Interim Human Services Committee | 4.27.22
Senator Judy Lee, Chairman

Human Service Zones
Local + State Partnerships For Effective and Efficient Service Delivery
Develop a process for allowing a human service zone (HSZ) to opt in to state employment to include:

1. What conditions and factors a transition to State employment may or may not be desirable for a HSZ and the Department of Human Services (DHS);
2. Outline the governance process for choosing to opt in to State employment;
3. Template and potential timeline for any HSZ choosing to make the transition to state employment; and
WORKGROUP MEMBERSHIP

- Steve Reiser  
  Dakota Central Human Service Zone
- Kim Jacobson  
  Agassiz Valley Human Service Zone
- Jill Denault  
  Northern Valley Human Service Zone
- Michelle Masset  
  South Country Human Service Zone
- Rhonda Allery  
  Mountain Lakes Human Service Zone
- Terry Traynor  
  NDACO
- Linda Svihovec  
  NDACO
- Jon Alm  
  DHS Legal
- Jason Nisbet  
  DHS Legal
- Kristen Hasbargen  
  DHS Director of Zone Operations
- Alicia Baumann  
  DHS Human Resources
- Daphne Pfliger  
  DHS Fiscal
- Donna Aukland  
  DHS Fiscal
Proposed timeline has been developed for considerations of zones.

Developed list of considerations that need to be addressed:
- Potential law changes and timelines
- Zone structure – interaction with partners (Juvenile Court, State’s Attorneys, Legal Custodian of children)
- Fiscal
- Buildings/Facilities/Transfer of Assets
- Human Resource Impact

Presentations from Child Support and Court Administration regarding transfer of positions to state employment.
- Lessons learned, factors to consider, barriers, wins, efficiencies found
## FACTORS FOR CONSIDERATION

<table>
<thead>
<tr>
<th>Factor</th>
<th>Additional Information</th>
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</thead>
<tbody>
<tr>
<td>Indirect Costs</td>
<td>Counties would still have a share. Needs to be defined.</td>
</tr>
<tr>
<td>Legal Representation</td>
<td>Child welfare issues</td>
</tr>
<tr>
<td>Legal Custodian</td>
<td>Would zone directors or the state maintain custody of a child?</td>
</tr>
<tr>
<td>Space / Offices</td>
<td>Would the state pay rent? Would counties be obligated to provide space?</td>
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<tr>
<td>Jurisdictional Issues</td>
<td>Sheriff, law enforcement, juvenile courts</td>
</tr>
<tr>
<td>County Support</td>
<td>How do we ensure counties continue to support human services?</td>
</tr>
<tr>
<td>Advocacy / Local Voice</td>
<td>How do we ensure that zones continue to advocate for local needs?</td>
</tr>
<tr>
<td>Local Board Participation</td>
<td>Ensure staff are able to participate on local boards.</td>
</tr>
<tr>
<td>Role of HSZ Board</td>
<td>Would the HSZ board exist or have a role?</td>
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</tbody>
</table>
Each factor identified would require significant changes to the law. Allowing some zones to be county and some to be state would create duplicate infrastructure and additional laws to support each type of entity within the Zone/State structure.
## WHY MIGHT A ZONE CONSIDER STATE EMPLOYMENT - FEEDBACK

<table>
<thead>
<tr>
<th>Issue</th>
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<tbody>
<tr>
<td>Compensation + Equity</td>
<td>Same benefit. Perception of greater compensation equity.</td>
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<tr>
<td>Hard to Fill Leadership Roles</td>
<td>State can consolidate roles and structures</td>
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<tr>
<td>Commission Perception</td>
<td>Belief that it’s easier for the state to just manage everything</td>
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<tr>
<td>One Team / Staff Belonging</td>
<td>Feeling of disconnect from the county and not completely belonging to the state</td>
</tr>
<tr>
<td>Complex Placements / Program Requirements</td>
<td>Challenges meeting program requirements as an individual zone. Moving to the state does not create more placement options.</td>
</tr>
<tr>
<td>Host County Auditors</td>
<td>Hybrid model creates significant complexities</td>
</tr>
<tr>
<td>Consolidation</td>
<td>Should we just consolidate more zones?</td>
</tr>
<tr>
<td>County Transfer</td>
<td>How do we manage if a county wants to become part of a different zone or pick a different host county?</td>
</tr>
<tr>
<td>Issue</td>
<td>Additional Information</td>
</tr>
<tr>
<td>-----------------------------</td>
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</tr>
<tr>
<td>Employer</td>
<td>Does a change of employer solve every issue?</td>
</tr>
<tr>
<td>Telecommuting</td>
<td>Different zones have different policies vs. the state (Commission Driven)</td>
</tr>
<tr>
<td>Supplementing County Roles</td>
<td>Zone funding supplements other county roles. Would counties lose those roles without state funding? (States Atty, admin support)</td>
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## OPPORTUNITIES

<table>
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<tr>
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<tr>
<td>Zone Employee Training</td>
<td>More robust and repeated training/information on what it means to be a zone employee.</td>
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<tr>
<td>Zone Board Training</td>
<td>Roles and responsibilities of a zone board.</td>
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<tr>
<td>Consistency</td>
<td>Continuing to build consistent HR practices, zone board practices, compensation and performance bonus practices.</td>
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<tr>
<td>Merit System Requirements</td>
<td>Providing ongoing HR and employee education on merit system requirements.</td>
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TIMELINE + GOVERNANCE
Consensus from the workgroup was that a major transition such as this should not be fragmented.

Greater advantage exists with legislative changes that provide clarification and process to further define how human service zones consolidate, how one county may leave a zone to join another zone, or the opportunity to designate a different host county instead of having some zones opt into state employment. The workgroup also stresses the need for continued education of system partners on human service zone processes, procedures, roles, and laws to help ensure effective implementation and understanding of the human service zone structure.
SECTION 25 OF SENATE BILL NO. 2086 (2021) PROVIDES FOR A STUDY OF DEPARTMENT OF HUMAN SERVICES (DHS) AND HUMAN SERVICE ZONE EMPLOYEE COMPENSATION. THE STUDY IS TO REVIEW:

- Total state and human service zone employee compensation, including wages and salaries, annual leave, pay grades, classification, disaster or emergency services volunteers' leave, employee assistance program benefits, family and medical leave, funeral leave, holidays, hours of work, administrative leave, jury and witness leave, leave without pay, the merit system, military leave, overtime compensation, retirement benefits, health insurance benefits, severance pay, sick leave, benefits for temporary employees, and time off to vote;
- Health insurance benefits, including the availability of health savings accounts, self-insurance, healthy lifestyle incentives, and the appropriateness of the human service zones' current health insurance benefits;
- Compensation equity between DHS, other state agencies, human service zones, and the market; within human service zones; within DHS; and between human service zones; and
- The feasibility and desirability of implementing compensation equity.
COMP + EQUITY STUDY UPDATE

DRAFT RFP Workgroup
- Sara S (DHS), Marcie W (DHS), Stacey B (HRMS), Lynn (HRMS)

RFP/REVIEW SCORING TEAM
- Zones, DHS, DoH, HRMS

TIMELINE
- Issue May 2022, Contract July 2022, Report Out During Session
INDIRECT COST WORKGROUP UPDATE

- Ongoing work with NDACO, Zones, DHS and Abacus
- Challenges with the 2020 county wide cost allocation
- Further analysis through summer 2022
- Final recommendation in August 2022
Contact Information

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