



MEMORANDUM

TO: Representative Andy Josephson, Chair
FROM: Marian Sweet, Assistant Commissioner
DATE: February 20, 2025

SUBJECT: Responses to questions from the DFCS Department Budget Overview

During the February 6, 2025 hearing of the HSS Finance Subcommittee's DFCS Budget Overview the department received the following question that required a follow up response:

1. Representative Prax inquired about the turnover rate for positions at the Alaska Psychiatric Institute (API), and the cost of bringing on a new employee.

The department's most recent semi-annual hiring reports indicate that over the period from 1/15/2024 to 12/15/2024, the turnover rate for that period was 44.9%.

The cost of bringing on a new employee is more difficult to quantify because there are several cost variables embedded in the concept. For example, if senior staff are training new employees, then their attention is diverted to educating rather than solely focusing on patient care.

However, there are national estimates that we can reference to inform a response to this question as it pertains to nursing positions. Attachment 1 – 2024 NSI National Healthcare Retention and RN Staffing Report contains approximations regarding the cost of replacing nurses as they rotate out of an organization.

2. Representative Josephson asked about the department's statistics related to hiring new employees, and where the department is seeing successes in hiring.

Over the last several months, new hire reports indicate that a majority of newly filled positions are from people that were not previously in State service (or at least, not immediately). Additionally, a majority of the people *leaving* the department are also not immediately transferring to elsewhere in State service.

The department has demonstrated some successes in hiring that can be attributed to a couple major factors, each of which is unique to the Office of Children's Services (the department's largest division by employee count):

- Development of the Talent Acquisition (TA) Team - Since its inception, the TA team has focused on a couple key position types within the Office of Children's Services, and the vacancy rate for those position types has notably decreased.
- Emphasis on wellness and resiliency - Focusing on employee well-being and enhancing their resiliency through frequent check-ins, assessments, and regularly scheduled town halls/fireside chats with leadership.