Financial and Performance Audit of the Human Resources Department

CITY OF RIVERSIDE, CALIFORNIA

matrix consulting group

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1. INTRODUCTIONS AND EXECUTIVE SUMMARY

The Matrix Consulting Group was retained by the City of Riverside to assess the operational and management processes of the Human Resources Department. This study was designed to provide an understanding of the Department's organizational structure, functions, the efficiency and effectiveness of the overall processes and operations, as well as compliance with financial regulations. At this concluding point of the study, the project team has assembled this report, which summarizes our findings, conclusions, and recommendations.

1. OVERVIEW OF THE STUDY

The City of Riverside has initiated a process through which it will study three different City Department each year to ensure that those departments are operating in a manner that is operationally and financially efficient / compliant with any regulations. Human Resources is one of the first departments that is being assessed in this manner. Operational and selected financial transactions associated with Human Resources were studied and evaluated to ensure that they are efficient and compliant with not only city policies and procedures but also government regulations and laws.

This report provides specific recommendations to improve processes and ensure that services are being provided efficiently and effectively. By conducting this study, the City of Riverside and the Human Resources Department are committed to a process of continuous improvement. Implementing the recommendations contained in this report will aid the City and the Human Resources Department in the ongoing efforts to conduct operations efficiently and effectively.

2. STUDY SCOPE AND METHODOLOGIES

In this study, the Matrix Consulting Group's project team utilized a wide variety of data collection and analytical techniques. The project team conducted the following data collection and analytical activities:

- **Developed an in-depth understanding of the key issues impacting the Department.** To evaluate the Department's operational duties, the Matrix Consulting Group conducted interviews with all employees within the Human Resources Department. Interviews focused on the use of technology, the levels of service, including quality and timeliness of services provided by the Department, and the resources available to provide those services and conduct operations.

- **Developed a 'profile' of the Human Resources Department.** The Matrix Consulting Group conducted interviews with all Human Resources Department staff to document current organization of the department, the structure of the department, types of services offered, etc. This document was utilized as a "base" point of comparison for further analysis and comparison for all recommendations.

- **Identified key strengths and opportunities for improvement.** The best management practices included comparisons to industry standards developed by professional organizations and best management practices utilized by other public sector entities. The project team focused on best management practices for recruitment, employee / labor relations, training and development, and workers' compensation, as those are the key functional areas In the Human Resources Department.

- **Conducted stakeholder interviews to determine whether service needs were being met.** The project team conducted interviews with selected department heads, employees, and executive management employees to understand how well their service needs were being met by the Human Resources Department, the impact of service levels on their ability to perform their department's duties, and key opportunities for improvement.

- **Checked transactions and records for compliance with laws, regulations and city policies and procedures.** The project team evaluated various human resources transactions, including financial transactions and records, to ensure that appropriate records are kept to ensure compliance with generally accepted accounting principles and applicable statutory and regulatory requirements.

- **Conducted further analysis of issues identified and summarized analysis in the project report.** Based on initial findings, the project team evaluated additional data, analyzed issues, including alternatives to service delivery options. The analysis resulted in recommendations that would streamline the services provided by the Department and help it and the City of Riverside meet its strategic goals and outcome.

The objective of the study was to examine the core services (recruitment, training, benefits, labor / employee relations, administration, technology, etc.) provided by the Human Resources Department and determine the efficiency and effectiveness of service delivery to the organization. Additionally, staffing levels and workload analyses were conducted to ensure that work was being performed efficiently.

3. OVERALL SERVICE DELIVERY ASSESSMENT.

Based on the project team's assessment and analysis, there are a variety of recommendations for the Department that are discussed in detail throughout this report. Some of these recommendations are in control of the Department Management; whereas other recommendations will require involvement from City Management.

During the evaluation of this Department, several overarching themes became evident including:

- **An overall lack of leadership in implementing service improvements in a timely manner.** While many worthwhile efforts are underway, it is taking too long to implement programs and provide necessary service improvements.

- **Many HR service areas fell below an acceptable level to support the City.** The overall approach utilized was reactionary with limited or untimely follow-up to requests for service or information from customers.

- **The Department has not developed a strong labor relations support function.** There are issues with the current state of labor relations and the HR Department has not taken a strong or leadership role in providing the support for the new labor relations approach.

- **The Department failed to achieve full staffing for budgeted Human Resources positions.** This failure to fill all HR positions is impacting the ability the provide services to the organization. These positions were available for filling during the last year and major service areas (recruitment, safety, and training) have suffered as a result. The failure to maintain full staffing within the Human Resources Department doesn't elicit confidence from operating departments that the HR Department can assist them in effective recruitment practices.

- **The Department while undertaking many worthwhile efforts to improve service has lagged in delivering on promised results.** This was evident in many service areas most notably in recruitment, training and organizational development function (such as succession planning).

- **The Department has undertaken many worthwhile efforts to improve services but customer perception is that there has been a lag in service delivery.** This perception exists due to the lack of knowledge by client departments of the depth of the process review, redesign, and implementation barriers. The vacant positions in HR have also added to this perception, especially as it relates to succession planning.

- **Operating Departments generally feel that they are not receiving either the services they need or the level and timeliness of service necessary for their effective operation.** While operating departments acknowledge that the HR Department has been in a transitional and rebuilding state, they feel sufficient time has passed for this to occur and can no longer wait for service improvements.

These issues are overshadowing the positive changes that have been undertaken and implemented in the last year, such as:

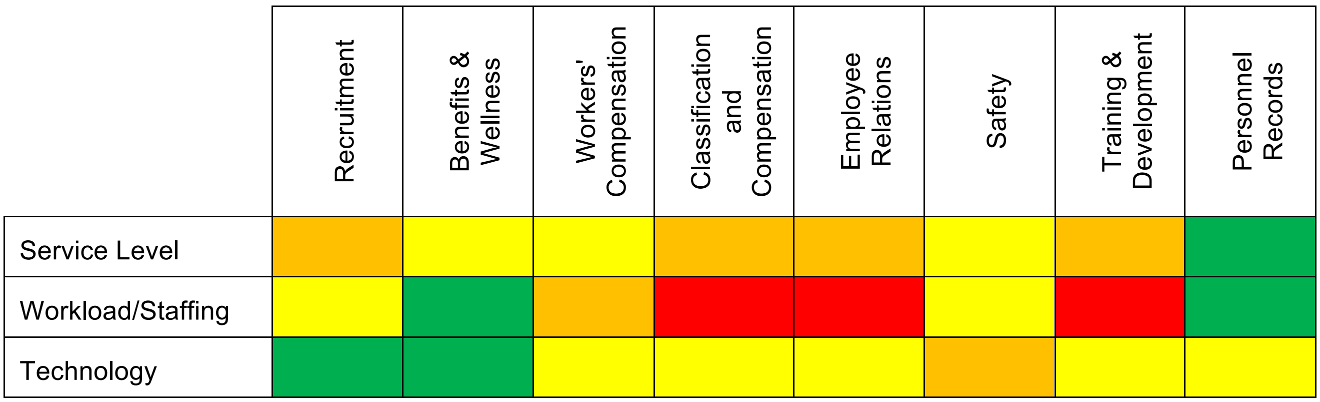
- **Partial streamlining of the recruitment process through implementation of new technology,**

- **Filling some vacancies to increase the number of employees available to provide service to the organization,**

- **Enhanced cross-training of staff to handle multiple areas within the Human Resources arena, and**

- **Reorganization of executive management and staff realignment to increase technical competence within the department.**

The following sections identify the primary areas of issue and concern for the Human Resources Department, utilizing a heat map approach. The heat map identifies, based upon color, the problem areas (areas where service is not at the desired level) for the Human Resources Department. The scale goes from green (good performance and little risk), yellow (minor issues or risk), orange (significant issues or risks) to red (extremely poor) when evaluating operational practices, risk management, service levels, and technology utilization. Following the heat map, is a table that discusses each functional area and summarizes key findings for that functional area.



As shown in the chart, there are some significant areas of concern regarding current service delivery levels. The following table outlines the key points that resulted in the rating assigned.

Program Area	Description
Recruitment	• The Department does all recruitment for the City, including Riverside Public Utilities. Average times for recruitment exceed three months, according to available data, showing significant room for improvement to meet the organization's needs. • The recruitment function is currently operating with no vacancies. The number of recruitments varies widely by analyst/specialist. • The Recruitment function routes all applications to a single electronic intake point and recently begun using NeoGov to automate much of the process.
Benefits	• There are specified targets and goals for wellness programs • There are no vacancies in benefits and this section is appropriately staffed. • Employees can use Employee Online to do open enrollment and make changes to benefits. Information is automatically transferred to IFAS. Life Qualifying Event documentation can be submitted online.

Program Area	Description
Classification and Compensation	• Reclassification studies are typically done based upon request. • Contract with an external consultant during budget for reclassification studies. • There is an excel spreadsheet system in place to track reclassification requests
Workers' Compensation	• Workers' compensation cases are managed in accordance with statutes, and the City has passed each of the last 3 state audits. However, workload and staffing allocations limit the amount of proactive effort staff can undertake in managing cases. • The number of workers' compensation cases and unfilled workers' compensation positions currently places a significant strain on staff. They are unable to review case logs as a result of the workload volume. • SIMS Claims is a technological software system that is used to manage workers' compensation claims
Employee Relations	• Many employee investigations and grievances are not resolved in a timely manner. Some grievances are not handled in accordance with contractual timeframes as it relates to resolving the grievances completely. There is incomplete tracking of this information, which could also lead to insufficient data to support timely resolution of grievances. • There is a Principal HR Analyst vacancy in Employee / Labor Relations, which needs to be filled to improve turnaround times for grievances and complaints. • The Department uses iFMLA to manage FMLA leave and excel spreadsheets and IFAS (Integrated Financial Accounting System) – the primary technological system for Finance and Human Resources to track investigations, complaints, and grievances.
Labor Relations	• During the transition to a new approach to collective bargaining, the role and support required from Human Resources staff has changed. • Human Resources staff has not fully performed the support and coordination role allocated to it including leading the necessary revisions to contracts, and contextual and financial analysis of proposals.
Safety	• Accidents are reviewed by the Vehicle Incident Review Board for fact finding purposes only, and there is a safety policy in place. Annual safety inspections should also be conducted. • The filling of the vacant HR Specialist in safety in February should allow for annual inspections, updated safety policies, and timely resolution for incidents. • Safety incidents and workers' compensation injuries are being tracked, but the City's technology is not being used for strategic actions to mitigate risks.

#	Recommendation	Priority	Timeframe	Cost	Page #

Program Area	Description
Training & Development	• Training is provided to or coordinated with departments but generally only on an as-requested basis – other than required trainings. The HR Department has not developed a comprehensive training program for the City. • The Department has yet to hire staff for the Training and Development program, so the workload is handled by staff allocated to other program areas impacting the quality and timeliness of all services. • IFAS is currently being used to track mandatory training, but not employee skills as an organizational development tool. • There is no in-house capacity, at present, to provide succession planning services to the organization (a service highly desired by many departments including RPU).
Personnel Records	• Personnel records are quickly filed and generally well maintained. • Filing workload is well within the capacity of the administrative staff. • Laserfiche, the system used to store personnel files, functions well but is not easily searchable or integrated with a Human Resources Information Management System (HRMIS). .

The prior table and the heat map indicate that the Department is generally doing a good job in the areas of Benefits & Wellness as well as maintaining personnel records. However, in all other areas there is room for improvement in the Department, particularly in Training & Development and Employee and Labor Relations. Areas such as Classification & Compensation and Training & Development have budgeted but unfilled positions.

The project team has taken all of the detailed recommendations provided in this report and consolidated them into the following table. The table shows these recommendations by functional area, the timeframe for when the recommendation should be implemented, if there is a cost impact, and the page number of the report on which the recommendation can be found.

#	Recommendation	Priority	Timeframe	Cost	Page #
ADMINISTRATION					
1	The Human Resources Department is sufficiently staffed at 30 full-time authorized positions, but as several positions have been frozen the Department will be understaffed even at filled positions relative to other comparable jurisdictions. Due to these frozen positions it is even more imperative for the Department to fill all of its vacant positions to continue to provide basic Human Resources services to the City.	High	Short-term	No	65
2.1	The Department should develop appropriate performance measures to track and report statistics that measure timeliness and compliance such as days to resolve complaints, incidents, or turnover rate.	High	Short-term	No	67
2.2	The Department should adopt service level standards / goals for each performance measure.	High	Short-term	No	67
3.1	The Department should utilize the quarterly performance evaluation compliance reports (showing percent of evaluations completed on time) to encourage departments to improve their compliance rate. These compliance rates should be published annually as performance measures to force Human Resources staff as well as Departmental staff to improve their compliance with performance evaluations. This should be implemented immediately.	High	Short-term	No	70
3.2	While the Department is moving to July 1st for all performance evaluations, implementing an online module for performance evaluations will help improve the compliance rate. The department should make sure that this software interfaces with IFAS for payroll merit increases. The performance evaluation module could be part of the Learning Management Software System implementation and Riverside Public Utilities could help absorb the fiscal impact.	High	Short-term	No	70
4.1	The Department should issue and award the Learning Management Software RFP already developed. Once the RFP is issued a vendor should be selected and the software should be implemented as soon as possible. This should happen within the next year.	High	Short-term	Yes	73

#	Recommendation	Priority	Timeframe	Cost	Page #
4.2	The Department should develop a technology strategic plan (5 years) that identifies a long term strategy for HR technology needs detailing where, how, and when the department will address current technology deficiencies. This plan should be developed in conjunction with City IT to make sure that this plan is compatible with Citywide goals.	High	Long-Term	No	73
5	The Department should be reorganized to allow for greater cross-functionality and more equitable span of control. This proposed reorganization includes housing Training & Development and Classification & Compensation with Recruitment and Benefits & Wellness and takes into account the frozen positions currently existing in Human Resources.	Low	Short-term	No	77
RECRUITMENT					
6	The Department should track and regularly report on the number of days from receipt of the initial P1 to acceptance of an employment offer for each recruitment. They should establish service level targets for this measure ranging from 45-120 days based upon type of position.	High	Short-term	No	80
7	The Department should continue with its proposed changes to the recruitment and hiring practices in order to streamline the process, reduce the burden on customer departments, and adopt service level standards for recruitments.	High	Short-term	No	81
8	The Department should include succession planning features in its specifications for an HRMIS system. If the Department opts not to acquire such a system within a short time period, or their system will not have these features, they should use existing data available through IFAS to project upcoming retirements based on age and years of service.	Moderate	Long-Term	No	83
9	The Department should periodically review the diversity and qualifications of candidates from each of its recruitment sources in order to make a determination about which sources best meet the City's needs.	Low	Short-term	No	84

#	Recommendation	Priority	Timeframe	Cost	Page #
10	When a deep pool of highly qualified candidates is not available for a position, the Department should make a practice, with the hiring manager, of revisiting the job description and position requirements to see if they can be modified to allow appropriate substitutions for traditionally preferred experience and training.	Low	Long-Term	No	86
BENEFITS & WELLNESS					
11	Human Resources staff should develop pre-identified goals for each wellness activity. At the end of the year (fiscal or calendar) a report should be generated that states how each wellness activity addressed a different wellness goal. This report should be used to make decisions regarding what wellness activities should be retained and if any new activities should be developed.	Moderate	Short-term	No	90
12	The completion of the benefits audit should be given high priority. Notification letters and request for documentation need to be sent to all non-compliant employees with a deadline for return to HR.	High	Short-term	No	91
TRAINING & DEVELOPMENT					
13.1	The Department should fill the Principal HR Analyst position for its Training and Development unit to ensure that city staff is meeting mandatory training requirements; to coordinate additional trainings, and focus on standardizing staff development throughout the city, by developing professional development plans for key positions.	Moderate	Short-term	No	94
13.2	Staff should focus on improving compliance rate for timely completion of performance evaluations throughout the city.	High	Short-Term	No	94
14	Training Evaluation Forms should be transitioned to an online format to allow for greater and more efficient use of the feedback provided by City Employees.	High	Short-term	No	99
15	The Department should utilize the Principal HR Analyst position to develop a methodology to conduct an annual training needs assessment either through an annual training plan, an internal survey / feedback form, or through the performance development plans.	Moderate	Short-term	No	100

#	Recommendation	Priority	Timeframe	Cost	Page #
16.1	Implementing a professional development module will automate the tracking of training records and hours throughout the City. This will enable the department to utilize training statistics to measure employee progress through the staff development plans developed as well as identify any gaps in trainings. The professional development module could be part of the Learning Management system, which as previously discussed is currently in the process of being acquired with assistance from Riverside Public Utilities.	High	Long-Term	No	103
16.2	The Principal HR Analyst should conduct analysis of current training records to identify gaps in trainings such as supervisory trainings or new employee orientation. This will enable the department to utilize training compliance rate as a performance measure.	Moderate	Short-term	No	103
16.3	Any current or proposed trainings for employees should be part of the employee's performance evaluation. If an employee doesn't comply with training requirements those should be part of whether an employee is meeting the basic performance requirements.	Moderate	Short-term	No	104
17	The Principal HR Analyst should develop standardized Professional Development Plans that identify the career paths of positions that should be implemented during the on-boarding process and updated during every performance evaluation (probationary evaluation, annual evaluations, etc.).	Low	Long-Term	No	107
18	The Principal HR Analyst should review online training courses to identify potential training courses that can be implemented through on-line services to City employees. Additionally, the City should seek to partner with the County, the University of California Riverside, California Baptist University, and other public sector entities to share training resources. The fiscal impact to this recommendation could vary depending upon the partnership agreements developed and online vendors chosen for training purposes.	High	Short-term	Yes	108

#	Recommendation	Priority	Timeframe	Cost	Page #
19	The Department should develop and institute a formalized mentorship program for new employees. The mentorship program should be managed by the Principal HR Analyst in conjunction with professional development and training plans for all employees.	Low	Long-Term	No	109
CLASSIFICATION & COMPENSATION					
20.1	The Department should develop a rotating schedule for reviewing and updating position descriptions for accuracy at least once every four years.	Moderate	Short-term	No	113
20.2	The Department should include a regular assessment of the appropriateness of employees' classifications as part of the periodic position description review.	Moderate	Short-term	No	113
21	The Department should propose the development and implementation of a broad band citywide salary schedule to reduce hierarchy and promote internal movement and increased pay incentive.	Low	Long-Term	No	115
SAFETY					
22	Annual facility / floor inspections should be conducted to ensure that City Departments are in compliance with OSHA regulations and to reduce the number of injuries / workers' compensation claims for the city. These inspections should be divided between the three positions in Safety.	High	Short-term	No	117
23	The Department should ensure that the recently filled HR Specialist position is utilized to resolve preventable incidents in a reasonable timeframe (typically 2 months).	Low	Mid-term	No	119
24.1	The Principal HR Analyst for Safety should annually review all components of the Health & Safety Policies and Procedures Manual.	High	Short-term	No	120
24.2	An injury and illness prevention plan binder should be at every facility / floor in the City.	High	Long-Term	No	120
24.3	Safety training should be mandatory training for all new City Employees, including identifying employees of the Safety hotline that is available to all city employees.	High	Short-term	No	120

#	Recommendation	Priority	Timeframe	Cost	Page #
EMPLOYEE / LABOR RELATIONS					
25.1	The Department should develop a consistent policy identifying which employee issues will be handled internally versus through the use of contacted resources. This could include specifically identifying workload levels, but for greater consistency should be based on the type of investigations, liability risk, and conflicts of interest.	High	Short-term	No	123
25.2	If the department chooses to staff its vacant Principal HR Analyst position, there would be no need to conduct external investigations (except for limited situations as outlined are present). Elimination of the heavy use of external resources would result in cost avoidance of $55,000 annually.	High	Short-term	Yes (savings)	124
26	The Department should utilize its current disciplinary and investigation statistics to measure its effectiveness at resolving complaints as well increasing standardization of response to internal complaints.	High	Short-term	No	128
27	Employee / Labor Relations staff should continue its informal strategies of team building activities, but also analyze grievance information annually to identify areas where policy or MOU changes or additional training would be beneficial to minimize the number of grievances handled annually. The greatest focus should be on the larger departments such as Police, Parks & Rec, Utilities, and Public Works.	High	Short-term	No	131
28	The Department should utilize the grievance timeframes identified in MOUs as the target timeframes for grievance resolution. This can be used as a performance measure, as well as improve customer service for the Department.	High	Short-term	No	133
29	The Department should fill the vacancy of the Principal Human Resources Analyst to address the number of “open” grievance cases as well as improve the resolution time for cases.	High	Short-term	No	133
30.1	The Department should automate the processing of FMLA leave applications to improve efficiency, accuracy, control, and communication regarding FMLA leave and eligibility.	Moderate	Long-Term	Yes	135

#	Recommendation	Priority	Timeframe	Cost	Page #
30.2	The Department should ensure that all employees, supervisors, and timekeepers are instructed that they cannot use FMLA time until eligibility has been approved by Human Resources. This should be incorporated into new employee onboarding as well as supervisor training. It should also be regularly sent as an email to all employees who are responsible for entering employee time.	Moderate	Short-term	No	135
30.3	The Department should coordinate with the Finance and IT Departments, if possible, to modify IFAS so that employees see a reminder about proper FMLA procedures before they are able to enter FMLA leave.	Low	Short-term	No	135
31	The Department should strictly enforce its general leave policy to ensure that employees who are absent from work for one year under leave of any type are eligible for initiation of the interactive process requiring them to return to work and require the use of appropriate leave balances.	Moderate	Short-term	No	136
32	The Department should consider expanding the City's light and modified duty program to include employees who are out on FMLA leave. The Department should calculate the cost/benefit of such an expansion before proposing to move forward with it.	Low	Long-Term	No	137
33	A report should be generated from IFAS annually that records the total number of leave hours by the types of leave at a department and positional level. This would allow the Department to proactively notice any sick leave abuse and also focus on trends of leave usage throughout the City.	Moderate	Long-Term	No	138
34	The Department should develop an annual employee climate survey, distributed electronically to all citywide staff. The survey should be fully confidential, a summary of the results should be made visible to all staff, and it should be used to direct visible changes and initiatives to address issues raised by its results.	High	Short-term	No	140

#	Recommendation	Priority	Timeframe	Cost	Page #
WORKERS' COMPENSATION					
35	The Department should strive to bring the number of open claims per adjuster below 150 to ensure that each claim can receive a sufficient level of attention. The lower number of cases will enable adjusters to more proactively manage cases and take initiatives to reduce their financial impact on the City.	High	Short-term	No	142
36	The Department should generate and distribute to the Executive Management team and City Council regular reports on the type, duration, resolution, and total cost of claims in order to provide a picture of the City's workers' compensation spending and provide a basis for initiatives to decrease the duration, cost, and litigation of claims and provide appropriate consultation with the City Manager and City Attorney on potential settlements.	Moderate	Short-term	No	143
37	The Department should closely track and report on the City's injury incidence rate, establish a benchmark for injury incidence rate, and compare their statistics to this benchmark.	High	Short-term	No	146
38	The City should take steps to reduce the number of injuries. These steps could include reviewing injury types/causes to identify patterns, conducting employee workshops and engagement to brainstorm solutions, and evaluation and revision of workplace safety protocols.	High	Short-term	No	147
39	The City should assess the typical cost of injuries by cause and focus its injury reduction initiatives on injury types that are generally the costliest to the City and develop preventive programs.	Moderate	Long-Term	No	147
COMPLIANCE AUDIT					
40	The Benefits and Payroll staff should continue to do monthly reconciliations of benefits and payroll deductions. Staff should work with finance and IT to determine if there are any system safeguards that can be set up in IFAS to help mitigate these errors automatically rather than requiring manual adjustments.	High	Short-term	N / A	152

#	Recommendation	Priority	Timeframe	Cost	Page #
41	Over the past three years the City has spent approximately $116,000 in external investigations contracts. These external investigators should be selected through an RFP process that is compliant with the city's procurement policies. The Department should issue and award the External Investigation RFP that has already been drafted. The fiscal impact for this recommendation will vary based on the number of external investigations contracted out by the City.	High	Short-term	N / A	154
42	Workers' Compensation transactions generally are compliant, there were two exceptions in the claims examined. One approach to eliminate further financial errors in workers' compensation would be to either have one payment check for medical payments or encourage providers to use EFTs. This will minimize the number of checks that workers' compensation has to review and let them focus on claim payments to ensure that those are accurate and being disbursed appropriately.	High	Short-term	N / A	158

The following report provides further detail regarding each of the specific recommendations outlined including a narrative description of the issues faced by the Human Resources Department that were analyzed to arrive at the recommendations included above.

2. PROFILE OF THE HUMAN RESOURCES DEPARTMENT

This document provides a descriptive profile of the City of Riverside's Human Resources Department. The purpose of the descriptive profile is to document the project team's understanding of the department, staff allocation, and principal duties and role of each position. Data contained in the profile were developed based on the work conducted by the project team, including:

- Interviews with all staff;
- Collection of various data regarding workload; and
- Documentation of key practices.

The structure of this descriptive profile is as follows:

- Organizational charts showing all positions and their reporting relationships.
- Summary descriptions of key roles and responsibilities of staff. The responsibility descriptions provided in the descriptive profile also summarize the major programs and service activities of staff assigned to each functional unit. It should be clearly noted that responsibility descriptions are not intended to be at the "job description" level of detail. Rather, the descriptions are intended to provide the basic nature of each unit and assigned positions including deployment and work schedules, program targets and service descriptions.
- Workload and service level indicators, as available, are provided.

Information contained in this descriptive profile has been employed in the analysis of issues during subsequent stages of the project.

The Human Resources Department is responsible for providing administrative support to the City's departments related to the hiring and management of City staff in order to ensure that salaries, benefits, and working conditions are competitive to attract and retain a highly qualified and capable workforce. This includes recruiting and onboarding new employees to fill vacant openings and new positions, maintaining employee files and salary information, managing the City's workers' compensation program, providing safety training, overseeing cases of employee complaints and grievances, and administering wellness programs, benefits, leave, employee relations.

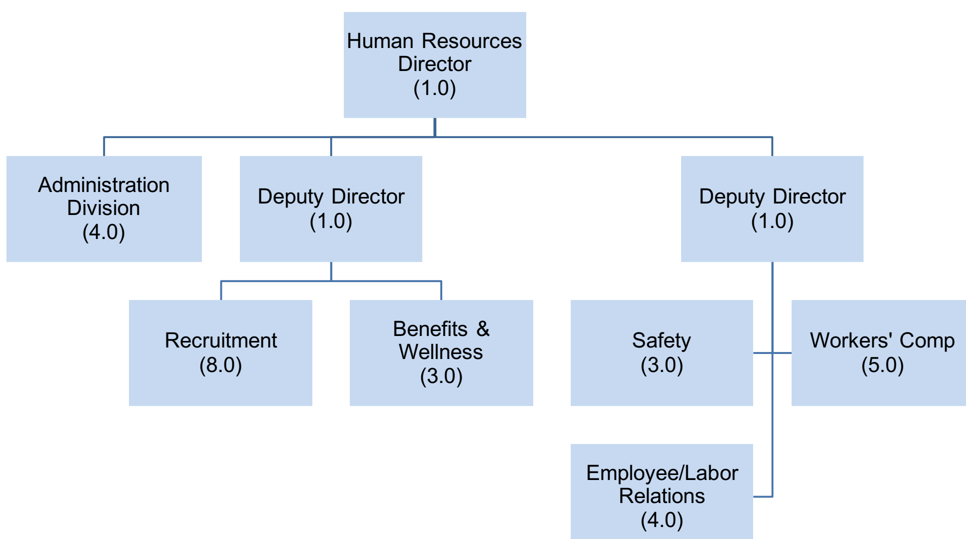
1. HUMAN RESOURCES DEPARTMENT STRUCTURE.

The City of Riverside Human Resources Department consists of eight divisions, as shown in the following table:

Division	# of Budgeted Staff	Areas of Responsibility
Administration	7.0	• Providing oversight, strategic direction, and support to each of the Department's operating divisions. • Staying informed of Citywide needs and industry-wide human resources practices • Assisting department staff with their tasks as necessary • Developing business processes and technology solutions to facilitate the Department's workload • Serving as a liaison between Department staff and City management.
Recruitment	8.0	• Filling open positions with qualified employees in a timely manner • Staying informed of job openings in Departments • Effectively recruiting qualified candidates • Assisting department supervisors in the interviewing and selection process • Processing the background checks of new hires • Providing necessary training and information to new hires during the employee onboarding process.
Safety	3.0	• Promoting a culture of workplace safety within the City of Riverside • Scheduling and providing department-specific safety training to City employees • Tracking and reporting on safety incidents • Disseminating safety policies and procedures to City departments.
Benefits and Wellness	3.0	• Ensuring that the City's employee benefits programs are competently administered • Maintaining frequent communication with employees to keep them apprised of their benefits • Tracking employees' eligibility and benefits usage • Developing wellness programming for City staff

Division	# of Budgeted Staff	Areas of Responsibility
Employee/Labor Relations	4.0	• Managing employee satisfaction and addressing employee complaints • Recording and investigating complaints and grievances filed by City employees • Coordinating external investigations of complaints • Identifying issues and providing essential support for collective bargaining negotiations • Facilitating drug and alcohol testing • Managing employees' FMLA usage. This division also currently handles the Department's classification and compensation duties.
Workers' Compensation	5.0	• Administering the City's workers' compensation program • Receiving and recording cases • Making determinations about employee eligibility for workers' compensation • Corresponding with department staff and care providers about employees' progress after work-related incidents • Participating in necessary court proceedings • Managing the disbursement of workers' compensation funds to employees and providers

The following chart summarizes the organizational structure of the Department.

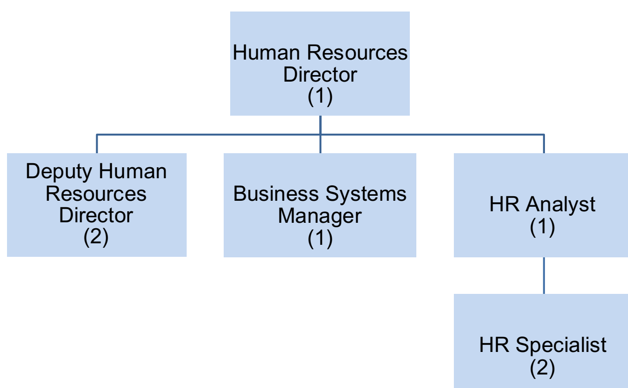


2. HUMAN RESOURCES ADMINISTRATION.

The Human Resources Department's Administration Division is responsible for providing oversight, strategic direction, and support to each of the Department's operating divisions. This includes staying informed of Citywide needs and industry-wide human resources practices, assisting Department staff with their tasks as necessary, developing business processes and technology solutions to facilitate the Department's workload, and serving as a liaison between Department staff and City management.

(1) Organizational Structure.

The plan of organization for the Administration Division is presented in the organization chart below.



(2) Staffing Allocation.

The following table provides a summary of the staff supporting Human Resources Administration, by function and classification, and also summarizes key roles and responsibilities of each position.

Classification Title	# of Authorized Positions	# of Vacant Positions	Key Roles and Responsibilities
Human Resources Director	1.0	0.0	• Oversees all operations of the Human Resources Department • Develops, recommends and implements strategic goals and policies for the Department, including new initiatives to boost morale • Supervises and evaluates employees for each unit • Serves as the co-chief employee negotiation officer for the City • Provides support to various human resources units on an as-needed basis throughout the year • Liaises between Department staff and City management
Deputy Human Resources Director	2.0	0.0	• Oversees all aspects of recruitment, selection, employee / labor relations, workers' compensation, safety, and training • Develops and implements alterations to current operations to improve effectiveness and efficiency of the Department, including redesigning the recruitment process • Serves as the co-chief employee negotiation officer for the City • Handles analyst and specialist workload on an as-needed basis • Provides assistance to Human Resources director in preparing and managing the departmental budget. • Manages any contracts with external vendors for Human Resource operations
Business Systems Manager	1.0	0.0	• Analyzes human resources business processes to determine opportunities for efficiency gains • Communicates with HR staff to identify necessary changes to the department's software applications • Plans and coordinates with HR and IT staff to implement software systems and procedures • Maintains human resources website and auxiliary employee registration web pages for HR • Trains, supervises, and provides support to department staff in use of software systems • Prepares activity and progress reports regarding system implementation and activities of HR staff

Classification Title	# of Authorized Positions	# of Vacant Positions	Key Roles and Responsibilities
HR Analyst	1.0	0.0	• Provides assistance to Human Resources and Deputy Human Resources Director for special projects • Develops and monitors the Department's budget • Oversees all Public Records Requests for the Department • Manages and oversees all personnel transactions for City departments including hiring, payroll entries, etc. • Serves as the Secretary for the Human Resources Board (Advisory Board to City Council) • Assist the Department in conducting Salary Surveys • Oversees records management for all personnel files for the Department
HR Specialist	2.0	0.0	• Generates SharePoint profiles for tracking P1 and P2 personnel forms • Uses LaserFiche to scan documents into personnel files and maintains file structure of personnel file • Receives employee performance evaluations, scans the results into IFAS, and notifies employee relations of low scores • Coordinates storage and retrieval of physical employee files with records retention provider • Answers telephone calls and provides customer service at the front desk, routes individuals with questions or appointments to the appropriate personnel • Provides administrative assistance such as filing and calendar management to Human Resources Director • Rolls fingerprints of new employees for background checks if the individual who normally performs the duty is unable to do so

(3) Technology Utilization.

The following table summarizes the key technologies utilized in the Human Resources Department, the functional level of automation that they provide, and the business processes for which they are used.

Technology Utilized	Level of Automation	Processes
Integrated Financial Accounting System (IFAS)	City-hosted software application containing editable payroll profiles for each employee. Profiles contain payroll status, performance reviews, medical history, discipline, benefits enrollment, and other pay-relevant employee information in fillable fields.	Used by all divisions to track employees' payroll status, record performance evaluations, medical history, benefits enrollment, leave usage, discipline cases, grievances, and training. Functions as the Department's primary tool for tracking and reporting basic employment information.
Employee Online	Web-based IFAS module with front-facing access for all employees through any web browser and back-end access integrated with employee profiles in IFAS for use by HR staff. Allows employees to select and modify their benefits package.	Used by Benefits and Wellness to track employees' benefits enrollment status, collect documentation of their benefits status changes, and verify their dependents. Specific areas of access include Direct Deposit, W2, Leave Status, Address, and Dependent information.
LaserFiche	Tiered electronic file structure for storage of documents, PDF's, and scanned images. Allows all documents to be scanned or snapshotted and dragged/dropped into files.	Used by all divisions to store and organize files employee personnel files, workers' compensation files, DMV files, and other repositories of documents and images (used by many City Departments).
NeoGov	Web-based application integrated with the City website that allows job applicants to browse openings and complete applications on the City Website, and City staff to view their profiles on the back end.	Used by Recruitment to manage the recruitment process, create job application questionnaires, screen applicants, conduct subject matter expert reviews, create lists for exams and interviews, and record exam and interview scores. It is also used for classification and compensation purposes to create / modify current job descriptions.
SharePoint	Citywide intranet integrated with the City's website, allows users to create collections of editable pages/profiles; allows tracking of processes and assignment of process responsibilities to individuals.	Used by all Divisions to route and track the processing of P1 and P2 personnel action forms. Used to track recruitment and create profiles for volunteers and unpaid interns. It also includes a wellness portal, safety portal, training portal, and livescan tracker, etc.
iFMLA	City-hosted software application containing FMLA summary screens and reports, as well as editable individual profiles for each employee showing their accrued and available FMLA leave. Scanned documents can be attached to profiles.	Used by Employee and Labor Relations to approve and track employees' use of FMLA leave, edit employees' FMLA status as necessary, and compile notes and documentation related to FMLA leave.

Technology Utilized	Level of Automation	Processes
SIMS	Web-based application and database by Systema Software for the administration of general insurance and workers' compensation claims.	Used by Workers' Compensation to create profile for claims, compile related documentation, track claims-related task completion, and generate reports on the City's workers' compensation program.

(4) Workload.

The following table summarizes some of the available workload measures for the Administration Division.

Area	2013	2014	2015	% Change
# of Active Employees	2,475	2,487	2,368	-4%
# of Personnel Actions	371	988	1,916	416%
# of Evaluations	2,529	2,681	2,530	0%

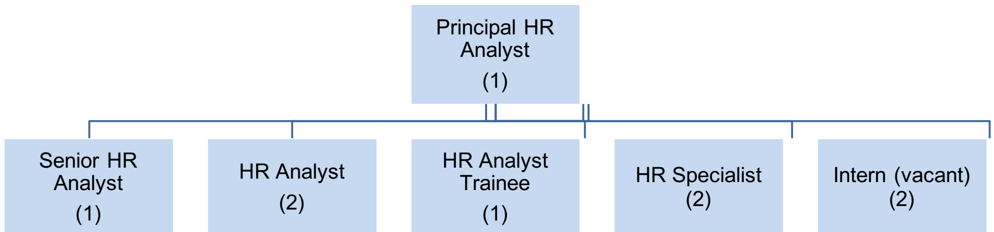
As the prior table page shows the number of active employees in the City declined between 2013 and 2015, whereas the number of personnel actions more than quadrupled. This suggests that workload related to personnel actions increased significantly. Personnel actions refers to any action related to an employee, it could be as small as a pay rate increase to as significant as termination from the City.

3. RECRUITMENT.

The Human Resources Department's Recruitment Division is responsible for filling open positions with qualified employees in a timely manner. This includes staying informed of job openings in City Departments, effectively recruiting qualified candidates, assisting department supervisors in the interviewing and selection process, processing the background checks of new hires, and providing necessary training and information to new hires during the employee onboarding process.

(1) Organizational Structure.

The plan of organization for the Recruitment Division is presented in the organization chart below.



(2) Staffing Allocation.

The following table provides a summary of the staff supporting the Recruitment Division, by function and classification, and also summarizes key roles and responsibilities of each position.

Classification Title	# of Authorized Positions	# of Vacant Positions	Key Roles and Responsibilities
Principal HR Analyst	1.0	0.0	• Develops goals, objectives, policies, and procedures for the Recruitment Division • Organizes, reviews, and participates in the work of the Division's staff, and provide support/direction to them as necessary • Participates in the preparation and administration of the Division's budget • Participates in the selection, training, and evaluation of the Division's staff • Conducts recruitment for open positions in assigned departments/divisions • Tracks and reports on the performance of the Recruitment Division

Classification Title	# of Authorized Positions	# of Vacant Positions	Key Roles and Responsibilities
Senior HR Analyst	1.0	0.0	• Assists in the development of goals, objectives, policies, and procedures for the Recruitment Division • Participates in the selection, training, and evaluation of the Division's staff • Communicates with hiring manager in assigned department/division to prepare recruitment plans, job announcements, and advertising strategies • Advertises open positions, and use NeoGov to receive and screen applications for open positions; submits selected applicants for subject matter review and written exams • Assists hiring manager in conducting and quantifying interviews, including selecting interviewees and interview panels • Participates in recruitment-related projects and training as necessary
HR Analyst	2.0	0.0	• Communicates with hiring manager in assigned department/division to prepare recruitment plans, job announcements, and advertising strategies • Advertises for open positions internally through the City and/or externally based on position type and hiring circumstances • Uses NeoGov to receive and screen applications for open positions, administer written exams to selected applicants, submit selected applicants for subject matter review • Assists hiring manager in selecting applicants and panels for interviews • Supports interview panels with materials and enter interview scores into NeoGov • Scans interview materials into personnel file
HR Analyst Trainee	1.0	0.0	• Communicates with hiring manager in assigned department/division to prepare recruitment plans, job announcements, and advertising strategies • Advertises for open positions internally through the City and/or externally based on position type and hiring circumstances • Uses NeoGov to receive and screen applications for open positions, administer written exams to selected applicants, submit selected applicants for subject matter review • Assists hiring manager in selecting applicants and panels for interviews • Supports interview panels with materials and enter interview scores into NeoGov • Scans interview materials into personnel file

Classification Title	# of Authorized Positions	# of Vacant Positions	Key Roles and Responsibilities
HR Specialist	2.0	0.0	• Schedules and conducts new hire fingerprinting, submit information for background checks • Coordinates drug and alcohol testing for new hires with contracted provider • Arranges physical examinations for new hires and promotions if necessary • Maintains communication with hiring department regarding the status of new employees in the hiring and onboarding process • Collects references and employee information from hiring departments, compiles I-9 data • Conducts pre-employment training with new hires regarding workplace safety and sexual harassment • Conducts recruitment for open positions in assigned departments/divisions • Manages employee parking and ID badges for City Hall staff
Intern	2.0	2.0	• Conducts administrative tasks and facilitate communication related to the recruitment and hiring process • Performs recruitment-related data entry and filing work • Provides additional assistance to recruitment staff as necessary

(3) Workload.

The following table summarizes the workload measures available for the Recruitment Division.

Area	2013	2014	2015	% Change
# of Postings	181	208	238	31%
# of Applications	21,863	24,061	28,028	28%
# of Written Exams	68	34	69	1%
# of Candidates taking Written Exams	4,044	2,245	3,069	-24%
# of Interviews	400	473	485	21%
# of Candidates Interviewed	824	1,183	988	20%
# of Employees Hired	298	272	292	-2%
Turnover Rate	9.09%	10.33%	9.80%	8%

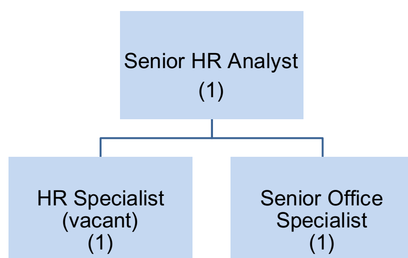
As the table above shows that there was generally an increase in workload related to recruitment and retention in 2015 compared to 2013. The only exception to this was in relation to the number of written exams, the number of candidates taking written exams, and the number of overall employees hired.

4. SAFETY.

The Human Resources Department's Safety Division is responsible for promoting a culture of workplace safety within the City of Riverside. This includes scheduling and providing department-specific safety training to City employees, tracking and reporting on safety incidents, and disseminating safety policies and procedures to City departments.

(1) Organizational Structure.

The plan of organization for the Safety Division is presented in the organization chart below.



(2) Staffing Allocation.

The table below provides a summary of the staff supporting the Safety Division, by function and classification, and also summarizes key roles and responsibilities of each position.

Classification Title	# of Authorized Positions	# of Vacant Positions	Key Roles and Responsibilities
Senior HR Analyst	1.0	0.0	• Serves as a Safety Officer for the City • Coordinates and manages all meetings of the Vehicle Incident Review Board (VIRB) • Manages and updates the citywide Safety policy manual to ensure compliance with state, local, and federal guidelines • Manages the Citywide Safety Committee meetings that meets once a quarter • Oversees the Employee Pull Notice Program • Conducts annual safety audits • Develops the Business Emergency Plan in conjunction with General Services and the City Clerk's Department • Updates and manages the Safety Data Sheet used by departments citywide • Serves as the City's Designated Employee Representative (DER) for the Drug and Alcohol Program
HR Specialist	1.0	0.0	• Assists Senior HR Analyst in conducting new employee orientation and various employee training sessions • Assists Senior HR Analyst in conducting regular safety audits • Prepares safety reports • Tracks rate of safety incident occurrences and maintains citywide safety records • Pulls DMV records and notifications of for employees, notify appropriate supervisor of issues or expirations • Tracks DMV pulls for new employees and scans results to file using LaserFiche
Senior Office Specialist	1.0	0.0	• Assists Senior HR Analyst in conducting new employee orientation and various employee training sessions. • Collects volunteer/internship applications through NeoGov and distribute to appropriate departments • Coordinates fingerprinting and background checks for volunteers and interns • Tracks volunteer/internship onboarding process in SharePoint and keeps department personnel apprised of applicant progress

(3) Workload.

The following table summarizes the workload measures available for the Safety Division.

Area	2013	2014	2015	% Change
# of Safety Incidents	59	71	41	-31%
# of Injuries	321	312	297	-7%

The table above shows, while workload in safety declined in relation to the number of incidents and injuries, the total time it takes to resolve those safety incidents increased dramatically.

5. TRAINING AND DEVELOPMENT.

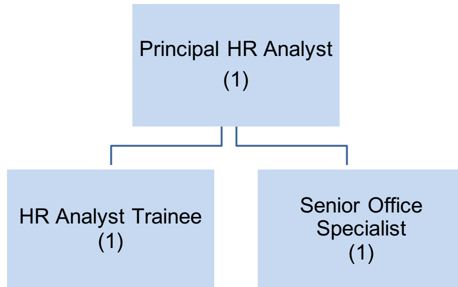
The Department is currently in the process of establishing a separate Training & Development Division to assess employee training needs, arrange and/or conduct job-specific training for City staff, and implement citywide and department-specific strategies for developing the skills of the City's workforce. While there are many training sessions that are mandatory to all City employees and provided in a cyclical manner, other trainings are provided on an as-requested basis. Currently, nearly half to three-quarters of the Safety Division staff time is spent on the training function.

6. BENEFITS AND WELLNESS.

The Human Resources Department's Benefits and Wellness Division is responsible for ensuring that the City's employee benefits programs are competently administered. This includes maintaining frequent communication with employees to keep them apprised of their benefits, tracking employees' eligibility and benefits usage, and developing wellness programming for City staff.

(1) Organizational Structure.

The plan of organization for the Benefits and Wellness Division is presented in the following organization chart.



(2) Staffing Allocation.

The following table provides a summary of the staff supporting the Benefits and Wellness Division, by function and classification, and also summarizes key roles and responsibilities of each position.

Classification Title	# of Authorized Positions	# of Vacant Positions	Key Roles and Responsibilities
Principal HR Analyst	1.0	0.0	• Administers and implements citywide benefits – disability, deferred compensation, retirement, medical, dental, etc. • Updates benefits policies and procedures as necessary • Responsible for coordinating the Health and Benefits committee and the Deferred Compensation Committee. • Oversees input of benefit information and transactions into IFAS • Manages the Citywide wellness program, including conducting open enrollment fairs, flu shot fairs, benefit fairs, and other feel good programs • Implements internal controls and audits such as reconciliation between transactions, monitoring qualifying events for new hires and current employee • Administers the deferred compensation program, including reconciliation of manual entry errors • Monitors the donations and funding of the City's wellness programs and activities.

Classification Title	# of Authorized Positions	# of Vacant Positions	Key Roles and Responsibilities
HR Analyst Trainee	1.0	0.0	• Oversees the input of all benefit transactions and status changes into IFAS • Reconciles information in IFAS between Human Resources and Payroll to ensure that benefits are appropriately administered to City employees • Reviews discrepancies in billing and coverage and interfaces with benefits providers to resolve them • Assists Principal HR Analyst in the Citywide Wellness initiative • Manages all employee records related to benefits and wellness • Manages the “inactive” employee billing process associated with managing leaves • Delivers presentations at Retirement sessions and assists employees with their retirement and CALPERs questions / inquiries
Senior Office Specialist	1.0	0.0	• Provides customer service and guidance regarding benefits to City employees • Provides all new hires with information regarding benefits registration, verifies details of their registration • Facilitates informational benefits seminars for City retirees and maintains regular communication with retiree benefits TPA • Corresponds with SEIU union employees with 20+ years of service to monitor their benefits status • Corresponds with deferred compensation providers and tracks employee usage of accounts in IFAS • Assists with planning monthly wellness workshops and additional City fitness/wellness programs • Assists with open enrollment annually and provides assistance to employees during the process

(3) Workload.

The following table summarizes the workload measures available for the Benefits and Wellness Division.

Area	2013	2014	2015	Overall % Change
# of Participants in Maintain Don’t Gain	235	329	413	76%
# of Participants in Fitness Challenge	366	288	323	-12%

Area	2013	2014	2015	Overall % Change
# of Participants in Bike to Work	0	29	23	-21%
# of Wellness Workshops	34	26	19	-44%
# of Attendees at Wellness Workshops	478	451	396	-17%
# of Open Enrollment Transactions	1,042	1,521	1,092	5%
# of Staff Making Changes	596	826	644	8%
# of Deferred Compensation Transactions	80	246	484	505%
# of Retirees	432	456	478	11%
% of Staff Retiring in 5 years	17%	18%	20%	16%

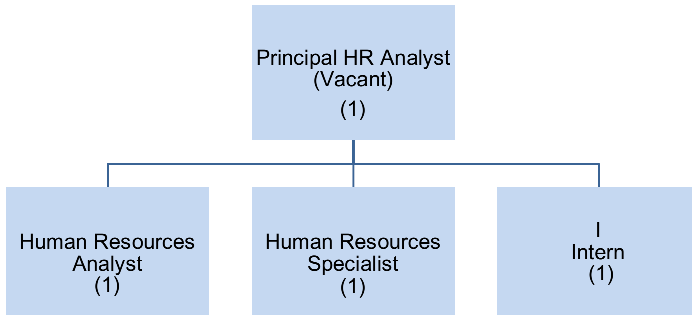
As the table above shows that there were some significant workload changes in relation to benefits and wellness. Certain wellness programs thrived such as Maintain Don't Gain, whereas both Fitness Challenge and Bike to Work declined. Overall, benefits workload increased over the past three years in relation to transactions in open enrollment and deferred compensation. Similarly, the percentage of staff retiring has also increased each year as a proportion of active employees within the city. These increased transactions and retiring employees have increased the workload for current Benefits staff. (do we need to add more).

7. EMPLOYEE / LABOR RELATIONS.

The Human Resources Department's Employee and Labor Relations Division is responsible for managing employee satisfaction and addressing employee complaints. This includes recording and investigating complaints and grievances filed by City employees, coordinating external investigations of complaints, supporting City staff in collective bargaining negotiations, facilitating drug and alcohol testing, and managing employees' FMLA usage. This division also currently handles the Department's classification and compensation duties and labor negotiations for the City.

(1) Organizational Structure.

The plan of organization for the Employee and Labor Relations Division is presented in the organization chart below.



(2) Staffing Allocation

The table on the following page provides a summary of the staff supporting the Employee and Labor Relations Division, by function and classification, and also summarizes key roles and responsibilities of each position.

Classification Title	# of Authorized Positions	# of Vacant Positions	Key Roles and Responsibilities
Principal HR Analyst	1.0	1.0	• Oversees all employee harassment & complaint cases • Provides consent and advice to managers regarding disciplining employees for certain transgressions • Manages any external investigators for employee relations cases • Contacts employee and manager as part of investigation for employee relations • Conducts desk audits of employees for classification studies or as part of a reclassification request • Oversees the reclassification request process for Departments • Provides Deputy Human Resources Director with information regarding employee relation issues concerning bargaining units • Oversees the contract associated with the Randomized Drug Testing Program • Manages the Citywide Drug and Alcohol Program and serves as one of the City's designated Employer Representative (DER).

Classification Title	# of Authorized Positions	# of Vacant Positions	Key Roles and Responsibilities
HR Analyst	1.0	0.0	• Conducts investigation of harassment and complaint cases and provides guidance for cases handled by departments • Enters incidents of harassment or complaint in IFAS • Consults with City Attorney to facilitate witness interviews and determine appropriate course of action for serious complaints • Provides support to City in preparation for collective bargaining negotiations • Provides administrative support in the processing of preventable incidents and discipline determinations • Conducts classification and compensation studies for new positions and desk audits for reclassification requests
HR Specialist	1.0	0.0	• Corresponds with employee FMLA inquiries, determine FMLA eligibility, drafts and distributes pre-designation letters • Creates and manages employee records in iFMLA system; scans FMLA-related paperwork into employee personnel records in LaserFiche • Routes P2 forms to begin and conclude FMLA leave, and keep departments notified throughout the duration • Assists employees in using state and family disability benefits • Assists in paperwork for investigations and processing of grievances and discipline cases • Manages employee leave donation plan • Assists in coordination of drug and alcohol testing program • Conducts class and comp research
Intern	1.0	0.0	• Conducts correspondence and administrative tasks related to employee and labor relations • Performs data entry and filing work to support employee relations cases • Provides additional assistance to employee and labor relations staff as necessary

(3) Workload.

The following table summarizes the workload measures available for the Employee and Labor Relations Division.

Area	2013	2014	2015	% Change
# of Complaints	24	28	33	38%
Average Days to Resolve Complaints	104	77	56	-46%
# of External Investigations	5	9	10	100%
# of Disciplinary Cases	209	203	228	9%
# of Grievances	45	54	39	-13%
Average Days to Resolve Grievances	57	73	74	30%
# of Employees on FMLA Leave	278	249	233	-16%
# of Reclassification Requests	19	21	51	168%

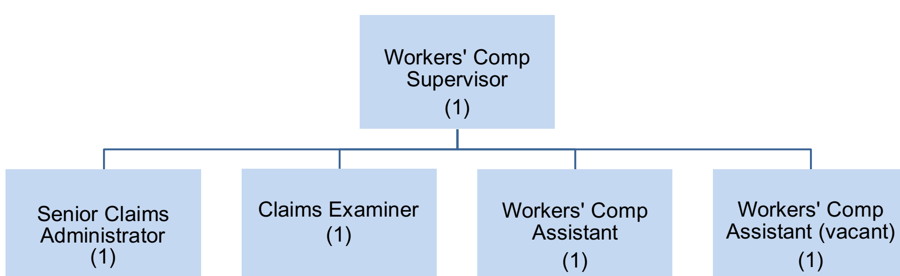
Overall, workload for Employee / Labor Relations increased over the past three years, with exceptions in relation to the number of grievances and the number of employees on FMLA leave.

8. WORKERS' COMPENSATION.

The Human Resources Department's Workers' Compensation Division is responsible for administering the City's workers' compensation program. This includes receiving and recording cases, making determinations about employee eligibility for workers' compensation, corresponding with department staff and care providers about employees' progress after work-related incidents, participating in necessary court proceedings, and managing the disbursement of workers' compensation funds to employees and providers.

(1) Organizational Structure.

The plan of organization for the Workers' Compensation Division is presented in the organization chart below.



(2) Staffing Allocation.

The table on the following page provides a summary of the staff supporting the Workers' Compensation Division, by function and classification, and also summarizes key roles and responsibilities of each position.

Classification Title	# of Authorized Positions	# of Vacant Positions	Key Roles and Responsibilities
Workers' Compensation Supervisor	1.0	0.0	• Supervises the administration of the City's workers' compensation program; supervise Senior Claims Administrator and Workers' Comp Assistants • Manages a caseload of workers' compensation claims • Regularly reviews diary of workers' compensation claims to ensure that upcoming task deadlines are met • Serves as designated on-call Medical Access Assistant • Conducts workers' compensation training with department supervisors • Generates required workers' compensation reports for the State of California • Remains updated on State workers' compensation regulations and ensure that the City complies with State requirements • Corresponds with department and medical staff to ensure that staff on light duty assignments rotate tasks and return to normal duty as soon as possible
Senior Claims Administrator	1.0	0.0	• Receives and records workers' compensation claims, enter claims into SIMS, and determine claim compensability • Authorizes medical treatment & payments according to State law • Advises employees of their workers' compensation benefits and legal rights • Arranges for workplace accommodation for recovering employees or look for accommodations in an alternative placement • Arranges for investigations and medical examinations related to workers' compensation cases, and develop documentation for claim reports • Advises department supervisors of procedures and reporting deadlines for work-related injuries • Manages records related to workers' compensation cases, produce records for court proceedings as necessary

Classification Title	# of Authorized Positions	# of Vacant Positions	Key Roles and Responsibilities
Claims Examiner	1.0	0.0	• Monitors portfolio of claimants and ensure appropriate changes in status • Sets up new claimants, collect appropriate documentation, and establish accounts • Inputs payments to SIMS System • Prepares documents for transmittal to utilization review contractor • Performs weekly processing of payments to employees and health services providers, process monthly advanced disability payments, and conduct reconciliation to ensure accuracy • Coordinates with the Finance Department to establish new vendor profiles • Prepares requests for payment and emergency payments, as necessary • Assists the Senior Claims Administrator, as necessary
Workers' Compensation Assistant	2.0	1.0	• Assists in the administration of workers' compensation claims • Receives, records, and reviews all reports of work-related injuries, and set up new case files • Coordinates return to work and absentee information with payroll to ensure prompt payment of benefits • Advises department supervisors of procedures and reporting deadlines for work-related injuries • Performs weekly processing of payments to employees and health services providers, process monthly advanced disability payments, and conduct reconciliation to ensure accuracy • Maintains records of division accounts and prepare requests for payment of vendor invoices • Answers phones, arranges meetings, and executes various administrative tasks as necessary

(3) Workload

The following table summarizes the workload measures available for the Workers' Compensation Division.

Area	2013	2014	2015	% Change
# of Cases Opened	324	320	267	-18%
# of Cases Closed	426	450	164	-62%
# of Workers' Comp Claims	349	320	276	-21%
Average Cost of Claim	$19,104	$13,328	$22,007	15%

Overall, workers' compensation caseload has generally declined, while the percentage of litigated claims has risen along with the temporary and permanent disability rates, thus increasing the average cost of the worker's compensation claim.

3. BEST MANAGEMENT PRACTICES ASSESSMENT

As part of the analysis of the Human Resources Department, the Matrix Consulting Group project team utilized a wide variety of data collection and analytical techniques to compare the Department's current services with measures of effective organizations based on industry standards. The measures utilized have been derived from the project team's collective experience and represent the following ways to identify improvement opportunities:

- Statements of "effective practices" based on the study team's experience in evaluating operations in other cities or "standards" of the services from other organizations.
- Other statements of "effective practices" or "performance targets" based upon consensus standards or performance goals derived from national or international professional service organizations.
- Identification of whether and how the Department meets these performance targets.

The purpose of this assessment is to develop an initial overall assessment of the department and to identify any opportunities for efficiency and cost savings. This assessment is presented in the matrix format with the performance target in the left hand column, whether the Department meets the target in the second column (thus representing a 'strength'), and potential improvement opportunities in the far right column. Following the matrix are summary conclusions arising from this assessment.

Performance Target	Strengths	Improvement Opportunities
Administration and Management		
The Human Resources Department has a multi-year strategic plan with annual goals and measurable objectives.	Riverside 2.0 has a human resources component that identifies strategic goals for the next five years.	The Department should develop an action plan dictating how it intends to address and implement the strategic goals already identified.

Performance Target	Strengths	Improvement Opportunities
The Human Resources Department has clearly stated program goals and measurable objectives that can be achieved within budget for each major program.	There are currently accomplishments listed in the Departmental budget as they relate to goals established by Council.	
The Human Resources Department uses appropriate performance measures and interpretive benchmarks to evaluate its major programs and uses these in management decision-making.		Currently, the Department is unable to use its system (IFAS) to generate reports related to performance measures and benchmarks to evaluate some major programs and uses.
A long-term information technology plan has been prepared for Human Resources.		There is no long-term technology plan specifically in place; however, there have been internal and informal discussions to acquire a learning management software once a training and development coordinator is hired.
The number of organizational layers does not exceed three (the number of layers that one employee would have to report to reach the Human Resources Director).	The number of organizational layers is three.	
The span of control for managers and supervisors in the Human Resources Department approximates eight.		The span of control ranges from 2 to 4.
Customer satisfaction with the Human Resources Department is routinely monitored and satisfaction with those services is high.	The Department conducted a Customer Service Survey in April 2015, in which the majority of respondents (73%) agreed that they were satisfied with the quality of services provided by the Human Resources Department.	The Department needs to conduct annual customer service surveys, which they currently intend upon.

Performance Target	Strengths	Improvement Opportunities
Management information systems are in place to assess and evaluate whether the Human Resources Department is being properly managed and whether objectives are being met.	An annual accomplishment report is published; however, it only provides information related to workload measures. Additionally, the Human Resources Board publishes an annual report, which discusses how the Department was able to meet one or two specified goals for the Department. For example, in 2015, the Department focused on EEO statistics for the City.	Other than IFAS, the Department does not currently have any other system in place for the evaluation of HR objectives. The department does not produce annual reports to this end.
The training needs of the Human Resources Department staff has been evaluated and identified, and a training strategy has been developed, including a management and supervisory development program.	Employees are currently in the process of attending a 10-week classification training. The Department intends to partner with Riverside County's Human Resources Department to pick various topics and provide training to staff on a routine basis.	Specific courses have not been identified for which the employees should receive training. Additionally, while employees are encouraged to attend trainings, there is no individual development plan for each employee to ensure that they are attending the trainings that are appropriate to advance their career.
An employee performance management system has been created that is linked to the Human Resources Department strategic plan, goals, objectives, and performance measures.		The Department does not currently have a performance management system in place. This would currently be a manual process of producing reports from IFAS and going through them to see whether they met performance objectives.
Human Resource policies and procedures are well documented.	The Department has a detailed policies and procedures manual that is available on the City website.	
The Human Resources Department maintains personnel records, including confidential records, in accordance with the applicable California Statutes and regulations.	General personnel files are well organized and kept electronically under the proper security authorizations. Sensitive and confidential information is not kept in the general personnel file, it is segregated in separate files.	

Performance Target	Strengths	Improvement Opportunities
The Human Resources Department uses an automated record-keeping system and minimizes the use of antiquated or time-consuming hardcopy record systems. The Human Resources Department has an efficient and effective record keeping system for both automated and hardcopy personnel records, including a system for the identifying and archiving of old records.	Staff use a Laserfiche document storage system for personnel records. All records are stored electronically and physical versions are promptly archived.	
The Human Resources Department has established written procedures regarding access to automated personnel records.	The Department has a written policy and procedure establishing guidelines for the collection, maintenance, access to, and retention of official personnel records.	
The Human Resources Department can demonstrate that it updates personnel records in a timely manner, and, when dealing with a filing backlog, files hardcopy records in a prioritized fashion so that needed records can be found in the file.	The Department demonstrates timely updating of records – items are scanned into electronic personnel records quickly to ensure that they can be found when needed.	
The Staffing allocated to the Human Resources Department is in line with the assigned duties and comparable to those utilized by other comparable entities.		The current staffing levels for the Human Resources Department is leaner than other comparative jurisdictions such as Anaheim or Santa Ana. Certain functional areas such as recruitment and retention are sufficiently staffed and other areas such as workers' compensation and investigations require additional staff. Additionally, certain services such as training and development lack full-time staff devoted to that effort.
Staff within the Human Resources Department are cross-trained to enable sharing of resources based upon changing work activities and needs of the organization.	It has been a practice of the department to shift personnel from functional areas to develop cross-training but to also find the correct fit for the Department.	

Performance Target	Strengths	Improvement Opportunities
Services provided by the Human Resources Department complement those provided within operating units with no duplication of efforts or responsibility. Functions performed by Human Resources are appropriately allocated to that Department and not more appropriately allocated elsewhere in the organization.	The Human Resources Department is a centralized function in the city, and it only provides services that are complementary in nature and not duplicative of other operating units.	The exception to this is that currently all City departments address and handle their own training, development, and succession planning needs. The Human Resources Department should be the keeper and manager of these services. Due to insufficient staffing the Department is unable to provide this service.
Recruitment and Selection		
The Human Resources Department uses a workforce planning system to project retirement rates by division and/or by "critical skills" positions and has prepared for replacement of lost competencies and skills. This system has been automated. The plan is updated annually.		The Department currently has no workforce planning system in place. The city intends to implement a workforce management system that would allow the Department to track retirement and vacant positions prior to it becoming an issue.
The Human Resources Department have efficient and effective processes for recruiting and hiring qualified personnel. The process is standardized among all employees and clearly documented.	The process for recruiting and hiring is in the process of being altered and changed. The new process has been documented and is being standardized among all employees.	
The Human Resources Department has standard city-wide procedures to announce vacancies and to receive and process applications.	The Department has detailed policies and procedures in place regarding vacancies and recruitment process.	
The Human Resources Department, by policy, conducts employment procedures in a manner that assures equal opportunity regardless of age, race, color, religion, sex, and national origin	The Department has a policy in place to ensure that equal opportunity is measured and provided to applicants.	
The Human Resources Department can demonstrate that their recruiting practices generate a sufficient number of qualified applicants to fill vacant positions.	The Department received 21,863 applications in 2013, 24,061 applications in 2014, and 24,651 applications in 2015.	The Department does not track statistics on the number of qualified versus non-qualified applicants.

Performance Target	Strengths	Improvement Opportunities
The Human Resources Department monitors the effectiveness of different recruitment methodologies to track where additional work is needed and to monitor the return on the City's investment. This includes such metrics as ratio of invitations to interviews, interviews to offers, offers to hires, etc.		The Department does not keep track of any recruitment methodologies or statistics to determine the effectiveness of various recruitment tactics. In 2015, the Department received 25,314 applications, conducted 982 interviews, and hired 292 employees for the City. Only 4% of applicants were interviewed, and of those interviewed only 30% were actually hired by the City.
The Human Resources Department job vacancy announcements provide information on positions to be filled, education, experience, knowledge, skills, and abilities required, and compensation range.	The Department does a good job of providing all relevant information in job postings including education, expertise, compensation, and abilities required.	
The Human Resources Department can demonstrate that their recruiting practices generate eligibility lists to fill vacant positions in a timely manner (based upon the amount of time from the date a personnel requisition is submitted to the date an eligibility list is provided). These average 45-60 days for clerical and 'operations' staff; 60 to 90 days for professional and paraprofessional staff; and 120 to 150 days for management staff.		While in 2013 the average recruitment timeframe was about 51 days, the current recruitment process results in recruitments being processed at an average of 105 days. As such, the recruitment process is considered to be lengthy and time consuming and positions are not filled in a timely manner.
The internet is used as a primary means to advertise positions and recruit qualified candidates, accept applications on-line, and resume processing software to match jobs to candidates.	The Department primarily uses the City's website to advertise positions. Applications can be submitted online through NeoGov.	

Performance Target	Strengths	Improvement Opportunities
The Human Resources Department has incorporated flexibility in the acceptable minimum qualifications for hard-to-fill positions, including options to allow for certain substitutions for experience and training.		The Department should ensure that job descriptions and position requirements leave room for appropriate substitutions for traditionally preferred experience and training, and communicate directly with departments for hard-to-fill positions to ensure that the qualifications for the position are accurate.
The City uses the website to highlight the city's benefit and retirement packages, maximizing their use as a recruitment tool.	The Department's job postings highlight the benefits packages available to City employees, dedicating an entire tab to benefits. The website also includes "Why Riverside" and "Living and Working in Riverside" links.	
Expanded recruitment outreach by connecting commercial employment web sites to the city's on-line application system.	The Department has worked to expand its recruitment efforts by partnering with commercial employment websites.	
The Human Resources Department focuses on skills, abilities, and behavioral attributes rather than stringent experience/education requirements for hard-to-fill positions and allow demonstrated proficiencies to be substituted for the required education and experience.		The department currently focuses more on qualifications than job-related abilities.
The Human Resources Department can demonstrate that the employees hired within recent years generally reflect the population of the City's service area, OR, if certain races or ethnicities are underrepresented, the City has developed and implemented a plan to remedy that situation.	44.2% of the City's workforce was classified as "minority" The remaining 55.8% were white. According to the US Census for 2010, Whites made up about 56.5% of the City. The remaining 43.5% were minorities. Therefore, the workforce is generally representative of the community though within specific job classes the percentage may vary.	

Performance Target	Strengths	Improvement Opportunities
Relevant recruitment and selection information is collected prior to the extension of job offers including: • Criminal background checks are conducted on all positions deemed "security sensitive". • Information provided by applicants is verified (such as work history, academic credentials, certifications, etc.). • The documentation of the recruitment and selection process that is available is accurate, and complete.	The Department ensures that background checks, employment verification, and all other relevant information is collected and verified prior to extension of job offers. This information is documented in the individual employee's personnel files.	
Employee Retention		
To the extent possible given factors outside the City's control, The Human Resources Department works to maintain a reasonably stable work force and a satisfying work environment by addressing factors that contribute to increased turnover or low employee morale. The annual rate of turnover is less than 10% overall.	The City's average turnover rate for the last three years is 9.74%. In 2014, the City's rate was slightly higher at 10.33%, but it dropped to 9.80% in 2015. The majority of turnover is due to high number of resignations on average the city experiences approximately 140 resignations a year.	
The City conducts climate surveys that measure employee satisfaction on such factors as work environment, quality of supervision, safety, citywide support, and opportunities for professional development; and		The Department does not conduct citywide employee morale surveys.
The City conducts exit interviews with employees who terminate employment, and compile the results of these interviews.	The Department has a practice in place to ensure that exit interviews are conducted with all employees when leaving a position.	
The Human Resources Department maintains historical data on turnover rates for major classes of employees and monitors this data to identify unusual variations in the turnover rate.		The Department does not conduct any trend analyses on turnover in order to use this data as a decision-making tool

Performance Target	Strengths	Improvement Opportunities
The Department provides readily accessible copies of a useful employee handbook, the collective bargaining agreement, and information on City personnel policies and benefit packages;	Employee handbooks and information about benefits and personnel policies are available to all City employees. Copies of collective bargaining agreements are also readily available.	
Opportunities for employee feedback on City policies and practices that affect their areas of work or expertise, including employee membership on policy committees, and/or the solicitation of employee input on City policies and programs.	Changes to City personnel policy are reviewed by union representatives and subject to a public hearing before approval.	
Training		
The Human Resources Department provides a comprehensive staff development program to achieve and maintain high levels of productivity and employee performance.	As part of the performance evaluation process, Supervisors have the capability to provide employees with a performance improvement plan, which can help the employee increase their level of productivity.	The Department currently does not have in place a staff development program. There is the intention that with the hiring of a Training Coordinator a staff development program will be developed.
The Human Resources Department conducts orientation programs for all new employees, and includes information on City procedures, performance expectations and evaluations, training and career opportunities, and personnel policies regarding such issues as absences, leave approval and tardiness;	All new employees receive orientation training from Human Resources staff on workplace policies and employee resources.	
The Human Resources Department establishes and maintains formal staff development plans for the city to ensure that all employees receive needed training.		Other than performance improvement plans linked to performance evaluations, the Department does not maintain or establish formal staff development plans. The Department has the intention that once the Training and Development Coordinator position is filled there will be the ability to establish and maintain these plans.

Performance Target	Strengths	Improvement Opportunities
The Human Resources Department has a City-wide training program and maintains training records on each staff member.	The Human Resources Department only maintains training records related to trainings specifically put on by the Department itself.	The Department does not keep track of training records that are related to the employee's professional development such as Building Inspector Training, or Police training. These training records are the responsibility of the individual City departments. The Human Resources Department should serve as the centralized training database for the City. Even if it does not put on those trainings, the Department should be aware of any and all trainings attended by City staff.
The Human Resources Department conducts needs assessments for the city-wide training program that include input from employees and their supervisors at least every other year. Included within these assessments is input related to the new employee orientation programs.		The Department does not conduct systematic training needs assessments nor provide a city-wide training program. Currently, trainings are conducted on an as-requested basis, per City leadership direction.
The Human Resources Department solicits employee feedback on in-service training activities, especially high-cost or recurring training efforts. This feedback is used to evaluate the quality of the training; the performance of the trainers; the extent to which training efforts have met identified long-term training objectives; and the relative benefits produced by the training in view of the costs of the training.	The Human Resources Department provides a feedback / evaluation form for all trainings that are put on by the City.	However, the Department does not use this information to assess the value and impact of each training. The Department should be using this information to make strategic decisions regarding the types of trainings that should be offered.

Performance Target	Strengths	Improvement Opportunities
The Human Resources Department is developing a pool of potential managers and supervisors in the City who are receiving training prior to their selection to become administrators.		The Department does not currently have a formalized process or focus on succession planning. Informally, the Department encourages supervisors and managers that are planning on retiring to send their employees through the PACE training program. This need should either be covered through a performance management system or by developing a module in IFAS that can help track potential and imminent retirements.
All middle and top managers have a City leadership-training program for administrators and managers.	All new supervisors and managers have to go through SMART courses as part of their probationary period.	
Individual departments are aware of their training responsibilities and have access to budgeted funds in order to meet those responsibilities. The Human Resources Department has developed policies and/or procedures to guide the use of City funds for high cost training activities such as conference attendance, consultant trainers, or the purchase of video training or other training packages.	Individual Departments are responsible for conducting all certifications and trainings necessary for their specific job duties.	The City does not currently have a policy regarding expenditures for high cost employee training.
The Human Resources Department has established mentoring programs for new employees.		The Department does not have any mentoring programs in place. It is an extremely informal process in that if a new employee asks for help or mentoring from another employee, then they become their ‘defacto’ mentor, but there is nothing formalized in place.
The Human Resources Department provides ongoing City-wide training to the City’s employees regarding the City’s policies and procedures that prohibit discrimination, sexual harassment, and work place violence.	City employees receive ongoing workplace training arranged or provided by the Department on topics like harassment, workplace violence, diversity, etc.	

Performance Target	Strengths	Improvement Opportunities
The City uses web-based technology to publicize training opportunities that are available to employees, including web pages course catalogues, registration forms, and "learning links" to other educational and training sites.	http://www.riversideca.gov/human/m3p/ The Department has an M3P training program that they advertise on their website, including links to different training institutes and universities that offer classes.	
The Human Resources Department utilizes e-learning technologies to provide training to City employees cost effectively.		The Department does not currently offer online courses or training to City employees through the City's websites. Employees have the option to take online courses through other vendors and apply towards City training, but this is an individualized process and is not overseen by The Human Resources Department.
Employee Evaluation and Performance		
The citywide system has been established by The Human Resources Department for formally evaluating employees.	There is a citywide system of performance evaluations. The current system is based on a 5 point scale, but the Department is in the process of transitioning to a 3 point scale. The 3-point scale would identify whether they do not meet expectations, meet expectations, or that they exceed expectations.	
The Human Resources Department uses performance evaluation data to improve and reward excellent performance and productivity, and to identify and address performance that does not meet the City's expectations for the employee.	The city's performance evaluations are used to determine which employees receive merit raises, are placed on an accelerated pay scale, or are placed on a performance improvement plan.	
The Human Resources Department provides written information regarding the performance assessment process to all personnel, including performance criteria that will be used in the assessment and the process that will be used to make the assessment;	The City has a performance appraisal template that is used throughout the City and is available to all employees through the City's intranet. It includes the criteria for performance evaluation.	

Performance Target	Strengths	Improvement Opportunities
The Human Resources Department provides all City employees with a written employee disciplinary procedure that includes provisions of due process.	All city employees are provided with access to the citywide disciplinary procedure and the procedure for their bargaining unit, if applicable.	
The Human Resources Department verifies that all employees receive performance evaluations at least once a year.		The Department does not run reports or proactively make sure that all employees receive a performance evaluation at least once a year. According to staff, it is the responsibility of the Department. However, the policy dictates that Human Resources Staff need to inform departments proactively if employees are missing annual evaluations. The performance evaluation compliance rate in 2015 is 46%.
The Human Resources Department regularly provides training, guidance, and coaching to managers and supervisors on the procedures for improving the performance or disciplining of poorly performing employees.		Training, guidance, and coaching to managers and supervisors regarding poor performance or disciplining employees is provided on an ad-hoc basis. There should be a focus on developing regular trainings or at least ensuring that all managers and supervisors receive training on this as part of supervisory training courses.
The Human Resources Department has established a progressive discipline system.	The Department does have a progressive discipline system in place.	
The Human Resources Department has established and implemented policies regarding the drug testing of employees and who are impaired by alcohol or drug abuse.	The Department has a clear and concise drug testing policy.	
The Human Resources Department provides an employee assistance program for staff to receive assistance with any admitted substance abuse issues or any impairment resulting from alcohol or drug abuse.	The Department has an EAP, which deals with drug and alcohol abuse.	

Performance Target	Strengths	Improvement Opportunities
The Human Resources Department monitors rates of sick leave. The Human Resources Department has defined the rate of sick leave that requires Human Resources review, and has developed policies/practices to deal effectively with the problems created by excessive sick leave.		The Department does not monitor the use of sick leave. It is up to Departments to notify The Human Resources Department if they suspect sick leave is being abused, in which case Employee Relations would become involved.
The City has implemented ways to decrease sick leave, which may include an incentive program to reward good attendance.	Employees in some bargaining units can transfer 40hrs of accrued sick leave into vacation leave at the end of the year (if they have 15+ years of service and they have used 48hrs or less of sick leave that year).	The City's policy allows for 12 months of employee extended leave, but currently this policy is only being applied after an employee has exhausted FMLA leave and accrued leave balances, resulting in longer absences from work.
The City actively monitors disability and absence leaves to reduce time away from the workplace and ensure compliance with adopted policies.	The city actively monitors disability and absence leave, and follows up with departments and employees to ensure that frequently absent employees are not abusing their leave. The Human Resources Department has also developed a process map for employees taking leave to encourage them to return to work as quickly as possible.	
Workers' Compensation		
The Human Resources Department reviews its Workers' Compensation Program to evaluate workers' compensation claims and expenses.		The Department does not currently generate regular reports on workers' compensation claims and expenses. However, the Department is in the process of reviewing and presenting historical information regarding claims to the Council
The average injury rate per 100 full-time employees is comparable to the U.S. Bureau of Labor Statistics annual survey for comparable public agencies.		The average injury rate per 100 employees is higher for Riverside than for other comparable agencies as reported by BLS.

Performance Target	Strengths	Improvement Opportunities
The Human Resources Department uses the results of these evaluations to be proactive in attempts to cost effectively reduce frequency and cost of Workers' Compensation claims.		The Department does not currently take proactive steps or lead initiatives to reduce the frequency or average cost of claims.
The Human Resources Department has procedures that are distributed to all employees concerning prompt reporting of all on-the-job injuries.	The Department has distributed policies to all City employees about reporting procedures for on-the-job injuries.	
The Human Resources Department has a safety inspection program that determines the corrective actions necessary based upon past workers' compensation claims and proactive inspection of high-risk areas and professions.		The Department does not have a safety inspection program that determines corrective actions. There is insufficient staff in the safety section of the Department to conduct any proactive inspections of high risk areas or professions.
The Human Resources Department has a light duty program to get injured employees back to work as soon as possible.	The City has a substantial light and modified duty program, and Workers' Comp staff monitor employees' placement in the program closely to ensure that they return to full duty as quickly as possible.	
The Human Resources Department does routine, cost-efficient monitoring and follow-up of claims (by a third party administrator) to ensure that workers are returned to work as soon as possible.	The Departments follows up on claims regularly.	
The Human Resources Department has a claims review function to identify and address situations, unsafe conditions, or training deficiencies that may have contributed to worker injuries or accidents.		The Workers' Compensation staff do not currently conduct regular claim reviews to identify / address unsafe conditions or trainings, as all current staff effort is spent on calculating and monitoring the claims issued.

Performance Target	Strengths	Improvement Opportunities
Employee Benefits		
The Human Resources Department uses cost-containment practices for its employee benefits programs, including health insurance, dental insurance, life insurance, disability insurance, and retirement.	The City's health plans are fully insured. The City is self-insured for three benefit plans: Vision Plan, Delta PPO Plan, and Dental Local Advantage plan. The City uses a number of cost-containment practices in the administration of employee benefits.	
The Human Resources Department reviews its employee benefits prior to each new contract with employee unions to ensure that the City is attaining appropriate value for its benefit costs.	The Department annually reviews employee benefits prior to each new contract with unions to ensure that the City is attaining appropriate value.	
The Human Resources Department calculates the anticipated short term and long-term fiscal impact of changes to its benefit packages prior to agreeing to those changes in negotiations with the employee unions.	Employees in the Benefits Division are assigned to actively assist the City Manager's Office during negotiations by providing them with data, statistics, and cost figures for the insurance plans as necessary.	All collective bargaining led by the City Manager's office. However, employees in the Department assist with providing the City Manager's Office with information regarding issues to address, cost of proposals, coordination of sessions, and other administrative functions. The Division has not assumed a leadership role for performing these duties.
The City works cooperatively with employee unions / groups to evaluate alternative delivery options for its employee benefits in order to contain costs, such as: • Self-insurance; • Alternative approaches to benefit programs, such as cafeteria plans; • Variable family benefit choices; • HMO and preferred provider plans; • Variations in the levels of deductibles and co-payments; • The relative level of benefits provided to part time and full-time employees.	The Department and the City work cooperatively with employees to provide a variety of benefit options for employees.	However, none of the recommended alternative approaches to contain costs are currently considered or evaluated.

Performance Target	Strengths	Improvement Opportunities
Annual open enrollment programs are well advertised and conducted in an efficient manner to both educate employees regarding benefit options and efficiently process enrollments.	The annual open enrollment period is advertised and conducted efficiently with notices and email blasts to employees regarding different benefit options. The enrollment process is conducted through an online portal, allowing employees within the City to efficiently and quickly enroll into their benefits.	
The City uses prevailing cost containment methods in providing employee health insurance benefits. These include self-insuring, using a PPO, offering employees use of HMOs, establishing a wide variety of cost control mechanisms for medical and prescription drug benefits such as using case management, coordination of benefits, pre-admission certification and concurrent review of inpatient health care, claims processing edits, and hospital audits, requiring enrollees to pay a portion of their health care costs through deductibles, coinsurance, and co-pays, etc.	A variety of cost containment methods are used by the City including self-insurance, PPO, different deductible, etc.	
Labor Relations		
Departmental managers are asked to identify potential issues of concern that could be raised in the collective bargaining process. The Human Resources Department negotiators determine the costs or potential cost savings associated with these issues, and then meet with departmental managers to determine the feasibility of addressing the concerns raised and whether the City wishes to include these issues in the City's proposal(s) to the union(s).	Going forward, the City Manager's office will lead all negotiations; however, Departmental managers and supervisors bring any issues and concerns directly to the Human Resources Department. Staff works with the Departments to further investigate these issues, including meeting with Finance staff to determine the fiscal impacts of addressing these issues in negotiations.	The Human Resources Department retains responsibility for the preparation and support of labor negotiations; however, they have not fully supported or performed their assigned role.

Performance Target	Strengths	Improvement Opportunities
The causes of grievances are monitored and corrective and preventative measures taken to reduce the number of grievances filed.		Grievances are investigated but there is no formalized policy in place to monitor and take preventive measures for those grievances being filed again. The only exception is if a grievance results in a policy being changed.
The resolution of grievances by The Human Resources Department is timely.		On average, it takes about 70 working days to resolve grievances. However, the Department currently has some grievances that are still in progress and open from calendar year 2015. Less than 10% of grievances are resolved within a month, which is the typical timeframe required by the various MOUs. Some reasons for typical than longer resolution of grievances is the lack of availability of hearing officers as well as decisions by the unions to halt or stop the grievance process to resolve other matters. The Department should ensure that whenever possible it should meet the average 20 working day deadline, especially for any grievances that are Step 1 and Step 2.
The Human Resources Department has adopted a policy regarding the filing of grievances, and this process has been communicated to all employees.	The City has developed a grievance policy, which is available to all employees. Employees in bargaining units also have access to their respective grievance policies.	
Classification and Compensation		
The Human Resources Department has developed a formal written compensation policy. This policy has been clearly communicated to the City's employees.	The Department has a formal written compensation policy that is available on the City's website.	

Performance Target	Strengths	Improvement Opportunities
The Human Resources Department periodically compares its salaries for "benchmark" classifications with other public and private agencies, and adjusts salaries as necessary to enable the City to compete for qualified applicants.	The Department routinely conducts salary surveys for specific positions on as requested basis to ensure that the City is providing competitive compensation for similar classifications.	
The Human Resources Department has developed and implemented a variable compensation system, such as pay for performance, to establish linkages between performance and compensation.	The city's performance evaluations are used to determine which employees receive merit raises, are placed on an accelerated pay scale, or are placed on a performance improvement plan.	
The Human Resources Department maintains up-to-date, clear, concise, and readily accessible position descriptions that accurately identify the duties of each position and the background and competency levels required. The position descriptions are proactively reviewed for currency and accuracy every three to four years.	The Department maintains position descriptions on the City's website that accurately identify the duties of each position.	The Department currently has no proactive schedule in place to review the position descriptions. These are only reviewed as part of any requested classification changes.
Classification decisions made by the Human Resources Department are based upon objective and documented data (job descriptions, questionnaires, interview notes, and organization charts).	The Department conducts desk audits and a position description questionnaire (PDQ) to make classification decisions.	
The Human Resources Department proactively reviews the allocation of City employees to classifications every three to four years to ensure that employees are properly classified.		The Department does not currently conduct proactive reviews of classifications. They are typically only reviewed on an ad-hoc basis.

Performance Target	Strengths	Improvement Opportunities
The Human Resources Department utilizes a formal job evaluation system to determine the correct classifications for employees. Human Resources staff has received formal training in the use of the job evaluation system.	The Human Resources Department uses a formal job evaluation system for conducting classification studies, based on comparing the scope of duties performed by an employee to the prescribed scope of duties for positions in their job family. Additionally, staff are also being trained through a 10-week course in class and comp.	
The Human Resources Department reviews the internal equity of classifications every three to four years.		The Department reviews classifications as requested. A systematic schedule for these reviews is not currently in place.
The Human Resources Department has utilized broad banding to reduce the number of classification titles within a series.	The Human Resources Department is having a job family study done currently for accounting classifications.	The City has too many classifications, and has not done an internal study of classifications to consider banding until recently. Almost none of the City's current positions have ben subjected to such a study.
FMLA		
The Department has a written policy and procedure outlining FMLA Leave guidelines and documentation.	The Department does have a written and formalized FMLA policy and procedure.	
Staff conducts annual review of state and federal FMLA requirements to ensure that current policies are in compliance with state and federal laws.	The City's FMLA policy is comprehensive, and is checked when specific cases necessitate clarification. Department leadership regularly notify staff of changes in the law, and the City Attorney's Office conducts seminars too.	

Performance Target	Strengths	Improvement Opportunities
Appropriate medical documentation and certification is collected either prior or within the first week of approved FMLA leave for an employee.	The Human Resources Department collects the appropriate medical documents and certification before designating employees for FMLA.	Some employees (or their supervisors) code FMLA leave in IFAS even when they have not provided documentation or been duly designated. This should be monitored more carefully in IFAS to ensure that employees without proper certification are not receiving FMLA leave.
FMLA leave is monitored to ensure that there is no abuse, including notifying employees and their supervisors when their leave is set to expire.	The Department notifies employees when their FMLA leave is about to be exhausted. They send the formal letter at least 2 weeks in advance.	
There is documentation for all communication between the employee and the Human Resources Department during the FMLA leave process.	Correspondence is conducted through the written forms and email, and emails with case-relevant info are saved.	
There is a clear process for transitioning employees from FMLA to ADA leave.	The Department has a process in place; employees are typically allowed to remain out on sick leave. They eventually have to take a general leave of absence.	The Department should develop a clear timeline for this process.
A light and modified duty program is in place to accommodate employees returning from FMLA leave with restrictions.		The City only has a light duty program for workers' comp cases.
The Department provides periodic training to city employees regarding appropriate usage of FMLA policies, including supervisors and line employees. This training includes updating staff on any new rules and regulations that affect FMLA.		The Department should provide annual training regarding appropriate usage of FMLA leave, and make it part of the new employee orientation.
There is a process in place to investigate any and all FMLA leave complaints or abuse.	Employee relations investigates complaints and instances of potential FMLA abuse.	

The matrix above and on the previous pages shows that the Human Resources Department has numerous strengths, such as benefits administration, conducting classification and compensation studies, having a consistent performance evaluation system city-wide, clear policies and procedures that are available on the City's internet, and maintaining great personnel records. However, there are opportunities for improvement in several key areas, including:

- **Performance Evaluation Compliance** – On average there is only 46% compliance with performance evaluations. Only six departments have a compliance rate higher than 50% and two of those departments the rate is 53% and 56%. The Department should focus more of its efforts on improving one of its core service areas.

- **Training and staff development** – There should be a greater focus on centralized management of employee training and staff development. This could be done through a learning management system that monitors all trainings attended by employees, how departments spend their training budgets, and create individualized staff development plans.

- **Succession Planning** – There is no formalized system in place to monitor imminent retirees and who will replace those positions. This type of information could also be monitored through a talent management system incorporating a succession planning module, with staff development plans providing the basis for succeeding managers and supervisors.

- **Analysis of Human Resources Information System (HRIS) data** – The Department does not devote any formalized time to conducting trend analyses related to human resources statistics such as: turnover rates, types of injuries, safety inspections, recruitment time frames, classification studies, types of grievances, etc. This type of analysis should be conducted by department leadership to develop strategic goals on an annual basis for the department.

- **Labor Negotiations** – The Department has not played a strong role in the support provided to the Chief Negotiator but coordinating the process, developing strong analysis of positions, and overall coordination of the collective bargaining process.

Overall, the Human Resources Department is a centralized resource for City departments for recruitment, workers' compensation, classification and compensation, and employee relations. Staff is cross-trained and able to provide appropriate guidance and input to City staff regarding any of the areas identified. The best practices identified in this report will further improve the Department's commitment to serving as a central resource for training needs for the City. The improvement opportunities identified in this section will be further addressed in the next chapter.

4. ANALYSIS OF HUMAN RESOURCES

This chapter focuses on analyzing the opportunities for improvement within the operations of the Human Resources Department. As part of the evaluation process, there will be a focus on identifying issues and providing recommendations, including alternatives to the current operational system and modifications to processes to address the identified concerns. This analysis takes into account the customer service needs and expectations of the City. The following chapter provides by each operational unit recommendations to improve current processes, as well as identifies compliance of Human Resources department transactions with current city policies.

1. ANALYSIS OF GENERAL ADMINISTRATION AND MANAGEMENT

The Administration Division is responsible for providing oversight, strategic direction, and support to each of the Department's operating divisions. Staff in administration is appropriately staffed with correct spans of control with 2 Deputy Directors overseeing the divisions and staff instead of a single Director and Deputy Director. There are some issues and concerns regarding overall staffing levels and the ability to fill vacancies within the Department. The highest priority for the Administration Division is to ensure that all vacancies within the Department are filled, meaning that it is appropriately staffed, and that there are specific targeted performance measures for the department. Additionally, within the next five years the Administration staff should develop a technology plan for the Department. The following sections provide further analysis regarding these areas of concern in the Department.

(1) Staffing Levels

The Human Resources Department has 30 budgeted positions for the current fiscal year; however, 5 full-time budgeted positions in addition to 4 interns are currently vacant. The following table presents by each functional area, the current number of budgeted positions and the total number of vacancies:

Functional Area	# of Budgeted Positions	# of Vacancies	% of Positions Vacant
HR Admin	7	0	0%
Benefits	3	0	0%
Recruitment	6	0	0%
Class & Comp	1	1	100%
Training & Dev	2	2	100%
Safety	3	0	0%
Workers Comp	5	1	20%
Employee / Labor	3	1	33%
TOTAL	**30**	**5**	**17%**

As the table above shows, 17% of the current Department is vacant. These vacancies are primarily affecting Classification & Compensation, Training & Development, and Employee / Labor Relations, which are critical areas for any Human Resources Department. As such, it is a critical need for the Department to ensure that those areas are fully staffed. Further discussion regarding staffing needs for each of the areas will be explored in those functional areas.

In addition to looking at the vacancies currently in the Human Resources Department, the project team also conducted a survey to see if the current number of budgeted positions within the Human Resources Department is comparable to other Southern California jurisdictions. The following table lists the jurisdictions, the total number of staff budgeted for the Human Resources Department, the total number of employees for the city, and the number of HR staff per 1,000 employees. The table is ranked in order from lowest number of budgeted HR staff to highest number of staff.

Jurisdiction	# of HR Staff	# of FTE	HR Staff / 1,000 FTE
Bakersfield	13.00	1,533	0.85
Chula Vista	15.00	965	1.55
Irvine	20.00	1,500	1.33
Santa Ana	26.00	1,107	2.35
Riverside	30.00	2,503	1.2
Stockton	30.00	1,539	1.95
Anaheim	39.00	1,915	2.04
Long Beach	49.00	5,236	0.94

As the table above shows, Riverside is about average in terms of total HR staff, but is below average in terms of HR staff per 1,000 FTE. The overall average for HR staff per 1,000 employees is 1.57. It is also important to note that different human resource agencies contract out different services. For example, the City of Irvine contracts out its Risk Management and Workers' Compensation functions. Additionally, all of the other cities surveyed incorporate risk management and general claims within The Human Resources Department; that service is currently being provided by Finance. As such, even if at the low end, based on authorized positions (not filled) The Human Resources Department is sufficiently staffed at 30 budgeted positions. However, if the same analysis is conducted based on number of actually filled positions, Riverside drops to 0.96 HR staff per 1,000 FTE. This is significantly below the overall average. Therefore, at the current level of filled positions, Human Resources is slightly understaffed; and as the number of authorized positions for the Department is intended to decline by two positions, they will continue to be understaffed relative to other comparable jurisdictions for the services they provide.

Recommendation 1 – The Human Resources Department is sufficiently staffed at 30 full-time authorized positions, but as certain positions have been frozen the Department will be understaffed even at filled positions relative to other comparable jurisdictions. Due to these frozen positions it is even more imperative for the Department to fill all of its vacant positions to continue to provide basic Human Resources services to the City. There is no fiscal impact to this recommendation as these positions have already been

(2) Performance Measures

While the department does track certain performance measures, there are no identified goals or benchmarks for these measures. The department currently tracks data related to recruitment, training, grievances, reclassifications, salary surveys, workers' comp claims, performance evaluation compliance rate, retirement session attendance, and wellness workshop attendance. However, these performance measures are not evaluated against benchmarks or targets. For example, the Department tracks the average number of days from P1 form to hire, but the Department does not detail if there is a specific goal in mind; if the number is currently 70 days, should the target be 50 days or is it 60 days? The 70 days is meaningless without some context. Additionally, some of the statistics tracked by the department reflect workload and not the ability of the department to effectively perform its core services. Performance measures should be based on the following criteria:

1. **Effectiveness:** The degree to which the work product conforms to any requirements.

2. **Efficiency:** The degree to which the process produces required output at the minimum resource cost.

3. **Quality:** The degree to which the product / service meets customer requirements & expectations.

4. **Timeliness:** The degree to which the product / service was done on time and correctly. This is typically based on service requirements.

Based upon the factors identified above only some of the statistics tracked by the department would qualify as performance measures, these would include:

- Average # of Days from P1 to Hire
- Completion Rate of Trainings
- Performance Evaluation Compliance Rate

However, the Department does track other information that it does not present as performance measures. For each of the performance measures a goal should be identified. The reporting for performance measures should be categorized by the performance measure, the actual measure amount, and the goal. The following table shows an example of the performance measures:

Performance Measure Description	Performance Measure	Goal
Average # of Days P1 to Hire	78 days	60 days
Completion Rate of Trainings	50%	100%
Performance Evaluation Compliance Rate	53%	100%
Average # of Days to Resolve Grievances	74 days	30 days
Average # of Days to Resolve Complaints	61 days	45 days
Average # of Days to Resolve Incidents	63 days	45 days
Average Cost of Workers' Comp Claims	$15,973	Decline every year
# of Injuries Per 100 Employees	12.9	9.1
Turnover Rate	9.80%	9%
Customer Satisfaction	73%	100%

The table above indicates that the Department has to work on improving some of its timeliness as it relates to recruitment and employee / labor relations. Similarly, there are issues regarding performance evaluation compliance. However, having an identified goal makes it easier for Department and city staff to identify areas in which there is significant improvement needed such as performance evaluations and other areas in which there should be minimal focus – turnover rate.

Recommendation 2.1 – The Department should develop appropriate performance measures to track and report statistics that measure timeliness and compliance such as days to resolve complaints, incidents, or turnover rate.

Recommendation 2.2 – The Department should adopt service level standards / goals for each performance measure.

(3) Centralized Tracking of Performance Evaluations

Currently, all performance evaluations are conducted through a standardized format and scanned and uploaded into the personnel files for each employee. The Department has a database through which it can track if employees have received a performance evaluation. However, there is no proactive tracking of these performance evaluations. Department directors and managers have the ability to run reports to see if any performance evaluations are outstanding; but the Department does not run these reports proactively to ensure that all employees have received a performance evaluation.

As the coordinator of the performance evaluation process, Human Resources staff should be proactive and produce reports on a quarterly basis identifying any outstanding performance evaluations. Currently, the Department pulls data on a quarterly basis for each year. However, this report is not being distributed to all Department directors to ensure that managers and supervisors are appropriately conducting performance evaluations. This is one of the roles and responsibilities of the Human Resources Department. In looking at the data provided by The Human Resources Department, the following table shows the performance evaluation compliance rate by department for the past three years.

Department	2013	2014	2015	Average
City Attorney's Office	91%	100%	88%	93%
City Clerk's Office	100%	0%	13%	38%
City Manager	53%	16%	67%	45%
Community Development	59%	49%	49%	52%
Finance	62%	71%	70%	67%
Fire	50%	26%	40%	39%
General Services	65%	35%	28%	43%
Human Resources	62%	92%	33%	62%
Information Technology	100%	75%	38%	71%
Library	51%	25%	9%	28%
Museum	17%	0%	38%	18%
Park & Recreation	52%	66%	53%	57%
Police	61%	60%	56%	59%
Public Utilities	86%	65%	66%	72%
Public Works	57%	72%	48%	59%
OVERALL AVERAGE	**64%**	**50%**	**46%**	**54%**

As the table above shows every year the completed performance evaluation compliance rate has declined. There are only four departments for which the performance evaluation compliance rate actually increased, these are: the City Manager, Finance, Museum, and Parks & Recreation. For all other departments, the performance evaluation compliance rate actually declined. The data in the table above indicates that either Human Resources staff is tracking this data but not enforcing it, or there are no consequences associated with non-compliance of performance evaluations. Departments such as Library, General Services, Fire, etc. should be monitored closely to ensure that their performance evaluation compliance rate improves.

There could be several reasons for low compliance rate with performance evaluations. One of the reasons could be that it is difficult for departments and managers to keep track of when individuals were hired and to complete evaluations in a timely manner by those yearly anniversaries. Another reason for the low compliance with performance evaluations could be that the current process of performance evaluations is a paper-based system that requires the employee and the manager / supervisor to fill out separate performance evaluations on paper.

To address the first reason for low compliance rate, the City is moving to a single performance evaluation timeframe. This means that all performance evaluations will occur by July 1st (the beginning of the fiscal year) to align with the merit pay increases as a result of those evaluations. This will eliminate the need for departments to keep track of anniversary dates for employees.

Another strategy could be to implement an online performance evaluation system that feeds directly into IFAS will allow for better / improved tracking of performance evaluations. If the Department were to invest into a learning management system as part of the Training and Workforce Development Unit, then there would be an online performance evaluation module in the system that would allow Department managers / supervisors to complete performance evaluations online. This would enable employees to complete performance evaluations in a simple and convenient manner.

Additionally, an online performance evaluation process could allow supervisors and managers to transfer information from the evaluation into an online professional development plan or performance improvement plan. This could also transfer the score of the performance evaluation into the payroll module. These capabilities are available through NeoGov and SunGuard.

The Department should explore utilizing an online system to improve the compliance rate, as well as implement the performance evaluation compliance rate as an annual performance measure that is tracked. This will ensure that the Human Resources Department manages the system, including tracking down delinquent departments and enforcing compliance. It also makes generating reports easier as well as eliminating any excuses departments might generate for not meeting the performance evaluation deadlines.

Recommendation 3.1 – The Department should utilize the quarterly performance evaluation compliance reports (showing percent of evaluations completed on time) to encourage departments to improve their compliance rate. These compliance rates should be published annually as performance measures to force Human Resources staff as well as Departmental staff to improve their compliance with performance evaluations. This should be implemented immediately.

Recommendation 3.2 – While the Department is moving to July 1st for all performance evaluations, implementing an online module for performance evaluations will help improve the compliance rate. The department should make sure that this software interfaces with IFAS for payroll merit increases. The

performance evaluation module could be part of the Learning Management Software System implementation and Riverside Public Utilities could help absorb its fiscal impact.

(4) Information Technology

There is a single position in the Department - Business Systems Manager that oversees all of the HR Technology needs and concerns. Currently, the Department uses several systems: SIMS (Workers' Comp), iFMLA (FMLA Leaves), IFAS (Payroll, benefits), NeoGov (Recruitment), Sharepoint (personnel action forms), Laserfiche (employee records), and Employee Online (benefits). The Department is not currently utilizing any of its systems to perform the following functions:

- Performance Management Tracking
- Learning Management System (Sharepoint is used for some online courses)
- Workforce Planning

Some of these services are already offered by other systems that the Department is currently utilizing. For instance, NeoGov offers a Performance Management module known as Perform. This module allows the City to automate year-end and probationary employee appraisals. Additionally, it measures competencies and goals for employees and develops succession planning, therefore addressing workforce planning needs also. The module also allows the Department to set individual and team objectives to manage employee performance and career goals.

Similarly, OneSolution, the successor to IFAS also offers a Professional Development module. This allows the department to set up courses and track attendance at various courses along with correlating that to an employee's development / career goals. This would address the need for having a learning management system.

The Department has already evaluated these systems from NeoGov and OneSolution. They are currently in the process of collecting bids from Halogen Software, Success Factors, Oracle, and Cornerstone OnDemand for a learning management system with succession planning features. The Department has also developed an RFP for a learning management software. The intent is to issue and award the RFP this year. The City will apply a phased approach starting with RPU and HR before adding other city departments onboard.

While in the short-term, the Human Resources Department can explore adding to its functionality by these additional modules, within the next five years the Department should develop a long-term technology plan. The following steps should be taken to develop the technology plan:

1. **Internal Stakeholder Committee** – A committee should be created comprising of the HR Director, the two Deputy Directors, the Business Systems Manager, and 2 HR Principal Analysts (Training & Recruitment).

2. **Identify Technology Needs & Gaps** – The committee should identify any current gaps in the various HR Systems. Is there communication between the systems? Is there information still being manually tracked and entered? What processes can be automated?

3. **Discuss Human Resources Management Systems (HRMS) vs. Modules** – The committee should determine if at some point it is more efficient for the Department to have an HRMS that performs all functions rather than several different systems trying to interface with each other.

    a. If a decision is made that the City needs a dedicated HRMS, staff should development an RFP that addresses the specific HRIS gaps.
        i. Following the RFP process, staff should select the HRMS Vendor & Implement the system.
    b. If staff decides they can best accomplish their needs through implementation of individual modules or specialized software, they should identify which modules are needed and if they are offered by any of the current HR system vendors. Calculate the fiscal impact of adding those modules

4. **Long Term IT Plan** – A written document that identifies the IT gaps and the Department's plan to address those gaps either through an HRMS or through add-ons or modules from current vendors. A plan that states when these modules or HRMS will be acquired and how it will be implemented. Including a plan for rolling out the new technology – if it will be citywide or department-by-department.

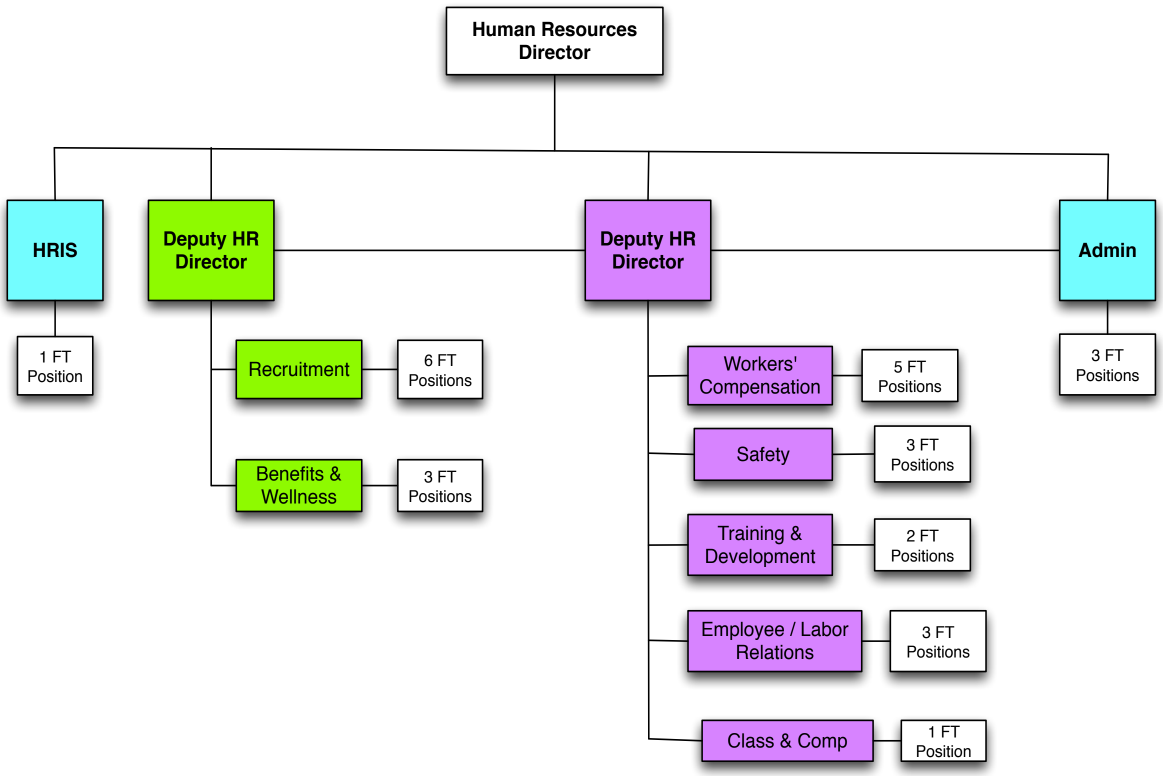
Having a longer term IT plan will allow the Department to focus its needs specifically on making sure that any new modules or systems help address those needs and are being used efficiently and effectively.

Recommendation 4.1 – The Department should issue and award the Learning Management Software RFP already developed. Once the RFP is issued a vendor should be selected and the software should be implemented as soon as possible. This should happen within the next year. This recommendation will have a fiscal impact that will be borne by the Riverside Public Utilities Fund and not the General Fund and will vary depending upon the vendor selected.

Recommendation 4.2 – The Department should develop a technology strategic plan (5 years) that identifies a long term strategy for HR technology needs detailing where, how, and when the department will address current technology deficiencies. This plan should be developed in conjunction with City IT to make sure that this plan is compatible with Citywide goals

(5) Organizational Structuring

The Human Resources Department is currently organized based upon two different functional groups overseen by two Deputy Human Resources Directors. The organizational chart on the following page shows the current / budgeted organizational structure of the Department by position.



As the organizational chart on the previous page shows there are two functional areas under a Deputy Director – Recruitment and Benefits & Wellness; while there are five functional areas under the other Deputy Director – Workers' Comp, Safety, Training & Development, Employee / Labor Relations, and Class & Comp. The first Deputy Director (green highlights) oversees about 9 full-time positions, while the second Deputy Director (purple highlights) oversees approximately 14 full-time positions.

Based upon the various functional areas it seems appropriate that there should be a restructuring of the Department's current organizational structure. Certain functional areas work well together and naturally go hand-in-hand. An example is that typically safety and workers' compensation are grouped together as injuries occurred on the job affect both of those areas and as such there needs to be significant interaction. Similarly, classification and compensation should be grouped with recruitment as position classifications being updated directly tie to the job classifications that are being posted. Additionally, recruitment staff could work with classification & compensation staff to encourage salary surveys to be conducted for hard to fill positions. These two functional areas directly impact each other and as such work well together.

The other functional area that should be grouped with Recruitment is Training & Development. The training and development function should begin at the moment a new employee joins the city. There is new employee orientation training that training staff manages. Once a new employee starts with the city, the training staff should work with that staff to set up their professional development plan, their performance evaluation deadlines, as well as any informal or formalized mentors in the department. While training and development staff to support current and existing employees, there is a natural transition between the on-boarding process and the different trainings that a new employee needs to attend or pass to begin employment at the city.

During the comparative effort for staffing analysis, the project team noted that the majority of all other cities have a Risk Management function or division, this functional area typically comprises of workers' compensation, safety, and risk management. Currently, the risk management function is housed in finance and comprises of four staff positions. Many other jurisdictions also group Risk Management

& Worker's Compensation together as they typically share a manager over those functional areas.

As part of the comparative effort for staffing purposes, the project team also looked at the organizational structures of various human resources departments to identify how different functional areas were grouped together. The following table shows the proposed groupings and whether any of the comparable jurisdictions group those functions together:

City	Recruitment & Class & Comp	Recruitment & Training
Bakersfield	X	X
Chula Vista	X	
Irvine		X
Santa Ana	X	X
Long Beach[1]		
Stockton	X	X
Anaheim		X

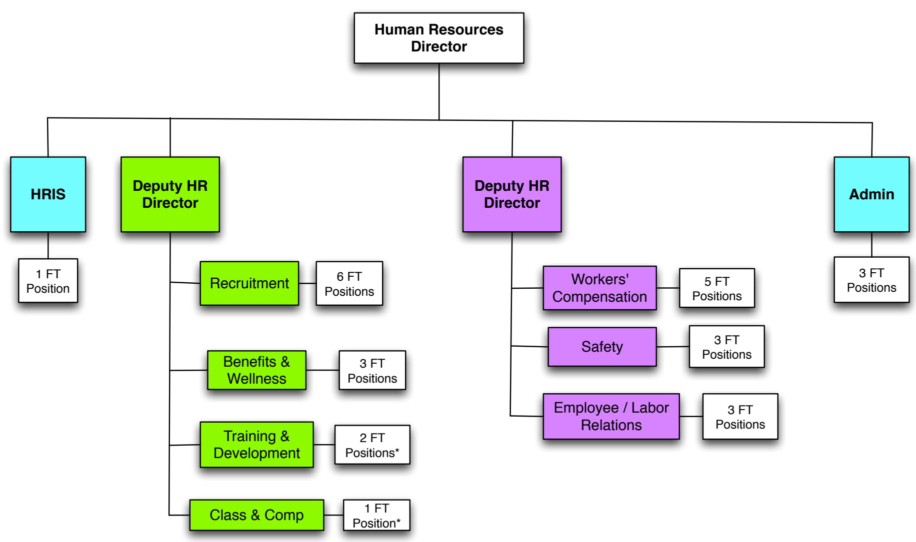
The majority of the cities surveyed grouped recruitment, training, and classification and compensation together. This suggests that these functional areas work well together in other jurisdictions and allow for cross-functionality as well as cross-training.

Based upon the proposed organizational recommendations there would be a shifting of positions / bodies that are overseen by each of the Deputy Human Resources Directors. This will ensure that there is still an appropriate span of control within the Department. The proposed structure would result in the first Deputy Director overseeing 12 full-time positions, and the other Deputy Director overseeing 11 full-time positions. This is a much more balanced span of control compared to the previous 9

[1] In the City of Long Beach, recruitment is conducted by a separate department (Civil Services) whereas Classification & Compensation as well as Training functions are housed in Human Resources.

full-time positions vs. 14 full-time position. This transition could occur immediately as Training & Development and Classification & Compensation staff have not yet been hired, as such moving those functional areas will have no impact on moving any existing staff from one area to another.

Therefore, the proposed organizational structure not only makes the Human Resources Department consistent with other local jurisdictions in providing core services, but it also allows for a more equitable span of control for the Department. The organizational chart on the following page shows the proposed organizational structure for the Department.



*1 Full-Time position from each of those areas has been "frozen" due to budgetary restrictions for the foreseeable future

Recommendation 5 – The Department should be reorganized to allow for greater cross-functionality and more equitable span of control. This proposed reorganization includes housing Training & Development and Classification & Compensation with Recruitment and Benefits & Wellness and takes into account the frozen positions currently in Human Resources.

2. ANALYSIS OF RECRUITMENT AND RETENTION

The Recruitment function is normally staffed by a team of 6 full-time staff and 3 interns. These staff are responsible for recruiting a highly qualified and diverse workforce in a timely manner. Currently, the recruitment staff are operating without the help of 2 intern positions, and one of the spots normally filled by an analyst is occupied by a human resources specialist. Data available to the project team presented a widely varying picture of recruitment timeliness, but it is clear that the Department does not currently track or report on the time required to fill vacant positions on a consistent basis. The Department also lacks a formal workforce and retirement planning methodology and does not track the number of applicants from each of its recruitment sources as a tool to promote efficiency. An increased focus on the ability of potential job candidates to perform the required duties as opposed to strict adherence to written requirements may also prove beneficial in the Department's efforts to fill vacancies with qualified staff. The recruitment function is technologically advanced, and the Department is in the process of making efficiency improvements to the recruitment process itself. The following sections address the major issues related to recruitment functions in more depth.

(1) Tracking and Benchmarking of Recruitment Timeframes

The Department's recruitment process begins with the receipt of a P1 form from the hiring department. From there, the position is advertised, applicants are assessed and interviewed, and an offer of employment is extended. One of the key duties of the recruitment staff is to execute this process quickly so that positions are filled in a timely manner. Currently, the Department does not track the number of days elapsed from the receipt of a P1 form to the time when an offer of employment has been accepted. This 'time to fill' measure is a good indicator of timeliness in recruiting. The Department tracked this measure in 2013 and 2014. According to data received from the Department, the average time to fill in these years was:

Year	Days
2013	52
2014	59

The Department should resume the use of this measure, and should track the timeframe over time for various departments and types of positions. This would allow the Department to formally determine its effectiveness in quickly filling vacant positions, and it would provide points of reference that would show them where room for improvement exists and where the key delays in the process are occurring. It can also be used to demonstrate progress made in the timely recruiting of employees.

Some of the recruitment and hiring data provided to the project team provides a glimpse of the Department's typical elapsed time from the beginning of advertising a position to the conclusion of the recruitment process.

Timeframe	2013	2014	2015	Average
Avg Total Days Advertised	13.3	15.0	18.5	**15.6**
Avg Total Days to Interview	60.6	59.6	68.5	**62.9**
Avg Total Days to Hire	97.0	99.3	122.6	**106.3**

While this data is based only on those recruitments and hires for which the project team was able to compile each of the timeframes listed, it strongly suggests room for improvement in the Department's recruiting timeliness. These numbers suggest that the department typically takes 1.5 months from the conclusion of advertising a position to interview candidates, and another 1.5 months to make a hire.

These rough calculations also do not include time elapsed from the receipt of a P1 form to the initiation of advertising. The tracking of time to fill from the receipt of P1 forms will allow the Department to benchmark its effectiveness, focus on key areas and processes that can be sped up, and demonstrate improvement to its customer departments.

In order to minimize the number of prolonged vacancies and ensure that City departments are supplied in a timely manner with a workforce that is sufficient to dispatch their workload, the HR Department should establish benchmarks for time to fill. The timeframes in the table below should serve as initial target benchmarks.

Position Type	Target
Line Staff/Non-Supervisory	45-60 days
Technical/Supervisory	60-90 days
Executive/Director	90-120 days

Recommendation 6 – The Department should track and regularly report on the number of days from receipt of the initial P1 to acceptance of an employment offer for each recruitment. They should establish service level targets for this measure ranging from 45-120 days based upon type of position.

(2) Streamlining of Recruitment Procedures

The Department is currently in the process of streamlining the procedure used to recruit and hire new staff. This proposed recruitment process simplifies the current process by requiring only executive and senior management positions to be approved by the City Manager's Office and allowing all other classifications to be approved by the Director of Human Resources. Additionally, the proposed process calls for P1 forms to be initiated and routed online through NeoGov Insight rather than as a physical form. The Department is also proposing changes to the hiring process, which would make the creation of the P2 form and the position offering process the responsibility of the HR department.

These proposed changes hold two key benefits for the City in terms of the recruitment and hiring process.

- The changes will lighten the burden that hiring places on the City Manager's Office by reducing the number of positions which must be approved at that level, and they will do the same for customer departments by a) allowing them to initiate P1 forms online, and b) leave the P2 forms and offers of employment to Human Resources staff.

- The changes will consolidate more control of the recruitment and hiring process within the HR Department, thus allowing them greater opportunity to streamline the timeframes of recruitment procedures. Recruiters will not need to wait for a hiring department to issue an offer letter, or wait for the City Manager's Office to approve a clerical position, because those duties will become the sole responsibility of Human Resources staff.

To reap these benefits, the Department should continue with the proposed changes, evaluating the impact that they have on customer satisfaction and recruiting timeframes at 6 months and 12 months after implementation.

Recommendation 7 – The Department should continue with its proposed changes to the recruitment and hiring practices in order to streamline the process, reduce the burden on customer departments, and adopt service level standards for recruitments.

(3) Workforce and Retirement Planning

The Department does not currently have an established system for projecting the likely retirement of employees over time. While staff within a customer department may know when retirements are upcoming, the HR Department does not have a means for tracking this information. Ideally, information about upcoming retirements would be used to determine when vacancies are likely to open up in various departments, which would allow HR staff to get a head start on developing a qualified pool of applicants. Anticipating openings due to retirement would help the Department begin to make decisions about succession planning tactics sooner rather than later.

The project team was able to gather information regarding the total number of employees within the City that are eligible for retirement imminently and within the next five years. The following table shows the results by department for the number of eligible staff for retirement at the present time, and those who would be eligible within the next 5 years.

Department	Immediate		Within 5 Years	
	# of Retirees	% Retiring	# of Retirees	% Retiring
CITY ATTORNEY	10	2.93%	13	2.00%
CITY CLERK	2	0.59%	2	0.31%
CITY MANAGER	4	1.17%	9	1.39%
COMMUNITY DEVELOPMENT	16	4.69%	31	4.78%
FINANCE	14	4.11%	19	2.93%
FIRE	24	7.04%	59	9.09%
GENERAL SERVICES	24	7.04%	33	5.08%
HUMAN RESOURCES	2	0.59%	6	0.92%
INNOVATION & TECHNOLOGY	1	0.29%	4	0.62%
LIBRARY	16	4.69%	23	3.54%
MUSEUM	5	1.47%	6	0.92%
PARK & RECREATION	13	3.81%	35	5.39%
POLICE	48	14.08%	99	15.25%
PUBLIC UTILITIES	101	29.62%	191	29.43%
PUBLIC WORKS	61	17.89%	119	18.34%
TOTAL	**341**	**14%**	**649**	**26%**

As the previous table shows, the overall percentage of city employees retiring jumps from 14% to 26% between now and the next 5 years, meaning more than a quarter of the city’s employees will be eligible to retire after the next five years. It also shows that some departments, such as the City Attorney and General Services, are at a higher risk of retirement-related vacancies than the IT or Human Resources

Departments. It is in the City's best interest to start focusing on succession planning for these departments.

The Public Utility has implemented a model for this already, which uses employees' age and years of service to anticipate the likelihood of their retirement, and the same type of system could be used citywide by the HR department. If employee skills and certifications are also included in these projections, it would help the HR department anticipate when skills will be lost and begin strategizing to replace them, either by hiring new employees with the desired skills or by incentivizing existing employees to acquire those skills and certifications.

Ideally, the City's upcoming retirement risks would be calculated through a module in the Department's available software. If the City moves in the near future to upgrade to a dedicated HRMIS, features enabling workforce and retirement planning should be included in the specifications for this system. If the Department opts to not acquire a new system for human resources management, existing data in IFAS can be pulled and analyzed to produce a picture of likely upcoming retirements.

Recommendation 8 – The Department should include succession planning features in its specifications for an HRMIS system. If the Department opts not to acquire such a system within a short time period, or their system will not have these features, they should use existing data available through IFAS to project upcoming retirements based on age and years of service.

(4) Tracking of Recruitment Sources

The Department's recruitment staff currently use multiple avenues for recruiting candidates for open positions, all of which funnel applicants to a single recruiting module. NeoGov is used to collect, filter, and assess applicants in order to develop a pool of highly qualified candidates. While staff in the Department learn on an informal basis which recruitment sources are the most effective, the Department does not currently review the avenue by which candidates learn of open City positions in the application process. Doing this would allow the Department to make an assessment about which recruitment sources produce the greatest numbers and/or diversity of interview-worthy candidates.

In order to maximize the effectiveness of recruiters' time and give them information to help them to focus on the best sources of applicants, the City should make use of a question which is already included in the application process for City positions. The question asks applicants:

"How did you hear about this employment opportunity?"

A drop down list follows, which includes some of the following options:

- *Billboard*
- *Career Fair*
- *City Employee*
- *Job Line*
- *Newspaper*
- *Radio*
- *Job Website*
- *Etc.*

The answers to this question are included in applicants' candidate profiles in NeoGov, and the Department's staff are able to filter and report on it. Doing so on a regular basis would allow the Department to develop a clear and current picture of their most promising recruitment sources.

Recommendation 9 – The Department should periodically review the diversity and qualifications of candidates from each of its recruitment sources in order to make a determination about which sources best meet the City's needs.

(5) Position Requirement Flexibility and Focus on Applicant Abilities

Each City job posting includes a list of requirements for applicants, some of which are necessary because specific certifications are required for a position or because statutory requirements are in place for a position. However, there are some instances when the listed requirements would not necessarily be required for an applicant to be successful at the job, or where a similar level of qualification may be reached by alternative means. In these instances, some flexibility may benefit the Department if recruiters consider these alternative means of preparation for job duties. For example:

- Years of field experience may substitute for a degree specifically related to a particular field.
- Management experience in a particular field may substitute for a masters' degree in that field.
- Technical training/apprenticeship in a field may substitute for some of the prerequisite years of experience in that field.

In situations when a particular job opening is not receiving a high volume of applications from highly qualified candidates who meet the listed requirements, recruiters may look for ways to broaden their search. One way to do this is by revisiting the job descriptions and position requirements listed in the job posting and collaborating with the hiring manager to see if the requirements can be reasonably expanded to allow for transferable training and/or skills to substitute for the listed requirements. In these instances, some applicants may have been filtered out of the process because they do not meet the listed requirements, but they may still possess the ability to perform the required job duties well. By loosening non-essential position requirements in the recruitment posting or changing their designation to "preferred" rather than “required”, the Department can improve the chances that all qualified candidates make it through the screening process.

This alternative approach to identifying candidates with the ability to have success in a particular position requires a commitment on the part of the Department to maintaining some flexibility and working with hiring managers to focus on job-related abilities rather than traditional requirements. In order to make this approach more feasible for recruitment, the Department should establish a policy outlining when recruiters are to review position requirements to see where they can be modified to be more inclusive of potential job candidates who do not precisely meet the traditional requirements but may have transferrable skills or experience. This could be in cases where the listed requirements exceed the certifications and qualifications required by statute or citywide/department policy, and/or where an adequate pool of qualified candidates has not materialized after rigorous recruiting through the Department’s standard avenues.

Recommendation 10 – When a deep pool of highly qualified candidates is not available for a position, the Department should make a practice, with the hiring manager, of revisiting the job description and position requirements to see if they can be modified to allow appropriate substitutions for traditionally preferred experience and training.

3. ANALYSIS OF BENEFITS & WELLNESS

The Benefits and Wellness division of the Human Resources Department administers benefits for all City employees and manages the wellness program. Staff in the division assist employees with enrolling in benefits online through Employee Online, enable employees to submit documentation online, and advertise the open enrollment period through email blasts and mailings.

While the division meeting best management practices in relation to benefits administration, there is a need for the division to focus on improving the goals associated with its wellness programs. The goals of the wellness program should be to promote a healthy lifestyle reducing absenteeism and increasing productivity. The city currently lacks a robust wellness program that measures the ability of each wellness program and how it ties into addressing the goals of the city, including have a motivated, healthy, and productive workforce.

(1) Wellness Programs

The City of Riverside does not have any full-time budgeted positions devoted to its wellness program. All of the functions of the wellness program are performed by the full-time staff in the Benefits division, whose primary roles and responsibilities are associated with benefits administration. As such, the wellness element typically consists of a variety of workshops and some wellness programs. The current wellness program primarily serves as a resource center for employees to get connected with other agencies or groups that offer physical fitness (gym memberships, nutrition guides), emotional (counseling workshops), and financial support (links to financial counseling agencies). The City's Wellness program has been branded as the "Life-In-Balance" Wellness program and the City has been recognized by the American Heart Association as a fit-friendly employer since 2012.

City staff themselves are in charge of four main wellness programs along with wellness workshops that are offered. The four main wellness programs are: Maintain Don't Gain (MDG), Get Fit Challenge (GFC), Bike to Work, and the Step Up Your

Health (Stairwell Program). The following table shows the number of participants per year for each program:

Program / Participants	2013	2014	2015
MDG	235	329	413
GFC	366	288	323
Bike to Work	N / A	29	23
Step Up Your Health	1,152	1,032	816

As the table above shows participation has generally increased for the programs. The Maintain Don't Gain (MDG) program increased participation by 76% over the last three years, while overall participation for Get Fit Challenge declined by 12%. Similarly the Bike to Work participation as well as the Step Up Your Health participation has declined. In addition to the Wellness Programs, the City also puts on a variety of wellness workshops and an annual wellness fair. The following table provides statistical information regarding the wellness workshops, the number of attendees at those workshops and the number of attendees at the annual wellness fair:

Year	# of Wellness Workshops	# of Attendees	# of Attendees Annual Wellness Fair
2013	34	478	450
2014	26	451	500
2015	19	396	500

As the table above shows the number of wellness workshops has declined by almost half over the last three years and as such the number of attendees has also decreased. However, the number of attendees at the annual wellness fair has remained fairly consistent at about 450-500, representing about 20% of the city's workforce. The reason for declining number of wellness programs could be due to the lack of staff resources available, along with the fact that the majority of these activities are either subsidized by the General Fund (staff time for developing and attending activities) or funded through grants and sponsorships (materials such as prizes and brochures).

On the City's wellness page, there is a link to the "Business of Healthy Employees Survey", which identifies the reasons behind which any agency or organization should invest in the wellness of its employees. The primary reasons relate to reducing healthcare costs, creating a culture of health, improving workforce productivity, and essentially improving employee engagement and retention within the organization. The Wellness staff in the Human Resources division have not identified which if any or all of these goals they are trying to accomplish through the wellness programs / workshops being offered by the City.

Tracking attendance at wellness programs or workshops is not enough to determine if there is success associated with the wellness program. Each wellness activity should have a measured goal. This is demonstrated by the Get Fit Challenge program. At the beginning of the Get Fit Challenge program, staff provides employees with a list of the dates on which the various weigh-ins will be taking place (every two weeks typically). After each weigh-in, the results are posted on the participants rankings page. Additionally, motivational emails and messages are sent out including reporting at the end of the challenge how many pounds the city as a whole lost during the Get Fit Challenge. A similar type of approach should be taken for all of the other wellness activities. These types of goals are measurable and can be correlated to the goals discussed above, such as a culture of health, or happier, more productive employees.

The current operation of the wellness program provides limited correlation between these challenges and workshops and the overall strategic goals of the City of Riverside. Developing goals for each wellness program and / or workshop does not require a full-time staff person, as it would primarily just require keeping track of additional data that is already collected. Such as, the names of the workshops could immediately help identify the type of wellness goal they are trying to promote, so the next step would be to correlate that workshop to a specific wellness goal. The final step would be for staff to at the end of the year compile the information and generate a wellness report. Compilation and generation of this report could be a task for a departmental intern and does not require a full-time benefited employee. The report would identify each wellness activity and how it specifically contributed towards a wellness goal (healthcare costs, workforce productivity, employee retention, etc.). The annual reporting will help wellness staff determine the success of wellness activities as well as develop new wellness programs or activities that target any gaps.

Recommendation 11 – Human Resources staff should develop pre-identified goals for any new wellness activity. At the end of the year (fiscal or calendar) a report should be generated that states how each wellness activity addressed a different wellness goal. This report should be generated by an intern and used to make decisions regarding what wellness activities should be retained and if any new activities should be developed. This is a short-term priority for the City.

(2) Benefits Administration

The current processes and procedures followed by the Department in regards to Benefits Administration are in line with best management practices. The City of Riverside has fully insured health plans and three self-insured plans. It utilizes a variety of cost containment practices such as reviewing arrangements with the various health providers to ensure that current health services are relevant and appropriate for city employees. These best practices include the following:

- Enabling employees to enroll / change benefits online

- Allowing employees to submit life qualifying event changes (births, deaths, marriages, separations) and documentation online
- Responding to inquiries related to retirement, deferred compensation, flexible spending, and other benefits in a timely manner
- Reviewing employee benefits prior to each new contract negotiation with the unions; currently being done annually, but going forward will be every two years
- Advertising Annual Open Enrollment through emails, newsletters, and mailings for employees out on FMLA, modified, or other leave

Additionally, in the past year the Department conducted a comprehensive citywide audit regarding documentation related to benefits that is missing from current personnel files. The audit revealed that while all new employees hired within the last five years have current and appropriate documentation, employees older than five years have missing documentation. E.g. an employee might have a spouse who is getting benefits but there is no marriage certificate on record / file. Staff has already identified the employees and drafted the letters. The drafted letters identify a two month time period for initial compliance and state that if the employee fails to respond within four months with appropriate documentation, that employee will be dropped from the benefits program. These letters are ready to send out and staff should set a deadline to send out these letters soon to ensure that employees are able to respond to these changes prior to open enrollment affecting staff availability to respond to concerns regarding the audit.

Recommendation 12 – The completion of the benefits audit should be given high priority. Notification letters and request for documentation need to be sent to all non-compliant employees with a deadline for return to HR.

4. ANALYSIS OF TRAINING AND DEVELOPMENT

Currently, the Department has a combined Safety & Training & Development Work Unit. Staff that work on Safety-related issues also oversee / coordinate the scheduling of all citywide training. The Human Resources Department is in the process of creating a new organizational unit that is focused on training and development and separating it from the Safety unit. The current budget allows for two positions associated with this unit – Principal HR Analyst and Sr. HR Analyst. However, due to budgetary constraints, the Department only intends to fulfill the Principal HR Analyst position.

The City of Riverside has a decentralized training and development program. Each department is responsible for training and workforce development for each of their individual positions. Some of the key issues related to the Training & Development Division relate to filling existing vacancies, using training feedback strategically, developing a training needs assessment, centralizing core training within the city, tracking performance evaluations compliance, tracking training, providing online training courses, instituting a formalized mentorship programs, provision of succession planning services, and implementing software systems for workforce development.

Some of these programs need to be implemented in the short-term (within the next two years) such as hiring staff, utilizing training feedback strategically, centralizing training, and improving compliance of performance evaluations. Other efforts such as a mentorship program and online courses can be slowly implemented once a comprehensive training needs assessment has been developed for the City. The workforce development modules have already been addressed through the information technology plan discussion in the administration / general management of this report.

(1) Staffing Levels

The Department has budgeted two positions for the Training & Development Work Unit. These two positions are classified as a Principal HR Analyst and a Senior HR Analyst. The Department has the intention that these two positions will serve in a capacity that coordinates all citywide training as well as providing internal training to City staff. The Principal HR Analyst position will coordinate all Citywide mandatory training, but also work with City employees to identify skills that can be used to provide training on some general staff development (i.e. Microsoft office skills, grant writing, etc.).

Additionally, this position should also develop a template for professional development plans that should be distributed to all departments. The professional development plans would identify a baseline for each classification or position the appropriate career path, e.g. it would show the career path for an Assistant Engineer to Engineering Manager, and the various educational / experience requirements to climb that career ladder. The professional development plans can be used as a tool to identify training opportunities for various individuals, and also allows for a standardized approach to staff development in the city. The Principal HR Analyst would train Department Directors and managers / supervisors on updating / customizing the professional development plans for each individual. This will allow the Department to also utilize these professional development plans to address succession planning issues.

The Sr. Human Resources Analyst position in addition to assisting the Principal HR Analyst with coordinating the training program would also manage citywide compliance with performance evaluations. While the Human Resources department is currently the keeper of the performance evaluation process, compliance with performance evaluations is not being monitored or enforced. The Sr. HR Analyst can enforce compliance of the performance evaluation in conjunction with the online performance management system that can be implemented through NeoGov. However, the Department currently intends to leave this position vacant. Therefore, in the short-term the Department should attempt to get a learning management system online that can allow for electronic submittal and tracking of performance compliance.

Recommendations 13.1 – The Department should fill the Principal HR Analyst position for its Training and Development unit to ensure that city staff are meeting mandatory training requirements, to coordinate additional trainings, and focus on standardizing staff development throughout the city, by developing professional development plans for key positions.

Recommendations 13.2 – Staff should focus on improving compliance rate for timely completion of performance evaluations throughout the city.

(2) Training Feedback as a Decision-Making Tool

At the end of each training provided by the City, a training evaluation form is provided to each participant. This is a standardized form. The exhibit on the following page shows the standardized training development form.

Training Evaluation Form

Course Title: ___________________________

Instructor Name: ___________________________

Date of Training: ___________________________

Please indicate your level of agreement with each of the items numbered 1-8.

	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
1. The instructor presented the material clearly.	☐	☐	☐	☐	☐
2. The instructor was prepared to teach the course.	☐	☐	☐	☐	☐
3. The instructor provided individual help when necessary.	☐	☐	☐	☐	☐
4. The instructor moved at an appropriate pace.	☐	☐	☐	☐	☐
5. The training allowed enough time for lecture and discussion.	☐	☐	☐	☐	☐
6. The course material was well organized.	☐	☐	☐	☐	☐
7. I will be able to use the material when I return to my work site.	☐	☐	☐	☐	☐
8. Overall, the training was excellent.	☐	☐	☐	☐	☐

Please Turn Over ➔

9. What do you think was the most valuable part of the training?

10. What ideas, skills, or techniques presented in the training will you implement within your area of responsibility?

11. What suggestions do you have for improving this training?

12. Please provide any additional comments you would like to share.

Thank you for evaluating our training. We appreciate your feedback!

While these forms are collected by the Human Resources staff, they are evaluated manually by Training staff to determine the effectiveness of the training. Typically an intern will then manually enter these training evaluations into Survey Monkey to serve as a database for keeping track of the the training evaluations. The forms are typically reviewed to determine if certain instructors were clear or if the material provided in the classroom was relevant or useful to the employee. For example, the training feedback forms collected from the Harassment Prevention Training conducted in August 2015 revealed that some of the participants did not appreciate the teacher's approach. However, training staff contacted the instructor and discussed those evaluations prior to engaging that same instructor for training conducted in September and December 2015. The September and December training feedback forms revealed that there was a desire for different training materials, as some of these had become outdated. Staff has worked with the instructors and the City Attorney's office to develop new training materials that are approved by the City. These training materials will be utilized in trainings conducted going forward.

An assessment of the training feedback forms reveals while the department is taking the first step in collecting this information, it is not being used to make strategic decisions. There are several steps the project team recommends should be taken to improve the training feedback process:

1. **Online Training Forms:** Training Evaluation Forms should be made available online through Survey Monkey or Google forms

2. **Online submission:** Participants should complete and submit the training evaluation forms online

3. **Analysis of Training Feedback:** Using a program like Survey Monkey or Google forms allows the Sr. HR Analyst to run statistical analyses regarding the

results of the training feedback. Also any comments provided by participants should also be analyzed.

This is a simple and cost effective method for the Training and Development Unit to evaluate the effectiveness of the courses and the instructors. As typically, Survey Monkey and Google forms both allow simple surveys to be uploaded for free. Additionally, the Human Resources Department has already used Survey Monkey internally within the city to survey departments and as such has knowledge and is acquainted with that system. An online training evaluation form will allow training feedback to be downloaded in a statistical format for the HR Analysts to see if city employees agreed with the presentation of the material to be clear, or that the class moved at an appropriate pace, or that the training was excellent. Additionally, it will allow the analyst to modify the training evaluation form depending on the training, e.g. if there were new course materials introduced, the analysts could ask questions regarding the new course materials.

A problem associated with the online training feedback is the lack of technical resources available post training. A paper training evaluation form can be handed out immediately after a training and collected to ensure a high level of participation. A link to a training evaluation through email does not always allow for high levels of participation. Some potential solutions to avoid losing participation and eliminating the manual transfer of data includes the following:

- Setting up computer workstations in some of the training rooms so that immediately following the training, staff are able to utilize the computers to complete the evaluations online.

- Creating incentives for completing the training evaluations within a week of completing training, these incentives include being entered into drawings for $5 gift cards or free lunch at City Hall, etc.

- Crediting employees for completing the training courses only if they have submitted the training evaluation forms.

Implementing some of these solutions will eliminate the need for an intern to transfer information manually from paper into the Survey Monkey database. Analysts in the Training and Development unit can use the information from the training evaluation form to modify courses, change instructors and add / delete material from the courses. This will allow the trainings to be more helpful and instructive to city employees.

Recommendation 14 – Training Evaluation Forms should be transitioned to an online format (survey monkey) to allow for greater and more efficient use of the feedback provided by City Employees.

(3) Training Needs Assessments

The Department does not conduct any systematic training needs assessment; as the Department primarily focuses on coordinating mandatory training (diversity, harassment in the workplace, etc.). Other more specific trainings are provided on an as requested basis.

A primary responsibility of the Principal HR Analyst would be to conduct this training needs assessment for the City. If the City were to centralize its training services; requiring departments to submit an annual training plan would enable training and development staff to identify areas of common ground for training.

The needs assessment could also be conducted through an annual trainings wanted survey. This survey could be posted on the City's intranet and employees could be allowed to submit ideas regarding different trainings they would like for the City to offer.

An alternative method for a trainings need assessment would occur through utilization of staff performance development plans. As part of the performance development plans for each individual different educational / experience requirements would be identified. An analysis should be done that identifies similar types of trainings that are required by the majority of employees to help advance their professional growth.

Recommendation 15 – The Department should utilize the Principal HR Analyst position to develop a methodology to conduct an annual training needs assessment either through an annual training plan, an internal survey / feedback form, or through the performance development plans.

(4) Training Records Tracking

The Department maintains training records only related to those trainings that are coordinated through the Human Resources Department. These trainings include Diversity Training, Harassment Free Workplace, New Employee Orientation, Reasonable Suspicion Training, etc. Trainings that are coordinated through the individual departments are not tracked through Human Resources.

A learning management system will eliminate the need for Human Resources to track all trainings. As any trainings that are attended by City employees would be managed through that system. Employees would pick their courses, mark their attendance, and their completion through that system. The learning management system will allow for reports to be generated that show the types of courses taken by each employee and the certifications for each employee. Learning management system capabilities are available through the professional development module in OneSolution. This module allows the City to develop courses, track attendance, grade courses, and define course pre-requisites. Attendance at these courses can be linked to the professional development plans to mark how far an individual has progressed in their plan. The annual cost for the Professional Development Module is $23,080.

The following table shows the current training information tracked by the Department. It shows the total number of training hours by training type for each year.

Training Type	2013 Hours	2014 Hours	2015 Hours
Diversity Training	27.07	107.57	24.73
Harassment Free Workplace	119.35	595.00	225.45
New Employee Orientation	312.00	596.00	348.00
Reasonable Suspicion	1,100.00	258.00	66.00
Sexual Harassment Prevention	1,056.00	58.00	1,462.00
SMART 1	1,344.00	864.00	
SMART 2	1,200.00	792.00	
Workplace Violence Prevention	2,429.60	3.45	18.40
Grand Total	**7,588.02**	**3,274.02**	**2,144.58**

As the table above shows the total training hours declined significantly between 2013 and 2015. There is a 72% decline in training hours, and this is primarily in relation to the SMART 1, SMART 2, and Workplace Violence Prevention training hours. Potential reasons for declining training hours could be poor tracking of this information or due to the lack of staffing in this division there has been a lack of focus on ensuring that staff are attending appropriate trainings. This information can also be presented on a departmental level. The following table shows the total training hours on a department-basis.

Department	2013 Hours	2014 Hours	2015 Hours
CITY ATTORNEY	74.57	86.67	49.22
CITY CLERK	28.70	33.75	12.00
CITY COUNCIL	8.87	0.70	24.70
CITY MANAGER	133.88	62.67	43.05
COMMUNITY DEVELOPMENT	293.40	166.60	141.35
FINANCE	208.28	120.38	55.17
FIRE	780.52	154.83	279.43
GENERAL SERVICES	227.77	49.87	98.55
HUMAN RESOURCES	179.43	141.82	45.75
INNOVATION AND TECHNOLOGY	20.33	5.05	52.50
LIBRARY	313.70	174.73	76.33
MAYOR	9.97	3.40	24.23
MUSEUM	20.73	45.02	44.80

Department	2013 Hours	2014 Hours	2015 Hours
PARK & RECREATION	733.42	419.50	209.70
POLICE	873.45	337.62	294.10
PUBLIC UTILITIES	2434.72	829.28	411.13
PUBLIC WORKS	1246.28	642.13	282.57
Grand Total	**7,588.02**	**3,274.02**	**2,144.58**

The table above shows that for the majority of departments the total number of training hours declined. There were four exceptions in which training hours increased between 2015 and 2013: City Council, IT, Mayor, and Museum. The largest decline in training hours was associated with Public Works and Public Utilities.

Keeping training records is very important as it allows the Department to determine employees who are attending training and developing various skills by taking advantage of trainings offered through the City. It also allows the Principal HR Analyst to measure the types of trainings attended by various individuals in comparison to the trainings identified in their training plan or professional development plan.

Human Resources staff were able to gather some training statistics and records related to trainings offered by the external vendor M3P. This program does not track the total training hours but rather the total number of attendees. The following table shows by year the total number of training attendees by each of the four main training areas used by the M3P Program.

M3P PROGRAM	2013	2014	2015
PACE	273	248	206
SHIELD	88	0	0
SMART	1130	496	0
SOAR	552	166	0
GRAND TOTAL	**2043**	**910**	**206**

As the table above shows the total number of training attendees declined dramatically between 2013 and 2014, and then again between 2014 and 2015. Other than PACE there were no attendees for any other courses offered by M3P in 2015.

Overall, the number of training attendees declined by 90% between 2013 and 2015. Coupling this M3P program information with regular training hours in the city, overall, training declined significantly between 2013 and 2015.

Training and Development is a core service area for Human Resources and should be a focus for the department. Maintaining training records and conducting routine analyses of these records would allow the Sr. HR Analyst or Principal HR Analyst to realize gaps in current trainings, such as noticing that there are no staff attending SHIELD, SMART, or SOAR courses. It will also help the HR assess training compliance through noticing what percentage of new employees are attending new employee orientation, and if there are certain trainings that are mandatory if all city employees are attending those trainings. This will enable the department to track the current training compliance rate as a performance measure. Furthermore, these training records can be used to feed into an employee’s professional development plan to track their progress in meeting their individual career goals. Training compliance should also be part of the employee’s performance evaluation and whether an employee meets its probationary requirements as a new employee or supervisor.

Recommendation 16.1 – Implementing a professional development module will automate the tracking of training records and hours throughout the City. This will enable the department to utilize training statistics to measure employee progress through the staff development plans developed as well as identify any gaps in trainings. The professional development module could be part of the Learning Management system, which as previously discussed is currently in the process of being acquired with assistance from Riverside Public Utilities.

Recommendation 16.2 – The Principal HR Analyst should conduct analysis of current training records to identify gaps in trainings such as supervisory trainings or new employee orientation. This will enable the department to utilize training compliance rate as a performance measure.

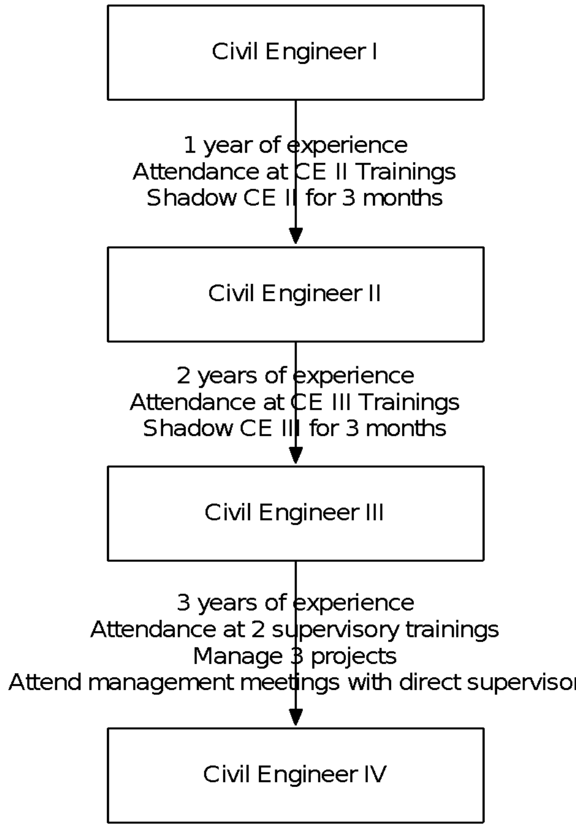
Recommendation 16.3 – Any current or proposed trainings for employees should be part of the employee's performance evaluation. If an employee doesn't comply with training requirements those should be part of whether an employee is meeting the basic performance requirements.

(6) Skills Development and Employee Performance Management

The Principal HR Analyst position will address skills development through the professional development plans that will be created for each position / classification within the City. These professional development plans will be implemented as soon as an individual is hired and will be revisited during every performance evaluation process.

Currently, the Human Resources Department has not developed any specific formal staff development plans for any positions. A career ladder should indicate the number of years of experience that is necessary for the individual to move from one step to the next or if there is any additional training or certification that is required for an individual to climb up that ladder.

As such the City of Riverside is severely lacking in formal staff development plans or career ladders that are consistent throughout the city. The following graphic shows a sample of the type of career ladder:



The graphic above shows that there are a variety of educational, training, certification, or project management requirements before a Civil Engineer can progress from one level to the next level. This type of career ladder development is necessary prior to the development of the formal staff development plan. This career ladder can be used as the basis for the formal staff development plan as it clearly identifies how an individual in a certain position can progress from one level to the next level. Some career ladders also specify how going one from position to the next position affects the compensation level of the employee. If there is a standard hourly rate or salary associated with each position increase that could also be noted on the career ladder.

The following exhibit provides a sample of a formal staff development plan that is used by another public agency.

Position Title: Insert Position Title of the individual					
Position Level: Insert status of the position (Entry, Mid-level, Supervisor, Management, etc.)					
Current Skills / Tasks:	**Goals:**	**Method / Activity to Achieve Goal**	**Target Date**	**Date Completed**	**Review of Outcome:**
List the current skills / task of the individual including education level and skills such as communication, professionalism, punctuality, etc.	List the necessary skills / education levels that will need to be developed in order for this position to be promoted to the next level.	List any training workshops, classes, educational requirements that must be met by the individual to progress from current to goals / skillset that is desired.	List the date by which the individual should ideally complete this objective.	List the actual date by which the individual took the training or received the higher degree.	List how well the individual was prepared. For e.g. was taking one training session sufficient or is additional training needed.

As the template above shows that this type of plan should be developed for all positions at the City. This type of resource is helpful for not only Human Resources but also management when assessing the value of retaining certain positions. It is important to remember that while this type of document can easily become a static document it should not remain so. There should be a template for each position that can serve as the starting basis but ultimately each new hire should receive a customized staff development plan. This staff development plan should be looked at and updated during the annual performance evaluation process.

The City currently has performance improvement plans that are attached to the performance evaluation process. However, these are only implemented and updated if an employee scores below average on the performance evaluation; and even then it is the Department's responsibility to complete these plans. These plans become part of the employees' personnel file. However, if an employee scores average or above average there is no professional development plan for that employee to improve upon their current weaknesses. The templates for the performance improvement plan are standardized and could be used as the basis for developing a professional development plan template.

Recommendation 17 – The Principal HR Analyst should develop standardized Professional Development Plans that identify the career paths of positions that should be implemented during the on-boarding process and updated during every performance evaluation (probationary evaluation, annual evaluations, etc.)

(7) Online Training/Seminars

The Department does not offer any online trainings or seminars through the City's website. As part of the decentralized aspect of training, employees have the option to take online courses and obtain reimbursements. However, the validity of those online courses is not assessed by the originating Department. Employees can register for certain courses online through Sharepoint, yet those trainings must still be physically attended. The following lists the trainings that can be registered through online:

- Bucket Truck
- CPR
- Cyber Security Training
- Defensive Driving
- Dog Bite Prevention
- Ergonomics Safety
- Hazwoper Initial / Refresher
- Sun / Heat Exposure

There were about 1204 employees who utilized the online registration for courses over the last three years, which represents an average of about 400 employees utilizing this service every year. The most popular course for which there was online registration was Cyber Security training. Many of these trainings could be made available online to employees. Online trainings typically have costs savings associated with lack of travel, as well as a convenience factor for employees.

However, online trainings and courses should be evaluated to determine their cost effectiveness. Are the trainings and courses being offered typically require employees to travel and as such there is costs savings associated with food, travel, and lodging. Or are the majority of these online courses already local courses and they are more expensive because of the online element? The Principal HR Analyst should validate the course materials for the online trainings and courses to ensure that they meet the requirements necessary for those trainings.

Recommendation 18 – The Principal HR Analyst should review online training courses to identify potential training courses that can be implemented through on-line services to City employees. Additionally, the City should seek to partner with the County, the University of California Riverside, California Baptist University, and other public sector entities to share training resources. The fiscal impact to this recommendation could vary depending upon the partnership agreements developed and online vendors chosen for training purposes.

(8) Mentoring Program

There is no formal mentoring program in place in the City. A formalized mentoring program should be developed in conjunction with a professional development plan. The mentor would help their protégée achieve the various educational and experience requirements to progress to the next level in their career. A mentor would also help an employee integrate into the City and ask any specific questions related to their role within the Department. Prior to instituting a formalized mentorship program, there are several steps that need to be undertaken by the Human Resources Office as noted below:

- **Work with Departments to Assign Mentors to New Hires:** Whenever a new employee is hired, a mentor should be assigned to that individual. The mentor does not have to be a direct supervisor of the employee, in some instances it can be a “peer level” employee, but with more experience that the new employee. Some formalized mentorship programs develop questionnaires / surveys that allow employees to “match” with their specific mentors. This allows employees to work with mentors not always within their division and promotes greater awareness within the organization.

- **Provide Mentorship to New Employees for Not Less Than a Year:** At minimum a formal mentorship program should last a year to provide an appropriate timeframe to discuss the goals of the mentorship program. The first couple of months of any mentorship program should be spent analyzing and discussing the goals of the program, what the employee is hoping to gain from their specific mentor, with the last couple of months focusing on developing those skills.

- **The Mentor Should Develop a Training Plan for Each New Hire:** The mentor and the mentee should work together to develop a training plan that outlines the specific goals of this mentorship. The training plan could include setting aside specific time every week and at then end of every month to go over certain types of skill sets.

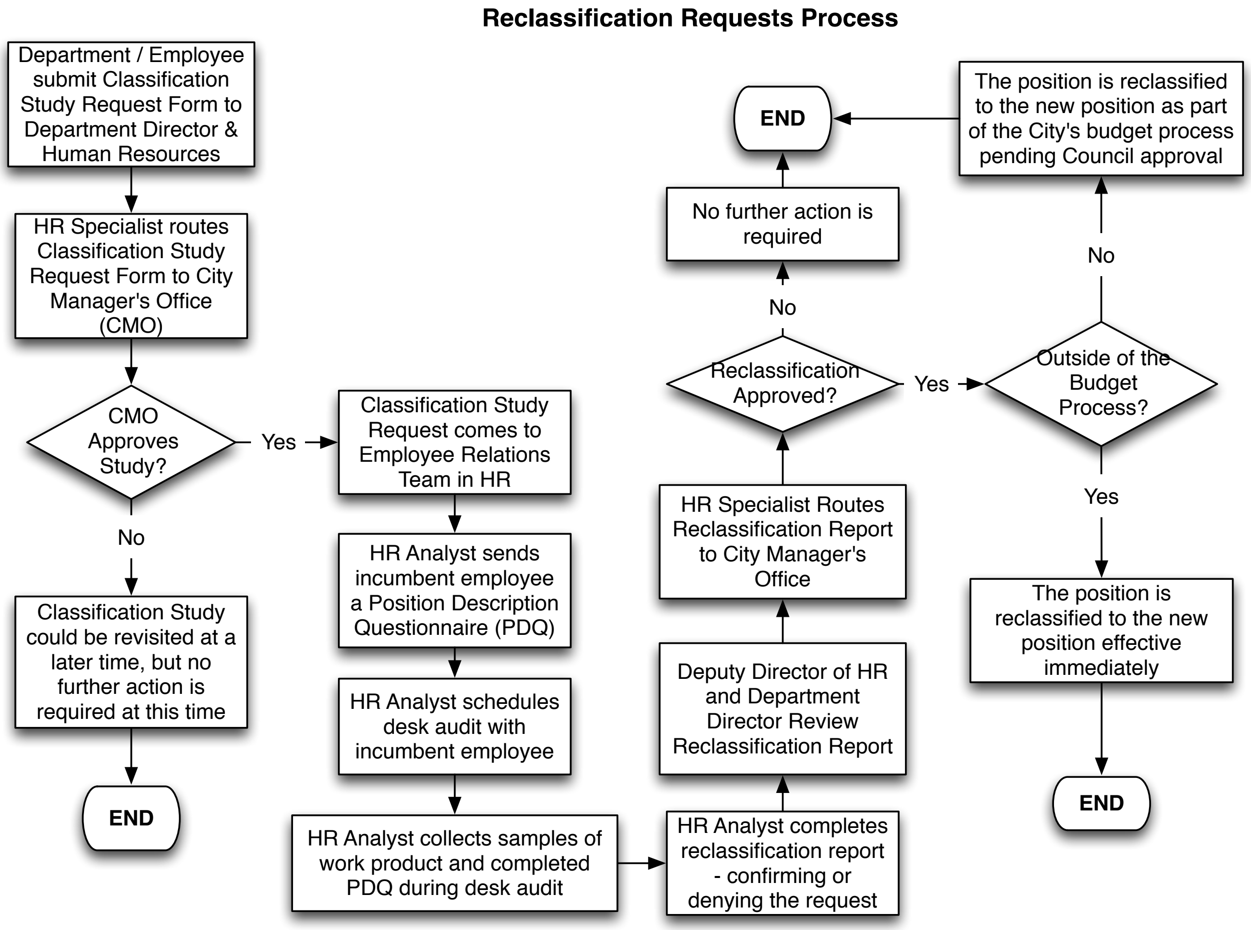
- **The Human Resources Department should Continuously Evaluate the Effectiveness of the Mentorship Program:** On an ongoing basis (e.g., quarterly), Human Resources Office should meet with each mentor and mentee to discuss the effectiveness of the mentorship program, what the mentee has learned, what the mentor has been teaching the mentee, etc. This meeting should be utilized to assess the types of skills that the mentee is developing. Typically, this assessment should be documented by the Human Resources Office and become part of the employee's personnel file.

A formalized mentorship program requires time commitment from managers, supervisors, and not just the Human Resources Department. The primary position that is responsible for this program should be the Principal Human Resources Analyst in the Human Resources Department. A formalized mentorship program is essential for consistent growth and development of new employees within the City.

Recommendation 19 – The Department should develop and institute a formalized mentorship program for new employees. The mentorship program should be managed by the Principal HR Analyst in conjunction with professional development and training plans for all employees. This should be a long-term commitment for the department.

5. ANALYSIS OF CLASSIFICATION & COMPENSATION

The Classification and Compensation has an authorized staff of 1 HR Analyst, although that position currently sits vacant and the duties of this program area fall to employee relations staff. These include reclassification studies and desk audits when they are requested by City employees. The flowchart on the following page details the Department's current reclassification request process.



The Department's classification and compensation program currently exists only on an "as requested" basis, rather than being a well developed and systematic approach to maintaining employee job descriptions, classifications, and pay scales. The following sections explore these issues in more detail.

(1) Regular Position Description Review

The City's website shows about 425 different job descriptions for positions in the City of Riverside. These are updated when the Department recruits new staff, but they are not subjected to routine staff review. Job descriptions, if regularly maintained and updated, serve a number of important roles:

- they serve as an accurate point of reference for what staff *should* be doing (for use on performance evaluations, etc.)
- they provide an outline of key competencies that can be used to create position-specific professional development curriculum.
- they serve as an up-to-date reference point for making salary and classification decisions and benchmarking other jobs.
- they function as a resource for developing job postings in the recruitment process.

In order to ensure that the City's job descriptions function as resources for each of the other functions, which rely upon them, the Department should begin to review each job description on a periodic basis (at least every 4 years), checking for accuracy, thoroughness, and proper alignment with the organizational structure as a whole.

Similarly to job descriptions, the Department does not currently have a formal program in place for reviewing the allocation of City employees to classifications on a regular basis. Such a periodic review would help to ensure that employees are properly classified based on their role in the organization and that the job duties which they are assigned are properly aligned with the classification to which their position belongs. Under the current system, departments are able to assess their organizational structure during the budget process in order to suggest potential improvements to the classification structure and point out where employees' duties may not match their existing classification. While this approach provides some measure of regular oversight to the City's classification structure, it should be formalized and integrated with regular position description reviews.

In order to clearly define the classifications to which positions are allocated, the Department should ensure that there are written descriptions for the various classifications describing representative duties for each group of like positions. These descriptions function to:

- outline the nature of work and establish the relative level of the class in relationship to other classes in the same class series and occupational group;
- provide the documentation essential in arriving at a title;
- establish the framework around which the remaining portions of the class specifications are developed;
- characterize typical organization relationships by describing the work environment and the supervisory/subordinate structure;
- provide the documentation used in formulating a bargaining unit assignment, when applicable.

Each position under review would be compared and assigned to the established classification descriptions according to criteria including independence of action, scope of responsibility, and sphere of influence in order to identify similarities and differences. This review would allow the Department to ensure that each of the position descriptions reviewed on a periodic basis is also appropriately classified. This classification review should occur concurrently with, or immediately following the periodic reviews of job descriptions in order to ensure that positions are classified according to the most current descriptions of their duties and reporting structure.

The Department's position assigned to Classification & Compensation currently is vacant, and it is unlikely to be filled in the immediate future. To accommodate the workload associated with these duties without a dedicated full time employee, 10 employees have been trained to conduct classification studies in order to collectively shoulder the workload of the vacant position.

To review each of the City's 425 job descriptions every 4 years, approximately 106 reviews will need to be conducted each year. If these reviews are spread evenly among the 10 staff trained to do them, each reviewer will need to conduct 11 reviews annually, or less than one per month.

Recommendation 20.1 – The Department should develop a rotating schedule for reviewing and updating position descriptions for accuracy at least once every four years. There is no fiscal impact to this recommendation, as current staff will be rotated to update these position descriptions.

Recommendation 20.2 – The Department should include a regular assessment of the appropriateness of employees' classifications as part of the periodic position description review.

(2) Banding/Condensing of Classifications

The City does not currently have a broad banding system in place, relying instead on a more traditional narrow salary structure based upon job descriptions. A broad band salary structure reduces the number of layers in a given job family and expands the potential salary range of each of these layers, providing a number of benefits:

- Streamlining of hierarchical pay structures by collapsing multiple salary ranges into a small number of pay bands (typically fewer than 15).

- Facilitation of internal movement by expanding the number of potential positions within the salary band of most employees, thus encouraging them to apply for open positions.

- Reduces HR's role as a gatekeeper for pay increases by requiring fewer reclassification approvals and salary studies for employees who believe their pay is not commensurate with their existing duties.

The Department should seek to reduce the number of classifications across all departments, utilizing broad banding to shrink the number of classification titles within each series. While this would not necessarily result in salary changes for current employees, this would represent a significant shift in the City's approach to employee classification. As such, it would be an initiative requiring involvement from executive staff and cooperation from the City's collective bargaining units.

- Propose the shift to a broad band salary system to City Council and gauge the bargaining units' level of receptiveness during collective bargaining.

- Assign staff to develop a framework for the salary bands, including a classification description for each one as described in the preceding recommendation, OR, contract with a professional services firm to develop a broad band salary system for implementation over the coming 2-year budget cycle and in the next CBA negotiations.

The City has begun to conduct a classification study for job descriptions in the accounting series. This initiative represents an important step toward reducing the existing job classifications into a manageable number that are applicable across multiple departments. This classification study should employ the Department's current practice of collaborating with multiple departments, especially those impacted by classification changes for employees who serve across multiple departments/divisions. Additionally, the City will learn from this exercise how best to approach classification studies in the future, gaining insights that can be applied to job descriptions in other departments on a regular ongoing basis.

Recommendation 21 – The Department should propose the development and implementation of a broad band citywide salary schedule to reduce hierarchy and promote internal movement and increased pay incentive.

6. ANALYSIS OF SAFETY

The Safety Division is responsible for promoting a culture of workplace safety within the City of Riverside. This includes scheduling and providing department-specific safety training to City employees, tracking and reporting on safety incidents, and disseminating safety policies and procedures to City departments. The Safety Division is staffed by three positions: Sr. HR Analyst, HR Specialist, and a Sr. Office Specialist. The key issues related to the Safety Division is safety inspections / compliance with OSHA Regulations, the Vehicle Incident Review Board, and updated safety policies.

(1) Inspection of Conditions Based on WC Claims

It is considered a best management practice for the department to evaluate workers' compensation claims annually and conduct safety inspections to prevent further workers' compensation claims. The Department keeps a log of the injuries and the types of injuries by department for the City. The following table shows the number of injuries by Department for the past three years.

DEPARTMENT	2013 Injuries	2014 Injuries	2015 Injuries
City Clerk's Office	1		
Community Development	5	1	
Finance	1	1	
Fire	72	37	41
General Services	5	1	
Human Resources	2	2	4
Innovation Technology		1	
Library	5	2	1
Museum	1	1	
Parks, Recreation & Community Services	9	10	11

DEPARTMENT	2013 Injuries	2014 Injuries	2015 Injuries
Police	101	154	154
Public Utilities	59	61	37
Public Works	60	41	49
GRAND TOTAL	**321**	**312**	**297**

As the table above shows, the total number of injuries has declined between 2013 and 2015. However, injuries associated with the police department increased between 2013 and 2014, and between 2014 and 2015 the number of injuries stagnated. Injuries associated with Parks & Rec services also increased.

To provide better context to this information the project team also gathered information regarding the number of workers' compensation claims. The following table shows the number of claims for the same three years by each department.

DEPARTMENT	2013 Claims	2014 Claims	2015 Claims
City Manager	1		
Community Development	3	5	2
Finance	2	3	
Fire	63	44	40
General Services	4	13	7
Human Resources	1	1	
Library	11	5	3
Mayor			1
Museum	2	1	
Parks & Recreation	26	21	22
Police	119	140	116
Public Utilities	59	57	50
Public Works	58	30	35
GRAND TOTAL	**349**	**320**	**276**

As the table above shows the number of claims have also declined between 2013 and 2015. This is true for all Departments except for General Services, for which overall the number of claims increased between 2013 and 2015, even though they declined between 2014 and 2015.

Currently, the Department does not evaluate this information to conduct facility or floor inspections for those Departments that have a high number of injuries as well as workers' compensation claims such as Police, Public Utilities, Public Works, and Fire.

The Safety Principal HR Analyst should set up an annual schedule for inspections for each department and city facility (police stations, city hall, fire stations, recreation centers, etc.) in regards to ensuring that they have a safety manual in place, there are no OSHA violations, and that if there were any workplace injuries or workers' compensation claims that those issues have been addressed. This annual schedule of inspections should be split between the three positions in the Safety unit to ensure that all facilities are inspected at least once a year. Other facilities such as City Hall, should perhaps be thoroughly inspected every six months.

Recommendation 22 – Annual facility / floor inspections should be conducted to ensure that City Departments are in compliance with OSHA regulations and to reduce the number of injuries / workers' compensation claims for the city. These inspections should be divided between the three positions in Safety.

(2) Vehicle Incident Review Board – Preventable Incidents

The Principal HR Analyst in the Safety Division also oversees the Vehicle Incident Review Board Meetings, which evaluates all preventable incidents and not just vehicular accidents. The board meets on a monthly basis to discuss each incident and come to a resolution regarding the various incidents. The resolutions vary in nature from counseling / coaching to oral / written reprimands to termination. The following table shows by the number of preventable incidents by status, and average time elapsed to resolve the incident.

	2013		2014		2015	
Status of Incident	**# of Incidents**	**Days to Resolve**	**# of Incidents**	**Days to Resolve**	**# of Incidents**	**Days to Resolve**
COACHING	17	44.88	19	37.63	16	52.5
COUNSELING	7	52.71	6	17.83	2	44
IN PROGRESS			1		5	

	2013		2014		2015	
Status of Incident	**# of Incidents**	**Days to Resolve**	**# of Incidents**	**Days to Resolve**	**# of Incidents**	**Days to Resolve**
NO ACTION	8	39.83	20	87.05	5	113
ORAL REPRIMAND	17	37.35	14	31.07	9	62
SUSPENSION			3	43.67	1	111
REDUCTION IN PAY	1	21.00				
TERMINATION	1	66.00				
WRITTEN REPRIMAND	8	42.25	8	48.63	3	35.67
TOTAL	**59**	**42.65**	**71**	**50.26**	**41**	**63.03**

As the table above shows the number of incidents increased between 2013 and 2014 substantially but then declined again in 2015. While the number of preventable incidents declined between 2015 and 2013, the average number of days to resolve an incident increased by 20 days between 2013 and 2015. It is also interesting to note that more often than not incidents are typically resolved either through no action or through coaching and counseling. Nearly, a third of the incidents in 2013 did result in oral reprimands, but this proportion dropped significantly for 2014 and 2015. However, it is important to note that the average number of days to resolve no action incidents in 2015 was 113 days, 26 more days than 2014 and nearly triple the amount of days from 2013.

The Division has recently filled the vacant HR Specialist position, which will allow it to focus on resolving many of these Vehicle Incident Review board incidents, especially those resulting in no action in a timely manner. It should not take more than 2 months for cases to be resolved that result in coaching, counseling, or no action. Reducing the resolution time for preventable incidents needs to be a high priority for the Department. Including these resolution timeframes as part of a performance measure and identifying specific goals will urge Safety staff to efficiently and effectively resolve issues at the Vehicle Incident Review Board meetings. Having Safety division fully staffed will also allow the Principal HR Analyst to analyze the reasons behind certain preventable incidents taking hundreds of days to be resolved; whether it is staffing levels or if it is an issue related specifically to those incidents.

Recommendation 23 – The Department should ensure that the recently filled HR Specialist position is utilized to resolve preventable incidents in a reasonable timeframe (typically 2 months).

(3) Safety Policies

The Safety Division has a Human Resources Safety and Health Policies and Procedures Manual that is distributed to each department. The manual identifies the elements of an Injury and Illness Prevention Plan that must be complied with by all city employees. The policy states that the plan should be reviewed annually. There are various components of the plan, and many of the components of the plan have not been reviewed since 2014, suggesting that the annual review for those components is not taking place.

It is important for the Principal Human Resources Analyst to not only annually review the Safety and Health Policies & Procedures Manual, but also ensure that every department has a copy of this manual. The copy of the manual should also be placed on the employee intranet; so all employees have access to the information in the manual. The annual review of the different elements could be as simple as verifying that the policies and procedures are still appropriate or an in-depth review of each component to ensure that there are no missing policies or procedures form the manual.

There should be an injury and illness prevention binder at all city facilities that should be accessible to all City employees, so that they can inspect the last time a certain facility was inspected and the different types of safety hazards for each facility.

The Principal HR Analyst in safety should also work closely with the Training Principal HR Analyst to set up annual safety trainings for departments, especially for departments with large number of injuries and incidents (public works, public utilities, fire, etc.) This will allow the Principal HR Analyst to directly communicate the safety policies and procedures with any new employees / supervisors or managers. Additionally, if safety training is not already a part of new employee orientation, new employees should be made aware of the Safety Hotline and any emergency evacuation plans and procedures.

Recommendations 24.1 – The Principal HR Analyst for Safety should annually review all components of the Health & Safety Policies and Procedures Manual. This manual should be distributed to all City departments and there should be a copy made available on the intranet.

Recommendations 24.2 – An injury and illness prevention plan binder should be at every facility / floor in the City.

Recommendations 24.3 – Safety training should be mandatory training for all new city employees, including identifying employees of the Safety hotline that is available to all city employees.

7. ANALYSIS OF EMPLOYEE & LABOR RELATIONS

The Employee and Labor Relations Division is responsible for managing employee satisfaction and addressing employee complaints, including recording and investigating complaints and grievances filed by City employees, coordinating external investigations of complaints, supporting City staff in collective bargaining negotiations, facilitating drug and alcohol testing, and managing employees' FMLA usage.

The primary issues facing Employee / Labor Relations are lack of compliance with citywide purchasing policies, tracking of investigations data, mitigating repeat grievances, and the need to exercise control over the use of FMLA leave both at the beginning of an absence and as employees with prolonged leave remain absent from work. The Department should also implement a regular survey to gauge employee opinions about the climate and environment of the workplace.

(1) Use of Contracted Resources for Handling Employee Issues.

Currently, the Human Resources investigates all complaints related to allegations where workplace harassment, discrimination, retaliation and violence are involved. All other types of complaints such as misconduct are handled at the Departmental level. The complaints handled by Human Resources are either investigated internally with HR staff or contracted out to an external resource.

Currently investigations are contracted out based upon the workload of the Employee / Labor Relations Staff. The Deputy Human Resources Director for Employee / Labor Relations limits staff to investigating 2-3 complaints simultaneously. Therefore, if additional complaints arise during that same time period those are typically contracted out. There are some exceptions, depending upon the type of complaint, it could still remain an internal investigation, but there are no clear written policies and procedures dictating this practice.

In many other jurisdictions, external investigations are typically reserved for unique cases or circumstances where a conflict of interest may arise if handled internally. Generally, all other investigations are handled internally. These are a clear set of standards that can be easily applied by any manager of the Employee / Labor Relations division. The Employee / Labor Relations division should adopt a formalized written policy / procedure in place that identifies the situations in which investigations should be contracted by contracted resources to ensure consistent approaches in handling employee investigations. These situations could include high profile cases or highly sensitive cases.

The project team gathered information on the number of contracted reviews conducted by the Department. The following table shows the breakout of complaints for each year that were handled internally compared to being contracted out.

Assignment	2013	2014	2015
Internal	19	19	23
External	5	9	10
TOTAL	**24**	**28**	**33**

As the table above shows. the number of external reviews has doubled between 2013 and 2015. This is primarily due to the vacancy of the Principal HR Analyst in Labor / Employee Relations unit. On average about 28% of complaints were handled through external means.

Based upon invoices provided by contracted resources, the project team calculated the dollar value of the investigations, along with the total hours that the contracted resources billed for their services. The following table shows by calendar year the total dollar value of external reviews, and the total number of hours, and the equivalent number of employees.

External Reviews	2013 (Annualized)	2014	2015	Average
Total Dollar Value	$34,852	$61,822	$69,519	$55,398
Total Hours	222.40	383.30	346.10	317.27
Equivalent FTE[2]	0.13	0.23	0.20	0.19

As the above table shows, the Department on average spends about $55,000 on external investigations annually. Based upon the hours billed by the external resources that equates to about 0.19 of a FTE or less than a quarter of a full-time employee's time if done internally. However, the cost of the external resource costs

[2] The equivalent FTE is calculated based on a productive rate of 1700 hours, which is a standardized number that accounts for vacation, holidays, sick leave, breaks, and meeting hours.

the equivalent of an entry level Human Resources Analyst (excluding benefit costs).

It is important to note that the 0.19 FTE only accounts for direct hours spent conducting meetings, interviews, and / or calls, as typically consultants bill for all direct time on investigations. The 0.19 FTE does not account for any indirect time associated with investigations such as paperwork, coordinating with employee, discussions with City staff, etc., essentially activities that are currently handled by City employees only. However, even accounting for additional time for those duties, the division has a vacant Principal HR Analyst. Filling this position will enable the Division to internally conduct investigations and eliminate the need for external investigators (except for special cases). Eliminating external investigations will result in annual cost savings of approximately $55,000, which is the base cost of a Step 1 Human Resource Analyst.

Additionally, it is considered a best management practice for investigations to be conducted internally, as Human Resources staff have a greater understanding of city employees, internal policies, and procedures – except where there are unique circumstances that warrant an arm's length handling such as a conflict of interest or a very difficult or high liability situation. This understanding enables investigations to address not only the direct complaint but also any underlying issues that are associated with the complaint or the investigation. Conducting these investigations internally would also mitigate the need for Human Resources to go through an RFP process to contract with external investigators and result in time and resource savings associated with that. Similarly, it would also ensure that the department is complying with current procurement policies.

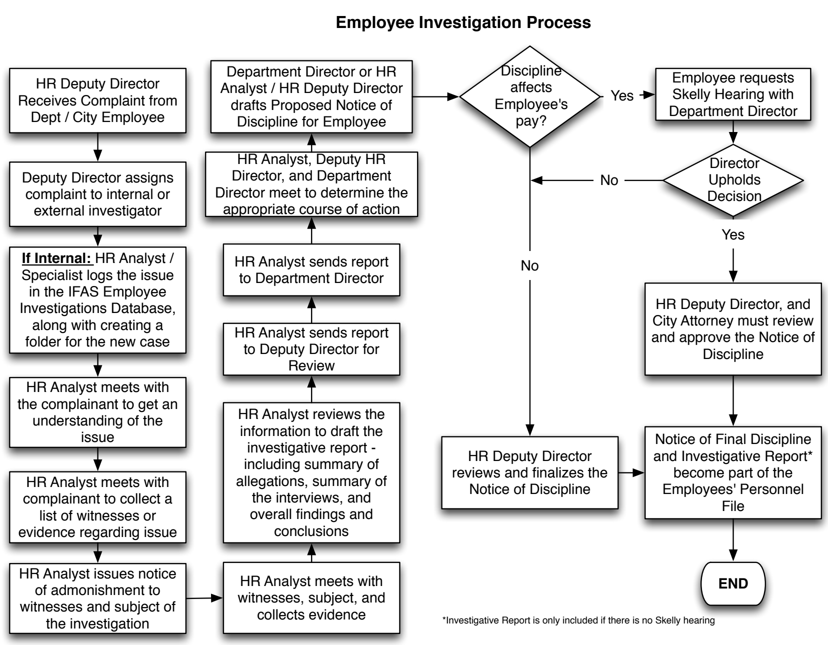
Recommendation 25.1 – The Department should develop a consistent policy identifying which employee issues will be handled internally versus through the

use of contacted resources. This could include specifically identifying workload levels, but for greater consistency should be based on the type of investigations, liability risk, and conflicts of interest.

Recommendation 25.2 – If the department chooses to staff its vacant Principal HR Analyst position, there would be minimal need to conduct external investigations (except for limited situations such as highly sensitive or conflict of interest cases). Elimination of the the heavy use of external resources would result in cost avoidance of $55,000 annually.

(2) Internal Investigations

As discussed, Employee / Labor Relations staff conduct investigations of all workplace related harassment and violence allegations. The majority of these investigations are not contracted out to external investigators. The complete investigation process for investigations conducted internally, as the process was in place during site visits (the process has since been modified to eliminate the City Manager approval) is reflected in the following chart:



As the flowchart indicates there are several steps that are involved in internal reviews, including gathering list of witnesses, collecting evidence, and interviewing witnesses and the complainants. If there is a Skelly hearing involved, then the total time for the investigation to be resolved can be prolonged. However, this is only typically done if the proposed notice of discipline affects an employee's property rights (or pay). The purpose of the flowchart on the previous page is to provide an idea of the typical steps that are taken for internal investigations.

The project team also gathered statistical information regarding the total number of complaints that were investigated by the HR Department. The following table shows the total number of complaints by type of complaint for the last three years.

Type of Complaint	2013	2014	2015
CDL SUSPENSION	6	1	3
ABUSE OF LEAVE	14	5	2
ACT INCONSISTENT WITH POLICY			2
ALCOHOL/DRUGS	2	3	2
DAMAGE TO PROPERTY		1	
DISHONESTY	7		1
FALSIFYING TIME	1	1	
HARASSMENT	3	10	5
INAPP USE	1	2	1
INSUBORDINATION	2	7	2
JOB ABANDON	1		3
LAW VIOLATION	5	1	3
LEAVING WORK	1	1	
NEGLIGENT PERF	49	46	18
SAFETY RULES	1	1	1
SCHEDULE	6	3	1
SLEEPING			1
STEAL /SABOTAGE	1		
THREAT	3	1	
UNSAFE OPER	55	50	39
NO DISCIPLINARY ACTION RECORDED	51	69	143
TOTAL	**209**	**203**	**228**

As the table on the previous page shows the total number of complaints has increased by 9% between 2013 and 2015. However, the number of disciplinary complaints for which no action was recorded increased by 180%. This lack of tracking of disciplinary action is due to staff shortage in employee / labor relations. Staff also recorded where possible the total number of working days it took to investigate those complaints. The following table shows the average number of working days it took to close each complaint by the type of complaint.

Type of Complaint	2013	2014	2015
CDL SUSPENSION	51.17	2.00	47.00
ABUSE OF LEAVE	15.43	36.80	2.5
ACT INCONSISTENT WITH POLICY			8.00
ALCOHOL/DRUGS	19.50	87.67	39.50
DAMAGE TO PROPERTY		14.00	
DISHONESTY	71.57		1.00
FALSIFYING TIME	42.00	14.00	
HARASSMENT	109.00	80.80	56.50
INAPP USE	59.00	22.00	27.00
INSUBORDINATION	14.00	72.86	55.50
JOB ABANDON	40.00		19.33
LAW VIOLATION	19.0	110.00	21.67
LEAVING WORK	2.00	184.00	
NEGLIGENT PERF	31.57	35.15	20.33
SAFETY RULES	30.00	96.00	30.00
SCHEDULE	27.33	43.67	3.00
SLEEPING			77.00
STEAL /SABOTAGE	98.33		
THREAT	104.33	47.00	
UNSAFE OPER	47.60	41.86	59.38
NO DISCIPLINARY ACTION RECORDED			
TOTAL	**40.69**	**45.96**	**42.83**

As the table above shows, overall, the average number of days it takes to investigate complaints has stayed fairly consistent between 41 to 46 days through the past three years. Staff also recorded the total number of working days it took to investigate those complaints. The following table shows the average number of working days it took to close each complaint by the type of complaint.

Type of Complaint	Avg Days 2013	Avg Days 2014	Avg Days 2015
Discrimination	284.67	Data Not Available	77.33
Harassment / Retaliation	41.83	89.57	49.11
Lawsuit	34	78	Data Not Available
Sexual Harassment	Data Not Available	65.25	60
Violence	4	Data Not Available	N / A
TOTAL	**103.91**	**76.69**	**56.46**

As the table above shows, overall, the average number of days it takes to investigate complaints has declined in half between 2013 and 2015. The average number of working days shown in 2013, 2014, and 2015, reflect that it took about 5.2 months to close a case in 2013, 3.8 months in 2014, and 3 months in 2015. It is important to note that the overall average represented above is for both internal and external investigations. If external investigations are excluded from the calculation, the average number of days for 2013 drops to 42, 2014 increases to 86 days, and for 2015 drops to 53 days.

The harassment data also revealed that the Department currently has five open investigations, one of which is from 2014. This investigation that is open from 2014 is in the midst of a lawsuit and has been open since January 2014. Similarly, the other open investigations from 2015 are also external. There is one exception, as there is an open investigation that is internal and has been open since September 2015. This suggests that this investigation has been active for 139 working days or almost 7 months.

As part of the investigations process the department is also responsible for advising department's regarding the discipline that is issued by the Department, as the flowchart indicates. The Human Resources Department keeps track of if there is any discipline that is issued. In certain cases the types of discipline is also recorded. The following table shows the data for the past three years, whether the employee was disciplined as a result of the investigation.

Type of Disciplinary Action	2013	2014	2015
Performance Improvement Plan	-	1	-
Coach	29	34	28
Counseling	47	63	112
Oral Reprimand	45	41	36
Written Reprimand	37	26	22
Suspension	10	13	5
Reduce Pay	5	3	2
Demotion	3	1	-
Termination	14	8	14
Last Chance Agreement (LCA)	3	2	1
Prob Rel	11	7	3
End of Temporary Employment	5	4	5
TOTAL	**209**	**203**	**228**

The table above shows that the majority of cases resulted in benign types of discipline such as coaching, counseling, oral, or written reprimands. The following table breaks out the number

Tracking the type of discipline issued in these cases in more detail is helpful to the department in setting standards related to the types of discipline that should be issued based upon the type of complaint or issue that is being investigated. For example, in regards to abuse of leave, there have been 14 cases of which 5 resulted in coaching, and 3 resulted in oral reprimands. Similarly, CDL Suspensions have resulted in either demotions, terminations, or last chance agreements. This could serve as a centralized database for Human resources staff to provide to Departments to promote consistency in application of discipline by providing information on penalties imposed in the past for similar violations.

Recommendation 26 – The Department should utilize its current disciplinary and investigation statistics to measure its effectiveness at resolving complaints as well increasing standardization of response to internal complaints and investigations.

(3) Procedure for Preventing Repeated Grievances

Currently, the Human Resources department does keep track of grievances that are filed by employees. However, there is no formal policy in place that ensures that once grievances are resolved those same grievances do not occur again for employees within the City, which is considered a best management practice. The following table shows by the type of issue the number of grievances over the past three years.

Type of Grievance	2013	2014	2015
ADA Industrial	1		
Disciplinary Appeal	16	22	24
MOU Interpretation	24	27	15
Policy Interpretation	4	5	
TOTAL	**45**	**54**	**39**

As the table above shows the total number of grievances declined between 2013 and 2015. The statistics suggest that the total number of grievances associated with MOU interpretation declined significantly between 2013 and 2015. This is because, typically grievances that were related to MOU interpretations resulted in changed MOUs, which then ensured that those same MOU issues / grievances were not filed again in following years. Other grievances, such as policy interpretations, or disciplinary appeals should also be addressed similarly. Disciplinary appeals increased significantly between 2013 and 2015. The Principal HR Analyst in employee / labor relations should utilize the information in this table to investigate the types of disciplinary appeals. Is it only one or two departments? Is it the same bargaining unit? Are the appeals all related to similar types of disciplines? A trend analysis could indicate and help HR staff address the issues prior to them becoming employee grievances.

Besides focusing on the issues of grievances, another methodology staff could employ to limit the number of grievances would be to analyze the departments that file grievances. The following table shows the number of grievances filed based upon the City department.

Department	2013	2014	2015
Community Development	3	11	1
Finance	3		
Fire	3		2
General Services	1	1	
Library	1	3	
Police	3	5	11
Parks, Rec, & Comm Svcs	6	2	4
Public Utilities	15	17	8
Public Works	10	15	13
TOTAL	**45**	**54**	**39**

As the table above shows that there are four departments that consistently have grievances each year: Police, Parks & Rec, Public Utilities, and Public Works. For all four of those departments, the most common grievance was related to MOU interpretations except for in 2015 when it was related to disciplinary appeals. Training is provided to supervisors / managers regarding key City policies, including rights of employees to file grievances. Additionally, staff informally engages employees and unions to resolve grievances prior to escalating to the grievance level. In the past two years, the Director and Deputy Director of Human Resources engaged win team building sessions with SEUI and management from two other departments to address workplace issues. However, the data suggests that HR staff should continue these efforts their efforts during the collective bargaining process or through a separate process provide specific training to employees in those top four departments regarding city policies and the MOU agreements. This would minimize the number of grievances that are filed related to MOU and Policy interpretations. Similarly, as suggested above, perhaps policies related to disciplinary measures and additional training regarding employee rights and job duties should be performed to mitigate those types of grievances.

Recommendation 27 – Employee / Labor Relations staff should continue its informal strategies of team building activities, but also analyze grievance information annually to identify areas where policy or MOU changes or additional training would be beneficial to minimize the number of grievances handled annually. The greatest focus should be on the larger departments such as Police, Parks & Rec, Utilities, and Public Works.

(4) Tracking Resolution time of Grievances

As part of the tracking of grievances, the Department also tracks the total amount of days it takes to resolve grievances. On average it takes the Department about 70 days to resolve grievances. The following table shows the average days it took to resolve grievances for the past three years by the type of grievance.

Grievance Issue	Avg Days 2013	Avg Days 2014	Avg Days 2015	Overall Average
ADA Industrial	30.00			30.00
Disciplinary Appeal	73.30	63.81	86.94	74.68
MOU Interpretation	50.00	83.00	40.00	57.67
Policy Interpretation	35.00	47.00		41.00
TOTAL	**56.72**	**73.20**	**73.80**	**67.91**

The table above shows that overall it takes about 68 days to resolve a grievance. It is important to note that these days reflect working days and not calendar days. This suggests that 68 working days is approximately 3.5 months to resolve an employee grievance. Certain grievances such as ADA industrial or Policy Interpretation take less time (30 and 41 days respectively), whereas Disciplinary Appeals take about 75 days on average, which is almost 4 months. Less than 10% of overall grievances were resolved in less than 20 days or within a month of being filed.

Each bargaining unit identifies strict guidelines regarding timely resolution of grievances. These guidelines indicate that grievances must be filed within 10 days of the incident, and within 10 days of filing there should be an initial decision. Within 10 days of the initial decision there can be an appeal to the decision or the union can elect to go to arbitration. From date of filing to date of resolution, the MOU's specify a 20-30 day timeframe. Only 10% of all grievance cases within the last three years met that deadline. In 2015, only 13% of grievance cases were resolved in less than 20 days, or 6 out of the 39 grievance cases.

To provide further context regarding the number of grievances that were closed in a timely manner, the project team collected information regarding grievances whose date closed was never filled with a date or a "closed". The following table shows by grievance issue the number of cases that are open or in progress.

Type of Grievance	2013	2014	2015
Disciplinary Appeal	0	4	4
MOU Interpretation	0	4	4
TOTAL	**0**	**8**	**8**

As the table above shows that in 2014 and 2015 each there about 8 cases one, meaning that overall the Department currently has 16 active grievance cases. This reflects on average that 15-20% of grievances each year are left unresolved / open. The oldest grievance case is from January 2014 so more than 2 years ago, and the most recent case was filed in December 2015, so reflecting about 4 months. This data does not account for any cases that have been filed in the calendar year 2016. The data in this section suggests that currently the Department is not doing a good job resolving grievances in a timely manner.

The Department should utilize the MOUs to develop different targets for resolutions and track grievance resolution at each step in the process to better demonstrate that perhaps grievances are not being resolved in a timely manner due to interference / instruction from unions.

Another potential reason for lack of timely resolution for grievances could be related to the vacant Principal HR Analyst position. Filling this vacant Principal HR Analyst position would help eliminate or minimize the number of open cases. Additionally, it can also help minimize the number of working days it takes to resolve grievances.

Recommendations 28 – The Department should utilize the grievance timeframes identified in MOUs as the target timeframes for grievance resolution. This can be used as a performance measure, as well as improve customer service for the Department.

Recommendations 29 – The Department should fill the vacancy of the Principal Human Resources Analyst to address the number of "open" grievance cases as well as improve the resolution time for cases.

(5) Reinforcing Conditionality of FMLA Leave Upon Approval

In order to be approved for leave under FMLA, the Human Resources department must duly approve the proposed leave as an FMLA-eligible absence. This requires that an FMLA request be sent to the HR Department, the medical provider to complete and return a certification form, the employee must be eligible for FMLA leave, and their supervisor must sign and return a "request for leave" form. It is then the responsibility of the individual who records the employee's time (either the employee themselves or a supervisor) to properly code them for FMLA leave during their absence(s).

The current FMLA request and approval process does not have a measure in place to ensure that employees only code FMLA-eligible absences. As a result, instances arise when employees attempt to take FMLA leave when they are not eligible for it, or when they have already exhausted the FMLA leave for which they are eligible. Misuse of FMLA leave creates redundant and unnecessary work for HR staff, requiring them to process requests and designations for leave after the fact and coordinate with payroll to appropriately code employee time. FMLA leave that is inappropriately used can be retroactively changed to sick or general leave, which can also result in frustration on the part of the employee.

To prevent these situations, the Department should seek to implement an electronic model of FMLA leave application, which would make the process more efficient, improve accuracy, and provide the Department with an enhanced level of control and the ability to notify employees of their eligibility - or lack thereof - early in their application process. Until these technological improvements can be implemented, the Department should expand training for supervisors and any employee responsible for entering their time to remind them that they should never code time as FMLA leave until they have sent in their paperwork to HR and received initial confirmation of eligibility, and that they should always give advanced notice if they or one of their employees plan to take FMLA leave. Instructions about the FMLA process should be included in new employee orientation and all training for new supervisors. Reminder instructions should also be sent biannually in an email to supervisors and any employee responsible for entering their time.

If possible, a reminder feature should also be included in IFAS so that when an employee attempts to enter FMLA leave, they are reminded by email or pop-up that Human Resources must verify eligibility before proceeding.

Recommendation 30.1 – The Department should automate the processing of FMLA leave applications to improve efficiency, accuracy, control, and communication regarding FMLA leave and eligibility.

Recommendation 30.2 – The Department should ensure that all employees, supervisors, and timekeepers are instructed that they cannot use FMLA time until eligibility has been approved by Human Resources. This should be incorporated into new employee onboarding as well as supervisor training. It should also be regularly sent as an email to all employees who are responsible for entering employee time.

Recommendation 30.3 – The Department should coordinate with the Finance and IT Departments, if possible, to modify IFAS so that employees see a reminder about proper FMLA procedures before they are able to enter FMLA leave.

(6) Timeline for Transition from FMLA Leave to ADA/General Leave

When an employee is forced to take a prolonged leave of absence that uses up their available FMLA leave, they often use accrued sick leave once their FMLA leave has been exhausted. This sometimes requires HR staff to retroactively designate time away from work as sick time or other types of accrued leave if the exhaustion of available FMLA leave was not anticipated. When FMLA leave and sick time have both been exhausted, employees transition to a general leave of absence. The City's policy[3] allows for one year of unpaid general leave of absence, after which the City enters into the ADA's interactive process prior to terminating the employee.

The fundamental flaw with the current arrangement is that the Department has not established a clear timeline for starting the one year countdown for an employee's general leave of absence. When FMLA leave has been exhausted, the employee can use other accrued leave balances and buy back additional time (if they are eligible) through the State's disability insurance buyback program to remain on leave, and the City does not have a specified timeframe for when employees will be required to begin

[3] Personnel Policy Section V, Article 6

the ADA's interactive process. As a result, employees can remain absent from work for well over a year, and sometimes close to two years, without initiating the interactive process. In order to eliminate this issue, the Department should begin to strictly enforce the one year policy as its language specifies:

> *City Manager - May approve requests for up to one year. The one year period includes the prior leaves taken for the same reason.*

And:

> *Unpaid leave taken under the Family, Medical and/or Pregnancy Disability Leave policy shall be counted as time allotted under this policy.*

Strict enforcement of this policy would mean that the one year timeline would begin when employees first take FMLA leave, and would include any accrued leave or leave acquired through the SDI buyback program as well as their FMLA leave. This would mean that when employees have been absent for one year on leave of any type, the City is able to initiate the interactive process to require them to return to work or risk termination.

Recommendation 31 – The Department should strictly enforce its general leave policy to ensure that employees who are absent from work for one year under leave of any type are eligible for initiation of the interactive process requiring them to return to work and/or to require appropriate leave time.

(7) Expansion of Light/Modified Duty Program to FMLA Leave

The City currently has a light and modified duty program to help employees back to work when they are on workers' compensation, thus saving the City the cost of paying medical costs and disability claims. This program does not currently extend to employees who are missing work due FMLA leave.

In order to encourage employees to return to work quickly and make accommodation so that it is easy for them to do so, the Department should consider expanding the light and modified duty program to employees who are absent on FMLA leave, even if they are not on workers' compensation. This would reduce the workload strain placed on their colleagues by their absence and reduce the risk of extended absences and FMLA leave abuse.

Before moving to expand the program, the Department should first calculate the costs and benefits of using light and modified duty for FMLA leave users to determine if such an expansion would produce a cost benefit for the City in the way that it does for workers' compensation. Some considerations for making this determination would include:

- Unlike workers' compensation, FMLA leave users do not receive medical care cost reimbursement payments or disability payments from the City.
- Unlike worker's compensation, FMLA leave users are not all absent from work because of their own physical ailment. Light duty would be mostly irrelevant for an individual missing work because of a family member's condition.

These factors should be fully considered before moving forward to ensure that the expansion of light and modified duty to include FMLA leave users would save the City a sufficient annual sum to justify the additional effort.

Recommendation 32 – The Department should consider expanding the City's light and modified duty program to include employees who are out on FMLA leave. The Department should calculate the cost/benefit of such an expansion before proposing to move forward with it.

(8) Leave Abuse Tracking and Prevention

Any leave abuse is monitored and investigated by the Human Resources Department. In the investigations conducted over the last three years, the number of leave abuse disciplinary actions has decreased, as shown in the following table:

Year	# of disciplinary actions taken
2013	17
2014	7
2015	4

Additionally, leave related issues arose in a number of grievance complaints during 2013, and a grievance was filed in 2015 related to MOU interpretation of sick leave.

As such, neither the City nor the Departments appear to have a formal system in place to track sick leave abuse. The project team was able to obtain data on FMLA leaves. The following table shows the number of employees using FMLA leave, the total employees, and the resulting percentage.

Year	# of Employees on FMLA Leave	Total Active Employees	% of Employees on FMLA Leave
2013	278	2475	11%
2014	249	2487	10%
2015	233	2368	10%

The table above shows that on average approximately 10% of all active employees took some form of FMLA leave each year.

Currently, the Department has no way of extracting citywide data showing the total number of sick leave hours used. This information can only be extracted on an employee-by-employee basis. Therefore, if there is suspicion regarding specific employees that information can be analyzed, but HR staff cannot extract overall data to conduct any trends or analyses that show the total hours recorded by the different types of leaves.

Recommendation 33 – A report should be generated from IFAS annually that records the total number of leave hours by the types of leave at a department and positional level. This would allow the Department to look for signs of sick leave abuse and focus on trends of leave usage throughout the City.

(9) Employee Climate Tracking

The City does not currently conduct a periodic employee morale survey. Exit interviews are used to gauge the perceptions of separating employees on workplace conditions, but there is no regular employee survey in place. Employee surveys can hold two key benefits for an organization:

- They serve as a motivational tool. When properly implemented, they demonstrate to employees that their voices are heard, their perceptions are important to the organization, and their concerns will be addressed.

- They uncover issues that are not readily apparent. Problems in one department may never reach the ears of HR staff, or may be viewed as a non-issue while they cause frustration to other employees. The confidential employee survey allows all of those issues an opportunity to rise to the surface and be addressed.

In order to provide useful data and a clear picture of employee culture in the City, the Department should coordinate the distribution and tabulation of an annual employee survey. The survey should be entirely confidential, but track responses by department so that results can be analyzed at a reasonable level of detail. The survey should cover topics such as:

- Work environment
- Quality of management/supervision
- Workplace safety
- Training effectiveness
- Professional development and advancement opportunities
- Level of HR support

The survey should be short (no more than 20 questions), and should also include a space for employees to provide feedback to human resources in their own words.

The employee survey should be used as one step in a three-step process of a) survey, b) employee feedback and c) the manager's action plan. When results have been compiled, they should be made available in summary format to city employees as soon as possible. The survey results should be used to drive action on the part of the Department to improve areas where employees bring up issues. The survey must be used as a decision-making tool, which results in visible changes or initiatives, designed to address employee concerns.

Recommendation 34 – The Department should develop an annual employee climate survey, distributed electronically to all citywide staff. The survey should be fully confidential, a summary of the results should be made visible to all staff, and it should be used to direct visible changes and initiatives to address issues raised by its results.

8. ANALYSIS OF WORKERS' COMPENSATION

The workers' compensation function is typically staffed by a team of 5 full time employees and is responsible for administering the City's workers' compensation plan, which includes receiving and recording cases, determining employee eligibility for workers' compensation, and managing the disbursement of workers' compensation funds to employees and providers. The City has passed each of the last 3 state workers' compensation audits, and the division recently published a staff report summarizing key processes and claim volume. However, the workers' compensation program currently functions in a mostly reactive mode, and much of this is due to a workload that exceeds the capacity of existing staffing levels. Until recently, reporting on claims volume and expenses has fallen largely by the wayside, and staff have not taken proactive measures to reduce injury rate or claims volume and expense.

(1) Staffing and Workload Balancing

As noted in the Department's recent staff report on workers' compensation, the adjusters carry a caseload of approximately 170 claims, while assistants manage about

240 claims each. In addition, the Workers' Compensation Supervisor manages a caseload along with her supervisory duties. The following table shows caseload data provided to the project team as of March 15th.

Staff	Caseload
Combs	39
Gomez	244
Tustin	167
Audoma	269
Veasley[4]	100
Total	**819**

Recommended workers' compensation caseloads for adjusters should not exceed 150 claims per adjuster[5]. The current volume of work exceeds this, which places undue strain on staff. As a result, workers' compensation staff have not been able to regularly review their claims diary or take a proactive approach to case management and reporting.

The number of open claims per adjuster should be reduced to be under 150 to ensure that each claim can receive a sufficient level of attention. This will also ensure that adjusters are able to more proactively manage cases and take initiatives to reduce the financial impact that they have on the City. This could be accomplished by hiring an additional claims adjuster to fill the now vacant position. Reducing the number of claims per adjuster is positively correlated with faster case resolution and lower costs per claim[6], which will also help to mitigate the financial toll that workers' compensation claims take on the City.

[4] Veasley caseload now being handled by Combs, for a total of 139 cases.
[5] https://www.ccmsi.com/userfiles/file/Winter_2013_newsletter.pdf, http://sanjose.granicus.com/MetaViewer.php?meta_id=542716, http://www.businessinsurance.com/article/99999999/NEWS080101/399999969
[6] http://risksavers.com/Articles/A_0103.pdf

Recommendation 35 – The Department should strive to bring the number of open claims per adjuster below 150 to ensure that each claim can receive a sufficient level of attention. The lower number of cases will enable adjusters to more proactively manage cases and take initiatives to reduce their financial impact on the City.

(2) Reporting of Claim Volume and Expense

The City formerly produced regular reports on the performance of the workers' compensation program in terms of claim incidence rate, time to case resolution, and total/case-by-case expenditures. More recently, this data has not been collected on a regular, formalized basis, and the focus of the program area has been staying abreast of the caseload with a reduced number of staff.

The Department was able to provide some data[7] to the project team regarding the number of cases opened and closed in 2012-2014. The following table shows the totals:

Year	Opened	Closed
2012	351	440
2013	313	421
2014	294	362

As the table above indicates, more workers' comp cases have been closed than opened in each of the last 3 years, bringing down the total caseload. However, these numbers only tell a small portion of the story.

In order to maintain a clear and current picture of the Department's workload, track effectiveness, and identify trends in the workers' compensation area, the Department should resume the practice of publishing regular (quarterly or biannual) reports on the activity of the workers' compensation program. These reports would include items such as:

[7] Workers Comp Monthly Claims Stats 2012-2015

- Number of cases opened and closed
- Time to resolution of closed cases
- Percent of claims that are litigated
- Annual sum of workers' compensation payments
- Total cost of resolved cases
- Departments where new cases originated
- Types of injuries leading to new cases

Publishing these reports in an accessible format will allow Department management to develop a strong grasp of the City's workers' compensation situation from both the financial and the safety perspective. It will also provide the basis for benchmarking the City's injury rate and taking initiatives to reduce the frequency and cost of claims.

It should be noted that the workers' compensation staff began the process of developing biannual reports on claims received, processed, closed, litigated or otherwise handled over a six-month period, and published a staff report in April which summarized the workload and performance of the worker's compensation program. This was accompanied by a financial overview. These reports represent a positive step toward producing a detailed picture of the workers' compensation program that can be used as a strategic decision-making tool.

Recommendation 36 – The Department should generate and distribute to the Executive Management team and City Council regular reports on the type, duration, resolution, and total cost of claims in order to provide a picture of the City's workers' compensation spending and provide a basis for initiatives to decrease the duration, cost, and litigation of claims and provide appropriate consultation with the City Manager and City Attorney on potential settlements.

(3) Injury Rate Benchmarking and Reduction

The Bureau of Labor Statistics provides annual reports[8] on occupational injury rates, which present a picture of the number of workers' comp accidents in an industry

[8] BLS reports for '13 and '14

for a given year. The numbers are calculated as the number of incidents per 200,000 hours worked in an organization (this is estimated to equal 100 FTE's). In local government, the average statistics for the last 2 fully compiled years are shown on the following page:

Year	Incidence Rate per 100 FTE's
2013	1.74
2014	1.66

In Riverside, the rate of workers' compensation claims was calculated using the annual number of new workers' compensation claims and the number of FTE's from the City's budget. The City's rate is included in the table below:

Year	Industry-wide Incidence Rate per 100 FTE's	Riverside		
		New Claims	Approximate FTE's	Incidence Rate per 100 FTE's
2013	1.74	321	2,620	12.25
2014	1.66	312	2,475	12.61

As the table shows, the incidence rate in Riverside is significantly higher than The industry-wide average for local government. This could be partially due to the fact that Riverside is a full-service city, operating its own citywide utility and police department, high-risk fields that provide services not offered by every municipality. The difference is too stark, however, to attribute solely to the mix of services provided by the City. Even when FTE's and claims attributable to Fire, Police, and RPU are excluded, the City's incidence rate greatly exceeds the local government average:

Year	Industry-wide Incidence Rate per 100 FTE's	Riverside (less Public Safety and RPU)		
		New Claims	Approximate FTE's	Incidence Rate per 100 FTE's
2013	1.74	89	1,146	7.77
2014	1.66	60	1,055	5.69

The Department should set a benchmark (or multiple benchmarks for varying departments/employee classes) for the number of workers' comp-eligible injuries per 100 employees and regularly compare the City's performance against that benchmark. Because of the factors mentioned above which are unique to full-service cities like Riverside, the benchmark may be higher than the nationwide local government average, and it may differ by department. The following table shows approximate incidence rates by department in 2014, and could be used to establish goals for improvement in each department.

Department	Claims	FTE's	Incidence Rate
Community Development	1	110	0.91
Finance	1	50	2.00
Fire	37	255	14.51
General Services	1	71	1.41
Human Resources	2	27	7.41
Information Technology	1	9	11.11
Library	2	61	3.28
Museum	1	15	6.67
Parks & Recreation	10	138	7.25
Police	154	547	28.15
Public Utilities	61	636	9.59
Public Works	41	375	10.93
Grand Total	**312**	**2,294**	**13.60**

The Department's goals for incidence rates should be set according to SMART (specific, measurable, achievable, relevant, and time-sensitive) principles.

Recommendation 37 – The Department should closely track and report on the City's injury incidence rate, establish a benchmark for injury incidence rate, and compare their statistics to this benchmark.

(4) Workers' Compensation Claims as a Decision-Making Tool

The Department should make use of the workers' compensation claim data collected for tracking and reporting purposes as a means of determining where the greatest opportunities for improvement lie in reducing the injury incidence rate. The numbers produced for injuries by department and by type should provide the needed information. For example, the tables on the following page show injury data for 2015, showing some of the most injury-prone departments and the most common injuries in the City.

Department	Number of Injuries	% of all Injuries
Police	154	51.9%
Fire	41	13.8%
Public Utilities	36	12.1%
Public Works	48	16.2%
Total Injuries	**297**	**93.9%**

Injury Type	Number of Injuries	% of all Injuries
Sprain/Strain	97	32.7%
Abrasion	13	4.4%
Contusion	18	6.1%
Other	57	19.2%
Total Injuries	**297**	**62.3%**

As the tables above show, about 94% of injuries come from Police, Fire, Public Works, or RPU, and 52% of those come from the Police Department alone. A third of injuries citywide fall into the sprain and strain category, and four categories of injuries make up 63% of all injuries. This information could be used to focus on appropriate lifting techniques or wellness programs incentivizing for stretching/strength and joint mobility exercises in order to combat the risk of the most common injury types.

Additionally, the Department does not currently have a formal injury reduction plan in place that is focused on decreasing the number and cost of workers' compensation claims. Some of this is due to the fact that there is no full time safety staff, but it remains a strategic deficiency in the City's human resources operation.

The Department should, in conjunction with the hiring of safety personnel and the establishment of a strategic safety plan, use the data generated by the workers' compensation program to assess the locations and types of injuries that are typically the most costly to the city in terms of time lost, litigation, and medical payments. This data should be used to target injury reduction initiatives on the locations and injury types that present the greatest potential for cost savings.

Recommendation 38 – The City should take steps to reduce the number of injuries. These steps could include reviewing injury types/causes to identify patterns, conducting employee workshops and engagement to brainstorm solutions, and evaluation and revision of workplace safety protocols.

Recommendation 39 – The City should assess the typical cost of injuries by cause and focus its injury reduction initiatives on injury types that are generally the costliest to the City and develop preventive programs.

5. SUMMARY OF THE COMPLIANCE AUDIT

This chapter focuses on the compliance audit that was conducted by the project team to measure the department's level of compliance with legal and financial practices and policies of the city.

1. AUDIT OF PERSONNEL FILES

As part of the audit of the Human Resources Department, the project team conducted a review of selected employees' personnel files to determine their compliance with the City's personnel records policy. The personnel records policy states that personnel files should contain documents and records relating to an employee's time with the city from the time of their hire to their termination. This includes disciplinary records, annual performance evaluations, background checks and other pre-employment forms. The policy also requires that grievance files and medical records be kept in a separate file from the official personnel record, so the project team checked personnel records to ensure that no sensitive information regarding grievances or medical conditions was included in employees' personnel files.

The project team randomly selected 25 employees from a list of all active employees and reviewed their electronic personnel file to check for the criteria listed above. The following points outline the key findings of this audit:

- One employee had files and forms visible in their personnel file which included the details of grievance proceedings, attempted termination, misconduct allegations, and a lawsuit against the City.

- No employee files contained visible references to details about medical conditions or other information, which would violate HIPPA.

- 9 employee files were missing records of one or more employee evaluations from years when the individual was employed by the City.

- 8 employee files were missing certifications showing that the individual had passed their initial background or drug/alcohol testing.

- 5 employee files did not include signed acknowledgements of city workplace policies, or were missing a signed orientation checklist.

The following table contains the notes from the project team on the file audit of the 25 employees. As it shows, (10) employee files contained no errors, while others were missing several components.

Employee	Notes
Employee 1	Incomplete orientation checklist
Employee 2	
Employee 3	
Employee 4	
Employee 5	Performance evals for '10 - '12?
Employee 6	
Employee 7	
Employee 8	
Employee 9	
Employee 10	Background check conducted?
Employee 11	Nothing about background check. Some performance evals missing.
Employee 12	Background check?
Employee 13	Nothing about background check. 2013 and 2015 performance evals missing. Details of grievance proceedings, alleged misconduct, and court settlement visible in file.
Employee 14	Nothing about background check. 2014 and 2015 Performance evals missing.
Employee 15	Background check? Drug Test? Orientation checklist not checked.
Employee 16	Harassment acknowledgement? 2013 and 2014 Performance evals missing.
Employee 17	
Employee 18	Did not sign orientation checklist.
Employee 19	2012 Performance eval missing.
Employee 20	Background check?
Employee 21	Background check? 2012 Performance eval missing.
Employee 22	2015 Performance eval missing.
Employee 23	
Employee 24	
Employee 25	Did not sign orientation checklist.

As the summary points and the table on the previous page show, there was only one notable instance of materials in the personnel file, which should have been kept separately. The other errors, while numerous, did not represent a mistaken inclusion of information, but were simply missing employment forms. This could be a filing issue, but it could also be the result of inconsistency in the hiring and onboarding process. The results of this audit demonstrate that while the Department's personnel records management operations show some room for minor improvements, they are generally in compliance with the City's established policies.

2. BENEFITS AND PAYROLL TRANSACTION AUDIT

The project team also audited the current process in place for reconciling benefits and payroll transactions. Benefits payments are calculated and monitored by Human Resources staff whereas the payout of those benefits is managed by Payroll staff in Finance. This segregation of duties is considered a best management practice to ensure that there are appropriate controls in place. However, due to this separation of duties it is essential that benefits deductions are reconciled with payroll amounts.

Currently, an accountant in Payroll conducts these reconciliations on a monthly basis. There is a separate reconciliation that occurs for each benefit. The workbook takes information from IFAS and the billings from the benefits agencies. The reconciliations occur both based on the billings and the information that is in the General Ledger. If there are any errors that arise due to the reconciliation, either a miscalculation of a benefit deduction or employee coded information incorrectly in IFAS, the accountant informs the benefits staff. The benefits staff will go into IFAS and manually make some corrections and adjustments to better reflect the billings from the insurance agencies. This typically happens in relation to new employees. The following exhibit shows a screenshot of a typical reconciliation workbook:

Reconciliation Summary
Vision Plan / 211385
February 2016

Bill Reconconciliation

Vendor Enrollment		
Regular - Active	23,538.40	
Regular - Spouses	61.70	
Verified Adjustments	(301.12)	**23,298.98**
IFAS Activity		
IFAS Activity	(23,480.74)	
Cafe Adjustments	-	
IFAS Adjustments	142.44	**(23,338.30)**
Pending Items		
Vendor Error	15.54	
Timing Difference	0.14	
HR Referral	23.64	**39.32**
Difference		**0.00**

Sweep Calculation

Claims Paid	(21,913.82)
Payroll	23,338.30
Pending items	(39.32)
Cleared - no JE	66.00
Sweep	**1,451.16**

GL Reconconciliation

General Ledger balance @ 12/31/15		**(178,170.48)**
Standard Items		
Sweep (Past Months)	164,898.09	
Sweep (Current)	1,451.16	
Subsequent Payrolls	11,634.00	
Pending JE	-	
Pending JE	-	
Clearing JE	-	
CAFÉ Adjustments	-	
IFAS Adjustments	142.44	**178,125.69**
Residual Balance		**(44.79)**
Clearing Items		
Prior Months' Balance	12.25	
Cleared Items	(6.78)	
Vendor Adjustments	15.54	
Timing Differences	0.14	
HR Referral	23.64	**44.79**
Difference		-

Residual Balances

Month	*Beginning Balance*	*Cleared Items*	*Ending Balance*
Dec-15	10.25	(15.00)	(4.75)
Jan-16	61.22	(44.22)	17.00
Feb-16	39.32	(6.78)	32.54
		(66.00)	**44.79**
Total JE	142.44		

As the exhibit on the previous page indicates that in February 2016 there were no errors based upon clearing items and pending items there was complete reconciliation for the vision benefits for the City of Riverside. This reconciliation practice should continue to be done on a monthly basis and on a benefit-by-benefit basis. As discussed above the majority of these errors in reconciliations are due to new employees, therefore, benefits staff prepare manual adjustment worksheets accounting for any differences in reconciliation to alert finance of the potential “errors” that will be identified during the typical process. Similarly, errors due to “inactive” billings are also monitored by benefits staff and finance is notified if there are going to be potential errors due to those “inactive” employees prior to any reconciliation. Benefits staff should continue to proactively mitigate these errors and if possible determine if there are workarounds in IFAS that can help reduce the need for manual adjustments for new hires or “inactive” billings to reduce the workload associated with benefits staff.

Recommendation 40 – The Benefits and Payroll staff should continue to do monthly reconciliations of benefits and payroll deductions. Staff should work with finance and IT to determine if there are any system safeguards that can be set up in IFAS to help mitigate these errors automatically rather than requiring manual adjustments.

3. PROCUREMENT POLICY COMPLIANCE

During discussions with Employee / Labor Relations staff it was revealed that currently investigations are contracted out based upon the workload of the Employee / Labor Relations Staff. In previous years the external investigators for the Department were typically small private investigation firms; however in 2015 the Department was notified that there is a specific insurance requirement / threshold that must be met by any external contractors with the city. As such starting in September 2015, the

Department started issuing contracts to different set of firms, which typically included attorney investigators. Staff acknowledged that the decision to award investigations to small firms compared to attorneys was based on the scope / complexity of the case as well as the financial resources of the department. Prior to that external investigators were simply paid through the city's request for payment process or through purchase orders. Over the past three years, the City has spent approximately $116,640 on contracted external investigations services. Nearly $91,000 of those external investigations did not follow the appropriate purchasing policies as dictated by the city's policies.

The City's purchasing policy, effective September 2014, based upon the purchasing resolution adopted in 2005, clearly identifies the procedure for contracting for professional services for less than $50,000. This policy is applicable to all professional services that require professional discretion and independent judgment. The typical contract amount for external investigation consultants has varied from $10,000 - $25,000. Based on data from previous years provided by Human Resources staff, no one investigation firm was paid more than $35,000. As such, all of the external investigators would require the Human Resource staff to follow the policies and procedures outlined in the Purchasing policy. The following table outlines the steps for contracting for professional services and whether staff met those steps:

Steps (Originating Department only)	HR Meets Step
Determines the need for professional services	Yes
Prepares a RFP & contacts min 3 qualified consultants to submit proposal	No
If no, then complete form why only one consultant will be contacted	No
Reviews Proposals and selects qualified consultants	No
Prepares draft contract	Started in September 2015
Forwards draft contract to City Atty for review	Started in September 2015
Determines if selected firm is required to file conflict of interest forms	No
Sends contract to consultant for execution	Started in September 2015

Steps (Originating Department only)	HR Meets Step
Receives executed contract and required insurance documents	Started in September 2015
If funds are part of the budget – submit to ACM, CFO, City Attorney, & Risk Manager for review	Started in September 2015
Prepares Electronic Purchase Requisition– attaches copy of contract and supporting documentation to purchase requisition	Started in September 2015

As the table on the previous page shows, that prior to September 2015, Human Resources was not meeting the majority of the steps. Even if the department decided to take the route of only hiring one consultant at a time, separate from an RFP process it should've submitted a form that identified the reasoning behind not going through an RFP process (time, resources, etc.). In 2016, the Department has drafted an RFP for external investigations to ensure that all appropriate procurement procedures are followed. This draft RFP was submitted to Finance and Finance has returned it to Human Resources with edits and they have not yet received the revised RFP stating the issue date. (does this address the status question).

Recommendation 41 – Over the past three years the City has spent approximately $116,000 in external investigations contracts. These external investigators should be selected through an RFP process that is compliant with the city's procurement policies. The Department should issue and award the External Investigation RFP that has already been drafted. The fiscal impact for this recommendation will vary based on the number of external investigations contracted out by the City.

4. WORKERS' COMPENSATION TRANSACTIONS – FINANCIAL COMPLIANCE

As part of the financial audit of the Human Resources department, the project team audited workers' compensation transaction. The project team compared information provided by the Human Resources Department to the information provided by Finance. Information from IFAS was compared to information generated from Systema or SIMS the Workers' Compensation software system. The project team picked a variety of worker's compensation transactions to track from the past three years. A total of 17 different worker's compensation claims were audited, four of the individuals had multiple claims, as such they were chosen to ensure that each claim was separate and different from the other claims recorded for that individual. The table on the following page shows the results of the compliance survey:

Employee	Claim ID	Systema Pay	Stip vs. CR[9]	AP Checks	Notes
Employee 1	WC130227	Yes	Neither	Matches Systema	
Employee 2	WC020198-LTM	Yes	Stipulated	Matches Systema	
Employee 3	WC080123	Yes	Stipulated	Matches Systema	
Employee 4	WC100243	Yes	Stipulated	Matches Systema	
Employee 4	WC020390-LTM	Yes	Stipulated	Matches Systema	Only one payment in FY13
Employee 4	WC100291-LTM	Yes	Stipulated	Matches Systema	
Employee 5	WC90-0144-LTM	Yes	Stipulated	Matches Systema	
Employee 6	WC140029-LTM	Yes	Stipulated	Matches Systema	
Employee 6	WC150132	Yes	Neither	Matches Systema	
Employee 7	WC130257	Yes	Stipulated	Matches Systema	
Employee 7	WC120210	Yes	Stipulated	Matches Systema	
Employee 8	WC150209	Yes	Neither	Matches Systema	
Employee 9	WC150099	No	Neither	Missing except for one check on 6/19/15	Check #882473
Employee 10	WC150047	No	Stipulated	Missing except for one check on 6/19/15	Check #882640
Employee 10	WC100287	Yes	Neither	Matches Systema	
Employee 11	WC140062	Yes	C&R	Matches Systema	
Employee 12	WC150024	Yes	Stipulated	Matches System	

The table above shows that generally, whenever there was a payment recorded in Systema, the same payment was noted on the AP checks report in Finance. There were some exceptions, as there were two checks that were recorded in FY15 (6/19/15) for two different claims, and there were no corresponding payments recorded in Systema for those dates. A possible reason for this discrepancy could be that Accounts

[9] Stip = Stipulated & Awarded, which means that the City pays lifetime medical for the employee. CR = Compromise & Release means that the City buys / negotiates a price for all future medical payments for the employee. The payments will stop once all of the CR payments have been made.

Payable staff records certain transactions to be within a specific fiscal year and as such Systema might record that payment later. However, the project team did not find those checks in Systema. Therefore, both Accounts Payable and Workers' Compensation staff should be mindful that information is recorded the same in both places. If checks are voided those voided checks should also show up in Systema.

The project team observed that every Wednesday the Worker's Compensation Assistant printed out the report from Accounts Payable showing the workers' compensation checks that were to be disbursed. The Principal HR Analyst compared those checks to the medical bills or workers' compensation claim agreements to ensure that the checks were appropriate amounts and that employees who were using salary continuance or code 4850 (public safety employees) were not receiving any checks as they would receive their checks from payroll. Any errors were highlighted and sent to Accounts Payable to either appropriately record the checks or to void certain checks. This is an extremely manual process that takes about 1-2 hours every week, and on average there is at least one error in every week's report.

Evaluating the check register printout as well as the information in Systema, the project team noted that every week there is an extremely high volume of workers' compensation checks. Part of the reason for this high volume of checks is that each medical claim (even if its for the same doctor's office) is being paid separately, so there are checks for $5 and checks for $500 being sent separately. If that same doctor's office accepts Electronic Fund Transfers (EFT) the office receives a lump sum payment, with each individual's claim identified but there is only one transaction. These two methodologies seem inconsistent. If it is acceptable to send lump sum payments through EFTs, the same should be applicable for checks. Alternatively, if that is not possible, then the City should encourage its medical providers to transition to an EFT system. It is not only more efficient for city staff but also easier for the medical offices to collect their payments. The EFT system also enables workers' compensation staff to keep track of individual claim payments. Transitioning to this system will eliminate the high volume of checks that the Worker's Compensation staff has to audit on a weekly basis. Therefore, it will also mitigate any financial errors.

For those claims that were stipulated or compromise and release, the project team ensured that any payments made by AP / Systema and remaining in Systema did not exceed the total amount agreed upon by the employee and the City. The following table shows by employee / claim, the total paid out amount, the amount total paid by Systema / AP, the remaining amount to be paid, and the remaining amount to be paid in Systema.

Employee	Claim ID	Total Claim Amount	Total Paid	Remaining Amount	Remaining in Systema	Does Amount Exceed Systema?
Employee 3	WC080123	$111,654	$79,717	$31,936	$3,713	No
Employee 7	WC130257	$47,314	$39,244	$8,070	$1,601	No
Employee 7	WC120210	$73,566	$41,839	$31,727	$10,652	No
Employee 10	WC150047	$11,093	$9,779	$1,313	$979	No
Employee 11	WC140062	$135,000	$20,691	$114,309	$95,990	No
Employee 12	WC150024	$2,610	$2,219	$392	None	No

As the table above shows, in none of the instances was the sum of the payments scheduled in Systema greater than the remaining amount to be paid for the claim. This suggests that the Worker's Compensation is monitoring its payments to ensure that it is not over-paying any of its claims that it has settled with its employees. As such, the Department is in financial compliance in relation to its closed / settled workers' compensation claims.

Recommendation 52 – Workers' Compensation transactions generally are compliant, there were two exceptions in the claims examined. One approach to eliminate further financial errors in workers' compensation would be to either have one payment check for medical payments or encourage providers to use EFTs. This will minimize the number of checks that workers' compensation has to review and let them focus on claim payments to ensure that those are accurate and being disbursed appropriately.