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➡ Designates that this item is a change item

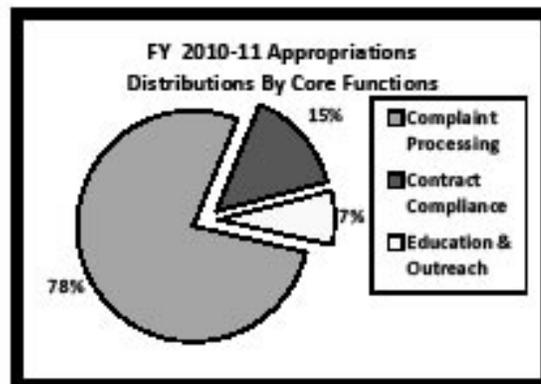


January 27, 2009

The 2009 Minnesota Legislature:

On behalf of Governor Pawlenty, I respectfully submit the Department of Human Rights' budget recommendation for the FY 2010-11 budget. This budget consists of \$6.5 million from the state's General Fund and \$322,000 from other funds. The \$6.5 million is a 24.7% decrease from the FY 2008-09 appropriations.

With this budget recommendation, we will strive to maintain our commitment to our mission "To make Minnesota Discrimination Free" and furthering equal opportunity for all people in Minnesota. As the graphic indicates, our primary activities fall into three major core functions: Complaint Processing, Contract Compliance, and Education and Outreach.



The Case Processing Division of the Department investigates complaints of unlawful discrimination. Approximately 11,044 inquiries/referrals were received in FY 2008 resulting in 870 charges. The Department makes every effort to resolve human rights complaints at the earliest possible point. This activity is 100% funded by the state General Fund and accounts for 78% of the agency resources. The work-share agreement with US Equal Employment Opportunities Commission (EEOC) is projected to generate \$466,400 over the '10-'11 Biennium.

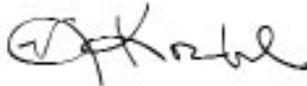
The Department currently provides equal employment opportunity oversight and technical assistance services to over 2,200 Minnesota businesses annually through its Contract Compliance Division. It reviews and assists businesses in developing EEO action plans; issues certificates of compliance; conducts compliance audits to provide technical assistance and insure compliance with EEO goals and policies; and, evaluates compliance audit data and assists in the development of training tools and programs for Minnesota employees. This activity is 85% funded by the state General Fund and accounts for 15% of the agency resources. Fifteen percent of the compliance activities will be funded by revenue generated from certificate of compliance fees.

The Education and Program Development Division conducts quarterly community forums designed to educate the public about their rights and obligations under the Minnesota Human Rights Act (MHRA), conducts bi-annual employer training showcases to avail employers of existing training and trainers; develops stakeholder's surveys; manages the department's web site; provides one human rights conference per year; and produces public services announcements (PSA) for broadcasting. One hundred percent of the funding for this activity is from the general funds and accounts for 7% of the Department's resources.

The Department will continue to provide efficient effective services in these challenging economic times.

We look forward to working with the legislature in the coming months.

Sincerely,

A handwritten signature in black ink, appearing to read "Velma Korb". The signature is written in a cursive, flowing style.

Velma Korb  
Commissioner

AN EQUAL OPPORTUNITY EMPLOYER

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**Agency Purpose**

The mission of the Department of Human Rights (MDHR) is “to make Minnesota discrimination-free.” The department pursues this mission through a coordinated program of law enforcement, prevention education, and community-based conflict resolution.

**Core Functions**

- ◆ develop and oversee statewide human rights policies and programs;
- ◆ receive, investigate, and make determinations on charges alleging unfair discriminatory practices;
- ◆ monitor state contractor compliance with applicable affirmative action provisions;
- ◆ educate to eliminate unfair discriminatory practices;
- ◆ develop and disseminate technical assistance to persons subject to the provisions of the Human Rights Act; and
- ◆ assess human rights compliance through voluntary settlement agreements and corrective action plans.

**Guiding Principles**

The following guiding principles support the department core functions:

- ◆ Service – enthusiastically performing duties for the people of the state;
- ◆ Quality – delivering results that are distinguished by superior attention to detail and unrivaled execution;
- ◆ Efficiency – productivity without waste or unnecessary expense or effort;
- ◆ Timeliness – responding to requests and scheduled work at a pace – and at intervals – that is peerless;
- ◆ Fairness – applying the Human Rights Act (MHRA) consistently and ethically; following the rules without favoritism, self-interest or bias; and
- ◆ Respect – exhibiting behavior that exemplifies consideration and appreciation of all who are touched by the work of the department.

**General Background**

The department serves a varied customer base. People alleging discrimination, those accused of discrimination, the legal community, and state vendors are the primary customers of the department’s business processes. This customer base includes individuals, school districts, businesses, attorneys, local governments, state agencies, local human rights commissions, landlords, and local and federal human rights enforcement agencies.

The **Enforcement Unit** handles 11,600 inquiries annually and provides referral, charge drafting, investigation, and mediation services. The Attorney General’s Office provides conciliation services. In FY 2008, 870 filed charges were resolved resulting in \$1.38 million in remedies recovered. \$446,400 was earned from the investigation of cases cross-filed with the Federal Equal Employment Opportunity Commission.

The **Contract Compliance Unit** reviews affirmative action plans of businesses and issues Certificates of Compliance to eligible businesses. The Compliance unit provides consulting services to 2,200 businesses, conducted four “MDHR State-Contractor Showcases”, and 71 compliance audits during FY 2008.

The **Education and Program Development Unit** provides residents with varied educational opportunities to eliminate discrimination. These opportunities including community based public forums; local business showcase training; in collaboration with public television, the production of a video series on the protections of the Minnesota Human Rights Act (MHRA); and the department’s annual human rights conference supported by a record 572 attendees representing state and local governments, private industry, foundations and educational agencies.

**At A Glance**

**2008 -2009 Biennial Budget**

\$7.1 million      General fund  
 \$263,000        Dedicated Revenue

**Revenue Generated for General Fund**  
 (FY 2008-09, estimated)

\$466,400      Federal Equal Employment  
    Opportunity Commission Funds

**Key Metrics (FY 2008)**

11,044	inquires/referrals,
3,394	jurisdictional complaints evaluated,
804	charges filed,
870	charges resolved,
\$0.94 mil	recovered for aggrieved parties,
2,200	state contractors served,
1,559	business equal employment
	opportunity action plans reviewed,
3,370	technical assistance contacts,
71	compliance audits conducted.

## Key Goals

- ◆ **Minnesota Milestones statewide goals:** "All people will be welcomed, respected, and able to participate fully in Minnesota's communities and economy."

## Key Measures

Three of our significant measures are:

- ◆ For the goal of receiving, investigating, and making determinations on unfair discriminatory practices within one year, the number of cases over 365 days improved from 27 on January 1, 2008, to seven on July 1, 2008.
- ◆ For the goal of monitoring of state contractor compliance with applicable affirmative action provisions, the measurement is the number of audits conducted. For FY 2008 the number of conducted audits was 71.
- ◆ For the goal to "Educate to Eliminate" unfair discriminatory practices, the measure is the number of outreach contacts made during the year. Over 600 attended the Human Rights Day and Education Forum in December 2007; also, six training showcases were conducted – these were the most heavily-attended outreach activities.

Additional measures and information about the department measures and results are located on Human Rights Department Results web page posted at <http://www.accountability.state.mn.us>.

## Budget

Ninety-six percent of the Department's budget comes from the general fund. The Department employs 44 FTE employees, which accounts for 82% of the FY 2009 budget.

The Department will earn a projected \$466,400 for the general fund during the current biennium from a contract with the Federal Equal Employment Opportunity Commission.

### Contact

Minnesota Department of Human Rights  
Sibley Square at Mears Park  
190 East 5<sup>th</sup> Street, Suite 700  
Saint Paul, Minnesota 55101

World Wide Web Home Page: <http://www.humanrights.state.mn.us>  
Phone: (651) 296-5663  
Fax: (651) 296-9042

For information on how this agency measures whether it is meeting its statewide goals, please refer to <http://www.accountability.state.mn.us>.

*Dollars in Thousands*

	Current		Governor Recomm.		Biennium 2010-11
	FY2008	FY2009	FY2010	FY2011	
<b><u>Direct Appropriations by Fund</u></b>					
<b>General</b>					
Current Appropriation	4,986	3,584	3,584	3,584	7,168
<b>Recommended</b>	<b>4,986</b>	<b>3,584</b>	<b>3,226</b>	<b>3,226</b>	<b>6,452</b>
Change		0	(358)	(358)	(716)
% Biennial Change from 2008-09					-24.7%
 <b><u>Expenditures by Fund</u></b>					
<b>Carry Forward</b>					
Miscellaneous Special Revenue	5	1	0	0	0
<b>Direct Appropriations</b>					
General	3,494	5,075	3,226	3,226	6,452
<b>Statutory Appropriations</b>					
Miscellaneous Special Revenue	202	170	160	162	322
Federal	5	2	0	0	0
<b>Total</b>	<b>3,706</b>	<b>5,248</b>	<b>3,386</b>	<b>3,388</b>	<b>6,774</b>
 <b><u>Expenditures by Category</u></b>					
Total Compensation	3,076	3,254	2,824	2,775	5,599
Other Operating Expenses	630	1,994	562	613	1,175
<b>Total</b>	<b>3,706</b>	<b>5,248</b>	<b>3,386</b>	<b>3,388</b>	<b>6,774</b>
 <b><u>Expenditures by Program</u></b>					
Human Rights Enforcement	3,706	5,248	3,386	3,388	6,774
<b>Total</b>	<b>3,706</b>	<b>5,248</b>	<b>3,386</b>	<b>3,388</b>	<b>6,774</b>
 <b>Full-Time Equivalent (FTE)</b>	 <b>43.3</b>	 <b>43.0</b>	 <b>34.9</b>	 <b>32.7</b>	

HUMAN RIGHTS DEPARTMENT

Change Summary

<i>Dollars in Thousands</i>				
	FY2009	Governor's Recomm.		Biennium
		FY2010	FY2011	2010-11
<b><i>Fund: GENERAL</i></b>				
FY 2009 Appropriations	3,584	3,584	3,584	7,168
Subtotal - Forecast Base	3,584	3,584	3,584	7,168
<b>Change Items</b>				
Operating Budget Reduction	0	(358)	(358)	(716)
<b>Total Governor's Recommendations</b>	<b>3,584</b>	<b>3,226</b>	<b>3,226</b>	<b>6,452</b>
<b><i>Fund: MISCELLANEOUS SPECIAL REVENUE</i></b>				
Planned Statutory Spending	171	160	162	322
<b>Total Governor's Recommendations</b>	<b>171</b>	<b>160</b>	<b>162</b>	<b>322</b>
<b><i>Fund: FEDERAL</i></b>				
Planned Statutory Spending	2	0	0	0
<b>Total Governor's Recommendations</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>

# HUMAN RIGHTS DEPARTMENT

## Change Item: Operating Budget Reduction

Fiscal Impact (\$000s)	FY 2010	FY 2011	FY 2012	FY 2013
General Fund				
Expenditures	\$(358)	\$(358)	\$(358)	\$(358)
Revenues	0	0	0	0
Other Fund				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact	\$(358)	\$(358)	\$(358)	\$(358)

### Recommendation

The Governor recommends a 10% reduction in the agency's budget. The reduction is necessary to help balance the state's general fund budget.

### Background

The Department receives about 99% of its funding from the general fund. The agency also received an appropriation reduction of \$149,000 in the FY 2008-09 biennium from its original appropriation.

### Relationship to Base Budget

The 10% budget reduction is expected to result in a reduction of 7.3 FTE in the FY 2010-11 biennium.

### Key Goals and Measures

Minnesota Milestones statewide goal: "All people will be welcomed, respected, and able to participate fully in Minnesota's communities and economy."

- ◆ The Department has a statutory mandate to complete all investigations within one year of filing.
- ◆ The Department's goal is to reduce the average number of days for making determinations on unfair discriminatory practice cases to 345.
- ◆ The Department also has a goal of conducting 71 contract compliance audits per year.

The proposed reduction will be absorbed across the core functions of the Department. The Department will have to absorb the loss of 7.3 FTEs, 15% of its current FTEs. This is in addition to the loss of two supervisor retirees not replaced in FY 2009.

With this budget reduction, the department will strive to maintain its commitment to its mission "To make Minnesota discrimination free" and to furthering equal opportunity for all people in Minnesota in these challenging economic times.

**Statutory Change:** Not Applicable.

HUMAN RIGHTS DEPARTMENT

Agency Revenue Summary

*Dollars in Thousands*

	Actual FY2008	Budgeted FY2009	Governor's Recomm. FY2010   FY2011		Biennium 2010-11
<b><i>Non Dedicated Revenue:</i></b>					
<b>Total Non-Dedicated Receipts</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b><i>Dedicated Receipts:</i></b>					
<b>Departmental Earnings:</b>					
Miscellaneous Special Revenue	56	54	54	54	108
<b>Grants:</b>					
Miscellaneous Special Revenue	4	5	5	5	10
Federal	390	275	275	275	550
<b>Other Revenues:</b>					
Miscellaneous Special Revenue	89	79	79	79	158
<b>Total Dedicated Receipts</b>	<b>539</b>	<b>413</b>	<b>413</b>	<b>413</b>	<b>826</b>
<b>Agency Total Revenue</b>	<b>539</b>	<b>413</b>	<b>413</b>	<b>413</b>	<b>826</b>

## Federal Funds Summary

Federal Program (\$ in Thousands)	Related SFY 2008 Spending	Primary Purpose	SFY 2008 Revenues	SFY 2009 Revenues	Estimated SFY 2010 Revenues	Estimated SFY 2011 Revenues
EEOC Contract—partial reimbursement for case processing; proceeds transferred to the General Fund	0	SO	383	275	275	275
Outreach and education—training cost reimbursement	5	SO	7	0	0	0
<b>Agency Total</b>	<b>5</b>		<b>390</b>	<b>275</b>	<b>275</b>	<b>275</b>

**Key:**

Primary Purpose

SO = State Operations

GPS = Grants to Political Subdivision

GI = Grants to Individuals

GCBO = Grants to Community Based Organizations