

DEPARTMENT OF HUMAN RESOURCES

CITY AND COUNTY OF HONOLULU

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MUFI HANNEMANN
MAYOR



KENNETH Y. NAKAMATSU
DIRECTOR

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CITY CLERK
HONOLULU, HAWAII

April 20, 2009

The Honorable Nestor Garcia, Chair
and Members of the Budget Committee
Honolulu City Council
530 South King Street, Room 202
Honolulu, Hawaii 96813

Dear Chair Garcia and Councilmembers:

Subject: Budget Communication No. 9
Council Budget Hearing Questions

This is in response to Budget Committee questions of April 13, 2009 regarding the Department of Human Resources.

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CITY COUNCIL
HONOLULU, HAWAII

Question 4.a. Please provide an overview and status report on the Department's Po'okela program.

Answer: See ATTACHMENT A-1 and A-2.

Question 4.b. Please submit or re-submit flowchart showing the approximate timeline and critical decision points from the time an agency requests to fill a vacant position until the time the position is actually filled for both a normal hiring cycle and as it relates to the current hiring freeze.

Answer: See ATTACHMENT B-1 and B-2.

Question 4.c. Please provide an overview and status report on the implementation of the Integrated Financial and HR system, and whether the implementation will help standardize the hiring process for departments.

Answer: See ATTACHMENT C.

If you have any questions about the above, please contact me at 768-8500 or Assistant Director Noel Ono at 768-8502.

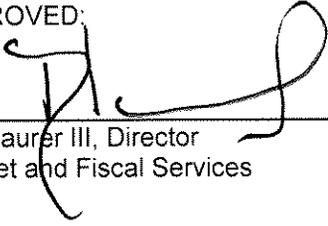
Sincerely,

Ken. Y. Nakamatsu, Director
Department of Human Resources

ATTACHMENTS

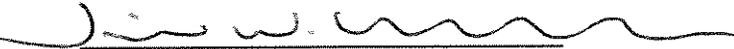
The Honorable Nestor Garcia, Chair
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APPROVED:



Rix Maurer III, Director
Budget and Fiscal Services

APPROVED:



Kirk W. Caldwell
Managing Director

Status Report for Po'okela Fellows Program

The Po'okela Fellows Program was created in the Spring of 2008, giving college students an opportunity to learn and work with the City and County of Honolulu. According to their field of study, students are paired up with a City employee to serve as their mentor for the semester. In addition to gaining valuable work experience, students (and mentors) are encouraged to participate in City tours throughout the semester. These educational tours are intended to expose students to other City operations.

We are currently in the 4th semester of the Po'okela Fellows Program. A total of 53 students have participated in the program, of which 18 have been extended on contract to continue working with the City after their completed semester. *See table below.*

	Spring 2008	Summer 2008	Fall 2008	Spring 2009
# of students	14	18	11	10
# extended on contract	9	3	6	n/a
% extended	64%	17%	55%	n/a

For 2009, we've planned to cut the summer session altogether, but continue with the program for the Fall/Spring semesters.

The program pays students \$10/hour, and they're able to work up to 19 hours per week. Other than salaries, the program budgets for approximately \$2,031 per semester. This expense is for the beginning of the semester orientation and the end of semester feedback session. The approximate cost per semester for the program is \$28,013. *See table below.*

Anticipated Po'okela Costs (per semester)

	Spring	Fall
Orientation	\$931	\$931
Feedback Session	\$1,100	\$1,100
Salaries	\$25,982	\$25,982
Total	\$28,013	\$28,013

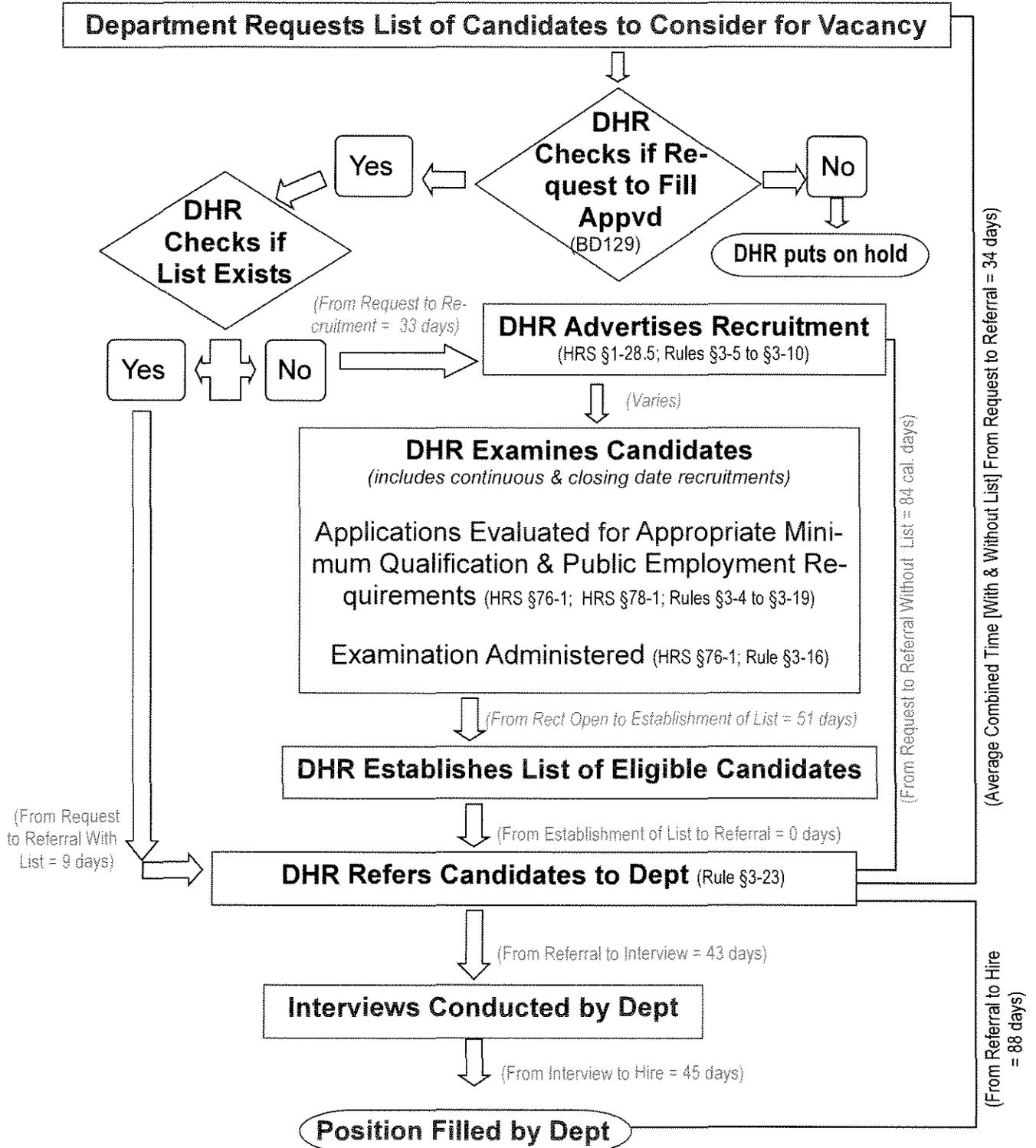
Po'okela Fellows Program Statistics

	Spring 2008	Summer 2008	Fall 2008	Spring 2009
# of students	14 (13 paid, 1 volunteer)	18	11	10
# of students extended on contract	9	3	6	n/a
Schools	<ul style="list-style-type: none"> • UH Manoa • UH West Oahu • HPU 	<ul style="list-style-type: none"> • UH Manoa • UH West Oahu • USC • U of Washington • Wesleyan University 	<ul style="list-style-type: none"> • UH Manoa • UH West Oahu • HPU 	<ul style="list-style-type: none"> • UH Manoa • UH West Oahu • Chaminade
Majors	<ul style="list-style-type: none"> • Accounting • Economics • Finance • General Business • Global Leadership and Sustainable Development • Human Resources Management • International Business • Management • Marketing 	<ul style="list-style-type: none"> • Accounting • Civil Engineering • Electrical Engineering • Family Resources • Finance • General Arts • Industrial & Systems Engineering • Law • Management Information Systems • Marketing • Mathematics • Mechanical Engineering • Psychology • Sociology • Tropical Plant and Soil Science 	<ul style="list-style-type: none"> • Accounting • Biology • Business Administration • Civil and Environmental Engineering • Economics • English • Finance • Human Resources Management • Information Technology • International Business • Sociology • Tropical Plant and Soil Science 	<ul style="list-style-type: none"> • Accounting • Business Administration • Communications • Computer Science • Finance • History • Management Information Systems • Public Administration

	Spring 2008	Summer 2008	Fall 2008	Spring 2009
City Departments	<ul style="list-style-type: none"> • Board of Water Supply (3) • Budget and Fiscal Services (2) • City Council • Community Services • Design and Construction • Enterprise Services • Honolulu Police Department • Human Resources (2) • Mayor's Office of Economic Development • Parks and Recreation 	<ul style="list-style-type: none"> • Board of Water Supply (4) • Budget and Fiscal Services (3) • Community Services • Corporation Council • Customer Services • Design and Construction • Environmental Services • Facility Maintenance • Honolulu Fire Department • Human Resources • Information Technology • Parks and Recreation • Transportation Services 	<ul style="list-style-type: none"> • Budget and Fiscal Services (3) • Board of Water Supply (3) • Emergency Services • Environmental Services • Human Resources • Mayor's Office of Economic Development • Transportation Services 	<ul style="list-style-type: none"> • Budget and Fiscal Services (4) • Board of Water Supply • Emergency Management • Honolulu Police Department • Mayor's Office • Parks and Recreation (2)

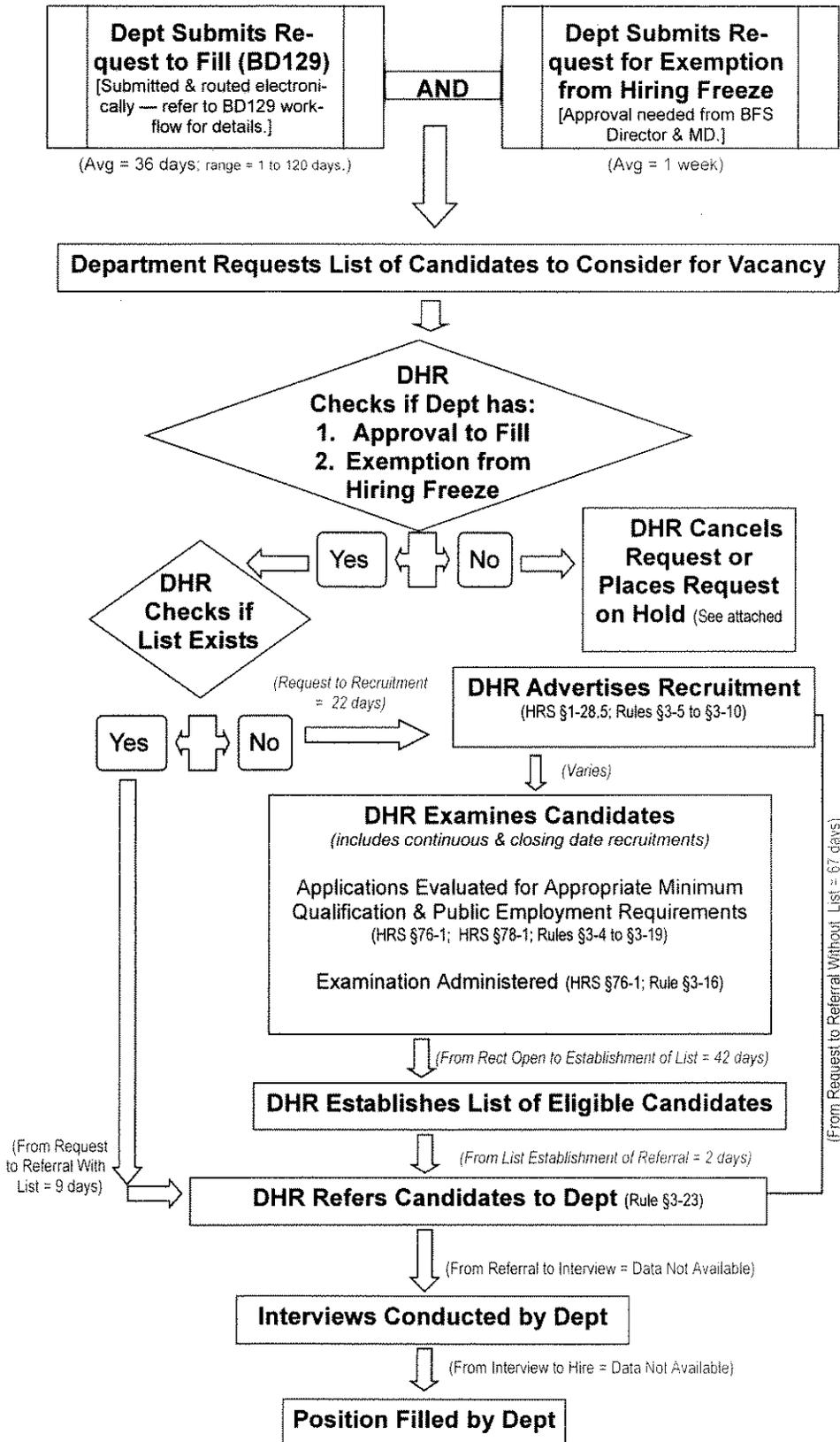
HIRING PROCESS FLOW CHART (NORMAL)

Average Processing Times Provided for FY2008 in Calendar Days



HIRING PROCESS FLOW CHART (HIRING FREEZE)

Average Processing Times Provided for the Period from November 6, 2008—April 15, 2009



Please provide an overview and status report on the implementation of the Integrated Financial and HR system, and whether the implementation will help standardize the hiring process for departments.

The Department of Information Technology (DIT) is responsible for the overall Integrated Financial and HR system, more commonly referred to as C2HERPS. DIT has previously provided an overview of C2HERPS in their budget presentation to the City Council.

The Department of Human Resources (DHR) is responsible for overseeing the implementation of the Human Resources and Payroll portion of the C2HERPS project. This portion of the project includes the implementation of the following systems:

- 1) Advantage HRM – This system replaces the City's existing HR/payroll system, aka CHRMS, and will maintain all personnel and payroll data for City employees. In addition to all data currently maintained in the existing CHRMS system, the new system maintains data such as emergency contact, licenses, certifications, awards, competencies, training history, position information and more. Besides employee information, records for board members, commissioners, volunteers such as HPD Reserve Officers, and participants of youth employment programs administered by the Department of Community Services can also be maintained. The Payroll functionality is expected to be more efficient, detailed and precise than that provided by our current system.
- 2) Meridian Global LMS – This system replaces the City's existing home-grown Training Registration system. In addition to registering for training, employees will be able to view their training records, review reference materials and other training materials before and after their sessions, take online tests and receive certificates of completion. This system also allows for the integration of online training courses. Although not being implemented at the present time, the Meridian Global LMS implementation provides for the establishment and maintenance of employee development programs.
- 3) OrgPlus Enterprise – Currently, departments maintain their organization charts utilizing a variety of software, such as Microsoft Word, Excel, off-the-shelf products and even the pre-windows, DOS. The OrgPlus Enterprise system will utilize information from the Advantage HRM to auto-generate departmental organizational charts, eliminating constant maintenance and updating. Utilizing the same software will also provide for standardization of the City's organization charts. In addition, a variety of elemental employee information can be accessed directly from electronic organizational charts, such that lower level supervisors (provided they have been authorized security access) can access their subordinate's employment information. The second phase of this implementation involves organizational modeling, where departments can create "what if" situations to evaluate and cost proposed reorganizations, and budgetary review and approval can be handled electronically.
- 4) Employee Self Service – The fourth software system to be implemented in this current phase of the C2HERPS project is Employee Self Service. This system allows employees who have been authorized computer access, the ability to directly access and update their own records (e.g., address and emergency contact changes), access copies of their previous paystubs and W-2s, view their leave balances, etc.

In addition to the software listed above, the C2HERPS project incorporates two other system-related changes:

- 1) Payroll, Time & Attendance (PTA&) – Modification to the City's homegrown system is required to maximize the features of the Advantage HRM system. The system

modifications require business process changes for all City timekeepers.

- 2) Payroll Conversion – This is a change in how payroll is processed. Premium pays will be paid sooner than with the current system, and it is expected to reduce overpayments to employees due to leaves taken. (Additional information was provided on the back of the April 15th paystub.)

The implementation of this project is expected to bring significant improvements to payroll processing, including:

- Automating Retroactive Pay and FLSA Calculations
- Eliminating certain timekeeping entries for sick and vacation leaves for hourly employees
- Automating calculation of leave without pay transactions and taking away from the employee's base pay
- Providing more comprehensive pay check and pay stub information, such as leave and employer fringe information
- Integrating donated leave processing
- Meeting Employee Retirement System Reporting Standards

For human resources, we anticipate operational and business process improvements, such as:

- Reducing the processing of paper documents and utilizing electronic workflow to enhance efficiency and greater accountability
- Maintaining a greater amount of personnel, payroll and training data
- Increasing access to employee data to line departments thereby reducing redundancies in data maintained by DHR and line departments
- Shifting the focus of DHR Transactions staff from data entry to auditing
- Maintaining up-to-date organizational charts
- Improving employee access and ability to update their own personal information (for employees with computer access)

As to status, the project is slightly behind schedule due to the many challenges that we have been facing. Examples of these challenges are listed below. None of these are fatal to the project schedule in and of itself, and none are insurmountable.

- Significant software modification to accommodate Hawaii's unique method of calculating pay.
- Software modifications to accommodate Federal EEO reporting codes that are specific to Hawaii and Alaska.
- State Employee Retirement System is also implementing a new system, which required some system and business process changes.
- The City's PT&A system modifications have not yet been finalized.
- Critical reports have not yet been completed and approved.
- Limited staff to support a project of this scope.

With regard to the Council's inquiry as to whether the C2HERPS system will standardize the hiring process, our response is "no". The C2HERPS system does not incorporate a recruitment module. DHR elected to maintain the existing NeoGov system that is specifically designed for governments, for the City's recruitment efforts. The C2HERPS system may be of assistance in the hiring process through greater access to more data to facilitate decision making (e.g., greater access to employee/position information, accessing updated organizational charts, etc.) In addition, the Advantage HRM system includes an electronic "checklist" which identifies the various documents and forms (electronic and paper) that are required to process employee transactions. This should assist departments keep track of what has been and has not yet been submitted for a particular employee and transaction.