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Date: November 1, 2013

TO: MEMBERS, BOARD OF DIRECTORS

I. AGENDA ITEM # AND TITLE :	Open Agenda Item 4 - Personnel Matters
II. NAME AND PROGRAM:	Andreas Acker, Human Resources
III. ACTIVITY:	<input checked="" type="checkbox"/> Informational <input type="checkbox"/> Request for Direction <input type="checkbox"/> Action Proposed <input type="checkbox"/> Exploratory
IV. JUSTIFICATION:	<input checked="" type="checkbox"/> Standard/Required Item <input type="checkbox"/> Board Request – New Item <input type="checkbox"/> New Topic from Staff

V. EXECUTIVE SUMMARY:

The following is standard information requested by the Board in a variety of Human Resources areas.

VI. ANALYSIS:

State Fund permanent staffing levels continue to decline with just over 4400 employees at the end of third quarter. The overall separation rate for State Fund has remained stable at annualized rate of 6.9%. Retirements continue to be the leading reason for separations, followed by transfers to other State agencies and resignations. Non Permanent staff did increase with hiring of Seasonal Clerks in the Claims Processing Center and in the Closed File Facility. Seasonal Clerks will only be hired on rotating six month assignments.

The total number of hours over the 640 hour cap has again begun to decline with the ending of the PLP 2012. This trend should continue through the end of the year, with both the number of employees and the numbers of hours ending below where we stood at the end of 2012.

State Fund continues to reach out to the veteran community to infuse much needed leadership skills. To date, 6 veterans have started with State Fund, 2 into senior leadership and 4 into mid level leadership roles. One additional hire has been made with the start date pending. We also continue to actively recruit for a number of other key positions.

VII. RECOMMENDATION: Information only.

VIII. PRESENTATION EXHIBITS: Enclosed

IX. APPENDIX: not applicable

Personnel Matters

Board of Directors – Open Agenda Item 4

November 14, 2013

**Andreas Acker – Sr. VP of Human Resources
and Chief Administrative Officer**

Executive Summary

- Annualized separation rate remaining steady at 6.9%
- Workforce Solutions working as planned with movement back to core business functions exceeding movement into Workforce Solutions
- PLP 2012 ended June 30, as such the number of hours over the 640 hour cap declined in the 3rd quarter

Workforce Update

State Fund Staffing Summary Report

As of September 30, 2013

	12/31/2007	12/31/2008	12/31/2009	12/31/2010	12/31/2011	12/31/2012	3/31/2013	6/30/2013	9/30/2013
Permanent Employees <i>(head count)</i>	8,257	7,909	7,660	7,305	5,665	4,589	4,549	4,488	4,417
Available Employees	8,051	7,687	7,460	7,096	5,497	4,469	4,414	4,352	4,277
Employees on Extended Leaves	207	222	200	209	168	120	135	136	140
Non-Permanent Employees	286	258	53	16	3	17	4	6	102
New hires (YTD)	273	240	109	23	15	43	28	45	60*
Promotions (YTD)	476	475	385	298	144	286	78	198	390
Separations (YTD)	861	522	340	398	1,638	1,118	74	153	237

* Includes 44 New Hires and 16 Mandatory Reinstatement

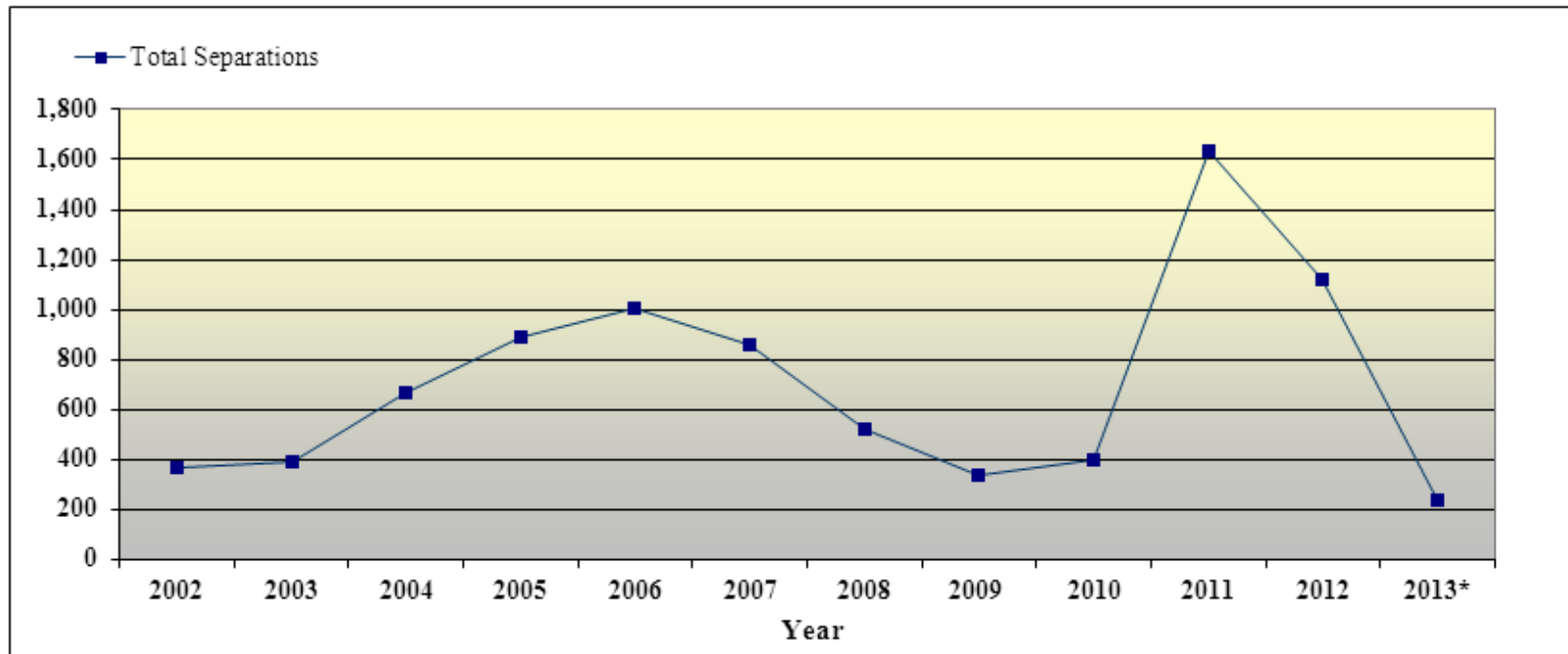
Workforce Update

State Compensation Insurance Fund Turnover By Year (As of September 30, 2013)

Year	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013*
Total Separations	368	391	664	893	1,004	861	522	340	398	1,638	1,118	237
Overall Turnover Rate	5.3%	5.0%	7.5%	9.3%	10.5%	9.8%	6.3%	4.3%	5.2%	22.7%	20%	6.9%

* Total is calculated annually and as of the start of the year.

The 2010 YTD has been updated to reflect retirement separations that were not captured in the 1/7/11 extract due to delays with the State Controller's processing.



Workforce Solutions

	Active Employees	Extended Leave Unit	Total
Workforce Solutions Beginning Staff 1-1-13	288	80	368
Incoming Staff YTD	53	66	119
Total Staff in Workforce Solutions	341	146	487
Transition to Core Programs (Active Employees)	186	N/A	186
Promotions	38	0	38
Return to Work in Core Programs (from ELU)	0	6	6
Total Internal Moves	224	6	230
Employees Who Retired from WS	7	41	48
Employees Who Resigned	1	1	2
Transfer to other Agencies	7	0	3
Total Separations from Workforce Solutions	15	42	57
Current Employees as of September 30, 2013	104	96	200

640 hour Cap Summary

As of September 30, 2013

Annual Leave & Vacation over the 640 Cap for All Employees

LEAVE TYPE:	Hours Over Cap	# of EE's	Average Hours Over Cap	Liability Amount
<i>Total</i>	180,782	832	217	\$ 7,179,354

Over the 640 Cap for Rank and File Employees

LEAVE TYPE:	Hours Over Cap	# of EE's	Average Hours Over Cap	Liability Amount
<i>Total</i>	88,189	520	170	\$ 3,315,533

Over the 640 Cap for Exempt, CEA, Managers and Supervisors

LEAVE TYPE:	Hours Over Cap	# of EE's	Average Hours Over Cap	Liability Amount
<i>Total</i>	92,593	312	297	\$ 3,863,821

Historical Summary

As of September 30, 2013

Leave Over the 640 Cap - Historical Summary

Year	Hours Over Cap	(Hours) Change in %	Employees Over Cap	(Head Count) Change in %
2007	318,119	-	831	-
2008	258,237	-18.8%	748	-10.0%
2009	277,956	7.6%	856	14.4%
2010	231,184	-16.8%	808	-5.6%
2011	199,024	-13.9%	760	-5.9%
2012	183,769	-7.7%	808	6.3%
2013	180,782	-1.6%	832	3.0%

Veteran Hiring Program

- Hired two into senior leadership roles
 - Doug Ziemer – Army – Lt. Colonel
 - Terrell Freeman – Air Force – Major
- Hired 4 into mid level leadership roles
 - Terry Slatic – Marine – Major
 - Larry Bishop – Army – Lt. Colonel
 - David McDonald – Air Force – Major
 - Rory Nichols – Marine – Major
- One additional offer made and accepted, but waiting on firm start date
- Continue to recruit for roles at the senior leadership and mid-management levels, with several offers still to be made