

**LOUISIANA
HOUSING
CORPORATION**

BOARD OF DIRECTORS

Agenda Item #15

TERRY R. HOLDEN, HUMAN RESOURCE DIRECTOR

FULL BOARD MEETING MATERIALS

MAY 9, 2012

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LOUISIANA HOUSING CORPORATION

The following resolution was offered by _____ and seconded by _____ :

RESOLUTION

A resolution adopting the Louisiana Housing Corporation (“Corporation”) Staffing Plan, and delegating the Executive Director the powers of appointing authority such as are contemplated by the Rules of the State Civil Service Commission.

WHEREAS, the Louisiana Housing Corporation (the “Corporation”), as authorized by the State of Louisiana, shall have the powers necessary or convenient to carry out and effectuate the purposes and provisions of its enabling statutes, and;

NOW THEREFORE BE IT RESOLVED by the Board of Directors of the Louisiana Housing Corporation (the “BOD”)

SECTION 1. The Corporation adopts the Staffing Plan for Louisiana Housing Corporation (Exhibit A, entitled “LHC Staffing Plan”.)

SECTION 2. The LHC Executive Director is hereby delegated the powers of appointing authority as such are contemplated by the Rules of the State Civil Service Commission, such that he has full power and authority to manage all employees of the LHC, which power includes the authority to hire, promote, reassign, and discipline the employees of the LHC.

SECTION 3. The LHC Executive Director is hereby granted the power and authority to transfer any position within the table of permanent organization within the total positions and pay scales consistent with Exhibit A. The LHC Executive Director may add restricted appointments, job appointments, and student positions (non-permanent positions) as necessary to meet the needs of the Corporation within the budgeted authority for salaries and benefits.

SECTION 4. The LHC Executive Director is further directed, through processes and means authorized by the State Civil Service Commission, to identify, analyze and improve

existing business processes within the Corporation, to meet new goals and objectives as identified by the BOD.

SECTION 5. The Chairman of the Corporation Board of Directors is hereby directed to execute an authentic act evidencing this delegation of appointing authority status to the LHC Executive Director in his capacity as Executive Director of the Corporation.

SECTION 6. The Chairman, Executive Director, Counsel and staff are hereby authorized, empowered, and directed to execute any forms and/or documents required to be executed on behalf of and in the name of the Corporation the terms of which are to be consistent with the provisions of this resolution.

This resolution having been submitted to a vote, the vote thereon was as follows:

YEAS:

NAYS:

ABSENT:

And the resolution was declared adopted on this, the 9th day of May, 2012.

Chairman

Secretary

Exhibit A, entitled "2012/2013 Staffing Plan" available upon request.

STATE OF LOUISIANA

PARISH OF EAST BATON ROUGE

I, the undersigned Secretary of the Board of Directors of the Louisiana Housing Corporation, do hereby certify that the foregoing two (2) pages constitute a true and correct copy of a resolution adopted by said Board of Directors on May 9, 2012, entitled: "A resolution adopting the Louisiana Housing Corporation ("Corporation") Staffing Plan, and delegating the Executive Director the powers of appointing authority such as are contemplated by the Rules of the State Civil Service Commission, and providing for other matters in connection therewith."

IN FAITH WHEREOF, witness my official signature and the impress of the official seal of the Corporation on this, the 9th day of May, 2012.

Secretary

Draft LHC Staff Plan Report

1. INTRODUCTION

1.1. Background

Act 408 (the Act) of the 2011 Regular Session of the Louisiana Legislature, effective July 5, 2011, created the Louisiana Housing Corporation (LHC). The intent of the Act was to consolidate the funding sources and programs of affordable housing throughout the state and provide for a coordinated approach to overall state housing policy to ensure an adequate supply of affordable and accessible housing for all the residents of the state.

The transition phase of the merger of these various agencies into the LHC is designed to facilitate a smooth transition of program and personnel so as to not disrupt the vital services currently being provided to the citizens of the state through the ongoing programs.

1.2. Purpose

This Staffing Plan Report documents the functions, departments, and staff that will be appropriate to administer and operate the various housing programs under the LHC. This Staffing Plan Report will make certain that each program has sufficient staff possessing the correct skill sets and experience to ensure the successful continuation of the housing programs affected. While a Board of Directors has been established, the role, composition, and structure of the Board are not addressed in this document. It is important to recognize that the proposed operational organizational structure is only temporary. After the evaluation of departmental functions and staff responsibilities the Executive Director will produce a new organizations chart that correlates with the agencies needs and the board's strategic plan.

The LHC will essentially assume all the functions of the Louisiana Housing Finance Agency (LHFA), the disaster housing programs of the Office of Community Development's Disaster Recovery Unit (OCD-DRU), the Emergency Shelter Grant/Emergency Solutions Grant, Homelessness Prevention and Rapid Re-housing, and the Louisiana Interagency Action Council. This plan describes the staff merger of these agencies under the LHC and outlines the responsibilities assigned to each functional area.

2. STAFF MANAGEMENT APPROACH

2.1. State Civil Service

In accordance with Article X, Section 1 of the Louisiana Constitution, the Department of State Civil Service is established and includes all persons holding offices and positions of trust or employment in the employ of the state, or any instrumentality thereof, and any joint state and federal agency, joint state and parochial agency, or joint state and municipal agency, regardless of the source of the funds used to pay for such employment.

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The Department of State Civil Service has taken the position that the creation of the LHC is essentially a merger of various agencies. The LHC, however is a new entity and will require a new agency code within the Civil Service system.

2.1.1. Classified Positions

Article X Section 2(A). The state and city civil service is divided into the unclassified and the classified service. Persons not included in the unclassified service are in the classified service.

2.1.2. Unclassified Positions

Article X Section 2(B). The unclassified service shall include the following officers and employees in the state and city civil service:

- (1) Elected officials and persons appointed to fill vacancies in elective offices;
- (2) The heads of each principal executive department appointed by the governor, the mayor, or the governing authority of a city;
- (3) City attorneys;
- (4) Registrars of voters;
- (5) Members of state and city boards, authorities, and commissions;
- (6) One private secretary to the president of each college or university;
- (7) One person holding a confidential position and one principal assistant or deputy to any officer, board, commission, or authority mentioned in (1), (2), (4), or (5) above, except civil service departments;
- (8) Members of the military or naval forces;
- (9) Teaching and professional staffs, and administrative officers of schools, colleges, and universities of the state, and bona fide students of those institutions employed by any state, parochial, or municipal agency;
- (10) Employees, deputies, and officers of the legislature and of the offices of the governor, lieutenant governor, attorney gen general, each mayor and city attorney, of police juries, school boards, assessors, and of all offices provided for

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in Article V of this constitution except the offices of clerk of the municipal and traffic courts in New Orleans;

(11) Commissioners of elections, watchers, and custodians and deputy custodians of voting machines; and

(12) Railroad employees whose working conditions and retirement benefits are regulated by federal agencies in accordance with federal law.

3. TIMELINE

The LHC will implement a 3 phased approach to its staffing plan as programs from various agencies transition into the corporation. These phases will allow for continuous updates as staff and programs are evaluated and process improvements are installed.

3.1. Phase I: Transitional and Functional Organizational Design

Phase I began January 1, 2012 and is scheduled to be completed no later than June 30, 2012. The first approach of Phase I replaces the Vice President position with the Chief Operating Officer position that reports directly to the Executive Director; whereas, the Vice Present reported directly to the Board of Commissioner. This establishes protocol and accountability under the Executive Director. In addition, a Transition Functional and Organizational Chart will be developed during this phase. This organizational chart will entail a consolidation of OCD and LHFA staff as well as initial projections of future staffing needs.

3.2. Phase II: Process Improvement Plan

Phase II will begin July 1, 2012 when the LHC assumes control of all housing programs in the State. This phase is scheduled to be completed no later than December 31, 2012. This phase will first consist of a migration of classified employees to unclassified positions. In addition, programs will be evaluated for efficiency and effectiveness and current OCD contracts will be evaluated to determine future requirements. A process improvement plan will be developed to identify, analyze, and improve business processes to ensure organizational goals are met.

The process improvement plan will work to enhance the processes, policies, and procedures of all LHC programs. Task will include but will not be limited to 1) evaluating processes for efficiency and effectiveness, 2) assisting with program/process changes that provide greater optimization of personnel and other resources, 3) evaluating impacts of investments with the objective of evaluating return on investment associated with projects and/or programs.

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3.3. Phase III: Continuous Process Improvement

Phase III will begin January 1, 2013. This phase will not have an end date as it will consist of continuous monitoring of programs and improving the quality of the LHC. An official Operational Organizational Chart for the LHC will be published during this phase and updated annually. The LHC will continuously perform reconciliations including but not limited to resource improvement, business process reengineering, cost reductions, and profit and performance improvement, in accordance with the corporation's priorities.

4. STAFF PLANNING

4.1. Required Skills and Skill Gap Plan

The LHC must have people with the right skill set and experiences. Each manager will be required to review the skill sets of each staff member against the required roles and responsibilities.

4.2. Proposed Transition Functional and Organizational Structure (Attachment)

5. Conclusion

The staffing plan for LHC is designed not to have any disruptions to the current delivery of all housing programs. The approach is therefore captured into 3 distinctive phases. Currently, the corporation is managing under Phase I. This phase is to maintain continuity while multiple agencies' staff and programs merge into one housing entity. Phase I enables the Board of Directors and executive management the ability to ensure that on July 1, 2012 all program and support functions are intact.

Phase II is simply the beginning of the LHC's operations and does not establish the final organizational structure for the corporation. This phase provides an opportunity to assess procedures and protocols and determine the best alignment of staff to carry-out the corporation's policies. Phase II will involve staff reorganization and a communication plan based upon process improvement assessments. The goal of process improvement is to establish an effective and efficient organization that is accountable and transparent to our stakeholders.

Phase III will be an ongoing part of the LHC's culture. Upon the initiation of this final phase, the corporation will have established that change needs to be encouraged to achieve positive results. Change not just for the sake of changing; however a deliberate focused attitude for the corporation to continuously work toward its mission, goals, and objectives. Phase III is the acknowledgement that positive change depends greatly on having a corporate culture that not only accepts change, but is an active participant.

Exhibit A – 2012/2013 Staffing Plan

