

Management Response to MATRIX - Financial and Operational Audit of Human Resources Department
June 2016

Audit Item #	Recommendations	Management Response	Cost	Timeframe	Priority
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.	Agree	No	Short-term	High
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.	Agree	No	Short-term	High
2.2	The Department should adopt service level standards / goals for each performance measure.	Agree	No	Short-term	High
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.	Agree	No	Short-term	High

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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.	Agree	No	Short-term	High
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.	Agree	Yes	Short-term	High
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.	Agree	No	Long-term	High
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.	Agree	No	Short-term	Low
Recruitment					

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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.	Agree	No	Short-term	High
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.	Agree	No	Short-term	High
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.	Agree	No	Long-term	Moderate
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.	Agree	No	Short-term	Low
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.	Agree	No	Long-term	Low
Benefits & Wellness					

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11	Human Resources staff should develop preidentified 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.	Agree	No	Short-term	Moderate
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.	Agree	No	Short-term	High
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.	Agree	No	Short-term	Moderate
13.2	Staff should focus on improving compliance rate for timely completion of performance evaluations throughout the city.	Agree	No	Short-term	High
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.	Agree	No	Short-term	High
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.	Agree	No	Short-term	Moderate

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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.	Agree	No	Long-term	High
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.	Agree	No	Short-term	Moderate
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.	Agree	No	Short-term	Moderate
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.)	Agree	No	Long-term	Low

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18	The Principal HR Analyst should review online training courses to identify potential training courses that can be implemented through online 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.	Agree	Yes	Short-term	High
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.	Agree	No	Long-term	Low
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.	Agree	No	Short-term	Moderate
20.2	The Department should include a regular assessment of the appropriateness of employees' classifications as part of the periodic position description review.	Agree	No	Short-term	Moderate
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.	Evaluate	No	Long-term	Low
Safety					

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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.	Disagree	No	Short-term	High
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).	Agree	No	Mid-term	Low
24.1	The Principal HR Analyst for Safety should annually review all components of the Health & Safety Policies and Procedures Manual.	Agree	No	Short-term	High
24.2	An injury and illness prevention plan binder should be at every facility / floor in the City.	Agree	No	Long-term	High
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.	Agree	No	Short-term	High
<i>Employee / Labor Relations</i>					
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	Agree	No	Short-term	High
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.	Evaluate	Yes (savings)	Short-term	High

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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.	Agree	No	Short-term	High
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.	Agree	No	Short-term	High
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.	Agree	No	Short-term	High
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.	Agree	No	Short-term	High
30.1	The Department should automate the processing of FMLA leave applications to improve efficiency, accuracy, control, and communication regarding FMLA leave and eligibility.	Agree	Yes	Long-term	Moderate

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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.	Agree	No	Short-term	Moderate
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.	Agree	No	Short-term	Low
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.	Disagree	No	Short-term	Moderate
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.	Agree	No	Long-term	Low
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.	Agree	No	Long-term	Moderate

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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.	Agree	No	Short-term	High
<i>Workers's Compensation</i>					
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.	Agree	No	Short-term	High
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.	Agree	No	Short-term	Moderate
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.	Agree	No	Short-term	High

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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.		Agree	No	Short-term	High
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.		Agree	No	Long-term	Moderate
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.		Agree	N/A	Short-term	High
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.		Agree	N/A	Short-term	High

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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.	Agree	N/A	Short-term	High