiring process, meaning that the central agency must establish an eligible list then operating departments must manage the final interview process. With the changing certification rules, this final interview process will take on new importance. We will partner with operating departments to assure they are ready for this challenge.

I thank you for the opportunity to address the council and our team is available for any questions.

**BUDGET SUMMARY & OTHER BUDGET DRIVERS**

*Please refer to attached FY23 Budget Hearing Summary Charts in section 1: Staff Demographics Summary, section 2: Employment Levels, section 3: Financial Summary by Class, section 6: Participation Rate and Goal.*

## **PROPOSED BUDGET OVERVIEW**

### **Proposed Funding Request:**

The proposed Fiscal Year 2023 General Fund budget totals \$6,788,620, an increase of \$165,037 over Fiscal Year 2022 estimated obligation levels. The below detail provides information showing the major changes for the budget.

The proposed budget includes:

- \$5,753,121 in Class 100, an increase of \$326,540 over our FY22 primarily to fund a new central recruiting unit.
- \$966,067 in Class 200, a decrease of \$161,503 since we will not be holding a firefighter exam in this fiscal year; the eligible list is good for two years.
- \$69,432 in class 300/400, which is constant from FY22

**STAFFING LEVELS**

The department is requesting 85 budgeted positions for FY23, an increase of 4 positions from our FY22 authorized level.

This increase is attributed to additional funding to staff a new central recruitment unit.

**NEW HIRES**

*Please refer to attached FY23 Budget Hearing Summary Charts in section 8: New Hires Information.*

**PERFORMANCE, CHALLENGES, AND INITIATIVES**

**Planning and Strategy**

Performance Measure	FY21 Year-End	FY22 Target	FY23 Target
Milestone: obtain data to establish a performance measure for City hiring time	N/A	90 days	90 days

**Program FY23 Strategic Goals**

- Continue partnerships with departments to support their HR offices, addressing concerns noted in focus groups.

**Hiring Services**

Performance Measure	FY21 Year-End	FY22 Target	FY23 Target
Percentage of civil service eligible lists produced on or by target date	91.25%	97.00%	97.00%
Average number of days for producing civil service eligible list	39	39	39

**Program FY23 Strategic Goals**

- Review and evaluate job descriptions to identify areas of improvement to ensure diversity with a special focus on degree requirements. Recent examples of this strategy include Streets Construction Projects Technicians promoting into Construction Engineering positions and expanding the candidate pool for Licenses and Inspections (L&I) Code Administrator positions. In FY22, OHR revised the Programmer Analyst (IT series) to allow for industry recognized certifications and additional experience as additional options to qualify. Clinical counseling titles were also revised to allow for additional experience instead of an advanced degree to qualify. Broader areas of study for college credits beyond criminal justice as allowable by state law for Juvenile detention counselors were added to attract more candidates to the hard to fill role.
- Develop policy and procedures to implement new charter language around certifications (previously the Rule of Two). This will enable OHR to be more flexible with the assessment tools used to develop eligible lists, reach more qualified candidates on eligible lists, and provide greater opportunities for diverse populations.
- Continue to build OHR’s relationship with the Community College of Philadelphia (CCP) and the School District of Philadelphia to provide employment opportunity information for graduating seniors; specifically, students in Career and Technical Education (CTE) programs. This will include

meeting biannually with Directors for these career programs, posting jobs, and holding information sessions for students.

**Benefits Administration**

Performance Measure	FY21 Year-End	FY22 Target	FY23 Target
Percent change in the total dollar amount of health benefit expenditures (actual) compared to budget (adopted)	-7.0%	+or-3%	+or-3%
Percent of employees and spouses/life partners who participated in wellness initiatives	52.0%	65.00%	65.00%
Percent of employees and spouses/life partners who completed wellness initiatives	50.8%	50.00%	50.00%

**Program FY23 Strategic Goals**

- Implement a data warehouse to access and analyze claims information. This is to set strategic goals to identify programs focused on closing gaps in care as it relates to the racial equity lens and chronic disease.
- Implement Benefits platform for all City Administered Benefits Plan (CAP) employees to provide health and well-being information to employees and their covered dependents. The platform will include tutorials, videos, group chats, and a host of other information to promote health equity, using health literacy tools for selfcare, personal, and financial health and wellbeing
- Participation in the Centers for Disease Control (CDC) Foundation study which is focused upon assessing the ability of the City of Philadelphia to build a sustainable culture of health and wellbeing.

**Human Resources Management Administration**

Performance Measure	FY21 Year-End	FY22 Target	FY23 Target
Percent of time SLA is met for human resources initial transactions	100.00%	100.00%	100.00%

**Program FY23 Strategic Goals**

Office of Human Resources

- Continue to provide consultation and coaching to departments to build skills and technical expertise.

**Medical Evaluation Unit (MEU)**

Performance Measure	FY21 Year-End	FY22 Target	FY23 Target
Percent of evaluations completed under SLA	80.00%	80.00%	85.00%

**Program FY23 Strategic Goals**

- Review and address the results and trends of the patient satisfaction survey and identify any gaps that impact the patient experience at the MEU.
- Address standard operating procedures to include minimum acceptable timeframes for the MEU to forward medical approvals and denials to departments.

**Civil Service Commission**

*There are no performance measures for this program.*

**Program FY23 Strategic Goals**

- Work closely with the Office of Human Resources to ensure that equitable HR policies are consistently applied.
- Promulgate regulations to promote efficient and fair decision making within OHR and to promote a merit-based system of hiring and promotion.

Office of Human Resources

**OTHER BUDGETARY IMPACTS**

**Federal and State (Where Applicable)**

NA

**CONTRACTING EXPERIENCE**

*Please refer to attached FY23 Budget Hearing Summary Charts in section 4: Contracts Summary.*

**EMPLOYEE DATA**

*Please refer to attached FY23 Budget Hearing Summary Charts in section 7: Staff Demographics.*

**LANGUAGE ACCESS**

- 1. Provide the name of your language access coordinator, the date of your last department training, and a link to the posting of your language access plan.**

Janine LaBletta.

On demand training in Learning Management System, 2022, for staff.

The department’s language access plan can be found [here](#).

- 2. Breakdown new hires and existing staff by race and language. Breakdown how many front-line personnel are trained to provide language access services.**

All 4 Customer Service staff of Hiring Services are trained. Front desk/reception (1).

2 of 14 Benefits Staff and 6 of 32 Hiring Services staff are bilingual. See breakdown below.

Title	Language	Level
HR Technical Specialist	Malayalam	Native speaker
Senior HR Analyst	Spanish	Native speaker
Hiring Services Manager	Greek	Native speaker
Clerk 3	Spanish	Native speaker
Senior HR Analyst	French, Arabic	Native speaker
Senior HR Analyst	Subsaharan African	Native speaker
Administrative Technician	Korean	Native speaker

- 3. How many requests for language access services did your department receive in the past year? How many language access services were delivered by staff? Breakdown language access services provided, by language, including but not limited to the language line, translation of public notices and documents, website language services, and advertisement/publication services.**

10 Requests for translation of documents. – Spanish, Chinese, Korean, Vietnamese.

- 4. Explain what your department has done to improve language access services over the past year.**

Offer interpretation services for callers to our customer service help desk, translated job flyers into key Asian and Spanish languages, consulted with and gathered input from Mayor’s Office of Immigrant Affairs, Mayoral Commission on Asian and Pacific Islander Affairs, Spanish speaking community organizations such as Congreso and Esperanza.

## **CLIMATE CHANGE**

### **1. How has climate change affected your department's provision of services?**

At this point, we have not seen significant direct impacts of climate change. However, the impacts of climate change on the overall economy can certainly impact the city and all organizations in the form of increased living costs to our employees (i.e., energy costs) with possible impacts on total compensation packages.

### **2. How might worsening climate change increase costs and demands for your department?**

If changes reach levels that impact micro migration patterns, i.e., residents moving from cities, this will have negative effects of our ability to recruit candidates.

### **3. How does your department intend to mitigate and adapt to climate change?**

We continually review our recruitment and compensation practices.

### 1. Staff Demographics Summary

Staff Demographics Summary (as of December 2021)				
	Total	Minority	White	Female
Number of Full-Time Staff	74	63	11	52
Number of Exempt Staff	5	3	2	5
Number of Executive Staff (deputy level and above)	4	3	1	4
Average Salary, Full-Time Staff	\$62,392	\$64,947	\$70,753	\$63,635
Average Salary, Exempt Staff	\$115,300	\$130,000	\$93,250	\$115,300
Average Salary, Executive Staff	\$130,000	\$130,000	\$130,000	\$130,000
Median Salary, Full-Time Staff	\$56,287	\$56,074	\$56,500	\$56,074
Median Salary, Exempt Staff	\$130,000	\$130,000	\$93,250	\$130,000
Median Salary, Executive Staff	\$130,000	\$130,000	\$130,000	\$130,000

### 2. Employment Levels

Employment Levels (as of December 2021)		
	Budgeted	Filled
Number of Full-Time Positions	81	74
Number of Part-Time Positions	0	0
Number of Exempt Positions	5	5
Number of Executive Positions (deputy level and above)	4	4
Average Salary of All Full-Time Positions	\$66,995	\$62,392
Median Salary of All Full-Time Positions	\$56,818	\$56,287

### 3. Financial Summary by Class

Some departments may also want to provide financial summary tables for other funds, such as the Grants Fund. Departments should delete any budget lines that have \$0 in every year (i.e. if a department has no Class 500 appropriations, actuals, or proposed appropriations, the Class 500 row should be deleted).

General Fund Financial Summary by Class						
	FY21 Original Appropriations	FY21 Actual Obligations	FY22 Original Appropriations	FY22 Estimated Obligations	FY23 Proposed Appropriations	Difference: FY23-FY22
Class 100 - Employee Compensation	\$5,290,733	\$5,133,178	5,223,802	5,426,581	5,753,121	\$326,540
Class 200 - Purchase of Services	\$877,570	568,785	1,177,570	1,127,570	966,067	(\$161,503)
Class 300/400 - Materials, Supplies & Equipment	\$69,432	15,904	69,432	69,432	69,432	\$0
	<b>\$6,237,735</b>	<b>\$5,717,867</b>	<b>\$6,470,804</b>	<b>\$6,623,583</b>	<b>\$6,788,620</b>	<b>\$165,037</b>

#### 4. Contracts Summary

This table focuses on large professional services contracts with for-profit vendors.

"Large" is defined as meaning that an RFP was required.

Departments should focus on contracts that have been conformed to date.

Any departments that have large contracts with non-profit providers are encouraged to provide board makeup information in the optional "Non-Profit Vendor Demographics" table below.

#### M/W/DSBE Participation on Large Professional Services Contracts

Top Five Largest Contracts, FY22

Vendor Name	Service Provided	Dollar Amount of Contract	RFP Issue Date	Contract Start Date	Ranges in RFP	% of M/W/DSBE Participation Achieved	\$ Value of M/W/DSBE Participation	Total % Participation - All DSBEs	Total \$ Value Participation - All DSBEs	Local Business (principal place of business located within City limits) [yes / no]	Waiver for Living Wage Compliance ? [yes / no]
National Testing Network, Inc.	Develop Firefighter Examination	\$350,000	9/14/2020	3/15/2021	MBE:	0%	\$0	0%	\$0	No	No
					WBE:	0%	\$0				
					DSBE:	0%	\$0				
AON	Benefits Consultant	\$250,000	5/1/2021	8/1/2021	MBE:	20%	\$50,000	20%	\$50,000		
					WBE:	0%	\$0				
					DSBE:	0%	\$0				
Health Equity	Flexible Spending Accounts	\$85,000		1/1/2022	MBE:	0%	\$0	0%	\$0		
					WBE:	0%	\$0				
					DSBE:	0%	\$0				
					MBE:	0%	\$0	0%	\$0		
					WBE:	0%	\$0				
					DSBE:	0%	\$0				
					MBE:	0%	\$0	0%	\$0		
					WBE:	0%	\$0				
					DSBE:	0%	\$0				

#### 6. Participation Rate and Goal

The Contracts Summary table is for **professional services contracts only**.

The Contract Participation Goal table is for **all** contracts (Public Works, SS&E, and Professional Services, combined).

#### Contracts Summary (Professional Services only)

	FY19	FY20	FY21	FY22	FY23	FY22 YTD (Q1 & Q2)
Total amount of contracts	\$584,175	\$576,505	\$492,455	\$839,220	\$722,000	\$280,000
Total amount to M/W/DSBE	\$154,289	\$136,289	\$114,000	\$285,700	\$215,000	\$221,480
Participation Rate	26%	24%	23%	34%	30%	79%

#### Total M/W/DSBE Contract Participation Goal (Public Works; Services, Supplies & Equipment; and Professional Services combined)

	FY21	FY22	FY23
M/W/DSBE Contract Participation Goal	30%	30%	30%

**7. Staff Demographics**

Totals in this table should tie out to numbers in tables 1 and 2 above.  
 Biracial employees should be included under "Other."  
 The number of employees who identify as non-binary (i.e. employees who do not identify as either female or male) should be included in the text box below the table, along with salary detail.

Staff Demographics (as of December 2021)					
Full-Time Staff			Executive Staff		
	Male	Female		Male	Female
	African-American	African-American		African-American	African-American
<i>Total</i>	10	42	<i>Total</i>	0	3
<i>% of Total</i>	14%	57%	<i>% of Total</i>	0%	75%
<i>Average Salary</i>	\$69,244	\$63,330	<i>Average Salary</i>		\$130,000
<i>Median Salary</i>	\$45,396	\$56,074	<i>Median Salary</i>		\$130,000
	White	White		White	White
<i>Total</i>	7	6	<i>Total</i>	0	1
<i>% of Total</i>	9%	8%	<i>% of Total</i>	0%	25%
<i>Average Salary</i>	\$72,819	\$68,343	<i>Average Salary</i>		\$130,000
<i>Median Salary</i>	\$86,386	\$49,540	<i>Median Salary</i>		\$130,000
	Hispanic	Hispanic		Hispanic	Hispanic
<i>Total</i>	1	3	<i>Total</i>	0	0
<i>% of Total</i>	1%	4%	<i>% of Total</i>	0%	0%
<i>Average Salary</i>	\$71,375	\$54,256	<i>Average Salary</i>		
<i>Median Salary</i>	\$71,375	\$45,396	<i>Median Salary</i>		
	Asian	Asian		Asian	Asian
<i>Total</i>	1	1	<i>Total</i>	0	0
<i>% of Total</i>	1%	1%	<i>% of Total</i>	0%	0%
<i>Average Salary</i>	\$91,472	\$48,652	<i>Average Salary</i>		
<i>Median Salary</i>	\$91,472	\$48,652	<i>Median Salary</i>		
	Other	Other		Other	Other
<i>Total</i>	1	2	<i>Total</i>	0	0
<i>% of Total</i>	1%	3%	<i>% of Total</i>	0%	0%
<i>Average Salary</i>	\$80,291	\$77,459	<i>Average Salary</i>		
<i>Median Salary</i>	\$80,291	\$77,459	<i>Median Salary</i>		
	Bilingual	Bilingual		Bilingual	Bilingual
<i>Total</i>	3	7	<i>Total</i>		1
<i>% of Total</i>	4%	9%	<i>% of Total</i>	0%	25%
<i>Average Salary</i>	\$84,018	\$79,974	<i>Average Salary</i>		\$130,000
<i>Median Salary</i>	\$80,291	\$80,291	<i>Median Salary</i>		\$130,000
	Male	Female		Male <sup>1</sup>	Female
<i>Total</i>	20	54	<i>Total</i>	0	4
<i>% of Total</i>	27%	73%	<i>% of Total</i>	0%	100%
<i>Average Salary</i>	\$72,265	\$63,635	<i>Average Salary</i>		\$130,000
<i>Median Salary</i>	\$56,573	\$56,074	<i>Median Salary</i>		\$130,000

<sup>1</sup> Salary for the OHR director is budgeted in another department.

**Detail for non-binary employees, if applicable:**

**8. New Hire Information**

Date range is 7/1/21 to December 2021 increment run. Detail for any hires since then can be added in the text box below the table.

**New Hires (from 7/1/2021 to December 2021)**

	Total Number of New Hires	[language 1]	[language 2]	[language 3]	[language 4]	[language 5]
Black or African American	1	English				
Asian	1	English				
Hispanic or Latino	0					
White	1	English				
Other	0					
Total	3	3	0	0	0	0

Detail for new hires since December 2021, if applicable: