

**STATE HUMAN RESOURCES COMMISSION MEETING
PURSUANT TO N.C.G.S. § 126-2(h)
VIA WEBEX**

MEETING MINUTES – January 5, 2023

Members Present:

Members present on the Webex for the meeting were: Commissioner Dekhasta Becton Rozier, Chair, and Commissioner Andrea Allard, Commissioner Ross Beamon, Commissioner Doug Boyette, Commissioner April Page, Commissioner Philip Strach and Commissioner Tracy Webb. Commissioner John Eller and Commissioner Courtney Cooper-Lewter were no longer serving on the Commission.

Other Attendees

Other attendees present: Barbara Gibson, Director, Glenda Farrell, Chief Deputy, and Twanetta Lytle Alston, Deputy Director, Office of State Human Resources; General Counsel Blake Thomas, Assistant General Counsel Anna Perkinson, and Legislative Liaison Lockhart Taylor, Legal Division, Office of State Human Resources; Denise Mazza, State Human Resources Commission Administrator, Office of State Human Resources; Nancy Astrike, Andrea Clinkscales, Ronnie Condrey, Lorence Crossett, Scarlette Gardener, Chryste Hofer, Elizabeth John, Jill Lucas, Stephanie McFadden, Devon McGarvey, Luisa Mahler, Randy Mizelle, Paige Pavlik, DeShun Perry, Susan Reeves, Marylou Rosenoff, Kristin Siemek, and Anita Ward of the Office of State Human Resources; Kieta Cannon, HR Director, NC Auditor's Office; Dr. Donnell Adams, HR Director, NC Department of Administration; Russ Eubanks, HR Director; NC Office of the Courts; Angeline Hariston, HR Director, NC Office of Administrative Hearings; Carolyn Hunt, HR Director, NC Legislature; Renathe Cotton, HR Director, NC Department of Labor; Glenda Ellerbee, HR Director, Office of State Controller; Kristen Bierline, HR Director, NC Department of Justice; Janet Blount, HR Director, NC Department of Public Instruction; Charlene Shabazz and Erica Zendt, NC Department of Public Safety; Harlan Frye, HR Director, NC Department of Revenue; Tim Crowley, HR Director, NC Secretary of State Office; Darryl Bass, Jessica Moore, Chris Chiron, Brian Usischon, University System. Jenny Toler, HR Director, NC Banking Commission; Sanford Chancellor, HR Director, State Board of Elections; Sylvia Crumpler, HR Director, Department of Adult Corrections; Kathleen Tardif, HR Director, NC Department of Natural Resources; Marbet Cuthbert, HR Director, NC Lottery; Jerry Daniels, HR Director, NC Department of Insurance; Karen Gerald, HR Director, NC Department of Health and Human Services; Angel Gray, HR Director, NC SBI; Patricia Garcia, HR Director, Office of State Budget & Management; Joey Harrison, HR Director, NC Department of Information Technology; Libby Faulkner, HR Director, NC HFA; Shakeyia Hazell, HR Director, NC Community Colleges; Amanda Olive, HR Director, NC Department of Transportation; Tammy Penny, HR Director, NC Department of Cultural Resources; Andrea

Porterfield, HR Director, NC Commerce; Debra Thomas, HR Director, NC Office of the Treasurer; and Hollie Thornton, HR Director, NC Wildlife.

Opening

The Commission convened its open meeting pursuant to N.C.G.S. § 126-2(h) at 9:03 a.m. via Webex Teleconference.

The State Human Resources Commission (SHRC) last convened on December 8, 2022.

Pursuant to North Carolina General Statute Chapter 138A and the North Carolina Ethics Act, Chair Rozier asked all Commissioners if there were any conflicts of interest or potential conflicts of interest with respect to any matters coming before the Commission. No conflicts were presented.

There were no additions or corrections to the agenda for the January 5, 2023 meeting.

Business Session Public Comment

Public Comment

There were no public comments.

Total Rewards/Salary Administration: Sign-On & Retention Bonus Policy

Commissioner Dekhasta Rozier, Chair of the State Human Resources Commission (SHRC), opened the special meeting pursuant to N.C.G.S. § 126-2(h) by thanking the attending Commissioners and recognizing the end of service for two of the SHRC Commissioners – John Eller and Courtney Cooper-Lewter. Having served multiple terms, Commissioner Eller retired in December 2022 from public service as the Director of Social Service for Mecklenburg County. First term Commissioner Courtney Cooper-Lewter moved to a new job in January 2023. As a result, both lost their eligibility under the respective appointment subsection of the statute. The Chair then turned the meeting over to North Carolina Office of State Human Resources’ General Counsel Blake Thomas to discuss the process for this special meeting to address the State Employee Referral Bonus Policy.

General Counsel Blake Thomas began by reminding and informing the Commissioners that this meeting was a follow up to the December 8, 2022 SHRC meeting (two of the original voting Commissioners were no longer serving and the Chair had been absent from that meeting so the voting composition was different). An amendment was proposed to the Referral Bonus Pilot Program Policy introduced at the December 8 meeting and the amendment had been read in text, but due to additional discussion prior to the Commissioners voting to recommend its inclusion, it was unclear the exact wording of the amendment to be captured in text. In order to confirm its accuracy, this January 5, 2023 special meeting pursuant to N.C.G.S. § 126-2(h) proposed text capturing the amendment and the discussion was emailed to all voting Commissioners. In response to that email, Commissioner Douglas Boyette, proposed an additional change. In order to provide the policy to the Governor’s Office in its most finished

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recommended form, it was decided to hold this special meeting to discuss the policy, confirm the text for the amendment and address Commissioner Boyette's proposal. All necessary documentation regarding the proposed changes were provided to the Commissioners via email prior to this meeting. General Counsel Thomas then discussed a couple of parliamentary motions in this situation and advised the most appropriate would be a motion to amend something previously adopted.

Total Rewards Division Director Andrea Clinkscales then presented the Employee Referral Bonus Pilot Program Policy, as approved at the December 8, 2022 SHRC meeting with amendment to § 3.3 adding verbiage to indicate that the referral bonus payments may be paid in a lump sum no fewer than 90 days after the hiring date, provided that the bonus is no more than \$250 and for bonuses greater than \$250 they must be paid in multiple payments of 25% after three months, another 25% after six months and the remaining 50% after one year if both employees were still working the same agency. The example previously provided there was updated to reflect that payment schedule.

Chair Rozier asked if the intent of the provided schedule and criteria established by the agency was designed to give agencies flexibility in application.

Clinkscales agreed it was.

Commissioner Allard, who proposed the original amendment to this policy at the December 8, 2022 SHRC meeting, thanked Clinkscales for the work on this amendment and confirmed that language reflected the proposal at that meeting.

Clinkscales then turned the meeting back over to the Chair to vote to adopt these changes before proceeding to the change proposed by Commissioner Boyette.

General Counsel Thomas advised the Chair she could call for a vote now or proceed with the new matter.

Commissioner Douglas Boyette then presented his proposed change: his question about whether it was necessary for the referring employee to be employed by the same agency to receive each portion of the bonus questioning the fairness. For example, if the referring employee retired during the bonus payment period.

Clinkscales informed the Commissioners that once an employee separates from State government, they become inactive in the HR payroll system. This results in an administrative issue as there is no automated way to generate any kind of payment for a non-active state employee. Clinkscales stated that to do that the hiring agency would have to manually track that employee over multiple months and then manually calculate and make arrangements for some sort of manual payment.

Commissioner Boyette acknowledged the hardship of this request.

Commissioner Tracy Webb then asked how this policy would apply if the referring employee transferred to another agency prior to payment of the full bonus at one year.

Clinkscales stated that as written, the employee would have to remain an employee at the originally hiring agency to be eligible. She added that in this way, the policy was beneficial to recruitment and retention. She also reminded the Commissioners that this policy is a pilot and is currently limited to certain classifications in certain state agencies - law enforcement employees at any agency that request to participate in a program, correctional officers in the Department of Adult Corrections, and nursing positions at the Department of Health and Human Services – three classifications for which agencies are struggling to recruit and retain key talent.

Commissioner Allard stated that since this is a pilot program, it would be good to bring it back in December 2023 to discuss its results.

Clinkscales agreed and confirmed that agencies that used this policy were required to report information on their referrals to HR.

Commissioner Webb asked about identifying how you were referred.

Clinkscales explained it was planned to update the PD 107 to identify the actual name of the referring employee and require that the agencies provide a supplemental question as part of the application process.

Commissioner Beamon stated that he agreed with Commissioner Boyette's concern that whether in the system or out, the referring employee should be eligible for the bonus.

Clinkscales restated that this would be an increased administrative burden for agencies.

Chief Deputy Glenda Farrell directed the Commissioners to some proposed language to address the issue in a proposed footnote and asked Assistant General Counsel Anna Perkinson to present that to the Commission.

Assistant General Counsel Perkinson posted the following language:

“The referring employee may still receive payment if they were separated from the agency due to retirement prior to the time the referral bonus may be paid.”

Chief Deputy Farrell summarized that this proposed language would take the policy as presented and add an additional set of circumstances in which an employee would be eligible for the bonus if they retired, but it would not cover employees who transfer to another agency or separated.

Commissioner Webb stated it should be clear that employees transferring to another agency within the state or out of the state forfeit their entitlement. Language was added to the footnote for that clarification.

“The referring employee may still receive payment if they were separated from the agency due to retirement prior to the time the referral bonus is to be paid. Employees who separate from the agency for other reasons continue to not be eligible to receive the referral bonus.”

In summary, the amendments to this policy provides that to be eligible to receive the referral bonus, the employee must be working for the agency paying the referral bonus at the time the referral was made and at the time the referral bonus is to be paid unless the referring employee is separated from the agency due to retirement prior to the time the referral bonus is to be paid

Chair Rozier asked if, as proposed, the Commissioners found the policy acceptable.

General Counsel Thomas proposed the Commission vote move to amend something previously adopted so it was being offered to substitute the policy as presented and approved at the December 8, 2022 SHRC meeting, with the changes that had been shown on screen and read at this meeting.

Commissioner Webb confirmed as proposed the policy was acceptable.

The Chair hearing no more discussion or questions asked the Commissioners how would they like to proceed.

Motion: Commissioner Allard moved to amend something previously adopted by substituting this policy as presented for the State Employee Referral Bonus with all the changes and amendments from the December 8, 2023 State Human Resources Commission.

Second: Commissioner Strach seconded the motion.

A roll call vote was held and all attending members of the Commission recommended approval of the motion to amend something previously adopted by substituting this policy as presented for the State Employee Referral Bonus with all the changes and amendments from the December 8, 2022 State Human Resources Commission.

Motion carried.

Adjournment

There being no further discussion or questions, the Chair called for a motion to adjourn.

Motion: Commissioner Strach so moved.

Second: Commissioner Page seconded the motion.

A roll call vote was held and all attending members of the Commission agreed to adjourn the January 5, 2023 SHRC meeting.

Motion carried.

The Commission adjourned at 9:41 a.m.

Executive Session

The State Human Resources Commission did not have an executive session at its January 5, 2023 meeting.

Minutes submitted by:

Denise H. Mazza,

State Human Resources Commission Administrator