

FINAL Report

Humboldt County

IT, HR, Payroll and Accounts Payable Operations Review: Evaluation of Centralized Services

November 5, 2018

PREPARED BY:

Richard Mallory

rmallory@cpsshr.us

CPS HR Consulting

2450 Del Paso Rd.

Sacramento, CA 95834

P: 916-471-3128

www.cpsshr.us



Report Contributors

Richard Mallory, MM, PMP	Project Manager
Chris Atkinson, MA	Project Consultant
Craig Limeberry, MPA	Project Consultant
Matt Hicks, BS	Senior Management Analyst
Paula North, MA	Senior Management Analyst
Vickie Legkiy Julie Cash	Executive Assistants

About CPS HR Consulting

CPS HR is a human resources and management consulting firm specializing in solving the unique problems and challenges faced by government and non-profit agencies. As a self-supporting public agency, we understand the needs of public sector clients and have served as a trusted advisor to our clients for more than 25 years. The distinctive mission of CPS HR is to transform human resource management in the public sector.

CPS HR offers clients a comprehensive range of competitively priced services, all of which can be customized to meet your organization's specific needs. We are committed to supporting and developing strategic organizational leadership and human resource management in the public sector. We offer expertise in the areas of classification and compensation, organizational strategy, recruitment and selection, and training and development.

CPS HR occupies a unique position among its competitors in the field of government consulting; as a Joint Powers Authority (JPA) whose charter mandates that we serve only public-sector clients, we actively serve all government sectors including Federal, State, Local, Special Districts and Non-Profit Organizations. This singular position provides CPS HR with a systemic and extensive understanding of how each government sector is inter-connected to each other and to their communities. That understanding, combined with our knowledge of public and private sector best practices, translates into meaningful and practical solutions for our clients' operational and business needs.

With more than 110 full-time employees as well as 200+ project consultants and technical experts nationwide, CPS HR delivers breakthrough solutions that transform public sector organizations to positively impact the communities they serve.

Table of Contents

- Executive Summary..... 5**
- Introduction to Current Study 12**
 - Deliverable Scope and Objectives..... 12
 - Participating Department Background Information..... 12
- Review Methodologies 17**
 - Work-flow Perceptions Survey 17
 - Payroll Process Flow Analysis 17
 - Payroll Records 17
 - Workload Analysis Methodology..... 18
 - Self-Report of Time and Task Lists 18*
 - Long-term time estimations:..... 18*
 - Analysis Methodology..... 19
 - Self-report of time and long-term estimation analysis methodology: 19*
 - Work-flow perceptions survey analysis methodology 19*
 - RACI Matrix analysis methodology 19*
 - Centralization Considerations and Methodology:..... 20
- IT Overview 25**
 - The Information Technology Division:..... 25
 - DHHS Information Services Division 26
 - DCSS Information Technology Unit..... 26
 - Public Works 26
 - Sheriff’s Office..... 27
 - Work Organization 27
 - Turnover Challenges 29
 - Analysis of Data..... 30
 - Demographics 30*
 - Workload..... 31
 - Self-report of time 31*
 - Self-report and long term estimations..... 32*
 - Management and Work Environment 33*
 - Areas of Strength 33*
 - Strengths 34*
 - Weaknesses..... 35*
 - Gaps 36*
- Human Resources Overview 43**
 - Department Staffing 43
 - Work Environment Perceptions: 44
 - Functional Organization..... 48
- Functional Area..... 49**
- Indicators of Success 49**
- Undesirable Outcomes..... 49**

Recruitment	49
Staff Management	50
Employee Records	50
Labor Relations	50
Risk Management	50
Functional Process Review.....	51
Recruitment Services Function:	52
<i>Process Reviews</i>	52
<i>Workload Measurement:</i>	57
<i>Centralization Assessment:</i>	59
Staff Management Function:	60
<i>Process Reviews</i>	61
<i>Workload Measurement:</i>	62
<i>Centralization Assessment:</i>	63
Employee Records Function:	65
<i>Process Reviews</i>	65
<i>Workload Measurement:</i>	68
<i>Centralization Assessment:</i>	69
Labor Relations Function:	70
Process Reviews	70
<i>Workload Measurement:</i>	72
<i>Centralization Assessment:</i>	73
Risk Management Function:	75
Process Reviews	75
<i>Workload Measurement:</i>	80
<i>Centralization Assessment:</i>	81
Human Resource Summary of Key Findings and Recommendations:.....	82
Payroll Overview	86
Timecard to Paycheck:	87
Monitor Benefits and Insurance:	87
Pay and Benefits Reporting:.....	88
Process Flow Analysis	89
New Hire Process	89
Hours Worked by Payroll Staff.....	95
Work-flow Perceptions Survey	97
Department Feedback - Gaps in Service, Unmet Needs and Work Backlogs	100
DHHS Employee Services	101
Public works	101
Sherriff's Office	101
Assessor's Office	101
Public Works	101
HR/Payroll Centralization Analysis and Recommendations	102
Accounts Payable Functionality within Humboldt County	104
Overview and Introduction:	104

<i>Payments and the Role of the Auditor Controller</i>	106
Accounts Payable Division – Office of the Auditor Controller:.....	110
<i>Other issues:</i>	114
Purchase Orders and the Role of the County Purchasing Office	114
Purchases Under contract:.....	116
Utility and Communication Payments and the Role of the Management and Budget Office .	116
Manage Cal Card and Travel program:	116
Utility and Communications Payment Processing:.....	117
<i>Utility Payments – Gas and Electric Service:</i>	117
<i>Telecom Bills:</i>	118
<i>Observations on Auditor Controller non-payment:</i>	118
The Department of Health and Human Services and its Practices in Procurement and Accounts Payable	120
DHHS BITS Benefit Payments	120
DHHS Accounts Payable	121
DHHS Procurement	121
Public Works Procurement and Accounting	122
Sheriff’s Office Procurement and Accounting	123
Evaluation of Centralization versus Decentralization	124
Findings and Recommendations on the Humboldt County Accounts Payable Workflow	124
Sample Departments Overview	129
Self-Report of Time Data	130
<i>Demographics</i>	130
<i>Self-Report of Time</i>	130
<i>Self-report of time</i>	131
Workflow Perceptions Data	134
Low Scoring Questions.....	135
Strengths	136
Analysis of Stress and Work Quality Issues	137

Executive Summary

Humboldt County entered into an agreement with CPS HR Consulting (CPS HR) on January 9, 2018, to conduct an operations and workload review of the County Information Technology (IT), Human Resources (HR), Accounts Payable (AP), and Payroll functions, and the workflows represented by each unit. This report presents the results of that study, with a specific focus on whether a centralization of services (or a decentralization) would provide a more efficient and effective delivery of administrative services, or reductions in resource costs.

This report provides a detailed description of the stated work flows, both within the designated departments, between the designated departments, and through a series of sample departments selected to represent the entire county structure. The four primary tests used to evaluate whether a centralization or decentralization might be considered were:

- The existence of work flow problems that indicated delay, a need for special handling, or complexity in the operational work flow that were a result of crossing organizational boundaries;
- The occurrence of duplicative positions, tasks, actions or data records;
- The need to support critical program knowledge in functional (or “professional knowledge”) groupings, with sufficient staffing in those functional areas to meet county needs;
- Maintenance of sufficient specialized staffing in operational program areas to ensure forward movement of necessary work outputs.

A summary of the findings in each designated area follows:

Information Technology

The critical areas for County program delivery in the IT area include hardware and servers; ethernet and internet services; laptops, desktops and related devices; application support and license renewal; help desk; active directory and file structure maintenance; system upgrade and improvement projects; system security and risk assessment; and web page maintenance. The review found that none of these service areas is now exclusively provided by County IT, and that there is an increasing tendency to allow Departments to begin portions of these functions independently. In addition, the better-funded Department of Health and Human Services (DHHS) has implemented a larger and better equipped Information Services Division (ISD), that is almost entirely independent. DHHS ISD is also reportedly a preferred workplace for information technology personnel and is acting as a magnet to draw talented staff away from County IT, either directly or indirectly¹. This situation does not serve the county well, and has distracted attention away from a realization that the County will only be well supported when IT staffing and staff stability is a primary goal.

¹ While only one current DHHS IS employee was formerly an IT employee, the much lower vacancy rate for IS is believed to be an indicator of its preferred status.

This lack of resources had led to the situation where County IT currently has no dedicated information security resources, which presents a major risk. Recommendations that will address these issues include the following:

- 1. The County-wide IT Security Staff group must be consolidated and fully staffed to meet needs. Existing DHHS security staff positions, even if left in place in DHHS quarters must directly report to County IT. The development of a county-wide strategy for IT risk assessment and prevention must be completed, and the sharing of knowledge and responsibility for these functions must be within a single staff group.**
- 2. That the County immediately unify its information technology resources under a single chain of command, that allows for deployment of positions in the Departments they serve. We also recommend that all IT managers be required to attend up to 40-hours of Leadership and Management training to better prepare for the current and future challenges they face in building a collaborative and highly effective work unit.**

Human Resources and Payroll

County HR provides oversight for all human resource activities within the departments and is supervised by the County Administrative Officer as stated in County Code with the Board of Supervisors reserving the responsibility to hire and terminate. It conducts specialized HR functions for all departments, assists departments in routine HR functions as needed, and maintains authority over human resource decisions that impact Humboldt County. The Payroll Division is a unit of the Auditor Controller Office. It is responsible for ensuring employees get paid, monitoring employee benefits and insurance information, providing mandated reporting on employee pay and insurance, instructing county departments on payroll related activities, and processing a variety of employee personnel record changes. Many of the processes in these areas involve tasks done by both HR and Payroll staff. The overlap between the two functions are directly addressed in two of our primary centralization considerations. Specifically, “The existence of work flow problems that indicated delay, a need for special handling, or complexity in the operational work flow,” and “The occurrence of duplicative positions, tasks, actions or data records.”

Due to the process overlap, frequency of errors, and large time requirement providing oversight over these workflows, as detailed in this report, the following is the primary recommendation within this area:

- 1. That the County Board of Supervisors should move expeditiously to consolidate the Payroll Division within County HR, and to remove this function from the Office of the Auditor Controller.**

Accounts Payable

The accounts payable work flow in Humboldt County, by law, is under the direction and oversight of the elective office of the Auditor Controller (AC), and includes the processes of review, approval, records maintenance, and actual payments for the County. The AC Office has enforced centralization of the responsibility for validating payment requests and their supporting records. Except for the DHHS BITS unit, it has also centralized the issuance of checks. The primary finding of this review is that the current imposition of a 100% complete and correct standard on the submission of invoice records for payment, without consideration of the value or impact of the record, is inappropriate, and results in unnecessary negative consequences for the County. It further finds that the single rule that the county must follow to unravel these

opportunities is to delegate both authority and accountability as close to the point of program delivery as possible, while remembering that authority and oversight must always reside in the office of the Auditor Controller.

Key recommendations to implement these findings include the following:

- 1. That the County Board of Supervisors direct the Office of the Auditor Controller to complete a one-month review of its “2nd check” activities and make a list of all items rejected for payment by Department, with a description of the errors and irregularities that were the cause of rejection². The Board should further authorize and request a cooperative review by the Auditor Controller and a group of representatives of all County Departments to identify the Department with the best record of invoice submission, and to use that as a model for development of best practices for all departments to follow.**
- 2. That the group should be asked to develop a procedure for formal delegations of authority to the Departments to render an opinion on behalf of the Auditor Controller that payment records are complete and appropriate for payment, without re-review, and to bring that back to the board for consideration of its adoption.**
- 3. That the AP Division should develop an operational procedure to correct as many small errors and omissions as is practical, without returning invoices to the originating departments. The analysis of what is correctable should be based on the month-long documentation of rejected items, and the reasons for rejection.**

Over-Arching and Cross Cutting Findings

There were reported staffing shortages in most offices studied, which could be verified through workload analysis, but which were not predominantly the result of a lack of allocated positions. In almost all cases staffing shortages could be attributed both to position turnover, and prolonged vacancy due to delays in recruiting and hiring. Perhaps not surprisingly, the HR staff unit designated with assisting in staffing and hiring also had prolonged vacancies³! While this pervasive cause of lower quality service may be understandable, it is still actionable, and several recommendations are therefore made to track vacancy, and to allocate additional limited term positions to serve as resource back-ups as needed. This seems to be the only way to address this issue. In some cases, the allocation of such limited term staffing will be a necessary pre-condition to giving the designated program offices sufficient time to make recommended improvements.

All Report Recommendations

A list of all recommendations included in the report follows:

IT Recommendations:

Recommendation IT-1

² The authority of the Supervisors to make such a request is found in G.C. 26883: “... to require that the county auditor-controller ... audit the accounts and records of any department, office, board, or institution under its control...” In this case, the audit would be of the Office of the AC itself, in its cooperative processing of invoices with other County Departments.

³ These were attributed to workplace injury and FMLA vacancies, which are presumably ‘avoidable’.

The County-wide IT Security Staff group must be consolidated and fully staffed to meet needs. Existing DHHS positions, even if out-stationed, must directly report to County IT, and if preferable, the security unit lead could be named from one of the two existing DHHS personnel. Regardless, the development of a county-wide strategy for IT risk assessment and prevention must be completed, and the sharing of knowledge and responsibility for these functions must be within a single staff group. This is the only way to maintain and consistently deploy the resources necessary to protect the interest of the County.

Recommendation IT-2

The County should adopt a formal IT System Change management led by an IT Change Advisory Board that is chaired by the Assistant CAO. This board should discuss and approve all significant system changes prior to their deployment, and should preside over system operations and maintenance. Its meetings should generally be semi-weekly, with a formal agenda at each meeting and a stated purpose of each meeting. A charter for this group should be developed to recognize that this board does not exist to control or regulate all system changes, but to give advance notice and to allow full discussion of any changes that may impact other users.

Recommendation IT-3

The County should commit to the long-term goal of eliminating its two server-based data centers, and replacing them with a cloud-based data services, managed by County IT.

Recommendation IT-4

The County should immediately unify its information technology resources under a single chain of command, that allows for deployment of positions in the Departments they serve. We also recommend that all IT managers be required to attend up to 40-hours of Leadership and Management training to better prepare for the current and future challenges they face in building a collaborative and highly effective work unit.

Recommendation IT-5

The filled staffing level and turnover in County IT should be tracked on a quarterly basis, and additional positions allocated as necessary to allow the unit to operate at 92% or more of its authorized staffing level.

Recommendation IT-6

The leadership of the County IT unit should hold rotating monthly meetings with all Departments to understand technology needs, to plan future improvements, and to receive structured feedback on its support services. Regular reports on satisfaction with support services should be shared with the County Administrative Office.

Payroll Recommendations:

Recommendation PR-1

The County should explore the use of Excel for employee timecard recordation, supervisor review, and automatic data upload to One Solution, IF Executime implementation and its associated error resolution will take 6 months or longer.

Recommendation PR-2

The CAO must commission a PPAF sub-process team to document and standardize a best practice for this workflow, and to create any necessary procedures, templates, and instructional materials to ensure that this best practice is followed.

Recommendation PR-3

The County should calculate the total labor cost (estimated hours times burdened personnel rates) to make updates and changes in payroll records under the present payroll system and its early submission cycle. It should then use this information to make a determination of the possible cost-benefit from elimination of the early submission of time cards.

Recommendation PR-4

Payroll should provide training to department staff on how to process new hires. This training should address the aspects that generate the most errors.

Recommendation PR-5

Payroll should make the new hire forms easily accessible on the internet and in one place, and keep them up to date. Where applicable, it should provide written directions on completing them.

Recommendation PR-6

The County Board of Supervisors should move expeditiously to consolidate the Payroll Division within County HR, and to remove this function from the Office of the Auditor Controller.

Human Resources Recommendations:

Recommendation HR-1

County HR should develop, update, and disseminate procedural documents clearly defining the steps of each process, which department is responsible for each step, and any expected timelines. Additionally, a frequently asked question document should be developed to guide Department HR staff in consistently responding to the most common questions that do *not* require County HR consultation.

Recommendation HR-2

County HR should meet with a group of identified SMEs from various Departments to discuss the reporting information needed within each process output/deliverable, the current reporting capability, and the needed reporting capability including where data is stored, ways to eliminate duplication of data entry in manual, individual spreadsheets, and County-wide tracking records, and a prioritization of report program development. This will require working with County IT to assess current development schedules.

Recommendation HR-3

County HR should maintain oversight (provide clear leadership) in all HR processes to ensure consistent process instruction and roll-out of updates or key decisions, while formally delegating key tasks to

departmental staff when possible to minimize hand-offs in accountability and overlapping responsibilities. Each of the key HR process areas was classified into one of the following three centralization categories based on the extent of delegation to Department HR staff, and then managed consistently with its delegation.

1. **Completely Centralized** – County HR should be accountable and responsible for this process.
2. **Centralized with Split Delegation** – County HR is ultimately accountable for the outcome, but the initial data gathering, forms, and/or assessments can be delegated out to Department HR staff with County HR providing guidance upon request. For processes with low volume, the level of guidance may be higher depending on experience level of Department HR staff.
3. **Centralized with Department Delegation** – County HR is accountable for the process guidelines and providing assistance upon request, but a majority of the tasks are delegated to Department HR staff.

Auditor-Controller Recommendations:

Recommendation AC-1:

The County Administrative Office should work with the AC Office in focused effort to find and document all existing user guides and support materials originally provided to the county with the One Solution system. That effort should convene all county employees who have been successful past users of the system to share information and “re-learn” what pre-formatted reports and reporting capability were built into One Solution, and to learn how to generate analytic reports relevant to current operations.

Recommendation AC-2:

The County Board of Supervisors should direct the Office of the Auditor Controller to complete a one-month review of its “2nd check” activities and make a list of all items rejected for payment by Department, with a description of the errors and irregularities that were the cause of rejection⁴. The Board should further authorize and request a cooperative review by the Auditor Controller and a group of representatives of all County Departments to identify the Department with the best record of invoice submission, and to use that as a model for development of best practices for all departments to follow. This group should be asked to develop a procedure for formal delegations of authority to the Departments to render an opinion on behalf of the Auditor Controller that payment records are complete and appropriate for payment, without re-review, and to bring that back to the board for consideration of its adoption.

Recommendation AC-3:

The AP Division should develop an operational procedure to correct as many small errors and omissions as is practical, without returning invoices to the originating departments. The analysis of what is correctable should be based on the month-long documentation of rejected items, and the reasons for rejection.

Recommendation AC-4:

The County Board of Supervisors should adopt and implement a strategic initiative regarding quality assurance and process improvement⁵ for the Office of the Auditor Controller and the associated Departments involved in accounts payable and payroll processes.

⁴ The authority of the Supervisors to make such a request is found in G.C. 26883: “... to require that the county auditor-controller ... audit the accounts and records of any department, office, board, or institution under its control...” In this case, the audit would be of the Office of the AC itself, in its cooperative processing of invoices with other County Departments.

⁵ Our work review points only to a focus on accounts payable and payroll process issues, although such a practice could be used more broadly.

Recommendation AC-5:

The County should consider moving its utility payment function to either the DHHS Accounts Payable office, or to Public Works Accounts Payable, as an additional duty, so that better tracking and support can be provided. This would improve the focused attention and backup, and will prevent lapses of attention from other duties.

Recommendation AC-6:

The Management and Budget Office should develop a better visible management method for tracking of timely download and processing of utility bills, and regular update of the master spreadsheet of utility accounts.

Recommendation AC-7:

The Office of the Auditor Controller should work cooperatively with the Management and Budget Office to develop a means for quick resolution of utility bill issues, especially those which involved minor differences in payment amounts.

Introduction to Current Study

Humboldt County entered into an agreement with CPS HR Consulting (CPS HR) on January 9, 2018, to conduct an operations and workload review of its Information Technology (IT), Human Resources (HR), Accounts Payable (AP), and Payroll functions. This study focused on the County IT, HR, AP, and Payroll Departments, the Department of Health and Human Services (DHHS), and a sample of other county departments including the Assessor's Office, Department of Child Support Services (DCSS), Department of Public Works, and the Sheriff's Office. This study assessed the current responsibilities and capabilities of the included departments, identified any service gaps, assessed the perceived work flow and environment, and evaluated the potential benefits or drawbacks associated with the centralization of services. This report presents the results of these analyses, providing a summary of work responsibilities and current time allocations, the overall work flow perception, and an evaluation of the practicality of centralization of the studied services.

Deliverable Scope and Objectives

The County is examining the allocation of IT, HR, AP, and Payroll responsibilities to determine if the centralization of services would provide a more efficient and effective delivery of administrative services. This study was designed to assess the current work and required staffing to complete this work within each administrative area. This included the documentation and analysis of the work distribution to identify if positions were meeting current work expectancies as defined by management and job descriptions. Additionally, the functions were evaluated in the context of defined centralization factors to determine the potential benefits and drawbacks of centralization. This report summarizes the results of this assessment and outlines the considerations and/or recommendations for changes to staffing levels, work allocation, and organizational structure.

This study included five key objectives.

1. Assess work flow efficiency levels, communication and organizational barriers between departments, and general work environment utilizing a work flow perceptions survey to obtain direct feedback.
2. Develop standardized tasks defining the primary work activities in IT, HR, AP, and Payroll to utilize in the measurement of current work time allocations and any backlogs of work.
3. Quantify the workload and work time expectancies using standardized task definitions for IT, HR, AP, and Payroll within each of the identified County-wide and specific departments, identifying any overlap or gaps.
4. Develop process maps for the Payroll and Accounts Payable processes, developing metrics and any suggestions for improvements or consolidation.
5. Create an evaluative matrix showing the benefits and drawbacks associated with centralization of HR, IT, A/P, and Payroll services with consideration to County-wide and specific departments.

Participating Department Background Information

The County of Humboldt (County) contains 19 departments, employing 2,329.04 positions⁶, serving approximately 137,000 county residents. The principal IT staff are a part of the County Administrative Office, Payroll and AP staff are a part of the Auditor-Controller's Office, and HR staff are within their own department.

⁶ The existing departments, functional descriptions, and current allocated staff were obtained from the Humboldt County Adopted Budget for FY2017-18.

The County IT, HR, AP, and Payroll departments provide services to all of the departments, with varied levels of assistance from staff within each department.

The County identified the following county-wide administrative departments and sample of departments to participate in the study, ensuring representation from different size departments. A brief description of each of the included departments is provided below, including general function and staff size.

- 1) **County Administrative Office (CAO):** The CAO consists of 9 functions with a total of 41 allocated positions, however only 3 functions with a total of 26 allocated positions were included as a part of this study, and are described below.
 - a. **County Information Technology Department:** The County IT Department consists of 18 allocated positions. This includes 6 IT Applications Analysts reporting to an IT Applications Analyst Supervisor; and 6 IT Technicians and 1 Senior IT Systems Administrator reporting to an IT Systems Supervisor. The two supervisors in addition to an IT Project Manager and an IT Security Analyst position report directly to the IT Director. There are also four non-allocated extra help part time staff which consists of 1 IT Applications Analyst, 1 Administrative Secretary, and 2 IT Systems Administrators. Staff are responsible for maintaining the security of county information and providing overarching IT services to all departments, including some who have their own IT infrastructure. Services include telephony, internet access, security, network and server environments, and desktop computers/phones/applications across 57 county service locations.
 - b. **Management and Budget Team:** This team consists of 4 allocated positions including an Administrative Services Officer supervising the Assistant County Administrative Officer and Senior Administrative Analyst, and a Deputy County Administrative Officer. Only the Senior Administrative Analyst and Administrative Services Officer participated in the time study. Staff responsibilities included program management analysis and reporting, processing payment requests, entering and approving purchase orders into CAMS and Docstar, processing corrected payments, and inputting receipts and invoices for goods.
 - c. **Purchasing Team:** This team consists of 4 allocated positions including 1 Fiscal Assistant, 2 Buyers, and 1 Purchasing Coordinator reporting to the CAO Office.. Staff are responsible for processing receipts into ININ, Cal Card payment processing, procurement activities, vendor research, inputting invoices and receipts for goods, entering and approving purchase orders, conducting quality assurance on payment requests, and providing general customer service and file maintenance.
- 2) **County Human Resources Department:** The County HR Department consists of 12 allocated positions. This includes a newly allocated HR Project Manager position reporting to the Assistant HR Director, a Personnel staff of 2 HR Technicians and 3 HR Analysts also reporting to the Assistant HR Director and a Risk Management staff of 2 HR Risk Analysts and an Administrative Officer reporting to a Risk Manager. The Risk Manager reports directly to the Assistant HR Director, who then reports to the HR Director. HR staff are assisted by an extra help Administrative Services Officer, working approximately 20 hours a week. Personnel staff are responsible for assisting departments with recruitments, processing personnel action forms and maintaining employee files, managing leave requests and balances,

conducting labor relations activities and MOU interpretations, providing guidance on personnel related matters, completing classification studies, conducting behavioral investigations, coordinating all grievance and appeals, and responding to employee and public inquiries. Risk Management staff are responsible for benefit administration, tracking and coordinating overall county training with departments, retirement planning guidance, processing worker's compensation and liability claims, conducting safety investigations, and providing for insurance renewals and coverage.

- 3) **County Auditor-Controller's Office:** The Auditor-Controller's Office includes five functions. It includes a total of 16.5 authorized positions who report to the Auditor-Controller. The staff are responsible for providing county-wide financial services including maintaining accurate and current financial records, auditing and processing payment claims, distributing tax monies to various entities, compiling information for the county budget, and preparing financial reports while safeguarding county assets.
- a. **County Payroll:** This department has a total of 4.5 allocated positions including 2.5 Payroll Specialists reporting to an Assistant Payroll Manager, who reports to the Payroll Manager. The Payroll Manager reports to the Assistant Auditor Controller. Staff are responsible for processing timesheets and timesheet corrections, issuing all county payroll checks, monitoring leave balances, processing benefit administration forms and calculating SDI benefit statements, completing pay and benefits reports, providing guidance to departments on the payroll process, and processing personnel action forms.
 - b. **Accounts Payable:** Staff consists of 2 allocated Senior Fiscal Assistant positions reporting to the Assistant Auditor Controller. Staff are responsible for maintaining the property tax roll, conducting accounts payable activities including CAMS batch processing, ININ review, and Special Districts Claims proofing, and creating/reviewing Journal Entries related to Audit and Cost Accounting practices.
 - c. **Front Desk/Cash Receipts/Data Entry:** Staff consists of 1 allocated Fiscal Assistant position reporting to the Assistant Auditor Controller. The incumbent is primarily responsible for providing front desk coverage and creating/reviewing Journal Entries related to Audit and Cost Accounting practices.
 - d. **Audit and Cost Accounting:** Consisting of 3 allocated Accountant-Auditor positions reporting to the Assistant Auditor Controller, staff are responsible for creating/reviewing Journal Entries, and conducting accounts payable activities including CAMS batch processing, ININ proofing, and processing checks.
 - e. **Property Tax/Tax:** Consisting of 1 allocated Senior Accountant Auditor and 0.6 Fiscal Assistant positions reporting to the Assistant Auditor Controller, staff are responsible for conducting accounts payable activities including CAMS batch processing and Cal Card proofing.
- 4) **Department of Health and Human Services (DHHS):** DHHS contains 4 Branches, further defined into 12 divisions, with 1,309.38 allocated positions.
- a. **Employee Services Unit (DHHS-ES):** DHHS-ES is a fully integrated unit within DHHS with 15 regular allocated positions. This includes 6 Payroll/Personnel Specialists and one Office

Assistant reporting to 2 Payroll/Personnel Supervisor positions, who report to the Deputy Director, and 1 Senior Staff Services Analyst, 3 Staff Services Analysts, and one Staff Services Specialist reporting directly to the Deputy Director.

Staff are responsible for human resources, risk management, and payroll activities in support of the DHHS positions. This includes processing recruitments and new hires, tracking training and performance evaluations, conducting ergonomic evaluations, responding to workplace injury, CalOSHA, or employee risk complaints, conducting employee investigations, appeals, and grievances, providing guidance to supervisors, and conducting client civil rights complaint investigations. Additionally, staff are responsible for reviewing and submitting timecards; communicating leave rights, responsibilities, and balances; and liaising with employees and their medical teams related to leaves, distributing payroll, and maintaining employee files.

- b. Department of Health and Human Services Information Technology (DHHS-IT): The DHHS-IT is a fully integrated unit within DHHS with 27 allocated positions split into four key teams. The Customer Service team consists of 4 Information System Technicians (IST) and 3 Information System Analysts (ISA) reporting to an Information Systems Supervisor (IS Sup). The Network and Technical team consists of 1 IST and 6 ISAs reporting to a second IS Sup. The Development team consists of 2 ISAs and 4 Programmer/Analysts reporting to a third IS Sup. Each of the supervisors reports to the Information Services Deputy Director (IS Deputy Director). The Security and Risk team consists of 2 ISAs reporting directly to the IS Deputy Director. In addition to these four teams, the unit has 1 Administrative Analyst for budgeting, purchasing, and project management reporting to the IS Deputy Director.

Staff are responsible for a full spectrum of IT support services including hardware, software, telephony, development, and customer support to DHHS buildings and staff. Staff also provide applications/systems support for additional telephony services (multiple call centers, automated call distribution, faxing), multiple electronic health record systems, prescription drug control systems and facilities management systems that are afforded by fund sources outside of Humboldt County and are more exclusive to DHHS.

- c. Department of Health and Human Services Accounts Payable (DHHS-AP): DHHS AP consists of 2 allocated Fiscal Assistant positions reporting to a Fiscal Services Supervisor. Staff are responsible for processing and conducting quality assurance on payment requests, processing payment corrections, and processing checks for DHHS departments.

The following four departments (numbered '5' through '8') were identified by Humboldt County to assess the targeted workload functions and time requirements for a sample of county departments. In many cases, the incumbent may be responsible for conducting tasks for two or more of the focused functional areas (IT, AP, HR, and Payroll). The key responsibilities in each of these areas within the sample departments included the following:

- Accounts Payable – processing invoices and receipts; approving purchase orders and procurement activities;

- Information Technology – managing help desk tickets; performing minor IT troubleshooting for employees; acting as a liaison between department employees and County IT;
- Human Resources – working collaboratively with County HR on recruitments, completing new hire onboarding; classification studies; risk management and worker’s compensation; providing guidance on disciplinary actions, performance management; conducting leave management; participating in labor relations;
- Payroll – processing employee time cards; transferring time into the OneSolution payroll system; performing quality assurance on payroll process.

The following provides a brief description of staffing and responsibilities in these sample departments. An organizational chart for each showing only those involved in these functional tasks and their location in the reporting structure is provided in Appendix A.

- 5) Department of Child Support Services (DCSS): The DCSS consists of 54 allocated positions, of which 6 positions conduct IT, HR, AP, and/or Payroll tasks as a part of their responsibilities. This includes an Information Systems Coordinator and Information Systems Supervisor conducting the IT responsibilities; an Account Technician performing AP tasks and assisting with Payroll tasks; and a Legal Office Business Manager and a Child Support Program Manager conducting HR and payroll tasks. Each of these positions reports to the Director, who also assists in conducting HR and payroll tasks.
- 6) Department of Public Work (DPW): The DPW consists of 221 allocated positions, of which 15 positions conduct IT, HR, AP, and/or Payroll tasks as a part of their responsibilities. This includes 6 Fiscal Assistants, an Office Assistant, a Business Manager, and the Business Deputy Director conducting AP and Payroll tasks; an Executive Secretary who conducts HR and Payroll tasks; and 2 Deputy Directors, a Senior Planner, a Construction Project Manager, and a Public Works Dispatcher responsible for updating the department website with information about bids related to outsourcing work. The Public Works Dispatcher also assists in HR tasks.
- 7) Assessor’s Office: The Assessor’s Office consists of 31 allocated positions, of which 3 conduct IT, HR, AP, and/or Payroll tasks as a part of their responsibilities. This includes the Administration Deputy Assessor conducting HR, Payroll, and IT tasks; the Executive Secretary conducting HR, Payroll, and AP tasks; and the Assessor conducting HR tasks.
- 8) Sheriff’s Office: The Sheriff’s Office consists of 296.08 allocated positions, of which 6 conduct IT, HR, AP, and/or Payroll tasks as part of their responsibilities. This includes the Administration Deputy Director conducting IT, HR, AP, and Payroll tasks; the Correctional Facility Captain conducting IT and HR tasks; an Administrative Services Officers (ASO) conducting Auditor, HR, and Payroll tasks and supervising three Fiscal Assistants of which one conducts HR tasks, one conducts Payroll tasks, and one conducts AP and Payroll tasks.

A work flow and work load analysis is provided in the report for the designated administrative support staff within each of these departments along with the benefits and drawbacks of centralizing services in each functional area.

Review Methodologies

Work-flow Perceptions Survey

Between April 5th – April 13th study participants completed a confidential survey assessing perceptions on the current work assignments, working relationships, and work processes/procedures. The survey included 32 questions; 29 of the questions were on a five-point Likert scale ranging from 1 - “Strongly Disagree” to 5 - “Strongly Agree” and fell into the following three categories:

- “Me and My Work” – These 9 questions examined appropriateness of work assignments, the reasonableness of the amount of work, personal work quality, and how positively participants perceived their jobs.
- “Supervision” – These 3 questions examined perceptions of supervisors providing appropriate recognition, work prioritization and understanding of job demands.
- “The Work Unit and Organization” – These 17 questions assessed the general quality of the work in the office, appropriate management of work processes, and the barriers in working with other County organizations.

The survey contained two focused questions regarding work stress and the efficiency of work processes. The question on efficiency of work process attempted to analyze how much time employees spend on activities that take away from their essential work. The question on work stress quantified the pace of work, and the percentage of time that is “over busy and too stressful” versus either “manageable” or “too slow”. Open ended comments were also requested about the work and workload in the office.

Payroll Process Flow Analysis

The examination of the payroll work flow required documentation of key work processes to look for any unnecessary, overlapping or repetitive responsibilities as well as to understand errors, waste and rework in the processes. Three key processes were identified as the basis of the analysis including the timecard to paycheck process, the new hire process, and the promotion process. They were confirmed to represent the majority of the unit’s time through a structured subsequent time study. Onsite meetings were held with County Payroll to create process maps for each, and focused attention was given to the interaction with other departments, including HR, to identify where the handoffs and overlap occurred in the process.

Payroll Records

Historical payroll records were obtained for 41 of the 145 total employees in the scope of the study. The data contained hours worked and time off per employee over the course of a year. This data was helpful in determining department level vacancy rates.

Workload Analysis Methodology

Self-Report of Time and Task Lists

The workload analysis required the collection of valid data measuring the time it takes to conduct work-related tasks while they are being done (real-time data). This study utilized a self-report (SR) time log method in which staff recorded their own time.

The SR utilized separate task lists that were developed for each functional area (HR, IT, AP, and Payroll) as well as one task list that combined the administrative support functions within all the sample departments. Each task list encompassed the broad work-related tasks areas for all classifications within that function. The task lists included program work tasks and general and administrative work tasks. Program work tasks are tasks that are directly related to achieving the mission of the functional area. For instance, payroll program work tasks would include tasks related to processing payroll, and IT program work tasks would include responding to help desk tickets. General and administrative work tasks are necessary to organize the day, manage work, and maintain files and computers. They also include general non-mission related tasks, such as helping co-workers and occasional breaks. The sample department task list included tasks related to Accounts Payable, Information Technology, Human Resources and Payroll, but did not delineate the department-specific program work tasks since that was not a focus area of this study.

The task lists were developed by compiling information from the initial interviews and a review of background information including duty statements, classification specifications, prior county reports, and budget documents. The initial interviews were conducted with departmental managers and/or subject matter experts within each of the departments described in the background section. These interviews took place on February 7 and 8 after the initial project orientation/kick-off meeting. The task list developed from this information were reviewed, refined, and validated by key Subject Matter Experts (SMEs) within each department. The finalized task lists and sample record forms are presented in Appendix B.

Incumbents were introduced to the study with an explanation of the self-report (SR) time log during a webinar in which they could ask questions. Incumbents were asked to record activity for one or two weeks depending on their involvement in the payroll process. Incumbents that were involved in the payroll process were asked to record their activity for two weeks in order to capture the different activities that occur during and outside of the active payroll process over the course of the two-week payroll cycle. Week one of the self-report of time study occurred from April 30th to May 5th and week two occurred from May 7th to May 11th.

Long-term time estimations:

The results of the self-report of time study reflect a snapshot in time as seasonal or cyclical tasks may not have been captured. In order to assist in projecting time expectancies for task areas that do not occur during the self-report period, supervisors were asked to complete long-term time estimations forms. The long-term time estimation forms contained the extrapolated results of the self-report time that showed the percentage of time spent in each task area for each individual in the study. The long-term estimation forms also contained the extrapolated results showing an estimate of the number of hours a month spent on each task for each individual in the study. Supervisors were asked to review each individual and determine if their allocation of time accurately represented the position as it is currently utilized, and if the allocation of time was inaccurate

due to too much/little time in a task due to the time spent on the task during the self-report period. Supervisors were asked to modify the individual's time as appropriate so that it would be the most representative of the time that position would typically spend on given tasks. Supervisors were also asked to identify and estimate time commitments for those who were unable to participate in the study and to identify additional hours needed to cover any work not getting done with current staff.

Analysis Methodology

Self-report of time and long-term estimation analysis methodology:

Data from the self-report of time study as well as the long-term estimation data were utilized for variety of analyses including:

- Determining the task areas where the most and least amount of time was spent in the different functional areas.
- Comparing the amount of time sample departments were spending on IT, HR, AP and Payroll tasks.
- Comparing the percent of time that different departments performing similar tasks spent on the same task areas. For instance, comparing the amount of time that HR, county payroll, sample departments and DHHS Employee Services spent on HR related tasks to highlight areas worthy of potential consolidation.
- Analyzing the percent of time in key tasks that were process waste related, particularly for the Accounts Payable and Payroll functional areas. Long term time estimations were used to estimate the amount of time over the course of a year that was associated with specific areas of process waste, for instance, timecard corrections in the payroll process.
- Long term time estimation data was used to identify the number of additional hours needed for certain tasks to address the reported amount of undone work. This data was then used to estimate the number of additional positions that may be required to complete the amount of undone work on an ongoing basis.

Work-flow perceptions survey analysis methodology

The work-flow perceptions survey data was used to identify levels of busy-ness and work-related stress varied across functional areas. This analysis is provided by CPS HR in a separate report format. In addition, the data provided insight into the areas of strength and weakness within each functional area. This data was combined with the initial interviews, long term time estimation data, self-report of time data, and historical records data to provide a comprehensive picture of the work environment in the functional areas.

RACI Matrix analysis methodology

For some of the different work flows within the functional units of study, RACI matrices were used to identify the hand-offs and overlapping work between departments. The RACI acronym definitions are below:

- Responsible: Department that performs the defined tasks or actions.
- Accountable: Department that must ensure completion of the defined cycle and work flow.
- Consulted: Department that must sign off or contribute to the task.
- Informed: Department that needs to know of the decision or action.

In a given RACI matrix, repeated R's are indicative of duplicative work or multiple departments doing part of the same process. Repeated A's are indicative of handoffs between departments.

Centralization Considerations and Methodology:

This study also looks at whether economies and/or better administrative services can be provided to Humboldt County through centralization of the services and staffing resources of the IT, HR, AP, and payroll service functions. The analysis recognizes any program work output that requires multiple labor inputs as a work flow. Each action, input, review, or notation within a work flow should add value or contribute to the work outputs “designed” by the senior managers to meet business requirements. The most positive work flows have the attributes of ‘lean’ process flow, and move smoothly and progressively without delay, without a need for prodding and reminders. These lean work flows should see each value add done correctly the first time, deeming it complete with no need for re-review, correction, or re-work – reflecting a “right things done right the first time” approach. Acknowledging that some leaders do argue that there is a justification for the use of significant numbers of staff hours and positions to “check” the quality of work done by others, the lean framework suggests that we are better served to error-proof processes and prevent problems, by looking for causes upstream in the work flow. This of course, is a form of delegation (and trust), based on excellence of work flow design and training.

The **efficiency and effectiveness of work flows is certainly one indicator used to consider benefits of centralization versus decentralization**⁷, because it is well known that when work must cross organizational boundaries it invites delay, if only because of the required transmission or transportation of information. Additional delays may result due to different priorities of work requests in the different organizational units. For example, a program may have a high sense of urgency to obtain approval on a purchase request to meet the program needs. But the procurement unit may not feel that same urgency due to its’ volume of similar requests and lack of close association with the program need. In the event that higher-level management is contacted regarding the delay in meeting program needs, there is potential for even further delay as higher-level management is briefed – which may not occur if the process were centralized and only one supervisor was involved. Re-work occurs when a process step is done multiple times, resulting in lost work time that could have been focused on other deliverables. The occurrence of re-work may result due to unfamiliarity with what has been done already, multiple levels of quality control checking to maintain accountability by each unit, the need to verify or update information, and/or time to re-familiarize with the product due to delays since the start.

⁷ Typically in administrative processes, the work flow across organizational boundaries is in the form of a request for administrative action, or a partial- or near-complete action that is submitted for approval – what is sometimes called a “control” function. But even where the work flow is a “control” function, the goal should always be a correct, smooth, and timely flow.

It can now be seen that in some cases, the issue of centralization versus decentralization may influence several aspects of the workflow, and perhaps not always in desirable directions. In the above example, we would say that meeting program needs quickly **and** completing the procurement process accurately, is the best result for the organization, even though it is not in the interest of either division. As a result, moving all procurements to program offices may not achieve both criteria, just as moving them to procurement offices may not achieve both -- unless special controls are put in place by the organization to ensure that **both** sets of criteria are met. In other words, we know that the county will not be best served unless the needs of program beneficiaries are met in a manner that is efficient and legally correct. In this instance, decentralization of the purchasing activity, combined with centralization of the purchasing approval or oversight, may best accomplish the desired program goals.

Based on this perspective, we have used the occurrence of delay, re-work, special handling, and complexity as clues that work flows are not efficient and effective at present, and that the existing configuration may not be serving the best interests of the county. Information sources available to us that were used to make this determination included interviews, direct observations of work in each unit, our work flow perceptions survey questions regarding efficiency and waste, our self-report of time survey, and the work flow mapping done in the payroll and accounts payable areas. This perspective supports the inclusion of the following two centralization considerations when examining each work flow.

1) Smooth Work Flow with Minimal Delays: We looked for work flow problems that indicated that occurrence of delay, special handling, and complexity in operational work flow; delays that might be resolved by minimizing the need to cross organizational boundaries, or simple delegation. Where such problems do exist, we looked for leadership actions and practices that indicate that problems are being identified and resolved, so the occurrence of delay is continually reduced. Work flows with notable delays due to cross organizational boundaries have more potential benefits of centralization.

2) Occurrence of Duplicative Duties or Corrections: We looked for any apparent duplication of tasks, actions, data records, or similar functions that could be avoided through a combination of duties. Additionally, the occurrence of re-work due to required corrections due to process inefficiency or unclear requirements was identified. Where such problems do exist, we looked for leadership actions and practices that indicate that problems are being identified and resolved, so the occurrence of duplicative efforts and errors is continually reduced. Work flows with notable duplicative efforts would benefit from centralized oversight that could examine the whole work flow to reduce duplication or sources of error.

The second set of considerations in the centralization versus decentralization recommendation relates to the **balance of functional and operational knowledge required so that program needs are met along with program requirements.** Functional groups are those that have a focused knowledge or skill in a single professional or practice area that is common across organizations. In this sense County IT, County HR, the Payroll Office, and Accounts Payable are all functional alignments that tend to look primarily on the professional correctness and compliance of actions. In contrast, operational groupings are focused on customers, clients, and program-specific outputs, and are generally interested in outputs that affect the public. The DHHS Divisions are divided between an operational and a functional focus, including DHHS IT, and DHHS Employee Services and the DHHS Benefits Office. The small administrative units within the Sheriff's Office, Public Works, Child Support Services, and the Assessor's Office are all operational – since we can

assume their primary focus is on the completion of required actions to support the department's purpose or mission, with a secondary focus on the compliance of the administrative functions.

The previous discussion illustrates the foundations of the traditional discussion of organizational design that is 'functional' – or focused on an area of expertise, versus one that is 'operational' – or focused on the generation of a program output. Functional organizations are most often referred to as “siloed” or “stove-piped”, and it is sometimes assumed that this structure is disadvantageous, and that operational or process-focused structures are always superior. In fact, nothing in the organizational literature suggests this is true and in every case a balancing of the two disciplines is necessary for an efficient and effective delivery of quality outcomes. The grouping of functional disciplines promotes the growth and sharing of core competencies, and uniform quality in the exercise of that discipline. The grouping of operational disciplines stimulates a focus on coordinated process actions, and the resolution of problems at the lowest levels. In other words, the executive level should always be seeking a balance between those that have competency or specialized knowledge oriented with those that are process oriented from start to finish. Favoring one tends to diminish the other.

Based on this perspective, we have evaluated each work flow in terms of the necessary functional and operational knowledge within each work unit. It is important to balance sufficient functional knowledge to ensure correctness and compliance of administrative actions while ensuring the program has a voice to ensure program goals are met. The accurate (functional) and timely completion (operational) of program outcomes in a timely manner is why government exists in the first place. Centralization would allow for consistent application and utilization of the knowledge and skills required to accurately complete administrative functions. However, delegation of authority to meet necessary program goals in a timely manner is an important reason NOT to centralize everything. In consideration of the further centralization or de-centralization of duties in Humboldt County, we also utilized the following two additional considerations.

3) Necessary Functional Competencies: Each functional area must have sufficient staffing to support the knowledge area, ensuring the necessary technical and legal compliance in that area. We have assumed that high-level functional competencies at the county-wide level are the primary resource, supplemented by sufficient staffing within the departments to be consistently available during work hours for the expected functional workload. The delegation of work was examined to determine if the volume of work was sufficient to support administratively specialized task assignments. Sufficient volumes are required to ensure staff maintain the necessary functional knowledge and skills to accurately complete the administrative task without relearning the process and remain current on legal standards, thus avoiding unnecessary barriers. A low volume of work supports the centralization of that work flow to maintain technical and legal compliance.

4) Necessary Program Operational Knowledge: Each work flow must have sufficient operational program knowledge to provide a voice to the department to ensure forward movement on program goals. Each work flow was examined to determine the extent that program knowledge was required to complete the functional administrative task. Work flows that require specialized knowledge of department operations and work outputs need to include department involvement, even at low volumes. Work flows that require operational knowledge to effectively complete the process supports the decentralization of that work flow.

The four factors outlined above are utilized within each of the functional area chapters to assess the strengths and weaknesses of centralization for each work flow process. The application of these four factors takes into consideration the need to balance functional and operational knowledges while minimizing work flow delays and duplicative efforts, resulting in an overall conclusion for each work flow. A review of the overall conclusions should consider the following advantages of centralization and decentralization, acknowledging that an advantage in one often parallels a disadvantage in the other (e.g., having staff with functional expertise is an advantage of centralization, but not having staff dedicated to functional expertise is a disadvantage of decentralization).

Some of the advantages of centralizing an administrative functional work flow include:

- **Program Expertise** – Managers of functional units can spend time ensuring the professional development and training of their staff, so that needed competencies are current and maintained at a high professional level.
- **Program Design** – Managers of functional units can focus time in work flow analysis, identification and resolution of issues, and in design of procedures and training as needed to delegate functional responsibility to the lowest levels that are practical, and consistent with excellent operations.
- **Standardization/Potential Cost Savings** – Increased ability to standardize processes, tracking, and associated training, which can potentially provide cost savings.
- **Sharing of Best Practices** – Staff can brainstorm/share ideas to identify the most efficient administrative methods/techniques.
- **Cross-Training/Back-up** – Staff can be cross-trained and knowledgeable in various functional work flows, which allows for staffing resources to be shifted, as needed.
- **Ability to Support Varying Skill Sets** – Centralized staffing allows the sharing of knowledge and guidance from more experienced staff to assist in the development of entry-level staff.
- **Funding** – Centralized administrative positions may be fundable by a general or overhead fund, making staffing more feasible than in specific departments which may not have funds to support a dedicated support position.

Despite the cited favorable aspects of centralizing a work flow, there are also potential drawbacks to be considered. Most often recognized is:

- **Lack of Empathy for Program Goals** – Staff assigned to centralized functions often lack a close association with the program customer needs and outputs and view criticism from higher ups in program offices as their most important consideration. They are not necessarily motivated to move quickly or to find solutions. They are often not interested in new or different approaches, since it could lead to their criticism. Their boss is not responsible for a timely program output, so they are not either.

Some of the advantages of decentralizing an administrative functional work flow include:

- **Flexibility and Recognition of Priorities** – A decentralized model allows dedicated staff to consistently support each functional work flow, regardless of department size or competing deadlines, whereas the centralized model would have to prioritize the needs of departments competing for administrative time.
- **Differences in Managerial Opinion** – There is room for differences in opinions from administrative managers and operational managers regarding the needed administrative skill sets or processes, whereas the centralized model potentially leaves operational managers with little input on administrative hires or process development.
- **Unclear Reporting Structure** – There is a clear reporting structure in decentralized work flows, whereas a centralized model presents potential uncertainty regarding assignment priorities and administrative staff reporting structure – especially when the process is centralized, but the staff are allocated to the departments.
- **Shared Sense of Mission** – Decentralized staff will have a common operational driving motivation, whereas centralized staff will often not be as dedicated to the timelines and unique needs of the program units supported. Responsiveness may suffer.

IT Overview

This section of the report documents the different IT functions and operations within Humboldt County, and the organizational structures through which they are supported. This analysis is provided as a means of documenting and categorizing the current capabilities, types of service and levels of service, and gaps that exist. This section also examines the shared work flows among the distributed IT functions, and any potential areas of duplication, as a means of understanding any benefits or drawbacks from a consolidation of function. The principal groups analyzed include Humboldt County Information Technology Division (County IT), the DHHS Information Services Division (DHHS ISD), and the Department of Child Support Services IT unit. This chapter also briefly reviews the IT services units of the two larger 'sample departments', in Public Works and the Sheriff's Office. A description of each area of analysis follows.

The Information Technology Division:

Humboldt County IT consists of approximately 20 staff. This group provides centralized network services (Internet services, Active Directory, and some telephony) to all county departments, as well as general IT support services to most county departments. Only a few county departments maintain in-house IT support staff that operate independently of County IT, but all expressed some interest in this concept. County IT consists of two primary functional groups:

1. County IT Systems group provides centralized network services to approximately 40 locations consisting of AT&T Switch Ethernet Wide Area Network ("WAN") services, firewall, intrusion detection, web content filtering, Internet services, and Active Directory infrastructure to all county departments. Additionally, this group provides telephony (AT&T VDNA), helpdesk, and general IT support services to most county departments, with a few county departments independently providing these services with in-house IT support staff (e.g., DHHS, DCSS). The IT Systems group also maintains the physical and server infrastructure that is utilized by the applications that County IT supports. This includes managing the hardware lifecycle, data backup and recovery, power infrastructure / battery backup, and monitoring system availability. The network extends to all county buildings that have IT service. Data back-up is performed through a self-store system that uses tapes to record data rather than using a third-party storage system.
2. County IT Applications group supports a wide array of applications, programs, and custom developed solutions used by all county departments except DHHS and DCSS. This includes supporting end users who use these applications by resolving help desk tickets, interfacing with vendor provided support resources, as well as planning and performing software upgrade projects.
3. County IT also has a single IT project manager position, as well as a newly approved but not yet filled IT Security Analyst position to help address this critical need.

County IT has primary responsibility for the WAN, firewalls, and content filtering. County IT delegated access to DHHS for DHHS specific organizational units in Active Directory so DHHS can create network accounts, reset passwords, etc. without County IT's involvement. Security (outside of the perimeter firewalls managed by County IT) is handled by both County IT and DHHS IT. Data backup is handled by both County IT and DHHS IT. Web page administration is handled by the separate applications teams in County IT and DHHS IS.

DHHS Information Services Division

Department of Health and Human Services Information Services (DHSS IS) consists of approximately 27 staff supporting approximately 903 staff across 46 locations. This department consists of four main groups: Information Security, Customer Service, Network/Technical, and Development. DHSS IS is essentially a full-service standalone IT department. DHSS IS is larger in size, better funded, and often more capable than County IT staff in meeting the IT needs of DHHS. DHSS IS relies on Humboldt County IT for centralized network services including AT&T Switch Ethernet Wide Area Network (“WAN”) services, firewall, intrusion detection, web content filtering, Internet services, and Active Directory infrastructure. DHSS IS works closely with County IT to manage and maintain the county wide Active Directory infrastructure, but otherwise provides the full spectrum of IT support services including hardware, software, telephony, development, and customer support to DHHS buildings and staff. DHSS IS receives significant funding from sources outside of the county which often allows them to provide newer equipment and better technology than other county departments that are funded primarily by Humboldt County. Significant applications/systems supported by DHSS IS include telephony services (including multiple call centers, automated call distribution, and faxing), multiple electronic health record systems, prescription drug control systems, and facilities management systems.

DCSS Information Technology Unit

Department of Child Support Services (DCSS) is one of the county departments that has developed an in-house IT support function. This was the sample department reviewed as a comparison with the IT functions in the larger departments. DCSS supports both Humboldt and Trinity counties. They have an in-house IT team with two staff that supports all hardware, software, internal network (LAN), and customer support needs of approximately 80 full time staff. DCSS relies on Humboldt County IT for AT&T Switch Ethernet Wide Area Network (“WAN”) services, firewall, intrusion detection, web content filtering, Internet services, and Active Directory infrastructure, but otherwise provide the full spectrum of IT support services to DCSS.

There are additional IT professionals identified in the county that were not a primary focus of this study, but provide a comprehensive look of the county’s IT capabilities.

Public Works

County IT has turned over website content management to the Public Works Department IT liaison positions to maintain the aviation, facilities, roads, environmental services, engineering, and land use public works websites. This website administration role includes updating contact information for staff due to staff change, posting agendas, posting RFPs and bids, creating new webpages and other content, updating existing web content, making PDF’s accessible, and fixing existing content for accessibility. There is an ADA website overlay that is too complex for Public Works employees to do.

4. Public Works has three unique software systems they use on a regular basis, and that are supported by County IT. These include:
 - a. Next Request - A public records request management system. This system has had the fewest glitches;
 - b. CAMS (Cost Accounting Management Software) – Billing software which uploads into county AP system
 - c. DocStar – Document handling software where they upload data to. County IT has very low experience levels with this software.

Sheriff's Office

The Sheriff's Office has a number of unique applications supported at present by County IT. These include:

5. Jail records management (OMS)
6. RMS (Records Management System)
7. Commissary system for jail (outside vendor)
8. Vendor for telephone systems
9. Tablet systems for jail
10. Civil service system

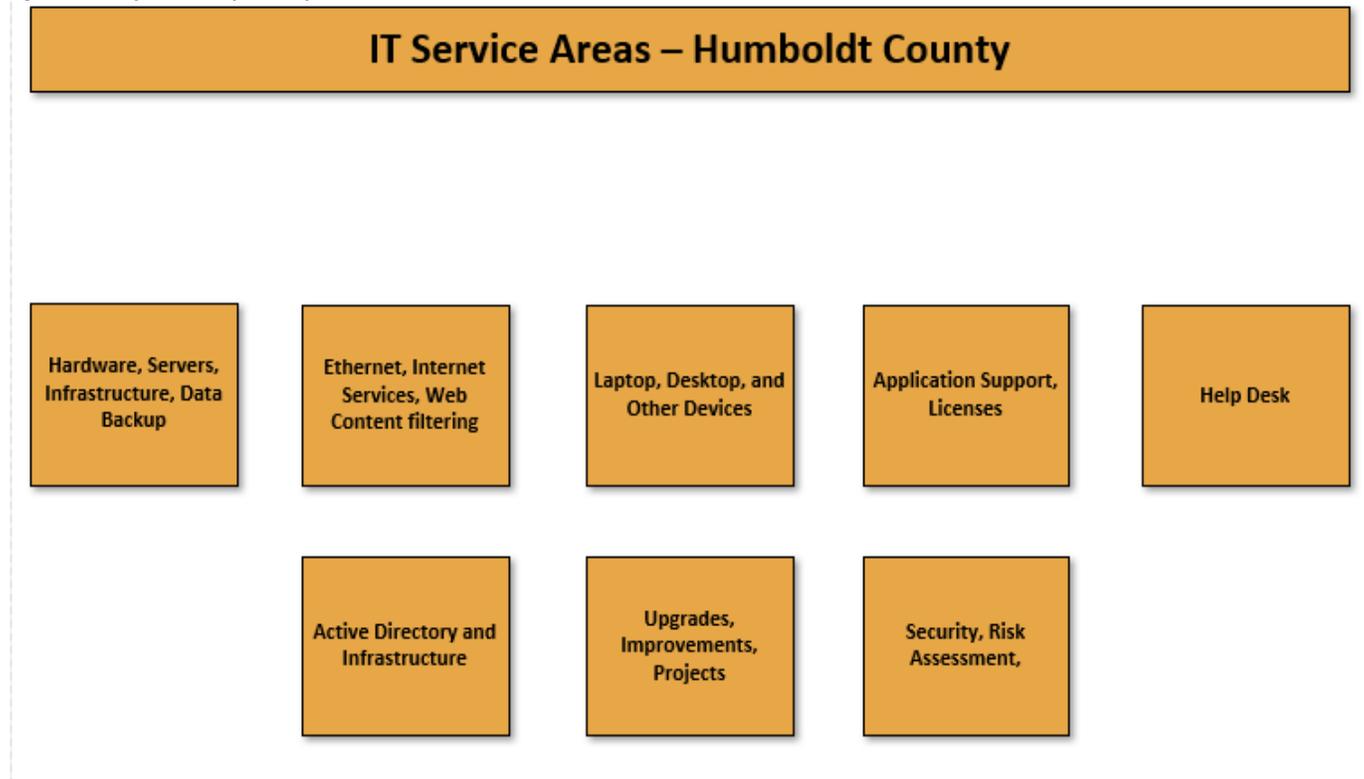
Because of the complexity of these system and their importance to operations, the Sheriff's Office has requested its own IT position to support these functions. Their other unmet needs include development of an online payment system and desktop support for 60 patrol vehicles, that also require radio infrastructure assistance.

Based on the data provided and reviewed by CPS HR, the preceding discussion represents the IT functions and the division of duties within Humboldt County, including the noted areas of unmet needs.

Work Organization

A 'system map' of IT services (or business platforms) that are provided to all the county departments would look like the following:

Figure IT-1: System Map Example



At present, none of these service areas is exclusively provided by County IT, although several are predominantly provided by that Department. Generally, most of the county-wide responsibility for hardware and servers, and most of the responsibility for ethernet, internet, web content filtering, and security and risk assessment are provided by County IT. Given the possible impact to the County of a failure in any of these areas, having a system of centralized leadership and oversight is very appropriate.

Regardless, there has been an apparent migration of these core services away from County IT over recent years, based both on the ability of some department (DHHS especially) to fund their own services, and on perceived shortcomings in services to some departments (DCSS is an example). So, while both the DHHS and DCSS IT “decentralizations” have demonstrated the attributes of success, they also have the appearance of patchwork solutions to the problem of insufficient resources being provided to the parent department – County IT. And while the adaptive (or “patchwork”) solutions adopted by the various Departments to ensure tailored and sufficient IT support appear to work well, this report will present the best case scenario for a consolidated IT system, that is entirely dependent on oversight management at the County Executive level, and which does not now exist. The best case scenario that we favor for the County’s future will require the establishment and continuation of customer service feedback from the various departments regarding the IT services they receive, and gaps that may come into being. Such Executive oversight must prioritize solutions to the problems identified by Departments, and that ensure appropriate resources, appropriate management practices, and trained staff are available to the consolidated unit. It is the lack of such management that has led to the current “adaptive” approach, and to the establishment of a full service Information Services Division within DHHS, and partial units in other Departments. And it would be better not to move towards a consolidated IT unit as described in this report, unless the continuing Executive oversight described it implemented first.

The current pattern of decentralized services is reflected in the following table:

Table IT-2: Decentralized Services

	County IT	DHHS IS	DCSS	All Others
Hardware, Servers, Infrastructure	Full service county-wide (Exception is DHHS)	DHHS has its own servers, that it maintains	DCSS has its own servers, that are maintained by County IT	Rely on County IT
Ethernet, Internet Services, Web Content filtering	Managed routers, firewalls, and intrusion detection county wide.	Rely on County IT	Rely on County IT	Rely on County IT

	County IT	DHHS IS	DCSS	All Others
Laptop, Desktop, and Other Devices	Services county-wide need; 5-10 year replacement	DHHS maintains own laptops/ desktops and devices. 3-year replacement	DCSS maintains own laptops/ desktops and devices.	Rely on County IT
Application Support and License Renewal	County wide service includes all but DHHS. Many specialized applications are supported by vendors.	DHHS provides its own application support and license renews	Vendor application support. NO license renewal.	Vendor application support. NO license renewal.
Help Desk	Full Service County wide	DHHS provides	DCSS provides	Most Departments have liaison to handle simple Help. Escalation goes to County IT.
Active Directory and File structure access	County wide service includes most.	DHHS has delegated authority	DCCS has delegated authority	Rely on County IT
Upgrades, Improvements, Projects	County wide service includes all but DHHS.	DHHS provides	DCCS provides	Rely on County IT
Security, Risk Assessment	Baseline services provided County Wide	DHHS provides	DCCS provides	Rely on County IT
Web Pages	Maintains County external web pages			Public Works maintains external web content

Turnover Challenges

Humboldt County IT has significant turnover and vacancy issues. Of the 20 positions currently filled, only seven full time employees have been in those positions for more than six months – and this implies a 30% annual

turnover, which is very high. This turnover rate poses a significant challenge to the department since most staff are still learning their positions, and longer-tenured employees are spending significant portions of their time cross training with new staff. At least one current County IT staff has left County IT to work at DHHS IS, in even taking a reduction in pay to do so. Several reasons for this were cited. One comment was that DHHS has significantly more resources than County IT⁸, and that the people who work in IT often like to work with new technology. It is not unusual for DHHS IS to give their discarded equipment to County IT staff after it has reached the end of their service life. In many cases the DHHS cast-off equipment is newer and more capable than the equipment County IT has available. While other IT staff have reportedly left for other government jobs (meaning that pay may also be an issue) the fact that DHHS IS is able to maintain more consistent staffing infers that the newer IT systems and greater staffing coverage are also likely factors.

In comparison, DHHS IS has no turnover issue, and none of its 18 employees who responded to the survey reported being employed in the Department for 6 months or less⁹. This is a stark contrast, and a significant vulnerability not only for the County IT Division, but for the County as a whole. It is an issue that the recommendations provided in this report will address as a primary reason for necessary change.

In the past year there have been changes within the DHHS IS Executive staff, that resulted when the Director left. To fill those vacancies the Deputy IS Director was then promoted to Director, and the IS development supervisor was promoted to Deputy Director. So even though they were new in their positions they both have significant tenure in the department. It is our understanding that those IT personnel who choose to work for Humboldt County often develop a strong preference for DHHS IS as the best location for that work. This is true because DHHS IS has adequate resources to achieve their mission, which helps with employee satisfaction and retention, and which helps reduce turnover. This also results in a higher level of mission effectiveness.

Analysis of Data

Demographics

CPS HR received responses from the following departments in our workflow perceptions survey.

Table IT-3: Demographics

Department	Responses
CAO: IT	16
DHHS Information Services	18
Child Support Services	3*

⁸ The workload study in this report supports this statement, with a finding that IS have more time for administrative work than do CAO IT employees – a reflection of a more intense set of demands in CAO IT. In addition, the work environment survey conducted as a part of this review again supports a much higher stress level in CAO IT. Report reviewers noted that the IS may have better approaches to its information technology management and has standard practices, offers training, cross trains staff in A/B teams, and promotes having staff work on project that can grow their skill set. They also have a strong commitment to support specific DHHS operations (Social Services, Mental Health, Public Health). We must reiterate that while these are excellent practices, the elimination of the separation between IT and IS would have significant benefits, but should only be undertaken if executive level oversight can ensure appropriate unit management, and a customer service attitude towards all department operations.

⁹ One employee did not respond to the tenure question, so it is possible that ‘one’ is in this category, which would be equivalent to a 5.5% turnover rate.

*Only 2 IT staff in the office, cannot tell if the respondents include IT staff

In total, 45 respondents identified themselves as Information Technology. The additional IT staff may be those staff who work in the Sheriff’s Office, Public Works Department and Assessor’s Office.

Workload

Self-report of time

The following analysis summarizes the results of the self-report of time, showing the major task categories.

Table IT-4: Self-Report of Time

	County IT	DHHS IS	OVERALL
General Work Subtotal:	19.6%	19.6%	19.6%
Administrative Support Subtotal:	6.6%	8.4%	7.7%
Supervisory Subtotal:	3.0%	5.5%	4.5%
Program Work Subtotal:	70.7%	66.5%	68.2%
Contracts and Procurement Subtotal (ICP)	6.5%	4.3%	5.2%
Project Management Subtotal (IPM)	10.2%	3.2%	6.0%
Customer Support Subtotal (ICS)	19.0%	23.6%	21.8%
Applications and Development Subtotal (IAD)	15.1%	18.6%	17.2%
Enterprise Network Group Subtotal (ING)	15.9%	11.4%	13.2%
Security/Information Security Subtotal (ISS)	3.9%	5.4%	4.8%
TOTAL	100.0%	100.0%	100.0%

The higher reported percentages of time of the DHHS IS staff in General Work, Administrative Support, and Supervisory time categories, is thought to be a reflection of a slightly higher amount of time for oversight regarding the work to be done and the best way to do it. The slightly lower amount of work time for those categories by County IT is thought to be a reflection of over-hurry and stress.

According to the self-report of time, the IT departments spend most of their time on Help Tickets, which is a part of the Customer Support Subtotal shown above. This data supports the input employees provided through the workflow survey and interviews. Responding to Help Tickets is a main task, perhaps the primary task of these IT departments at present. The following table shows the highest uses of IT staff time (excluding personal time, which was reported as 5.2% of all time).

Table IT-5: Highest Uses of IT Staff Time

	County IT	DHHS IS	OVERALL
ICS-1 - Support Request Help Ticket	14.3%	10.6%	12.1%
IAD-1 - Database Administration/Maintenance	4.1%	9.5%	7.3%
GW-3 - Work Organization/Time Management	6.8%	6.0%	6.3%
IAD-3 - Web Application Development and Support	3.6%	4.7%	4.3%
GW-4 - Meetings	3.0%	4.7%	4.1%
IPM-2 - Project Management/Oversight	6.9%	1.1%	3.4%
ING-4 - Server Administration	3.1%	3.2%	3.2%
ICS-5 - Inventory Tasks	0.5%	4.7%	3.0%
GW-6 - Assisting Others/Clarifying Procedures	3.8%	2.0%	2.7%
ICS-4 - Equipment Lifecycle Management	1.1%	3.2%	2.4%

The next highest areas of direct support to system users were database administration and web application management, which seems appropriate.

Employees of the IT units reported spending from 67-71% of their payroll time on work that is core to their job duties, which is a high utilization rate. This implies that all positions are well-used.

Self-report and long term estimations¹⁰

Table IT-6: Self-Report and Long Term Estimations

Job Category	County IT	DHHS IT	OVERALL
General Work (GW)	19.6%	19.6%	19.6%
Admin Support	6.6%	8.4%	7.7%
Supervisory	3.0%	5.5%	4.5%
Program Work	70.7%	66.5%	68.2%

Out of 80 categories of time included in the survey and identified as important by employees prior to the survey, there were five that had no time reported during the survey . These include:

11. Contracts and Financial Reports
12. Audio Conference Bridge Support
13. Change Management
14. Computer Security Incident Resolution
15. Security Reporting

The lack of focus on change management and security issues are identified as areas in need of attention by the County in this report, and their zero time reporting status supports those findings. The lack of time spent in Audio Conference Bridge Support may be the result of newer automated systems and/or third-party

¹⁰ Based on the responses from the county for self-reporting confirmation and LTE input, CPS HR is basing analysis solely on the self-report data.

maintenance of this kind of support. The zero time report in contracts and financial supports may be due only to the lack of relevant activity during the reporting week. Full results of the self-report are provided in Appendix C.

Management and Work Environment

CPS HR surveyed the departments across Humboldt County to obtain feedback on the work environment, the work flow and related issues. Three groups of questions were devised to summarize responses regarding the employee’s attitude towards their work (entitled “Me and My Work”), attitudes about supervision, and attitudes about co-workers and the larger organization¹¹.

The following table presents the results of this workflow perceptions survey, as reported by the different IT groups.

Table IT-7: Workflow Perceptions Survey

	CAO IT	DHHS IS	DCSS	All Respondents
Me and My Work	3.6	3.9	4.3	3.9
Supervision	3.4	3.3	4.2	3.7
The Work Unit and Organization	3.3	3.4	4.1	3.5

CAO IT and DHHS Information Services scored at slightly lower levels when compared to the rest of the county, which is likely a reflection of high expectations and limited resources. Between the two units, County IT scored lower than DHHS IS in both the Me and My Work category, and in the Work Unit and Organization category, and DHHS IS scored lower than County IT in Supervision. Combining these results with input provided during the interview phase, we feel that that current supervision in both units may not recognize the challenges placed on these groups. Comments provided in the Workflow Perceptions survey show some morale issues as well.

Areas of Strength

The IT groups scored well on these questions, related to the employee’s attitude towards their own work:

Table IT-8: Areas of Strength

Question	CAO IT	DHHS IS	DCSS	County Average
5. The quality of my work output is usually good or excellent.	4.3	4.6	4.7	4.4
6. The work I am asked to do in this work unit makes an important contribution to the success of our organization.	4.4	4.2	4.7	4.5
8. I am personally committed to helping my work unit to meet our goals.	4.5	4.5	4.7	4.6

¹¹ All questions and results are provided in Appendix C.

The following results are provided to show the highest and lowest scores of the two units, and also to highlight the differences between them.

Table IT-9: Highest and Lowest Scores

Work Unit	CAO IT Average	DHHS IS Average
1. Most times, my job assignments are fair.	3.4	3.9
2. Most times, the work expectations placed on me are reasonable.	3.2	4.0
3. I am usually able to complete my work on a timely basis.	3.0	4.1
5. The quality of my work output is usually good or excellent.	4.3	4.6
6. The work I am asked to do in this work unit makes an important contribution to the success of our organization.	4.4	4.2
8. I am personally committed to helping my work unit to meet our goals.	4.5	4.5
11. I get appropriate recognition for a job well done.	3.5	3.2
13. This work unit keeps reasonably current with work requests.	2.8	4.1
16. It is rare for our work unit to have justified complaints.	2.7	2.8
17. We have good processes for doing our work.	2.9	3.3
18. Useful work unit templates, systems and procedures exist for our key processes.	2.6	3.5
20. Training is available so that each of us can do our jobs correctly.	3.3	2.5
22. There is a natural tendency throughout the County organization to work together to solve problems.	2.8	2.5
23. Leadership asks what I think.	3.4	3.1
25. Leadership changes our work processes in response to good ideas advanced by employees.	3.1	3.1
26. Leadership creates a work environment that helps me do my job.	3.0	3.2
27. I am satisfied with the professional standards we achieve.	3.1	3.4
28. This work unit is a good place to work.	3.6	3.6
29. We obey laws and regulations.	4.1	4.3

Strengths

High scores for the County IT group focused on work being performed in that office, especially on the questions regarding “the quality of my work output” (4.3) and the “important contribution” made by their work (4.4). Employees in this unit feel the unit is a good place to work (3.6) and that they are able to fulfill requirements of law and regulations (4.1).

DHHS IS had high scores regarding their quality of work (4.6), their personal commitment (4.5), and their ability to stay current with work requests (4.1). DHHS IS differed from CAO IT in addressing the timeliness of their work, and where CAO IT gave an average score of 3.1 to that question, DHHS IS scored it as 4.1. Further, DHHS IS scored higher than CAO when rating the statement "Most times, the work expectations placed on me are reasonable." DHHS gave an average score of 4.0, where CAO IT scored 3.2. One conclusion that might be drawn is that the work requirement (or 'demand') is much higher within County IT than in DHHS IS, or alternately, that the resources provided are proportionately greater.

Weaknesses

The CAO IT scored lowest in areas concerning the expectations placed on workers, and the efficiency of the work processes. Its lowest score was "Useful work templates, systems, and procedures are good resources for completing our work assignment," which was rated at a very low 2.6. Scores this low typically reflect a critical need for action, however, if insufficient staff exists to perform basic work functions then such action may not be possible.

Second lowest scores for CAO IT were on the questions regarding the ability to complete work in a normal work day, the ability of the work unit to keep current with requests, both of which were scored at 2.8. Report reviewers noted the low 2.6 rating for "Useful work templates, systems, and procedures" and felt this may indicate a deficiency in unit operational management – which would indeed be a caution to the County in a movement towards a consolidated IT operation.

Regardless of challenges, these workers reported a good attitude towards their work, and said that "job assignments are fair" (3.4), and that the unit is a "good place to work" (3.6). This was not as positive an attitude as reported by DHHS IS employees, whose responses were equal to or slightly higher on the same questions.

DHHS IS employees seemed to have issues with leadership as indicated primarily by their responses to "leadership asks what I think" (3.1) and, "I get appropriate recognition for a job well done" (3.2). CAO IT employees scored those questions 3.4 and 3.5 respectively. DHHS IS employee responses indicated a significant concern with training, as reflected by their 2.5 response to the statement: "Training is available so that each of us can do our jobs correctly". County IT in comparison, rated that statement at 3.3.

Both County IT and DHHS IS ranked the statement regarding cross-department collaboration as very low. The specific statement was "There is a natural tendency throughout the County organization to work together to solve problems." This was ranked at 2.5 by DHHS IS and at 2.8 by County IT. These responses point to a lack of leadership to obtain best possible operational results related to IT services, which is addressed in Recommendation IT-2, presented in the following section.

Stress and Work Quality

Answers provided to the Workflow Perceptions Survey when asked about the number of hours spent in specific categories during a regular week regarding wasted time, rework and responding to people on work being done. The IT groups provided the following answers.

Table IT-10: Stress and Work Quality

	CAO IT	DHHS IS	DCSS	Overall
--	--------	---------	------	---------

Re-processing work that has already been done once?	1.33	2.08	0.00	2.08
Responding to persons who are waiting for action to complete?	5.23	6.56	6.67	5.74
Second entry of data that already exists in another file, form or system?	2.56	1.75	0.67	2.87
Any other kinds of wasted time?	4.31	0.84	2.27	1.99

In a normal week, all three units spend nearly 2/3 of a day responding to people on actions currently in progress. This seems reasonable given the role these departments play in aiding county employees with IT issues. The CAO IT spends nearly double the amount of time performing second

When asked about the level of stress in their work over the past three months, the IT groups varied in their responses.

Table IT-11: Stress Level

	CAO IT	DHHS IS	DCSS	Overall
Over-busy and too stressful.	27.2%	15.2%	6.7%	21.7%
Over-busy but acceptable.	38.9%	25.8%	21.7%	30.2%
Busy and challenging.	26.3%	43.9%	71.7%	39.8%
A little slow. More could have been achieved.	6.4%	11.6%	0.0%	6.7%
Too slow. There were extended periods with not enough to do.	1.3%	3.5%	0.0%	1.7%

Comparing County IT and DHHS IS, the IS stress level appears to be a little lower than CAO IT, as is the share of time in program work. The County IT is spending a majority of their time (38.9%) in the “over-busy and too stressful” category. In contrast, DHHS IS spends a majority of their time (43.9%) with the workload being “busy and challenging”, which as the middle of the scale, and represents a balance that is manageable by staff, without being too slow. Knowing that CAO IT is responsible for the entire county and handles multiple departments with different priorities, it may cause additional stress on the employees. DHHS is a large county department, but the mission and focus of the organization is more centralized than CAO IT.

Gaps

While overall staffing within County IT is a significant gap, Information Security is another. Insufficient attention to Information Security was identified in each of the department interviews, and supported in the self-report of time data above. The need for the county to seriously address information security is self-evident. Nearly every agency handles personally identifiable information (PII), and several of the agencies such as police handle very sensitive information¹². An InfoSec team should be responsible for implementing these requirements, and at present the County IT management attempts to fulfill this role as a part-time add-on to other duties. **County IT currently has no dedicated InfoSec resources, which is a major need for the**

¹² <https://oag.ca.gov/privacy/databreach/reporting> covers PII, HIPPA is federal, California just passed the California Consumer Privacy Act of 2018.

near future. DHHS recognizes this need and does have a full time InfoSec position filled. This gap and disparity reflects the major issue to be addressed in the area of information technology. Report reviewers within DHHS note that the security staff its has presently organized is important to meet state and federal system mandates, and must not be compromised in a consolidation. Another approach to the need to the strengthening of overall county IT security then, would be to establish an independent office of Information Technology Security, and which reports separately to the Executive Office.

Currently the staff working on security tasks (as an adjunct duty) are focused only on maintaining system integrity and installing required patches, and responding to known security incidents. However, their primary function should be implementing controls and processes to prevent security incidents, and monitoring capabilities to detect breaches. Secondary actions such as password control and file access monitoring area are also important. The unit must also have incident response capabilities to handle the legal, technical, and operational actions needed when an incident occurs.

Security breaches are often not detected if you're not looking for them. The fact that little time is spent responding to security incidents does not indicate that there is not a need to develop this capability.

County IT recently received funding for an IT Security role¹³. In comparison, DHHS IT has two IT security positions. These positions are responsible for security policies and procedures, security testing, email encryption, penetration testing, IT risk analysis, and Security Awareness training and updates. DHHS IT manages the county mental health facility and in turn is required to operate under HIPPA regulations, requiring a strong IT security capability in the department. DCSS IT does not have an IT Security position but instead asks its two dedicated IT positions to do required security as adjunct responsibilities, which is a stretch for them. DCSS then affirms that it is maintaining adherence to stringent IT security regulations defined by the IRS since they participate in an IRS program to electronically download tax return data utilized in child support collection efforts. This creates a potential liability for the County if either of those two positions becomes vacant, and if a new employee is hired, since the level of responsibility is so high. For these stated reasons, we make the following recommendation:

Recommendation IT-1

The County-wide IT Security Staff group must be consolidated and fully staffed to meet needs. Existing DHHS IS positions, even if out-stationed, must directly report within a consolidated unit, and if preferable, the security unit lead could be named from one of the two existing DHHS personnel. This unit could report independently to the County Executive, or alternately to the IT Division head. Regardless, the development of a county-wide strategy for IT risk assessment and prevention must be completed, and the sharing of knowledge and responsibility for these functions must be within a single staff group. This is the only way to maintain and consistently deploy the resources necessary to protect the interest of the County.

CPS HR has concluded that another vulnerability in the County IT system is that there is very little structured change management communication and control. The County now has IT systems that are shared by most departments and includes shared servers, ethernet and internet, active directories, and shared applications and databases. However, several major components are under different leadership systems, so any group's actions to make changes to the systems can negatively impact another group's ability to use the system. In such circumstances it is important to have a structured system in place to ensure that changes that one group

¹³ At the time of this report it was not yet filled.

makes don't harm another group. This is commonly referred to as change management or configuration management. This typically involves requiring that changes be documented before they are made, and that a "change advisory board" comprised of representatives of each group review and approve changes before they can be implemented. It is for this reason that CPS makes the following recommendation:

Recommendation IT-2

The County should adopt a formal IT System Change management led by an IT Change Advisory Board that is chaired by the Deputy CAO¹⁴. This board should discuss and approve all significant system changes prior to their deployment, and should preside over system operations and maintenance. Its meetings should generally be semi-weekly, with a formal agenda at each meeting and a stated purpose of each meeting. A charter for this group should be developed to recognize that this board does not exist to control or regulate all system changes, but to give advance notice and to allow full discussion of any changes that may impact other users¹⁵.

Adoption of a Change Advisory Board would have prevented the denial of necessary DCSS program access to Facebook through web access filtering changes made by County IT. CPS HR also believes that this body could assist the County in developing the best possible patch management practices, that would have either prevented or mitigated the impact of the DHHS Win10 updated in November of 2017, that resulted in a significant system outage. Likewise, it will provide the discussion of consistent practices and best practices in system security, including rules regarding refresh and update of system passwords.

¹⁴ DHHS report reviewers note that DHHS has had a Change Advisory Board in place for 2 years now. It was stated that the group meets weekly and approves changes that will be put into place. It also attempts to notify CAO IT of any change that affect another County department although the record shows there have been significant problems created regardless. This analysis believes that elevation of such a Change Board to the County level is therefore necessary.

¹⁵ DHHS report reviewers agree with the recommendation to develop a formal IT change management process, but argue there is a need to define what types of changes need to be reviewed, which will lead to how the process is organized. They noted that for example, "if we are discussing firewall changes or security related items, an Advisory Board chaired by the county's IT Security Analyst would have the knowledge to understand the request and leverage associated risk... (while) a change to our computer aided dispatch system may only affect the Sheriff." The authors of this review agree, and note that the analysis of what and how to report will be left to the IT Division Director, under the supervision of the County Executive Office which will participate in the Board.

Sheriff's Office

The specific IT issues of this office have focused on its unique applications, as noted earlier. This office has requested its own IT position to support these functions, and to support other unmet needs. These include development of an online payment system and desktop support for 60 patrol vehicles, that also require radio infrastructure assistance. Sheriff's Office personnel also noted that its hoped-for point of sales systems (POS) is not in place for multiple units within the Sheriff's Department. Further, there are 20 items on an IT improvement list (such as POS mentioned above). At present the sheriff's office is prioritized along with other departments equally, however they feel that they should receive a higher priority due to their law enforcement priorities. The office feels that progress is slow with ongoing IT projects and needed improvements are not being addressed. **CPS HR did not find compelling reason for additional IT staffing to support this office, and feel that its frustrations, like other department, would be best relieved through first staffing County IT to a level where it can fully serve all county needs.** The selection of new applications and technology, such as POS, must be part of the overall allocation of county resources, and based on cost-benefit. While radio communications systems have in the past been viewed as separate from IT, the convergence of radio, telephony, and digital system makes it likely that future technology transitions will be best considered as part of overall County IT operations.

Assessor's Office

Personnel interviewed at the Assessor's Office were satisfied with Help Desk functions, and said IT doesn't take very long to troubleshoot computer issues. They stated that processing and ordering computers for new employees can take a long time, though, and noted they have to order the computers two weeks ahead of time. However, there do not appear to be many major issues for IT to address in the Assessor's office.

Auditor-Controller Office

Currently, Audit Controller employees report that the network cable wiring in the office is out dated. This causes a slow down to transferring data in office applications. The employees mentioned that this interferes with files being uploaded to county databases. Also, due to the old cabling system, the office employees must trade off time accessing applications. There are estimates that every employee spends at least one hour a day dealing with technology issues. If true, this could reflect a 0.125% time savings, and as applied to 16 existing employees over the course of a year, would be equivalent to an additional two full-time positions. We were also informed that this office has previously submitted an Additional Requests for General Fund Appropriations (AFGFA) requesting upgrades to the networking cable in the office from CAT 3 cables to CAT 5 cables. **If this is feasible and affordable, we would recommend approval of this request.**

Centralization/Decentralization

Humboldt County IT performs centralized management of network services. They own the vendor relationship with their networking vendor, AT&T. All county department utilize the network services managed by County IT. Humboldt County IT also owns the internal Active Directory infrastructure for the organization, with management of sections of the Active Directory delegated to the agencies that they support. Additionally, County IT offers telephony services to all county departments, but unlike network services not all agencies utilize County IT offerings in these areas. Telephony needs vary greatly from department to department with some requiring basic telephone/voicemail services and others requiring more advanced features to support things like call centers, call distribution routing, public safety/911, etc.

County IT is currently positioned to only be reactive to issues. Interviews and observations indicate that they are mostly focused on current problems and urgencies. While they are doing their best to support their customers, they have little ability to solve issues proactively. An example of this is the network wiring for the Auditor Controller's office in the county courthouse. It is known that the grade of network cable installed in the Auditor Controller's office (CAT3 UTP) does not meet the minimum requirements of the network equipment that they are using. This causes significant performance and reliability issues for CAO for both their data and voice networks. County IT is aware of the issue but does not have funding or resources to re-wire the office. County IT pushes back on the CAO and asks that they identify a vendor to perform the rewire project and funds to pay for it, and County IT will oversee the work. There does not seem to be a clear understanding of the scope of IT services that County IT should be providing to the department.

CPS HR finds that the Department has not been able to perform its appropriate role in providing system security and risk assessment, in planning for system improvements, or in training and system support. It is apparently meeting its baseline requirements only through the extra hours spent by some employees, and this in turn has enhanced turnover and has frustrated mission accomplishment. This minimalization of resources has left IT subject to criticism from other departments, who have lobbied for further "decentralization" of the department and staffing of their own IT positions. This will not resolve the root cause issues being faced.

County IT seems to do a relatively good job managing the centralized services that they provide. The previous county decision to consolidate all county departments on a centrally managed network infrastructure managed by County IT likely resulted in significant cost savings to the county. However, despite this resolve, both the County IT and DHHS IS each maintain independent data centers, and there is likely a significant amount of redundancy and wasted staff time spent to support these two systems.

Other IT system managers have found significant benefit from a migration away from such data centers and migration to cloud based systems, and CPS HR would recommend this direction for Humboldt County in the future. So instead of looking to consolidate the existing two data centers, we recommend a joint migration to cloud-based services, through a collaborative effort of IT (as project planner and manager) and IS as a primary client. This move should also strengthen the leadership role of IT, in planning and operations.

Recommendation IT-3

Humboldt County should commit to the long-term goal of eliminating its two server-based data centers, and replacing them with a cloud-based data services, managed by County IT¹⁶.

One last barrier to be surmounted is the perceived "lower" career status of work at County IT, which must provide a sound base of professional knowledge, leadership, and system oversight for all departments. CPS HR feels that the current system of separate but equal information technology serving DHHS and the rest of the county is not working to the best interests of the entire county, and should be reconsolidated in a way that does not compromise the excellent service that DHHS IS has been able to provide.

Recommendation IT-4

¹⁶ Reviewers noted that some Departments are already beginning to use cloud based services. They also emphasize the obvious need to maintain redundant and secondary data storage of all official records, as a security measure.

That the County immediately unify its information technology resources under a single chain of command, that allows for deployment of positions in the Departments they serve. We also recommend that all IT managers be required to attend up to 40-hours of Leadership and Management training to better prepare for the current and future challenges they face in building a collaborative and highly effective work unit¹⁷.

CPS HR recommends that this change be made incrementally and with the minimum disruption to existing staffing and assignments. The only immediate changes should be in the centralization of the System Security unit and in the implementation of the IT Change Advisory Board. These changes should be followed by linking and integration of the Help Desk function throughout all office, while allowing each Department which maintains Help liaison functions to maintain those positions. The rotation of job assignments between departments, where possible, should allow all employees access to the newest technology, as well as to the legacy systems that provide the backbone for mainstream County operations¹⁸. Implementation of the IT Change Advisory Board should also centralize rules and procedures for passwords, and file directory access. Over time, this centralized unit should provide greater leadership for analysis and improvement of county IT systems overall, maximization of resources, and service to county department operations.

Recommendation IT-5

The filled staffing level and turnover in County IT should be tracked on a quarterly basis, and additional positions allocated as necessary to allow the unit to operate at 92% or more of its authorized staffing level.

Because staffing levels in County IT now seems to be at a minimum level to accomplish its goals, close attention should be given to department's ability to fill and retain staff, with the goal of keeping all positions full 92% or more of the time¹⁹. If this cannot be maintained, additional positions and accelerated training should be developed so that staffing matches authorized levels.

Stabilization of staff should also allow information technology staff to meet regularly with Department leadership, to learn about technology needs and their satisfaction with current service levels. Ultimately, information technology staff must recognize that its primary goal is to build the operational effectiveness of County program operations.

Recommendation IT-6

The leadership of the County IT unit should hold rotating monthly meetings with all Departments to understand technology needs, to plan future improvements, and to receive structured feedback on its support services. Regular reports on satisfaction with support services should be shared with the County Executive Office.

¹⁷ One report reviewer noted that the Idea of a single chain of command would need to start with position equivalence in the IT positions or many DHHS-IS staff would be disappointed and would have an incentive to look for other jobs. There is also apparently a strong "us" versus "them" culture between the two units that must be handled delicately, and a formal change management and team building effort may be required. If this task is taken on without good leadership we do not think it will be successful.

¹⁸ A caution is that the centralized structure should NOT be allowed to pull field positions to fill its own vacancies, or the service provided to Departments will be decimated as will be the level of service. Centralization of authority should not allow favoring headquarters priorities over field priorities.

¹⁹ 92% retention is considered a "normal" turnover rate in government.

This is a critical recommendation to ensure highest service levels in a centralization of authority mode. Centralized organizations can often see themselves as “control” functions, and the primary force that ensures quality of service is their view of the end user as a customer.

County draft report reviewers noted that County IT currently has a number of meetings with county departments, but in the sense that they do not fundamentally shape the operational actions taken by the department, nor the resources provided to the department it is our recommendation that these meetings be chaired by a representative of the County Executive. We also believe such any new management system must initiate a formal customer service metric for IT support, as that is foundational to any consolidation effort. It also reflects a best practice for management of IT services within the county. Such a system should be a part of the County Executive oversight of IT operations, and must continue to formally identify issues and gaps for resolution.

Human Resources Overview

The Human Resources (HR) function for Humboldt County Departments is a collaborative effort between the overall County Human Resources Department (County HR) and each of the individual departments. This section of the report documents the detailed review and analysis of the HR functions conducted by County HR and the Department of Health and Human Services Employee Services Branch (DHHS-ES). In addition, an overall review and analysis of the broad HR functions conducted by four sample departments, representing different department sizes, was documented. The analysis included a RACI based review of each HR function to identify potential overlap in the responsibility and accountability, a summary of the current time allocations, and an assessment of the appropriateness of centralization of that function. Overall, it was determined that due to the interpersonal nature and time-critical nature of HR related tasks, it was critical that each department have at least one go-to HR representative to act as a liaison and provide basic HR services. Additionally, County HR should maintain centralized oversight over all processes to maintain standardized, consistent, and current procedures across all departments, with the ability to delegate some or most responsibilities to the departments based on department HR experience levels and process complexity.

Department Staffing

County HR consists of 12 full-time positions, including two newly authorized positions, and one extra help part-time position. Staff are split into Personnel Services and Risk Management Services, each reporting to the Assistant Director, with the newly allocated HR Program Manager also reporting to the Assistant Director. At the time of this report, the HR Project Manager and the Extra Help Administrative Services Officer were vacant. Additionally, one HR Technician on the Personnel side and one HR Analyst on the Risk Management side were on extended leaves of absence and unable to be backfilled. The positions are further outlined in an organizational chart presented in Appendix A. County HR provides oversight for all human resource activities within the departments, conducts the more specialized HR functions for all departments, assists departments in routine HR functions as needed, and maintains authority over human resource decisions that impact Humboldt County.

Departmental HR staff varies with the department size, with some positions combining program work with HR support and others conducting HR functions full-time. HR support positions within existing departments are primarily focused on assisting in recruitments, conducting departmental orientations/onboarding, providing HR guidance to staff, participating in labor relations tasks, and/or providing liaison services with County HR to resolve questions. (Payroll support responsibilities are covered within the Payroll analysis section of this report). This HR review considers the defined workflow for DHHS-ES and the four sample departments.

DHHS-ES provides full-time HR support to DHHS staff, and consists of 15 full-time positions, of which one Payroll/Personnel Supervisor is vacant. DHHS-ES conducts recruitments, employee onboarding (including LiveScan and background checks), tracks training and performance evaluations, conducts employee grievance and client civil rights complaint investigations, responds to employee safety and risk concerns, communicates leave rights, responsibilities, and balances, and completes payroll and time card adjustments. Staff also assist DHHS staff with HR questions, provide consultative services to DHHS supervisors related to staff management, labor relations, and work accommodations, and liaise with County HR and union representatives.

The four sample departments have staff that conduct HR functions as adjunct duties in addition to their assigned department work. The Assessor's office has 3 positions assisting with HR functions in support of 31 allocated positions. The DCSS has 3 positions assisting with HR functions in support of 54 allocated positions.

The Sheriff’s Department has 4 positions assisting with HR functions in support of 300 regular and 30 temporary positions. The Public Works Department has 2 positions assisting with HR functions in support of 222 allocated positions. The sample departments engage in a variety of HR related activities including recruitment and on-boarding, classification, risk management and workers compensation, performance management, disciplinary actions, leave management and/or labor relations.

Work Environment Perceptions:

An important piece of the analysis was to obtain feedback from participating department staff who conduct the work on a routine basis. This section presents the results of a confidential survey in which staff responded to series of questions regarding the current work environment, the current busyness levels, and the time spent on repetitive or redone work. References to overall county response includes only those departments identified in the background section above.

Staff completed an anonymous survey with 29 questions assessing the work environment in three overarching categories. The following table compares the average rating in each category for County HR, DHHS-ES, and overall across the County. A full breakdown of each category is provided in the Work Flow Perceptions report, provided by CPS HR in electronic file format. County HR rated the “Me and My Work” category and “Work Unit and Organization” category 0.1 points higher than the overall survey results, but 0.4 points lower on the “Supervision” category. DHHS-ES rated the “Supervision” and “Work Unit and Organization” categories 0.3 points higher overall, but “Me and My Work” 0.1 lower than the respondents overall. In general, the County HR and DHHS-ES ratings of the work environment were between neutral and positive with DHHS-ES having a more favorable opinion overall.

Table HR-1: Work Environment

Work Environment Category	County HR (N=7)	DHHS-ES (N= 13)	Overall Survey (N=100)
Me and My Work (9 statements)	4.0	3.8	3.9
Supervision (3 statements)	3.3	4.0	3.7
Work Unit and Organization (17 statements)	3.6	3.8	3.5

The statements with the top five averages were identified for County HR, DHHS-ES, and overall survey respondents to identify the strengths presented in the following table. County HR, DHHS-ES, and the overall County response identified similar strengths in understanding the importance of the work, the personal commitment to that work, and the compliance and good quality of the work outputs. In general, DHHS-ES had a higher average rating on these items than County HR, which had an equivalent or slightly higher rating than the overall county. The average ratings fell between Agree (4) and Strongly Agree (5) with each of the statements, with higher averages reflecting a stronger agreeance with the statement.

Table HR-2: Top Five Averages

Question	Category	County HR	DHSS-ES	County Average
8. I am personally committed to helping my work unit to meet our goals.	Me and My Work	4.7	4.8	4.6
6. The work I am asked to do in this work unit makes an important contribution to the success of our organization.	Me and My Work	4.6	4.6	4.5
29. We obey laws and regulations.	Work Unit and Organization	4.4	4.8	3.9
5. The quality of my work output is usually good or excellent.	Me and My Work	4.4	<i>Item not in top 5 for DHSS-ES</i>	4.4
15. The quality of the work output of this work unit is usually good or excellent.	Work Unit and Organization	4.3	4.5	3.8
10. My Supervisor understands the demands placed upon me.	Supervision	<i>Item not in top 5 for County HR</i>	4.4	3.9

Overall, survey respondents were positive about the work environment with many of the lowest rated statements still reflecting a generally positive perception (above 3.0). For the purpose of identifying the areas perceived as needing the most improvement, the following table presents the lowest rated statements that fell at or below the neutral rating (3.0), indicating more disagreement/ negative perception of that statement.

County HR identified the need for supervisory assistance in prioritizing work and need for useful work unit templates and processes as the largest need for improvement. DHSS-ES reported not being able to complete work in a normal work day without sacrificing personal time (scored at 2.2) whereas the County HR response was a neutral 3.0 score. The lowest rated item by the county overall indicated a negative perception of the county tendency to work together to solve problems.

Table HR-3: Lowest Rated Items

Question	Category	County HR	DHSS-ES	County Average
22. There is a natural tendency throughout the County organization to work together to solve problems.	Work Unit and Organization	--	2.8	2.4
4. My work can usually be completed in a normal work day, and without sacrificing lunch hour or breaks.	Me and My Work	3.0	2.2	3.2
12. My supervisor helps prioritize work so that the important things are done first.	Supervision and Leadership	2.8	--	3.5

Question	Category	County HR	DHSS-ES	County Average
18. Useful work unit templates, systems and procedures exist for our key processes.	Work Unit and Organization	2.9	--	3.3

The lowest rated items indicate a general need for reviewing processes within and across departments while the highest rated items indicate a strong staff commitment to the work importance and quality.

Duplicative Work. The survey also included two more focused questions aimed at assessing duplicative work and the overall employee busy-ness levels as an indicator of potential employee stress. The results of the first question identified the hours per week spent in inefficient work processes including following up on processes in process, re-doing work that has already been done, or overall wasted time. The following table shows the average time spent in each area of potential inefficiency for the overall respondents, County HR, and DHSS-ES.

Table HR-4: Duplicative Work

	County HR	DHSS-ES	Overall
Re-processing work that has already been done once?	1.49	5.0	2.08
Responding to persons who are waiting for action to complete?	8.71	12.1	5.74
Second entry of data that already exists in another file, form or system?	3.00	8.6	2.87
Any other kinds of wasted time?	4.40	1.3	1.99
Total Hours per week	17.60	27.0	12.68
Percentage of Normal work week	44.0%	67.5%	31.7%

County HR is spending approximately 44% of the average work week following up or redoing work, with 21.8% of that time responding to individuals who are in the middle of a process. Comments indicated that the duplicative data entry is potentially needed as it applies to different benefits.

DHSS-ES is spending approximately 67.5% of time following up or redoing work, with 30.3% of time responding to individuals and 21.5% of time spent re-entering data that already exists in a different system. Comments indicated a need for process overhaul and streamlining in general – particularly with payroll which currently produces multiple needed corrections because payroll is due before the pay period is over. A second major identified need was the availability of a standardized online tracking database and online forms instead of having to transfer information multiple times between paper forms, excel spreadsheets, and/or online forms.

It is a finding of this report that the reported amount of time spent re-processing work, responding to issues regarding work in progress, and re-entry of work presents a significant opportunity for work process improvement for the county in the future, and that this should be a priority.

This report includes Recommendation AC-4 at page 123, which recommends that the County Board of Supervisors should adopt and implement a strategic initiative regarding quality assurance and process improvement²⁰ for the Office of the Auditor Controller and the associated Departments involved in accounts payable and payroll processes. This same strategy could be used to systematically assess and improve HR processes.

This time is considered lost time due to re-work that provides opportunity for the county to save time and money, and it points to work flow improvements as a solution. Although inefficient processing can never be completely eradicated, a more reasonable expectation is 15-18% of time (6-7 hours a week) spent on these activities. Some potential resources for improving this status quo includes the development and availability of frequently asked questions for subjects of general inquiry, the identification and tracking of waiting time as a source of future improvement, and where applicable, a way to check the status of work processes more rapidly or online.

Work Stress. The second question measured the employee perception of workload reasonability through the self-assessment of busy-ness levels and corresponding work stress. The following table shows the average time spent in each state of busyness and stress for the overall respondents, County HR, and DHHS-ES.

	County HR	DHHS-ES	Overall
Over-busy and too stressful.	15.7%	36.9%	24.2%
Over-busy but acceptable.	38.6%	31.5%	29.4%
Busy and challenging.	37.9%	31.5%	38.8%
A little slow. More could have been achieved.	6.4%	0.0%	6.2%
Too slow. There were extended periods with not enough to do.	1.4%	0.0%	1.5%

County HR identified work as either busy and challenging or over-busy but acceptable for 76.5% of the time over the prior 3 months, and 15.7% in an over-busy and stressful state or approximately 6.3 hours a week. This is likely impacted by the number of staff on leave during this period along with the implementation of new programs or procedures as HR looks forward to streamlining and standardizing procedures county-wide. Comments supported the need to adjust the workload to maximize staff talents and utility. Staff indicated an assessment of staff to identify the appropriate roles and responsibilities is under way, however this is slowed by individuals needing to split the time and attention outside their normal scope to cover extensive leaves within the department. This increases the perception of an overwhelming workload. One comment indicated that their position would be primarily busy and challenging or a little slow once individuals on leave returned.

DHHS-ES spends 63.0% of the time in either busy and challenging or over-busy but acceptable state, and 36.9% of time in an over-busy and stressful state or approximately 14.8 hours per week. This is likely impacted by the amount of corrections needed on timesheets after submission, and the need to wait for information being passed between departments, County HR, and Payroll. Comments consistently identified the lack of

²⁰ Our work review points only to a focus on accounts payable and payroll process issues, although such a practice could be used more broadly.

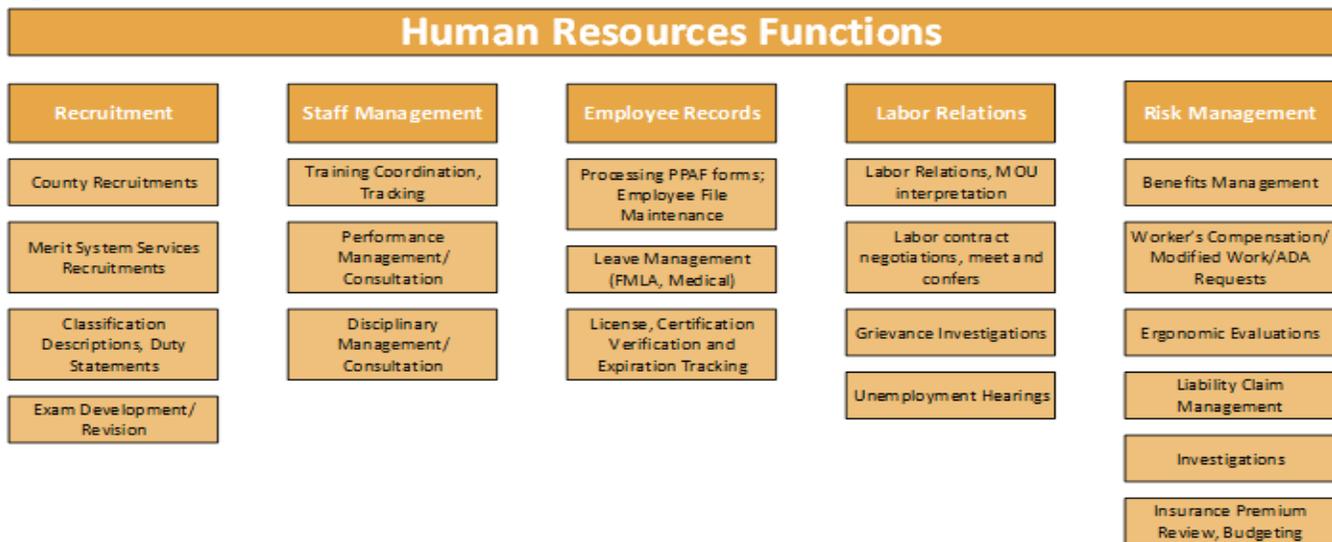
sufficient staff to keep up with the current workload including the need for individuals to work evenings and/or weekends, with most staff shifting to an inefficient payroll process during payroll weeks causing delays in other work²¹. Additionally, the computer programs do not track the necessary information resulting in hand calculations of payroll and/or timelines, and unrealistic timelines set by the payroll process and in getting new hires set up through payroll compound the delays, increasing the stress levels and work not getting done timely.

Overall, County HR is spending 35.1% less time than the county overall in the over-busy and stressful state while DHHS-ES is spending 52.5% more time than the county overall.

In contrast, the overall assessed county departments spend 68.2% of their time in a state reflecting appropriate and well-managed staffing levels (Busy and challenging or over-busy but acceptable), and 24.2% of time in the “too stressful” category indicating room for improvement in staffing and/or process management. Departments with more than 25% of time spent in the “too stressful” state should be prioritized in improving the environment as it leads to erroneous or poor-quality outputs as staff try to catch up with the workload by rushing through processes.

Functional Organization

Figure HR-5: Functional HR Services



The primary analysis examines the current processes in place to complete HR functions. The following section summarizes the HR functions conducted by County HR and Departmental HR staff. The System Map in Figure HR-5 provides a visual outline of functional service areas conducted by HR staff. These are in addition to providing consultation on related topics and customer service to those seeking general County information. An overview of the intended results along with success indicators is presented for each functional area followed by a more detailed review of each category within the function.

The functional work areas and related categories from the system map are designed to produce the following results/outcomes:

²¹ This is further discussed in the payroll section of this report, on page 85. Also see Recommendation PR-4.

Table HR-6: Results/Outcomes

Overall Purpose
The primary HR focus is the attainment and management of staff through the effective definition and recruitment of qualified staff, ensuring staff development, providing fair compensation and a safe working environment, maintaining employee records, and protecting the County through Risk Management efforts.
Intended Results/Outcomes
<ul style="list-style-type: none"> • Positions are clearly defined with current classifications, duty statements through periodic review of job expectations (including job analyses, job observation, updating description language to remain current). • Ensuring fair compensation and benefits, periodically assessing against benchmarks • Recruitments are designed to effectively attract and assess qualified candidates to maximize department goals. • Staff expectations are clearly defined through the use of performance management and disciplinary actions as needed. • Staff maintain the skills needed to effectively complete the job through official and on-the-job training, license verification. • Personnel records are accurately created, and updates are timely, accurately, and consistently entered. • Collaborative efforts with labor unions ensure employees and the County are protected through knowledgeable and effective application of labor agreements. • Investigations and insurance claims are completed timely, collecting information, and ensuring accountability.

The implementation of these intended results can be observed with consideration to the following indicators:

Table HR-7: Indicators of Success and Undesirable Outcomes

Functional Area	Indicators of Success	Undesirable Outcomes
Recruitment	<ol style="list-style-type: none"> 1. Low Vacancy Rate 2. Efficient timeline recruitment to quickly fill vacancies 3. Effective outreach produces qualified candidates 4. Fair compensation/benefits based on benchmarks to attract qualified candidates 5. High Acceptance rate on offers 6. Annually updated duty statements to reflect current responsibilities with current language 7. Routinely updated classification specifications for use in recruitment 	<ol style="list-style-type: none"> 1. High Vacancy Rate 2. Loss of good candidates due to recruitment/hiring delays 3. Low acceptance rate on offers 4. Need to rerun recruitments due to insufficient or unqualified candidates 5. Delayed recruitment due to need for updated position description

Staff Management	<ol style="list-style-type: none"> 1. Staff are current on required Federal/State training 2. Effective training tracking system is in place with communications between County HR and departments 3. Performance evaluations are completed on time and accurately with all signatures 4. Low rate of rebuttals on fairness of evaluations 5. Counseling before onset of disciplinary problems, resulting in low rate of disciplinary actions 	<ol style="list-style-type: none"> 1. Staff are out of compliance with regulated training requirements 2. Inaccurate records on training completion 3. Performance evaluations not completed on time, potentially impacting promotion or pay increases 4. High rate of disputes on performance evaluations 5. High rate of mistakes made by supervisors on evaluations 6. High rate of escalated disciplinary actions/Skelly hearings
Employee Records	<ol style="list-style-type: none"> 1. Personnel files are established for each employee quickly after hire 2. Updates are entered efficiently and accurately 3. Low rate of errors during quality assurance 4. Files maintained and organized to locate information quickly 5. Accurate record of leave records/time 6. Tracking of licensure if required to ensure no lapses in validity (driver's, professional) 	<ol style="list-style-type: none"> 1. Inefficient processing of updates with multiple hand-offs 2. Inconsistent or duplicative information 3. Inability to find clear information due to inconsistent or missing information. 4. Staff charges more leave than accrued or denied when leave is available, resulting in pay adjustments 7. Staff licensure expires
Labor Relations	<ol style="list-style-type: none"> 1. Supervisory knowledge and implementation of MOU terms 2. Accurate response to MOU questions, no or low level of follow up required 3. Low rate of unexpected union meetings/negotiations 4. Low rate of unemployment hearings 5. Low rate of grievances filed, closed at lowest level 6. Low level of Cal/Osha and EEOC/DFEH investigations 	<ol style="list-style-type: none"> 1. High incidence of escalated questions due to unsatisfactory response at lower level 2. Occurrence of union involved meetings to resolve issues 3. High number of unemployment hearings 4. High number of Cal/OSHA and/or EEOC/DFEH investigations 5. High number of grievances
Risk Management	<ol style="list-style-type: none"> 1. 100% enrollment/waiver of benefits completed during open enrollment 2. Accurate input of benefits into tracking system 3. Low error rate in quarterly audits/reconciliation ensuring appropriate coverage of all staff 4. Efficient and appropriate response to worker's compensation, ADA, or modified work requests 5. Ergonomic work stations/low level of ergonomic evaluation requests 6. Low level of liability claims against County 	<ol style="list-style-type: none"> 1. Late registration of benefits, potential late fees/penalties. 2. Inaccurate coverage of employees, requiring follow up actions 3. High rate of worker's compensation, ADA, or modified work requests 4. High rate of ergonomic evaluation requests, complaints 5. High rate of liability claims against County

Functional Process Review

The following pages provide a more detailed review utilizing the following three steps for each functional area.

- Each process within the functional area was evaluated to identify the responsible, accountable, consulted, and/or informed (RACI) staff based on subject matter expert (SME) interview and process review. The RACI assessment assists in identifying hand-offs and potential process overlap that may benefit from the centralization of services or future process review. Processes with numerous identified hand-offs or process inefficiencies were further delineated in a RACI matrix.
- The time allocated to each functional area overall and its' included work processes as reported in the self-report was summarized, reviewed by SMEs, and adjusted to incorporate SME feedback to ensure no key tasks were omitted or there were no data anomalies during the data collection week. The SME recommended feedback was compared against job descriptions, duty statements, available job analysis questionnaires, and interview notes to ensure the changes were in line with the job expectations. This time summary includes the percentage of time, equivalent annual staff hours, and equivalent PY. Table HR-7 depicts a high-level allocation of time for County HR and DHHS-ES, with the overall Sample Department time discussed in the Sample Departments Section, starting on page 47. An overall breakdown of time for all functions and work processes, including each of the tasks within each process, is available in Appendix C.

Table HR-8: Overall County HR and DHHS-ES Time Allocations

		% of Time from SR/LTE	Annual Hours for all staff*	Equivalent PY ²²
General Work	County HR	11.6%	2,415.9	1.3
	DHHS-ES	15.6%	3,672.7	2.0
Administrative Support	County HR	16.2%	3,373.9	1.9
	DHHS-ES	17.3%	4,072.9	2.2
Supervisory	County HR	5.3%	1,103.8	0.6
	DHHS-ES	8.1%	1,907.0	1.1
Payroll Support	County HR	1.4%	307.9	0.2
	DHHS-ES	18.8%	4,421.0	2.4
HR Program Work	County HR	65.6%	13,645.9	7.5
	DHHS-ES	40.3%	9,492.9	5.3

*Based on 11.5 positions in County HR and 13 positions in DHHS-ES

3. Each functional area and key work process was evaluated in the context of the four centralization considerations outlined in the methodology, prior to outlining recommendations for that functional area. This incorporated any departmental hand-offs or inefficient process steps identified in the process review

²² PY was calculated based on the CalHR work-year of 1,811 hours after removing allowable leave/holidays.

that may benefit from centralization and the volume of work and required departmental knowledge that would support a decentralized environment.

Recruitment Services Function:

The recruitment services function provides the definition of positions and the subsequent recruitment and selection of suitable candidates to fulfill these positions.

Process Reviews

County Recruitment Process:

A county level recruitment is a collaborative effort between County HR and the department to advertise, assess candidate suitability, and fill a position within the department. This encompasses a majority of the recruitments, only excluding those specifically defined as Merit Systems Services positions in DHHS or DCSS. The overall steps in this process, related task code from the workload study, and role within each is presented in a RACI matrix below.

Table HR-9: RACI Matrix for County Recruitments

Functional Task	Task Code	County HR	DHHS Emp. Svcs.	Sample Dept. HR	Payroll
Recruitment Initiation – compiling information to open a recruitment (current list status, recruitment advertising, SME for application review, hiring interview dates)	CR-1	C	R, A	R, A	
Reviewing Recruitment – Review recruitment details (position number, salary, exam plan, advertising), post recruitment in Neogov, advertising sources)	CR-1	R, A	C, I	C, I	R, A
Active Recruitment – responding to applicant questions	CR-1	R, A	R, A, C	R, A, C	
Application Assessment - reviewing MQs, training SME for technical review	CR-2	R, A	C		
Examination Coordination – scheduling, proctoring exams; notifying candidates of status; establishing hiring/QAP questions; scheduling interviews	CR-2	C	R, A	R, A	
Hiring Interviews – sitting in on hiring interviews, updating NeoGov with list status	CR-2	R, A	I	I	
Candidate Selection – Identifying candidate to hire, ensuring within County guidelines, determining a start date	CR-2	C	R, A	R, A	C

Functional Task	Task Code	County HR	DHHS Emp. Svcs.	Sample Dept. HR	Payroll
New Hire Paperwork/Initiation - Complete LiveScan, background screening, license verification; coordinate physical, present offer, provide guidance in new hire paperwork	CR-3	R	R, A	R, A	
New Hire Review/Orientation – Review new hire paperwork, enter employee into payroll, create employee file, conduct new employee orientations	CR-3	R, A	R	R	R, A
School Training Agreements – onboarding, processing paperwork for interns/students	CR-4		R, A		
WEX Onboarding and Payroll Processing – submitting paperwork and payroll hours to CPA, conduct Live Scan, distribute checks	CR-5		R, A		

A review of the RACI matrix identified significant hand-offs between DHHS and County HR as illustrated by the shift in the Accountable role (A). It also shows potential overlap in responsibilities as demonstrated by multiple R's within a single row. The potential work flow inefficiencies in this process include:

- Review of the Recruitment Request - County HR reviewing most, but Payroll reviewing the position number
- Active Recruitment Questions – both County HR and DHHS-ES are responsible for responding to questions from applicants.
- Candidate Selection – although the selection is done by the Department, County HR currently participates in each QAP/hiring interview; additionally the hire date needs to be after all paperwork is completed, requiring consultation from all involved to make sure date is not set before the set-up can be done.
- New Hire Paperwork/Initiation – DHHS-ES processes the LiveScan, background review, license verification and assisting with new hire paperwork while County HR provides the new hire paperwork packets for most departments (DHHS has their own) and coordinates any physical examination when required. However, County HR conducts the LiveScan for the other departments.
- New Hire Review/Orientation – Paperwork is reviewed by DHHS-ES, County HR, and then Payroll when entering into the system; County HR conducts a County Orientation and DHHS-ES conducts a Department Orientation.

Gaps/Barriers:

County HR identified delays due to staffing shortages and lack of departmental training on the new procedures. The goal is to roll out a comprehensive proactive training program rather than train each department as recruitments occur, with the intent to roll it out Summer 2018.

DHHS-ES identified delays in the recruitment process due to lack of training and experience with the new recruitment procedures, but that it should improve with time. There are also delays due to staff shortages in County HR, with a sharp increase in the number of recruitments causing delays in processing (up to 4 weeks to

open a recruitment) and in scheduling a Qualified Appraisal Panel (QAP)/hiring interview since County HR prefers to sit in on each interview process to ensure fair practices. The increase in recruitments is partially attributed to lists being exhausted more quickly with each department now required to establish and utilize their own list rather than share lists with other departments as was previously done. Additionally, there is a barrier from payroll regulations requiring the start date to be after all paperwork has been processed, which relies on payroll availability.

The sample departments also identified delays in the overall recruitment process timing, although the recent change to review the initial applications during the recruitment is helping. The departments acknowledged that County HR has gone through a lot of turnover and is short staffed, contributing to the delays. Each department identified existing barriers and implemented workarounds to counteract the slow process. Public Works indicated the merit-based tests are outdated, increasing the difficulty in selecting qualified candidates, however they proactively recruit licensed individuals by sending the job bulletin to members listed at a licensing agency. The Assessor’s Office indicated a need for additional guidance on the criteria to use when rating applications. There is also notable delay in scheduling oral interviews since someone from HR must be present in each interview and HR is short-staffed and the schedule fills up quickly. The Sheriff’s office will utilize the Extra Help application process to hire temporary staff with no benefits, which takes one to three months for civilian or deputy, respectively, but it is still quicker than the County process. Additionally, the Sheriff’s Office would like to hold continuous or open recruitments for deputies and dispatchers due to high turnover in addition to implementing hiring incentives, however there has been at least a four-month delay in HR getting a response from the unions. It is also challenging to backfill a retiring position to allow training as it requires petition to the Board.

Identified Backlog or work not getting done:

Although all recruitments are getting done, there is notable delay as mentioned in the barriers that impacts the ability to hire the best candidates and causes a backlog within the departments for the duration that the position is unfilled.

Merit System Services Recruitments:

The Department of Child Support Services and Department of Health and Human Services require recruitments for certain positions to be done through Merit System Services (MSS). The department will fulfill the role typically done by County HR in these recruitments, conferring with County HR as needed. The overall steps in this process, related task code from the workload study, and role within each is presented below.

Table HR-10: RACI Matrix for MSS Position Recruitments

Functional Task	Task Code	DHHS Emp. Svcs./DCSS	MSS	County HR	Payroll
Recruitment Initiation – obtaining department/fiscal approval, completing IMS-18 with recruitment details (exam plan, advertising request, timing); reviewing MSS bulletin, notifying local advertisers outside of MSS advertising, input into NeoGov	MR-1	R, A			

Functional Task	Task Code	DHHS Emp. Svcs./DCSS	MSS	County HR	Payroll
Active Recruitment – responding to applicant questions	MR-1	C	R, A		
Application MQ Assessment – reviewing MQs, providing department with approved candidates	MR-1		R, A		
Application Assessment - SME technical review after MSS does MQ review	MR-2	R, A			
Written Examination Coordination – scheduling, proctoring written exams; notifying candidates of status	MR-2	R, A	I		
QAP Coordination – scheduling, proctoring written exams; notifying candidates of status; establishing hiring/QAP questions; scheduling interviews	MR-2	C, I	R, A		
Hiring Interviews – sitting in on hiring interviews, tracking candidate scores in Dept. file; updating NeoGov with list status	MR-2	R, A	R, A		
Candidate Selection – Identifying candidate to hire, ensuring within County guidelines, determining a start date	MR-2	R, A		C	C
New Hire Paperwork/Initiation – Complete LiveScan, background screening, license verification; coordinate physical, present offer, provide guidance in new hire paperwork	CR-3	R, A		R, A ²³	
New Hire Review/Orientation – Review new hire paperwork, enter employee into payroll, create employee file, conduct new employee orientations	CR-3	R, A		R	R, A

A review of the RACI matrix identified a few hand-offs between the department and MSS during the recruitment and applicant assessment, with shared accountability during hiring interviews. It also shows potential overlap in responsibilities as demonstrated by multiple R's within a single row. The potential overlaps in this process include:

- Recruitment Initiation – The department is responsible for compiling information for MSS and notifying local advertisers. County HR has a small piece inputting the recruitment information into NeoGov.
- Hiring Interviews – The hiring interviews consist of a panel of the hiring department supervisor/manager, a representative from DHHS-ES, and a panel chair from MSS; however DHHS-ES may step in as chair as needed.

²³ County HR has coordination of physical only in this group of duties. ES completes the bulk of this with little to no impact on County HR.

- New Hire Paperwork/Initiation – DHHS-ES processes the LiveScan, background review, license verification and assists with new hire paperwork packets²⁴ which includes both DHHS and County policies. County HR is only involved in the coordination of physical examinations when required, however this is infrequent for DHHS recruitments.
- New Hire Review/Orientation – Paperwork is reviewed by DHHS-ES, County HR, and then Payroll when entering into the system; County HR conducts an optional monthly new employee benefits orientation and DHHS-ES conducts a Department Orientation.

Gaps/Barriers within MSS Recruitment Tasks:

Neither DHHS-ES or MSS identified any gaps specific to the MSS recruitments, although the gaps/barriers related to processing new hire paperwork and setting a start date would still apply in these recruitments. DCSS did not indicate any current gaps, however indicated that County rules are changing and that may impact the future recruitment process.

Identified Backlog or work not getting done:

Although no backlog was identified, MSS recruitments are also subject to procedural barriers in setting a start date and reaching qualified candidates. This impacts the ability to hire the best candidates and causes a backlog within the departments for the duration that the position is unfilled.

Classification Specification Maintenance:

Classification Specifications provide a description of the classification at a high level applying to all positions within that classification. This typically includes factors covering job scope and complexity, decision making authority, supervision required, minimum qualifications, and required knowledge, skills, and abilities. These are different than duty statements which are created by department supervisors and describe the time allocation and specific tasks for an individual position.

County HR is accountable and responsible for a majority of the classification work, with departments consulted to review new or revised specifications. County HR is responsible for assessing the accuracy of specifications prior to use in recruitments, updating existing classifications when a department indicates a change in one of the factors above, and creating new classifications when existing classifications do not meet the needs of a new position. When new positions are required, a job analysis questionnaire (JAQ) is completed by the department and forwarded to County HR to assess if a new classification is needed or if an existing one can be used. Department staff will review the classification results upon draft completion, providing any feedback. When a revision is needed, the department submits a JAQ with the request for a change to County HR, who is then responsible and accountable for determining the appropriate duties, allocation of work, and minimum qualifications. This includes consulting with the unions to ensure changes are acceptable and obtaining board approval.

A review of the classification indicated minimal hand-offs with the departments notifying County HR of the need, County HR being responsible and accountable for the work, and the departments being consulted as needed for information and for a review. The only potential area of overlap is with the completion of the JAQ, with DHHS starting the JAQ process, whereas other departments may not have the knowledge or staff

²⁴ ES uses their own new hire paperwork packet with DHHS and county policies included. The County does a monthly new employee benefits orientation which is not mandatory attendance. HR only coordinates with and ES person for physical examinations at this step.

resulting in County HR doing this step. Classification development, review, and updates for MSS positions are conducted by MSS with DHHS/CDSS feedback, only involving County HR if it results in a new classification or position requiring salary review and Board of Supervisor approval.

Gaps/Barriers within Classification Tasks:

County HR identified the lack of HR staff trained to conduct these studies in addition to a shortage of staff in general to complete the incoming requests. DHHS-ES identified delays stemming from the negotiation with unions and finance. After County HR is done with their initial review, things can get held up by the ACSME Union review as any changes to actual duties requires a meet and confer and any change in minimum qualifications or an increase in existing duties will elicit a request for additional compensation, which then requires financial review and approval. The sample departments did not mention anything related to classification studies.

Identified Backlog or work not getting done:

County HR indicated there is a backlog of work in classification as this includes any new positions, updates, reclassifications, and related salary setting. There is insufficient staff trained to address the need currently, and other tasks take higher priority. However, County HR is bringing a vendor on board to assist with training and provide oversight on the classification requests.

Exam Development/Revision:

The development and maintenance of examinations for recruitments is done primarily by County HR. This includes the development of written exam materials, revising examinations, and creating oral exam questions from scratch based on the needs of departments. Currently, County HR is responsible and accountable for the development of customized oral examination questions for each QAP/hiring interview to fit the needs of the department, with departments consulted for review and feedback. County HR indicated they do not create written exams and utilize a vendor for these services. This category also includes researching examination vendors, establishing contracts, and processing billing.

DHHS-ES will also assist MSS in written examination review as needed. Currently, DHHS-ES is working on a review of the Eligibility Worker written examination. There are no hand-offs in accountability or overlap in work tasks.

Gaps/Barriers within County Recruitment Tasks:

There were no identified gaps by County HR, DHHS-ES, or the sample departments.

Identified Backlog or work not getting done:

Similar to gaps, there were no backlogs or work not getting done for exam development identified by County HR, DHHS-ES, or the sample departments.

Workload Measurement:

The percentage of time allocated to recruitment services along with the equivalent annual hours and PY is summarized in the following table. County HR utilizes approximately 3.07 PY while DHHS-ES utilizes approximately 2.06 PY with both spending the largest percentage of their time on county recruitments.

Table HR-11: Recruitment Services Function Time Allocations

		% of Time from SR/LTE	Annual Hours for all staff*	Equivalent PY
Recruitment Services Overall	County HR	26.80%	5767.7	3.07
	DHHS-ES	15.80%	3725.3	2.06
County Recruitments	County HR	12.9%	2,781.6	1.48
	DHHS-ES	11.9%	2,799.2	1.55
MSS Recruitments Overall	County HR	0.1%	16.9	0.01
	DHHS-ES	3.4%	801.6	0.44
Classification Maintenance Overall	County HR	7.7%	1,653.7	0.88
	DHHS-ES	0.5%	114.3	0.06
Exam Development Overall	County HR	6.1%	1,315.5	0.70
	DHHS-ES	0.0%	10.2	0.01

The percentage of time allocated to recruitment services by the four sample departments, along with the equivalent annual hours and PY, is summarized in the following table. Overall, the sample departments spent from 0.004 to 0.34 PY on recruitment services. For DCSS, this includes both county and MSS recruitments.

Table HR-12: Recruitment Services by Sample Departments

Sample Departments	Dept.	% of Time from SR/LTE	Annual Hours for all staff*	Equivalent PY
Overall Recruitment Services within Sample Departments	Assessor	0.1%	6.5	0.004
	DCSS	1.1%	159.7	0.09
	Public Works	2.3%	614.9	0.34
	Sheriff's	0.4%	39.9	0.02
SDCR - Recruitment and Onboarding	Assessor	0.1%	6.5	0.004
	DCSS	1.1%	159.7	0.09
	Public Works	2.3%	614.9	0.34
	Sheriff's	0.4%	39.9	0.02
SDCL – Classification	Assessor	0.0%	0.0	0.00

	DCSS	0.0%	0.0	0.00
	Public Works	0.0%	0.0	0.00
	Sheriff's	0.0%	0.0	0.00

Centralization Assessment:

The processes within the Recruitment Services function were reviewed in context of the four centralization factors. County HR is ultimately responsible and accountable for making decisions related to recruitment service activities, however in three of the four process areas, much of the responsibility can be delegated out to the department HR staff to streamline processes and produce potential cost and time savings.

Recommended Centralized Oversight with Department Delegation:

County Recruitment and QAP Exam Development processes should have centralized accountability and oversight, with responsibility for conducting the process largely placed on department HR staff. Smaller departments may require additional guidance or assistance from County HR if the processes occur infrequently resulting in diminished functional knowledge due to lack of application.

County HR will maintain global oversight by developing and managing standardized guidelines on the recruitment process, with periodic assessment/feedback to ensure effectiveness, and by assisting with periodic questions to ensure compliance with all regulations for non-routine recruitments or applicants.

Department HR staff will be responsible for filling out recruitment details; developing the job bulletin (using a standardized template); posting the recruitment on NeoGov and with any additional advertisers (allowable advertising criteria should be outlined in the guideline); responding to applicant inquiries; reviewing the minimum qualifications (MQs) and setting up a SME for technical review in NeoGov; developing the QAP/hiring interview questions; identifying an HR representative not part of the hiring unit to sit in on QAP/hiring interview panels to ensure fairness, reaching out to HR only if the department does not have someone that is not part of the hiring unit; complete new hire paperwork, including the forms for a physical and then provide the new hire paperwork and physical request form to County HR to schedule the physical and enter the information into OneSolution²⁵. Additionally, the information from the county orientation could be built into the department orientation to combine the two orientations, with a County HR contact listed if there are any questions and information on the next scheduled union meeting for new employees (currently a part of the optional County orientation).

County HR should maintain accountability in the final review of the job announcement and position details prior to posting including classification description and position number, and the QAP/hiring questions prior to the interviews. This requires County HR to cross-train on verifying the position number, which is currently done by County Payroll. This would minimize hand-offs to a review of the job announcement, a review of the questions which can be done during application collection, and then final review of the new hire paperwork for personnel files and payroll while granting departments more control in their respective recruitments.

²⁵ This assumes the department and County HR have access to the same information within OneSolution and that a standardized procedure for entering information is developed.

MSS Recruitments are slightly different with the Department fulfilling the roles that are typically done by County HR in the County recruitment process while MSS conducts many of the preparation tasks, initial review of MQs, and provides feedback on exam development.

Department HR staff will be responsible for filling out the recruitment request; posting the recruitment in NeoGov; responding to any questions or referring applicants to MSS for questions; setting up a SME for technical review in NeoGov for after MSS completes MQ screenings; coordinating and proctoring written and oral examinations; sit in on the QAP/hiring interview – chairing if MSS is not available; and complete new hire paperwork, including the forms for required physicals but provide the new hire paperwork and physical request form to County HR to schedule the physical and enter the information into OneSolution. Additionally, the two orientations could be combined as mentioned above.

QAP Exam/Hiring Interview Development for each recruitment accounts for the largest portion of time in the Exam Development/Maintenance processes, which should be delegated out to Department HR staff. County HR should be responsible for ensuring guidelines are developed and maintained to ensure consistent format and exam guidelines for shared general classifications with flexibility to allow department fit based on the open position. As indicated in the recruitment section, the responsibility for developing the initial QAP/hiring questions should be delegated to departmental HR, with the expectation that they follow guidelines set by County HR. For example, a general classification that is shared across departments may have a requirement of 3 organizational skill questions, 2 analytical questions, 3 interpersonal, and 2 department specific questions, however the department would have flexibility within those categories to fit the questions to the needs of the open position. County HR would be responsible for developing these guidelines. Additionally, County HR could maintain responsibility for developing and maintaining a county-wide question bank including the general competency and scoring criteria to assist in fair and impartial scoring during the QAP/hiring interview.

However, Vendor management including researching examination vendors, establishing contracts, and processing billing should remain a centralized function under County HR.

Recommended Centralized:

Classification maintenance should be a **centralized process** to ensure consistency and compliance with classification requirements. The current process has minimal hand-offs and duplicative efforts and a requirement for consistency across departments that would require centralized oversight spanning the departments. County HR should develop a JAQ template with standardized instructions for a new position and for a changed position. Department HR would be responsible and accountable for completing the JAQ following these guidelines and submitting it with the request for the new or changed classification. County HR would be responsible for reviewing the information, obtaining union approval, and developing or updating the specification, following up with departments to clarify if duty changes are universal across departments or to further define department specific classifications. Classification maintenance and development for MSS covered positions in DHHS and DCSS would be handled by MSS, conferring with the departments directly as needed.

Staff Management Function:

Staff management provides the tools and techniques for ensuring staff is performing at desired levels to meet work expectations.

Process Reviews

Training Coordination, Tracking Process:

The coordination and tracking of staff training is done primarily by Department HR staff, with County HR assisting by coordinating facilitators and tracking participation in Federal and State mandated training. County HR is responsible and accountable for ensuring Federal and State mandated training classes are available, informing the Departments of their availability and which staff complete it. Department HR staff are responsible and accountable for tracking who needs each training class, notifying supervisors and/or staff who need to sign up, and updating completion records. County HR is responsible for this function for county-wide employees. Additionally, Departments can identify additional Federal/State mandated training classes needed and request assistance from County HR in coordination facilitation. Department HR staff are also responsible for the coordination of additional training on broad topics applying to multiple work units, such as Supervisor training in DHHS, while supervisors are responsible for ensuring staff are trained in job specific duties.

Gaps/Barriers within Training Coordination/Tracking Tasks:

County HR and DHHS-ES both identified a lack of qualified trainers available for mandated training, resulting in delays in scheduling the mandated training. The sample departments did not highlight any gaps or barriers in mandated training, however DCSS staff indicated a need for better training on OneSolution and Public Works indicated a need for training their engineering staff on inputting engineering documents online.

Identified Backlog or work not getting done:

County HR indicated there are deficiencies in the training offered including county-wide supervisory training and leadership development. Although the county has contracted out some of this training, the goal is to develop and offer it within the County.

Performance Management and Consultation:

Departmental HR staff are responsible and accountable for the coordination and tracking of staff performance evaluations to ensure timely completion, with County HR providing consultation on interim evaluations, disciplinary verbiage, and promotional reinstatements as requested. Departmental HR staff track performance evaluation due dates, sending supervisors reminders to complete them, providing guidance in appropriate verbiage if needed, reviewing each performance evaluation, and file a copy in the departmental file. DHHS reviews the less than satisfactory evaluations prior to supervisory delivery to the incumbent and reviews any employee rebuttals. Department HR staff will also send a Promotional Appraisal Report (PAR) form when flexibly staffed positions are due for a promotion with the evaluation reminders. Upon completion, a copy of the evaluation is sent to County HR, who is responsible for filing in the employee file, processing the information on any resulting PPAF, and ensuring Payroll receives the information to make the salary adjustments for both promotion and demotions. In addition, both Department and County HR staff provide consultation for questions related to performance management. The responsibility for reviewing the PPAF is shared by the Department HR, County HR, and Payroll, resulting in overlapping work.

Gaps/Barriers within Training Coordination/Tracking Tasks:

County HR did not identify any current barriers or gaps as their role is more consultative. DHHS-ES identified a delay in supervisory completion of the evaluations, resulting in an increase in required tracking and follow-up as a barrier for efficient processing. The Sheriff's Office indicated the process for voluntary demotion to a prior

position has become complex, requiring a new recruitment to be able to place the incumbent back in their prior position which takes months. Meanwhile, the incumbent resumes the responsibilities of the prior position while awaiting the official appointment from the recruitment.

Identified Backlog or work not getting done:

There were no backlogs or work not getting done identified by County HR, or the Sample Department HR representatives. However, DHHS-ES identified a staff shortage in following-up on performance evaluations/interim evaluations and processing the associated paperwork.

Disciplinary Management, Consultation:

Department HR is responsible and accountable for providing guidance to supervisors to ensure appropriate application of progressive discipline and disciplinary action, with County HR available for consultation on more complex issues or questions regarding verbiage or process. However, once it escalates to a Skelly hearing, the efforts are more collaborative with Department HR responsible for drafting appropriate documentation with County HR accountable for reviewing it to ensure appropriate language is utilized, conferring with County Counsel as needed. DHHS-ES takes the lead when disciplinary actions escalate to a Skelly meeting, working with County Counsel and County HR for review and editing of documentation. The Department HR staff or representative is responsible and accountable for representing the Department in the actual hearings. Additionally, department staff send PPAF’s with information regarding salary adjustments due to Skelly decisions to County HR, who reviews it and ensures County Payroll receives the information. Payroll is responsible and accountable for processing the changes to salary.

Gaps/Barriers within the Disciplinary Management Processing Tasks:

County HR and the Sample Departments did not identify any gaps or barriers within the disciplinary management process. However, DHHS-ES indicated the availability of County Counsel for review can be delayed but it is easier to wait than to select a different contact and restart any explanations.

Identified Backlog or work not getting done:

County HR and DHHS-ES indicated a shortage in staff to address disciplinary follow-up actions in a timely manner. The sample departments did not identify any work not getting done.

Workload Measurement:

The percentage of time allocated to staff management processes along with the equivalent annual hours and PY is summarized in the following table. County HR utilizes approximately 0.17 PY split across training coordination, performance management, and disciplinary management while DHHS-ES utilizes approximately 0.74 PY with a majority of time spent on performance management guidance and tracking.

Table HR-12: Staff Management Function Time Allocations:

		% of Time from SR/LTE	Annual Hours for all staff*	Equivalent PY
Staff Management Function Overall	County HR	1.50%	327.3	0.17
	DHHS-ES	5.80%	1358.9	0.74

		% of Time from SR/LTE	Annual Hours for all staff*	Equivalent PY
Training Coordination/Tracking Overall	County HR	0.5%	111.2	0.06
	DHHS-ES	0.9%	206.6	0.11
Performance Management Overall	County HR	0.4%	76.6	0.04
	DHHS-ES	4.0%	931.2	0.51
Disciplinary Management Overall	County HR	0.6%	139.5	0.07
	DHHS-ES	0.9%	221.1	0.12

The percentage of time allocated to staff management activities was combined for the sample departments. The following table presents the allocation of time including the percentage of time and the equivalent annual hours and PY. Overall, the sample departments spent from 0.02 to 0.07 PY on staff management tasks.

Table HR-13: Staff Management Processes by Sample Departments

Sample Departments	Dept.	% of Time from SR/LTE	Annual Hours for all staff*	Equivalent PY
Staff Management Functions within Sample Departments	Assessor	2.30%	123.5	0.07
	DCSS	0.30%	38.7	0.02
	Public Works	0.40%	100.7	0.06
	Sheriff's	0.30%	29.3	0.02
SDPM - Performance Management	Assessor	0.4%	19.1	0.01
	DCSS	0.3%	38.7	0.02
	Public Works	0.2%	51.0	0.03
	Sheriff's	0.1%	11.7	0.01
SDDA - Disciplinary Actions	Assessor	1.9%	104.4	0.06
	DCSS	0.0%	0.0	0.00
	Public Works	0.2%	49.7	0.03
	Sheriff's	0.2%	17.6	0.01

Centralization Assessment:

The processes within the Staff Management function were reviewed in context of the four centralization factors. County HR is ultimately responsible and accountable for making decisions related to staff management activities, however study results indicate that two of the three process areas should be centralized with split delegation and in one area, much of the responsibility can be delegated out to the department HR staff to streamline processes and produce potential cost and time savings.

Recommended Centralized Oversight with Split Delegation:

Training Coordination and Tracking should be centralized to ensure consistency across departments. Federal and State mandated training requirements impact all departments making it better managed by a centralized level. A centralized point of responsibility can implement requirement changes consistently and track the needs of general skills in which multiple departments can utilize the same trainer based upon needs to minimize costs. For mandated training, County HR could create a schedule based on position number and due dates for required trainings, notifying departments of the schedule so they know when staff need to complete each mandated training, providing a few make-up classes in the event that the employees could not make their scheduled class, and notify departments when the staff have completed the class. Department HR would need to follow up with those who did not complete as scheduled to ensure they attend a make-up class.

For training outside of the Federal/State requirements, County HR could develop a list of potential classes in the more universal training areas (e.g., supervision, computer skills, analytical skills), track interest across departments, and coordinate a class once sufficient interest is obtained or reach out to departments if a topic starts to trigger interest to see if others would utilize the class. Department HR would be responsible for identifying the needed non-mandated training for their department, notifying County HR of topic and number requesting the training, signing up when courses become available to ensure minimal impact for the department workload, and tracking employees course completion upon notification from HR. Ideally, this information could be tracked in a centralized database updated by County HR that could be accessed by each department to print out the list of scheduled courses and participants just for their department. Department HR would be responsible for coordinating with County HR for non-routine training courses outside of the developed list, with County HR able to reach out to other departments to assess interest to maximize class size while minimizing costs if external trainers are required. This also opens up training possibility for smaller departments who do not have enough staff to justify separate classes.

The **disciplinary management process** should be centralized with County HR maintaining standardized guidelines and definitions of the steps required, including updating and universally distributing updates when legal requirements or court cases impact the process. Department HR would be responsible for adhering to these guidelines and assisting supervisors to ensure compliance for verbal/written disciplinary actions, reaching out to County HR for consultation for abnormal actions. County HR should be notified and act as lead on any disciplinary actions exceeding a written or actions impacting pay, classification level, or removal from the work environment with Department HR providing a summary, including any department knowledge specific context, and being available for consultation at the time of hand-off. This would minimize confusion over authority in decision making at this level, ensure the most current legal requirements are applied, and minimize repetitive communication or the need for County HR to liaise with County Counsel and the Department. County HR would be responsible for keeping the Department HR staff informed of the status and resolution.

Recommended Centralized Oversight with Department Delegation:

The **performance management process** should be centralized with County HR developing a template to standardize evaluations and to maintain a centralized shared website. Each department would have its own folder on the centralized shared website, with only County HR and delegated Department HR staff having access to the respective folder. The majority of the tasks should be delegated out to department staff who would be responsible for the tracking and saving performance evaluations in the centralized website folder, and sending in the PPAF form directly to the Payroll unit for processing.

Employee Records Function:

All information related to an individual county employee is processed through Personnel/Position Action Forms (PPAF) including new hire information, promotions/demotions/transfers, classification and pay changes, status changes, leave of absence (medical, disciplinary, etc.), separations, and any other changes to personnel information. In addition, information regarding license and certification status is tracked to ensure none lapse or expire.

Process Reviews

Processing PPAF Forms/Employee File Maintenance:

Employee information and records are driven by PPAF transactions. Department HR assist staff, review, or fill in the forms and enter the information into OneSolution and forwards it to County HR. County HR reviews each for completion, processes any changes to benefits and sends to Payroll if the change impacts salary. Payroll reviews the form, update the salary settings, and return it to County HR upon completion for filing and return to the department. This process often involves multiple communication cycles to clarify, obtain, or correct information. In addition to routine PPAF forms, County HR will also maintain employee files, referencing them to provide employee salary and benefit information to legal requests (e.g., Child Support Claims, legal claims) and Payroll will coordinate any required wage garnishments.

Table HR-14: RACI Matrix for PPAF Processing

Functional Task	Task Code	County HR	DHHS Emp. Svcs.	Dept. HR	Payroll
Completing the PPAF – providing guidance or completing the PPAF documenting the employee information.	PF-1 to PF-6	C	R, A	R, A	
PPAF Review/ Data Entry – Review and entry into OneSolution; includes follow-up with departments, employee	PF-1 to PF-6				
Department PPAF Review/Entry into One Solution			R, A	R, A	
County HR PPAF Review/Approval – includes review of PPAF forms for completion, creating employee file if new hire, forwarding to Payroll		R, A	C, I	C, I	
Payroll PPAF Processing – includes review of PPAF form, update to salary settings; following up with HR or Department for more information; return to County HR upon completion		C	C	C	R, A
PPAF Filing – filing PPAF into personnel file, returning signed copies indicating completion to departments; departmental filing.		R, A	R	R	
Wage Garnishments – processing Wage garnishment PPAF forms	PF-7	I			R, A

Salary/Benefit Verification - Verify salary/benefits for County employees for legal, child support inquiries.	RM-17	R, A			I
--	-------	------	--	--	---

A review of the RACI matrix identified significant hand-offs between the Departments, County HR, and Payroll with the forms going from the Departments to County HR to Payroll, back to County HR, and back to the Departments in addition to any communication between the three entities to confirm or obtain additional information. The shift in the Accountable role (A) indicates multiple hand-offs between Departments. The matrix also shows potential overlap in responsibilities as demonstrated by multiple R's within a single row. The potential overlaps in this process include:

- Review of the PPAF – there is a review done by every department, potentially reviewing the same information multiple times – even though the matrix splits it into separate rows.
- Filing of the PPAF – it appears that the same information is filed in more than one location as a hard copy rather than a singular electronic file.
- Although not a direct hand-off or overlap in responsibilities, the consultation required to verify accurate information at each step is indicative of repeated work or wasted time.

Gaps/Barriers within Training Coordination/Tracking Tasks:

County HR did not identify any current barriers or gaps as their role is more as liaison between the departments and Payroll. DHHS-ES identified concern that multiple employee files exist within OneSolution as a new profile may be created by other departments for each PPAF rather than updating a current profile. The Sheriff's Office indicated delays due to the number of approvals PPAFs need to go through, particularly when wanting to open a recruitment.

Identified Backlog or work not getting done:

There were no backlogs or work not getting done identified by County HR, DHHS-ES, or the Sample Department HR representatives.

Leave Management:

Leave management involves communicating leave rights and responsibilities for federal and state mandated leaves, tracking leave balances and use, notifying employees of leave expirations or status, liaising with employees and medical professionals to obtain updates as required, and providing consultation on leave conversion options by Department HR staff. Many types of leave are tracked in OneSolution including sick leave, vacation, comped time, holiday time, family sick leave, and administrative confidential leave. However, there is notable variance in the method and leave types tracked within each department for leave not currently tracked in OneSolution. For example, DHHS-ES has an employee tracking database to track additional leave types²⁶, while the sample departments largely rely on individual spreadsheets either at a department-wide or supervisor level. The following matrix identifies key responsible and accountable units within the leave management process.

Table HR-15: RACI Matrix for Leave Management

²⁶ DHHS ES provides employees with paperwork regarding their rights and responsibilities regarding federal and state mandated leaves (FMLA, CFRA, PDL, etc.) Tracking and overseeing these specialized categories is one part of the required DHHS notice process.

Functional Task	Task Code	County HR	DHHS-ES	Dept. HR	Payroll
Leave Management - OneSolution – discussing leave options, tracking leave and entering into OneSolution, sending required leave notices; obtaining signatures; ensuring compliance with County and MOU leave practices; updating each payroll cycle.	LM-1 LM-2	R	R, A	R, A	I
Leave Management – Other – tracking non-routine leave, guiding staff through required approvals, updating individual spreadsheets, verifying compliance and availability	LM-1 LM-2	R	R, A	R, A	
Leave Insurance Tracking – tracking insurance types and expenses, collecting monthly insurance payments, setting up repayment plans	LM-3	R, A	I	I	R
Leave Conversion/Deferral Options – converting leave types to other leave types, to cash, or deferring hours	LM-4	C	R, A	R, A	R
County-wide Catastrophic Leave Program – determining eligibility, communicating requests with employees, converting time of donor	LM-5	C	I	I	R, A

A review of the RACI matrix identified unique functions completed by each department with no identified hand-offs in which the accountability shifts between departments. However, the matrix also shows potential overlap in responsibilities or process inefficiencies as demonstrated by multiple R’s and multiple A’s within a single row. The potential overlaps in this process include:

- Leave Tracking – there is potential overlap in the review of the leave documentation and approval authority between County HR and Department HR staff.
- Leave Insurance Tracking – County HR is primarily responsible for tracking monthly insurance payments with Payroll tracking the leave types.

Additionally, County HR tracks the utilized insurance types and expense to the County, collects and processes monthly insurance payments for employees, and sets up payment plans for returning employees. County Payroll assists in tracking the insurance payments and administers the county-wide catastrophic leave program.

Gaps/Barriers within Leave Management Tasks:

County HR identified deficiencies in tracking leave at a county-wide level, with acknowledgement that DHHS-ES has a much better tracking system overall. The goal is to centralize leave management tracking, utilizing a similar system as DHHS-ES to improve overall leave tracking and records. Additionally, County HR would like to see procedures standardized or centralized to provide consistent tracking across departments. DHHS-ES identified the amount of paperwork and time spent working with County HR as a barrier to efficient tracking. Within the sample departments, Public Works identified challenges with informing the county when employees return from leave, causing issues for payroll as well.

License and Certification Verification and Expiration Tracking:

Certain positions within the county have medical clearance, licensure, or certification requirements to conduct the department program work. Department HR (within DHHS) is responsible and accountable for ensuring staff meet the medical, license, and certification requirements, with County HR being informed when licensure and certification is renewed to maintain current personnel files. DHHS ES tracks expiration dates if applicable and following up with staff if renewal is required or due soon. If an employee lapses in their required qualifications, Department HR is responsible for ensuring the position either voluntarily demotes or the employee stops working. In some cases, non-licensure can trigger a Skelly process, however this can be avoided if the individual stops working and gets the license renewed within a few days. County HR is informed when there is a lapse in the requirements, providing consultation if needed.

County HR is also responsible and accountable for monitoring the license status of employees driving on County business including managing/updating DMV records and tracking citations, and implementing restrictions as required. Additionally, County HR tracks employees requiring physicals and ensure current clearance is on file, communicating with Departments with any notifications or required changes.

County HR is responsible for reviewing PPAF forms documenting demotions due to a lapse and subsequent promotions once the issue is resolved while Payroll is responsible for adjusting the salary accordingly. There is a flow of information between Departments and County HR relevant to license and physical requirements, potentially introducing repetitive work as both review and file the information. Additionally, both County HR and Payroll are responsible for a part of the process when demotions or promotions occur.

Gaps/Barriers within License and Certification Tracking Tasks:

There were no process barriers or gaps identified by County HR, DHHS-ES, or the Sample Department HR representatives.

Identified Backlog or work not getting done:

There were no backlogs or work not getting done identified by County HR, DHHS-ES, or the Sample Department HR representatives.

Workload Measurement:

The percentage of time allocated to Employee Records function along with the equivalent annual hours and PY is summarized in the following table. County HR utilizes approximately 0.99 PY while DHHS-ES utilizes approximately 1.70 PY with both spending the largest percentage of their time on processing PPAFs and updating employee files.

Table HR-16: Employee Records Function Time Allocations:

		% of Time from SR/LTE	Annual Hours for all staff*	Equivalent PY
Employee Records Function Overall	County HR	8.60%	1861.1	0.99
	DHHS-ES	13.10%	3079.2	1.70
PPAF Processing/Employee Files Overall	County HR	7.2%	1,560.3	0.83
	DHHS-ES	5.4%	1,271.7	0.70
Leave Management Overall	County HR	0.1%	18.0	0.01
	DHHS-ES	7.5%	1,760.6	0.97
License/Cert. Verification Overall	County HR	1.3%	282.8	0.15
	DHHS-ES	0.2%	46.9	0.03

The percentage of time allocated to Employee Records and Files within the sample departments is presented in the following table along with the equivalent annual hours and PY. Overall, the sample departments spent from 0.00 to 0.27 PY processing PPAFs and updating employee files.

Table HR-17: Employee Records/File Maintenance by Sample Departments:

Sample Departments	Dept.	% of Time from SR/LTE	Annual Hours for all staff*	Equivalent PY
Employee Records/Files Maintenance by Sample Departments	Assessor	0.00%	0.0	0.00
	DCSS	1.00%	137.9	0.07
	Public Works	1.10%	292.7	0.16
	Sheriff's	4.40%	480.0	0.27
SDPF - Employee Change Processing, PPAF Forms, Pay adjustments	Assessor	0.0%	0.0	0.00
	DCSS	0.8%	112.1	0.06
	Public Works	0.9%	234.7	0.13
	Sheriff's	4.4%	480.0	0.27
SDLM - Leave Management	Assessor	0.0%	0.0	0.00
	DCSS	0.2%	25.8	0.01
	Public Works	0.2%	58.0	0.03
	Sheriff's	0.0%	0.0	0.00

Centralization Assessment:

The processes within the Employee Records function were reviewed in context of the four centralization factors. County HR is ultimately responsible and accountable for making decisions related to employee records and files, however in two of the three process areas, much of the responsibility can be delegated out to the department HR staff to streamline processes and produce potential cost and time savings.

Recommended Centralized Oversight with Department Delegation:

The PPAF process should be centralized with County HR, collaboratively with Payroll, developing and maintaining clear instructions and field definitions for the forms to minimize the occurrence of missing or inaccurate information on the original completion. Department HR staff should be consistently trained on the use of the PPAF forms with the field definitions. Once trained, Department HR should be accountable and responsible for completing the PPAF forms with a singular QC review by County HR/Payroll. Additionally, a centralized manager can provide oversight on the role of each department to minimize duplicative tasks and department hand-offs resulting in cost savings in the long run. The centralization of this process would be simpler if Payroll was a part of the County HR office where staff could be cross-trained or work more collaboratively in eliminating errors. This organizational structure is discussed more in the Payroll Section.

Similar to the PPAF process, the **leave management process** should be centralized with County HR developing standardized guidelines for how leave is to be tracked to promote consistency across departments. These guidelines should include a list of documents needed for each leave type and any related templates. County HR has expressed interest in modeling a leave tracking system after the current DHHS-ES system. If possible, all leave types should be tracked in a singular system with the capability of tracking leave accrued, utilized, and the overall balance. Once the guidelines and standardized format is established, Department HR would be responsible for tracking leave balances, with County HR providing consultation as needed on complex cases. Additionally, a centralized manager can provide oversight on the role of each department to minimize duplicative tasks and department hand-offs resulting in cost savings in the long run.

Recommended to Centralize:

The **license and verification process** could be centralized with County HR based on a methodology to track the individuals within each department. There are many program specific requirements including medical clearance, licensure type, certification type, physicals, and/or special clearances along with the expiration dates and renewal cycles. The initial information must be included in the new hire packet. County HR should be responsible for sending reminders to employees, conducting any follow-up actions when lapses occur, reinstating status once the lapse is resolved, and sending the Department a copy of the updated license/certification. Department HR staff should be copied on all communications and provide assistance if staff have questions regarding license requirements, but no action is need unless County HR requests assistance or the lapse of a requirement involves a change in duties. Departments may choose to track some specialized licensing as well Case-by-case review of the centralization option in each Department may may most sense. The objective would be to eliminate the repetitive communication cycles between Department HR and County HR, and with Payroll if Payroll is shifted to the HR department.

Labor Relations Function:

Labor Relations includes all consultation, decision-making, and actions related to employee actions covered by labor union memorandum of understanding (MOU). This includes interpretation of the MOU, resolving issues at the lowest level, conducting grievance investigations, and attending unemployment hearings.

Process Reviews

Labor Relations/MOU Interpretation:

Department HR staff is primarily responsible and accountable for the interpretation and application of existing MOUs for labor union covered employees. This includes assisting supervisors to resolve issues at the lowest level, consulting with County HR as needed. If it cannot be resolved at this level, a union representative is

brought in for a meet and confer to discuss the issue. The responsibility and accountability are shared once a union representative is involved with both County HR and Department HR being involved in discussions and/or response review. County HR is consulted and may participate in the meet and confers. Department HR staff will assist the supervisors in drafting responses with the appropriate terminology to ensure compliance with the MOU, with County HR reviewing the responses prior to filing it in the personnel file. Although this is indicative of potential overlap in responsibilities, the Department HR staff is required for department and incident knowledge while County HR has a broader understanding of labor relations practices – particularly when compared to small departments that may not be involved in frequent labor relations issues.

Gaps/Barriers within MOU Interpretation Tasks:

There were no process barriers or gaps identified by County HR, DHHS-ES, or the Sample Department HR representatives.

Identified Backlog or work not getting done:

There were no backlogs or work not getting done identified by County HR, DHHS-ES, or the Sample Department HR representatives.

Labor Contract Negotiations, Meet and Confers:

The second piece of expected labor relations support includes contract negotiations and labor management meetings to discuss wide-spread county policy, incentive, or working condition changes. County HR is the primary contact responsible and accountable for timely contract negotiations and discussions, however the departments can be consulted and attend these discussions when appropriate. The goal is to conduct contract negotiations every 3 years however it has historically been done every 1 to 2 years to address pending issues or concerns. County HR is responsible for attending meet and confers between negotiations, especially for smaller departments, but Department HR representatives can be involved, dependent on the issue and experience level of the Department HR staff. The DHHS Director will sit in on labor management meetings or meet and confers between negotiations. There is potential overlap in the consultation and representation of the county in the meet and confer process, however given the complexity of labor relations issues, the need for terms to be applicable to departmental work requirements, and the overall knowledge of county benefits and policies, a collaborative effort is required.

Gaps/Barriers within Contract Negotiation/Meet and Confer Tasks:

County HR identified the inability to pull information from One Solution to bring to negotiation meetings, resulting in staff building extensive reports since there are insufficient IT resources to handle the requests. There were no process barriers or gaps identified by DHHS-ES or the Sample Department HR representatives.

Identified Backlog or work not getting done:

There were no backlogs or work not getting done identified by County HR, DHHS-ES, or the Sample Department HR representatives.

Grievance Investigations:

The most time-consuming part of labor relations, based on the self-report logs, involves the investigation and follow through of employee grievances. An employee can file a grievance or complaint when they perceive an infraction or violation of the union agreement. Department HR is primarily responsible and accountable for

processing the grievances. This includes assisting the supervisors in reviewing the MOU, gathering information including interviews with the involved employee and supervisor, and drafting a response using appropriate language. Department HR will represent the department in mediation, and in any hearings. County HR is available for consultation and reviews drafted responses prior to finalization. For DHHS-ES and DCSS, if the grievance is related to a MSS covered position, the process involves the State Personnel Board, with hearings often held in Redding. County HR is informed of any outcomes, with information being forwarded to Payroll only if the results impact salary or backpay.

Gaps/Barriers within Grievance Tasks:

There were no process barriers or gaps identified by County HR, DHHS-ES, or the Sample Department HR representatives.

Identified Backlog or work not getting done:

There were no backlogs or work not getting done identified by County HR, DHHS-ES, or the Sample Department HR representatives.

Unemployment Hearings:

Unemployment claims can be received when an employee claims they have been terminated or have reduced hours by no fault of their own and are willing and able to work. County HR (Risk management) is responsible for receiving the complaints and notifying the department of its receipt in a timely manner. Department HR is responsible and accountable for gathering information supporting or refuting the claim and providing that information to County HR, to be included with information filed by a third party administrator (TPA) with the Employment Development Department. The TPA is responsible for participating in the hearing and assisting in determining if it is worth filing an appeal. Department HR may attend the hearings in lieu of the TPA when possible. DHHS-ES attends hearings to represent their department rather than send the TPA. At the end of the hearings, County HR and Department HR are responsible for updating the personnel files in the respective offices. There is potential overlap in the responsibility for attending the hearings, with the TPA attending most, but DHHS-ES attending the hearings for their department.

Gaps/Barriers within Training Coordination/Tracking Tasks:

County HR did not identify any current barriers or gaps as their role is more as liaison between the departments and the TPA. DHHS-ES indicated barriers caused by delays in notification from County HR resulting in insufficient time to gather information and prepare exhibits for any appeals. Additionally, the TPA is not providing sufficient preparation assistance and is not always available to talk through strategy with DHHS-ES. The other sample departments did not indicate any gaps or barriers.

Identified Backlog or work not getting done:

There were no backlogs or work not getting done identified by County HR, DHHS-ES, or the Sample Department HR representatives.

Workload Measurement:

The percentage of time allocated to Labor Relations along with the equivalent annual hours and PY is summarized in the following table. County HR utilizes approximately 0.12 PY on labor relations activities,

mostly in contract negotiations or related meet and confers while DHHS-ES utilizes approximately 0.06 PY with the largest percentage of time spent on grievance investigations.

Table HR-18: Labor Relations Function Time Allocations:

		% of Time from SR/LTE	Annual Hours for all staff*	Equivalent PY
Labor Relations Function Overall	County HR	1.00%	220.1	0.12
	DHHS-ES	0.50%	129.8	0.06
Labor Relations Consultation Overall	County HR	0.2%	35.2	0.02
	DHHS-ES	0.1%	26.9	0.01
Labor Contract Negotiations Overall	County HR	0.5%	113.1	0.06
	DHHS-ES	0.1%	33.6	0.02
Grievance Investigations Overall	County HR	0.1%	21.9	0.01
	DHHS-ES	0.3%	62.7	0.03
Unemployment Hearings Overall	County HR	0.2%	49.9	0.03
	DHHS-ES	0.0%	6.6	0.004

The percentage of time allocated to labor relations in general (including consultation, grievances) within the sample departments is presented in the following table along with the equivalent annual hours and PY. Overall, the sample departments spent from 0.00 to 0.04 PY on grievance investigations with DCSS being the only one to indicate time spent in this area.

Table HR-19: Labor Relations Tasks by Sample Departments

Sample Departments	Dept.	% of Time from SR/LTE	Annual Hours for all staff*	Equivalent PY
Labor Relations by Sample Departments	Assessor	0.0%	0.0	0.00
	DCSS	0.5%	68.3	0.04
	Public Works	0.0%	0.0	0.00
	Sheriff's	0.0%	0.0	0.00
SDLR - Labor Relations	Assessor	0.0%	0.0	0.00
	DCSS	0.5%	68.3	0.04
	Public Works	0.0%	0.0	0.00
	Sheriff's	0.0%	0.0	0.00

Centralization Assessment:

The processes within the Labor Relations function were reviewed in context of the four centralization factors. County HR is ultimately responsible and accountable for making decisions related to labor relations activities, with three of the four processes recommended to have centralized responsibility with some delegation to

Department HR staff and one process recommended to be fully centralized under County HR. However, given the critical nature of these tasks, County HR would need to ensure prompt response to avoid escalating issues due to inattention.

Recommended Centralized Responsibility with Split Delegation:

The **management of MOU interpretation** should be centralized to assist in maintaining consistency of application across multiple departments that utilize the same MOU. County HR should maintain a centralized shared online location for each MOU, including the current MOU agreement and any interpretation notes or results of Meet and Confers (with identifying information removed). County HR would also be responsible for updating the centralized folder with new interpretations or updates and distributing the knowledge to appropriate Department HR staff. County HR should develop a standard guideline or procedure for responding to MOU application questions for Department HR staff including instructions for checking the centralized folder for any updates, ways to resolve the issue at the lowest level, and guidelines for when a question or concern should be escalated to County HR or to a meet and confer.

Department HR staff would be responsible for the initial consultation, checking the centralized folder for updates to the MOU, and attempting to resolve it at the lowest level. If the issue escalates to needing County HR or a meet and confer, Department HR can provide a summary of the issue and actions done to date to County HR and hand-off accountability. It is recommended Department HR stays informed of the status for familiarity/department representation in the meeting led by County HR. County HR can delegate meeting attendance to Department HR if the experience level of the department staff justifies them conducting the meeting. County HR, or the meeting delegate, should summarize the results of the meeting adding it to select notes from the Department HR summary.

The **grievance process** should be centralized with County HR developing and maintaining standardized guidelines for the grievance process including details of the information that needs to be collected and the steps of the process. Department HR will be responsible for the initial research, information gathering, and any departmental context, completing any necessary paperwork and summarizing the grievance. County HR should be notified and act as lead on the grievance hearing, any communication with County Counsel, with Department HR providing the summary and being available for consultation at the time of hand-off. County HR will have more familiarity with the MOU agreements and legal cases related to potential issues. Additionally, a centralized grievance process ensures consistency across grievance hearings, particularly for smaller departments that may not have the volume to maintain knowledge of the process and current information. Department HR may be invited to attend the hearing as a representative of the department if needed. County HR would be responsible for keeping the Department HR staff informed of the status and resolution by adding to the summary created by the Department. County HR could delegate Department HR to represent the department if sufficient experience with the issue is present.

Similar to the grievance investigations, the **unemployment hearing process** should be centralized with County HR developing and maintaining standardized guidelines for the unemployment hearing process. This should include details on the information needed, timeline in which each step must occur, and overall steps in the process. Department HR will be responsible for the initial research, information gathering, and any departmental context, completing any necessary paperwork and summarizing the claim information to the extent possible given small timeframes. County HR will be responsible for releasing the information to the TPA, providing additional consultation upon request. The TPA will attend the hearing and document findings and recommendations for appeal or not, providing the information back to County HR. In the event that the

Department HR representative attends in lieu of the TPA, County HR will be able to provide current status of any related laws or court cases.

Recommended to Centralize:

The **labor contract negotiation process** should be centralized as County HR will be aware of escalated issues of concern from disciplinary or MOU interpretation questions, has direct contact with County Legal if needed, and is able to represent multiple departments falling under the same labor union. County HR will be responsible for the coordination, meeting, and negotiation of contract agreements up to every 3 years. Additionally, County HR is responsible for representing the County and County Departments during meet and confer discussions between negotiations, determining if a Department HR representative would be beneficial in the meetings, or delegating responsibility to a Department HR representative if the discussion only impacts the one department and a sufficient debriefing with County HR is completed to ensure knowledge is shared.

Risk Management Function:

Risk Management responsibilities cover three activity areas: Employee health, Liability, and Insurance. Employee health includes employee benefits management at hiring and during the annual open enrollment, ensuring the work environment fits employee needs through ergonomic evaluations, modified work or ADA arrangements, and adjusted work requirements resulting from worker's compensation. Liability includes investigative tasks related to unprofessional behavior claims, liability claims, worker's compensation administration, Cal/OSHA investigations, and Civil Rights investigations. Insurance includes reviewing insurance premiums, insurance budgeting, and insurance renewals to ensure each department is appropriately insured for the subsequent year.

Process Reviews

Benefits Management:

Benefit Administration is done by the Risk Management (RM) Unit within County HR. RM staff are responsible and accountable for managing the benefits for all County staff. This includes the initial discussion of benefit options, review of benefit forms, and entering information into the benefits system. Staff also process benefit changes during open enrollment or upon changed circumstances, with a required form and one-on-one meeting to discuss any medical coverage changes, but only form completion for changes to dental or vision benefits. The information is forwarded to Payroll, who will set up deductions on the employees' paychecks. Upon separation, RM staff is responsible for completing COBRA paperwork and disenrolling County staff from the benefit systems. RM staff also process invoices for County benefit payments and conduct quarterly audits to ensure County staff have appropriate coverage and information is correctly entered.

County HR staff also establish guidelines and support dental and vision benefits for the City of Eureka and dental and insurance benefits for Humboldt Courts, including processing monthly premiums and auditing preliminary checks with the Auditor's Office finalizing the checks. In addition to health benefits, RM analysts are responsible for providing consultation on retirement planning and assistance with the CalPERS website, however the calculations and projection spreadsheets are done by Payroll staff.

Department HR staff are responsible for answering questions or referring staff to County HR with questions. There are minimal hand-offs, however there are three areas of potential time savings. This includes the overlap of form review between County HR and Payroll, the split responsibility of retirement planning

discussion and calculations, and a review of the necessity of having a one-on-one discussion anytime someone requests a change in health benefits.

Gaps/Barriers within Benefits Management/Tracking Tasks:

There were no gaps/barriers identified by County HR, DHHS-ES, or the Sample Department HR representatives.

Identified Backlog or work not getting done:

County HR identified the need to refer retirement questions directly to CalPERS due to the responsible analyst currently being out on leave. The expectation is that the analyst will resume these duties upon return.

Work Modifications:

Work modifications (or “accommodations”) include changes to the physical environment and to assigned work tasks to meet employee physical requirements/needs. Work environment or work task requirement modifications can be initiated during the hiring process if requested by the selected candidate, or by a change in physical or mental capability for existing employees. It can also be under medical advisement as a result of a worker’s compensation claims. Employees can also request a change to their desk/cubicle to make it more ergonomic, which involves arranging the equipment to avoid stress or injury to the body during a regular work shift.

County HR is responsible and accountable for the ergonomic evaluation and work modification requests for all county departments except for DHHS, which is handled by DHHS-ES staff. This includes initial review of the request to assess validity and the impact on workload in terms of duration or changes to work tasks, conducting site visits when necessary, and following up with Department HR to enact approved modifications. In the case of medical induced modifications, HR staff are responsible for tracking medical notice expiration dates and working with staff to ensure medical clearance prior to resuming regular work.

DHHS-ES consults with County HR, handing off accountability and responsibility when the request qualifies as an ADA request and informs County HR of the outcome for all non-ADA requests so personnel files can be updated. When the modification request meets the requirements of the American with Disabilities Act (ADA), County HR works through an interactive ADA process to ensure accommodations meet all legal requirements. Payroll is informed of accommodations that impact salary by County HR and is responsible and accountable for updating the paychecks. There is overlap in the professional knowledge base required for the separate evaluation of ADA eligible accommodation requests from DHHS and County HR, but the amount of such work is not of great consequence, and there has been a smooth flow of information.

Gaps/Barriers within Training Coordination/Tracking Tasks:

There were no gaps or barriers within the accommodation request process identified by County HR or DHHS-ES. Within the sample departments, the Sheriff’s Office indicated the ADA process takes too long, resulting in the inability to terminate and refill a position once accounting for allowable paid and unpaid leave utilized as an accommodation and the permissibility of employees to reject an alternative assignment upon return.

Identified Backlog or work not getting done:

There were no backlogs or work not getting done identified by County HR, DHHS-ES, or the Sample Department HR representatives.

Worker's Compensation Insurance Claims:

Worker's Compensation insurance provides benefits and medical reimbursement to employees injured on the job. Humboldt County has a TPA that processes worker's compensation claims, however County HR acts as a central point of contact between the TPA, Department HR staff, and Payroll. County HR also answers inquiries from employees regarding the process or from the TPA to validate the claims, and assists employees with the return to work process, with reasonable accommodation requests handled as discussed in the prior section. Department HR staff act as a liaison between department staff and County HR, either following up with County HR to obtain information or referring questions to County HR directly. County HR staff also review an annual compilation of information assembled by the TPA to ensure accuracy, prior to sending the information to Payroll to perform the calculations needed to ensure proper taxation of affected earnings to cover worker's compensation.

In addition, County HR processes and tracks worker's compensation insurance and physical tests for approximately 20 special fire districts, utilizing cost allocation to manually bill each fire department annually for worker's compensation benefits. Staff will also be called out to assist in fire inspections or walk throughs of County buildings with the Fire Marshall, assisting in ensuring corrections are made.

County HR is responsible and accountable for ensuring the TPA is able to completely process the claims, including validating the claims, and for assisting employees with their return to work. Responsibility for responding to questions is shared between Department HR staff, County HR, and the TPA during the claims process. There is minor overlap in question response when an employee asks the Department and the Department has to either follow up with County HR or the employee has to ask again if referred directly to County HR. Payroll is responsible and accountable for updating paychecks when County HR informs them of claim outcomes and employees' return to work.

Gaps/Barriers within Training Coordination/Tracking Tasks:

County HR did not identify any current barriers or gaps as their role is more as liaison between the departments and Payroll. DHHS-ES identified a lack of communication in claim status between County HR and the department, resulting in the need to follow-up with County HR instead of immediately answering employee questions.

Identified Backlog or work not getting done:

There were no backlogs or work not getting done identified by County HR, DHHS-ES, or the Sample Department HR representatives.

Liability Claim Management:

County HR is responsible and accountable for reviewing, investigating, consulting with county legal as necessary, determining reasonable claim payments, and obtaining Board approval for payment of liability claims filed against the county. Department HR is responsible for gathering information for County HR upon request. This includes claims of property damage, personal damage, automotive or safety complaints occurring due to the actions of County employees or County inaction (e.g., unsafe practices, potholes causing damage, harassment of non-employees in County facilities). Additionally, County HR is accountable for the investigation of unprofessional behavior claims outside of program work performance (e.g., harassment,

unethical behavior, bullying, EEOC). Responsibility for gathering information and conducting the internal investigation is shared between Department HR and County HR, with County HR acting as liaison with County Legal if needed, with a collaborative effort determining the outcome.

DHHS-ES staff is responsible and accountable for investigating harassment claims within the department, with County HR providing consultation or guidance. Although both Department HR and County HR is gathering information to support claim investigation, the efforts are collaborative with the Department being more familiar with the specifics and County HR maintaining compliance oversight, acting as a liaison with county legal, and ensuring current guidelines are followed.

Gaps/Barriers within Liability Claim Management Tasks:

There were no gaps/barriers identified by County HR, DHHS-ES, or the Sample Department HR representatives.

Identified Backlog or work not getting done:

There were no backlogs or work not getting done identified by County HR, DHHS-ES, or the Sample Department HR representatives.

CPS HR recommends no change in this work flow.

Complaint Investigations:

In addition to liability claim investigations, HR staff are also responsible for Occupational Safety and Health (CAL/OSHA) investigations and EEOC/DFEH civil rights complaint investigations. County HR is accountable and responsible for administering CAL/OSHA mandated programs including the Injury and Illness Prevention Program and Emergency Action Plan. In addition, all complaints made to CAL/OSHA must be filtered through the County HR Risk Management unit. County HR is accountable for ensuring current laws and standards are followed and providing consultation to Department HR staff during the CAL/OSHA investigation. Department HR is responsible for working with CAL/OSHA to gather information related to the complaint and reviewing the result. DHHS-Employee Services will draft a response to Cal/OSHA allegations, submitting the responses to County HR for final submission to Cal/OSHA. Department HR is also accountable and responsible for implementing changes identified in the complaint investigation results, notifying County HR of the outcome.

An employee can file an EEOC/DFEH civil rights complaint documenting the violation of the individual's civil rights to either County HR or to Department HR staff. Similar to CAL/OSHA complaints, County HR is accountable for ensuring current laws and standards are followed and providing consultation to the Departments during the investigation of the complaint. Department HR is responsible and accountable for gathering information, conferring with County Counsel or the Excess Insurance Authority if needed, documenting the results, and implementing resolution of any such complaint. County HR is notified of the outcome. Similar to the liability claims, both County HR and Department HR staff have a role in investigations, with County HR maintaining compliance oversight and providing guidance while Department HR is gathering the information and accountable for implementing the needed changes. In addition to employee complaints, the DHHS-ES must also investigate civil rights claims filed by Social Services clients, reporting the claim and information to the State Civil Rights Bureau.

Gaps/Barriers within Investigation Complaint Tasks:

County HR identified a shortage of trained investigators as a limiting factor in conducting investigations in a timely manner. DHHS-ES and the Sample Department HR representatives did not identify anything.

Identified Backlog or work not getting done:

There were no identified backlogs or investigations not getting done by County HR, DHHS-ES, or the Sample Department HR representatives.

CPS HR recommends no change in this work flow.

Insurance Premium Management:

Insurance premium reviews and budgeting for subsequent years is handled by the Risk Management Unit within County HR. RM analysts are responsible and accountable for gathering and compiling annual information for each department on utilized benefits, payroll, CalPERS costs, and liability, worker's compensation, and unemployment claims and producing reports using OneSolution. This information is shared with the State Auditor's Office to support annual audits, and to the Excess Insurance Authority (EIA) to project insurance needs and assist in setting premiums. Staff review information received from EIA for annual insurance renewals, ensuring the information is accurate or updating and resubmitting to ensure each program is appropriately insured. Additional insurance responsibilities include reviewing insurance contracts for vendors working in the county to ensure they have current insurance certification on file and sending annual Affordable Care Act reports to employees, following up with the IRS to ensure they are accurate. There are minimal hand-offs within the County as County HR is accountable and responsible for compiling and reviewing the information and informing Payroll annually to ensure appropriate deductions are in place. The hand-offs and potentially duplicative review of information occur between County HR and TPA or other agencies.

Gaps/Barriers within Insurance Management Tasks:

County HR identified a lack of departmental knowledge on the insurance review requirements resulting in last minute requests to change or update insurance information. DHHS-ES and the Sample Department HR representatives did not indicate any gaps/barriers in the Insurance Premium management tasks.

Identified Backlog or work not getting done:

There were no backlogs or work not getting done identified by County HR, DHHS-ES, or the Sample Department HR representatives.

Even though completion of this task implies the need for industry-specific knowledge and its performance has an overlay with the work of the CAO Budget Management Office, the work is generally ministerial and the placement of the staff position performing this work is as appropriate in HR as anywhere. CPS HR has no further recommendation on this function.

Budget Support:

County HR staff are also responsible for tracking the Risk Management Unit, Personnel Unit, and Worker's Compensation budgets, including creating annual projections, cost allocations, and departmental costs and updating the budget throughout the year. Staff inform payroll for tracking and ensuring appropriate reimbursement. There is a hand-off of information from County HR to Payroll each time the budget is updated.

Gaps/Barriers Overall or within Miscellaneous HR Support Tasks:

County HR identified the inability to pull cost information out of OneSolution or any other systems, resulting in additional time requirements to seek, gather, and compile the information. Additionally, in general across task areas, there is a staff shortage, resulting in delayed response to and from departments and an overall inability to get accurate data from software programs.

Identified Backlog or work not getting done:

There were no backlogs or work not getting done identified by County HR, DHHS-ES, or the Sample Department HR representatives.

Workload Measurement:

The percentage of time allocated to county recruitments along with the equivalent annual hours and PY is summarized in the following table. County HR utilizes approximately 3.19 PY on risk management functions with the largest percentage of time spent on benefit administration while DHHS-ES utilizes approximately 0.64 PY with the largest percentage of time spent on work modification requests.

Table HR-20: Risk Management Function Time Allocations

		% of Time from SR/LTE	Annual Hours for all staff*	Equivalent PY
Risk Management Function Overall	County HR	27.60%	5965.3	3.19
	DHHS-ES	5.00%	1178.6	0.64
Benefit Administration Overall	County HR	11.8%	2,545.3	1.36
	DHHS-ES	0.1%	21.9	0.01
Work Modifications Overall	County HR	2.8%	603.8	0.32
	DHHS-ES	4.6%	1,077.2	0.59
Worker’s Compensation Claims Overall	County HR	5.6%	1,210.5	0.65
	DHHS-ES	0.1%	32.0	0.02
Liability Claim Management Overall	County HR	3.7%	802.3	0.43
	DHHS-ES	0.1%	24.9	0.01
Complaint Investigation Overall	County HR	0.0%	0.0	0.00
	DHHS-ES	0.1%	22.6	0.01
Insurance Management Overall	County HR	2.9%	622.2	0.33
	DHHS-ES	0.0%	0.0	0.00
Budget Support Overall	County HR	0.8%	181.2	0.10
	DHHS-ES	0.0%	0.0	0.00

The percentage of time allocated to risk management tasks within the sample departments, including unprofessional behavior claims, worker’s compensation claim inquiries, and ergonomic and work modification requests, is presented in the following table along with the equivalent annual hours and PY. Overall, the sample departments spent from 0.00 to 0.04 PY processing PPAFs and updating employee files.

Table HR-21: Risk Management/Worker’s Compensation by Sample Departments

Sample Departments	Dept.	% of Time from SR/LTE	Annual Hours for all staff*	Equivalent PY
Risk Management Activities by Sample Departments	Assessor	1.2%	65.3	0.04
	DCSS	0.0%	0.0	0.00
	Public Works	0.1%	18.7	0.01
	Sheriff's	0.4%	46.2	0.03
SDRM - Risk Management Workers Compensation	Assessor	1.2%	65.3	0.04
	DCSS	0.0%	0.0	0.00
	Public Works	0.1%	18.7	0.01
	Sheriff's	0.4%	46.2	0.03

Centralization Assessment:

The processes within the Risk Management function were reviewed in context of the four centralization factors. County HR, and more specifically, the Risk Management Unit within County HR, is ultimately responsible and accountable for making decisions related to risk management activities.

Recommended to Centralize:

County benefit administration should be centralized within Risk Management ensuring consistent and up-to-date benefit options are provided to all county staff. The potential overlap and redundancy with Payroll staff in reviewing forms and in retirement planning work could be addressed with the relocation of Payroll into County HR where processes can be more closely reviewed to minimize hand-offs and duplicative efforts. The elimination of this redundancy will be accomplished through adoption of Recommendation PR-6, provided in the next section of this report. That recommendation suggests consolidation of the payroll work flow into County HR. If such an action is not taken, closer coordination of this work flow between Payroll and HR is recommended.

Regardless, County HR could develop and maintain a directory of frequently asked questions covering general benefit administration, sharing it with Department HR representatives to aide in answering questions while ensuring the answers are consistent across the County. County HR would need to update and redistribute this document, or have it saved in a central location and notify Department HR of the update, when benefit information changed.

Work Modification Requests are largely centralized already with County HR processing all but DHHS requests. It is recommended that all requests be filtered through the Risk Management office, with the ability to forward all non-ADA qualified claims to DHHS for processing while directly starting the ADA process on those claims.

Worker's Compensation claim administration should be more closely centralized with County HR. It should incorporate a system of tracking claim status to more quickly answer county staff questions. If such a system were to be within an online system, the desired system would make the claim file available to the claimant remotely using a unique password. County HR could develop and maintain a directory of frequently asked questions covering general worker's compensation process and timeline, sharing it with Department HR representatives to aide in answering questions while ensuring the answers are consistent across the County. A similar file directory and frequently asked question guide could be developed for the monitored special districts.

Human Resource Summary of Key Findings and Recommendations:

Given the interpersonal nature, and often time-critical nature of HR related tasks, it is important that each department has at least one representative or "go-to" person within the department for HR related questions. The number of needed staff in each department will vary based on the size of the department and the volume of HR processes. However, when the number of occurrences in any given department is low, it is more likely that process familiarity along with corresponding regulations or laws will also be low - introducing the chance of errors or missed steps. For this reason, it is critical that oversight and clear instructions are developed for each process to ensure application is consistent across all departments.

Additionally, each process was reviewed to identify handoffs between departments and potential areas of inefficiency due to multiple departments working on a similar step or duplicative efforts being made. These inefficiencies were considered when determining the appropriate centralization structure. Prior to estimating staffing needs, these process inefficiencies need to be addressed. Once process changes are implemented with department HR staff taking on more task responsibility and County HR taking on more of a consultative role in routine activities, the workload can be better assessed to obtain a better projection of needed staff. The resulting recommendations from these process reviews are presented below.

Recommendation #1: Develop Standardized Procedures/Guidelines. County HR should develop, update, and disseminate procedural documents clearly defining the steps of each process, which department is responsible for each step, and any expected timelines. Additionally, a frequently asked question document should be developed to guide Department HR staff in consistently responding to the most common questions that do *not* require County HR consultation.

This would primarily apply to processes that involve both Department and County HR, with a secondary focus on developing internal documents for processes contained solely within County HR. This recommendation may require convening SMEs from departments determined to have the current best practices to discuss the best methodology, learning from each other to create a consistent best practice.

Pros: Consistent application and format of outcomes/deliverables across departments; Ability to provide global training on processes or forms – potentially in a recorded webinar format for reference; Better understanding of each departments' role and responsibilities; County employees would receive consistent responses to questions regardless of work department – may reduce need for liaison actions to find out information on inquiries; County HR would be able to implement changes due to new regulation, court rulings, or process improvements by updating and disseminating the stored process document.

Cons: There is a large time requirement at the onset including time identifying the priority of processes to be redelegated, in identifying SMEs and coordinating working groups, in developing new guidelines and obtaining feedback, and in training staff on new responsibilities.

Recommendation #2: Standardize Reports. County HR should meet with a group of identified SMEs from various Departments to discuss the reporting information needed within each process output/deliverable, the current reporting capability, and the needed reporting capability including where data is stored, ways to eliminate duplication of data entry in manual, individual spreadsheet, and County-wide tracking records, and a prioritization of report program development. This will require working with County IT to assess current development schedules.

Pros: Reduction in time spent creating reports or having to compile and arrange information; Increased efficiency in obtaining information to answer inquiries; consistency across departments in tracking and producing reports.

Cons: Initial staff time to develop needed report requirements; workload of IT staff could result in delays in implementation; need to monitor regulation and update standardized reporting accordingly (rather than updating at a local department level).

Recommendations #3: Moving Payroll Unit into County HR: The movement of Payroll to the County HR Department is recommended to have one manager providing oversight to processes with hand-offs between Payroll and County HR. The Payroll recommendations section covers many of these areas, but the retirement planning and benefits process could also be streamlined by having Payroll in the County HR Department.

The Pros and Cons of moving Payroll have been outlined efficiently in the Payroll summary section.

Recommendation #4: Delegate Responsibilities for Key Processes. County HR should maintain oversight (provide clear leadership) in all HR processes to ensure consistent process instruction and roll-out of updates or key decisions, while formally delegating key tasks to departmental staff when possible to minimize hand-offs in accountability and overlapping responsibilities. Each of the key HR process areas was classified into one of the following three centralization categories based on the extent of delegation to Department HR staff, and then managed consistently with its delegation.

4. **Completely Centralized under County HR** – County HR should be accountable and responsible for this process.
5. **Centralized with Split Delegation** – County HR is ultimately accountable for the outcome, but the initial data gathering, forms, and/or assessments can be delegated out to Department HR staff with County HR providing guidance upon request. For processes with low volume, the level of guidance may be higher depending on experience level of Department HR staff.
6. **Centralized Oversight with Department Delegation** – County HR is accountable for the process guidelines and providing assistance upon request, but a majority of the tasks are delegated to Department HR staff.

Pros: Minimizes hand-offs and procedural delays; Allows County HR to focus on the more specialized HR functions; Provides Departments with more control on process timelines and training priorities.

Cons: Initial time requirements to identify responsibilities within each department; potential need for new positions if sufficient duties are shifted to the departments; need to have follow-ups or initial QC in place to ensure departments are accurately implementing procedures.

The following tables identify which of the processes fall under each of the centralization categories

Centralized under County HR	Centralized Oversight with Split Delegation	Centralized Oversight with Department Delegation
Classification Maintenance	Training Coordination and Tracking	County Recruitments
License/Certification Verification	Disciplinary Management	MSS Recruitments
Labor Contract Negotiation	MOU Interpretation	QAP/Hiring Interview Questions
Benefit Administration	Grievance Process	Performance Management Process
Worker's Compensation Claim Administration	Unemployment Hearings	PPAF Processing
Work Modification Requests	Liability Claim Management	Leave Management
Insurance Premium Management	Complaint Investigations	
Budget Support		

The following tables identify a few of the processes that could be delegated to Department HR staff, identifying the current and proposed practices.

Key Processes: County and MSS Recruitments, QAP Exam Development

Current Practice	Proposed Practice
Recruitment requests are reviewed by Dept. HR, County HR, and the position number by Payroll.	<p>Dept. HR will define the position information in a recruitment request, develop an appropriate job bulletin, advertising plan, and identify technical SME information prior to submitting to County HR for final review. County HR will review bulletin, verify position number (requires cross-training from Payroll staff), and approval or any minor changes will be sent to Dept. HR for posting.</p> <p>For MSS recruitments, Dept. HR will submit recruitment request to MSS for review and then fulfill role of County HR while MSS conducts most of the duties typically done by the department in County recruitments.</p>
County HR posts the recruitment and advertising, sets up a technical SME in NeoGov, and creates QAP/hiring interview questions.	<p>Dept. HR will post the recruitment and approved advertising, train the technical review SME, and create a draft of QAP/hiring questions using testing guidelines developed by County HR and applying their understanding of department and position needs to create an exam with the best fitting questions. County HR will review the questions to ensure they fit overall guidelines for the position and are impartial/fair.</p> <p>For MSS recruitments, Dept. HR will post in NeoGov and any additional recruitment sources, and then fulfill the role of</p>

Current Practice	Proposed Practice
	County HR while MSS conducts many of the duties done by Dept. HR on the County recruitments.
Hiring paperwork packets are provided by County HR, submitted by Dept. HR, and reviewed by Dept. HR, County HR, and Payroll prior to being able to set a start date (based on payroll schedules).	Dept. HR will be able to obtain new hire packets, verify the information is complete, and forward to County HR for QC and entry into OneSolution. If a physical is required, Dept. HR will obtain and have candidate fill out form, sending that with the new hire packet to have County HR set up the physical with pre-established doctors. Reducing the number of reviews/QC of paperwork should reduce start date delays.

Key Processes: Performance Management

Current Practice	Proposed Practice
Performance Evaluations are done by Dept. HR, filed at Dept. HR location, and County HR is sent a copy.	Create a shared drive for each department to save the performance evaluation and any updates in one location.

Key Processes: Leave Management

Current Practice	Proposed Practice
Certain Leave types are currently tracked partially in OneSolution by each department, but other types are tracked using inconsistent methods including individual spreadsheets, time card notes, or department spreadsheets.	All leave types should be tracked in one central location, accessible to the designated Department HR staff, County HR, and Payroll. This includes examining the possibility of adding all leave types to One Solution or having a centralized spreadsheet.
Leave tracking is currently inconsistent between departments, making reconciliation or finding of information more difficult.	County HR should develop a standardized guideline for how leave is to be tracked and where it is to be saved.

Payroll Overview

County Payroll is a division within the Auditor-Controller’s office. It consists of a County Payroll Services Manager, Assistant County Payroll Services Manager, 1²⁷ Auditor-Controller Payroll Specialist II’s, and 1 Auditor-Controller Payroll Specialist I with no current vacancies. The current organizational chart is available in Appendix A.

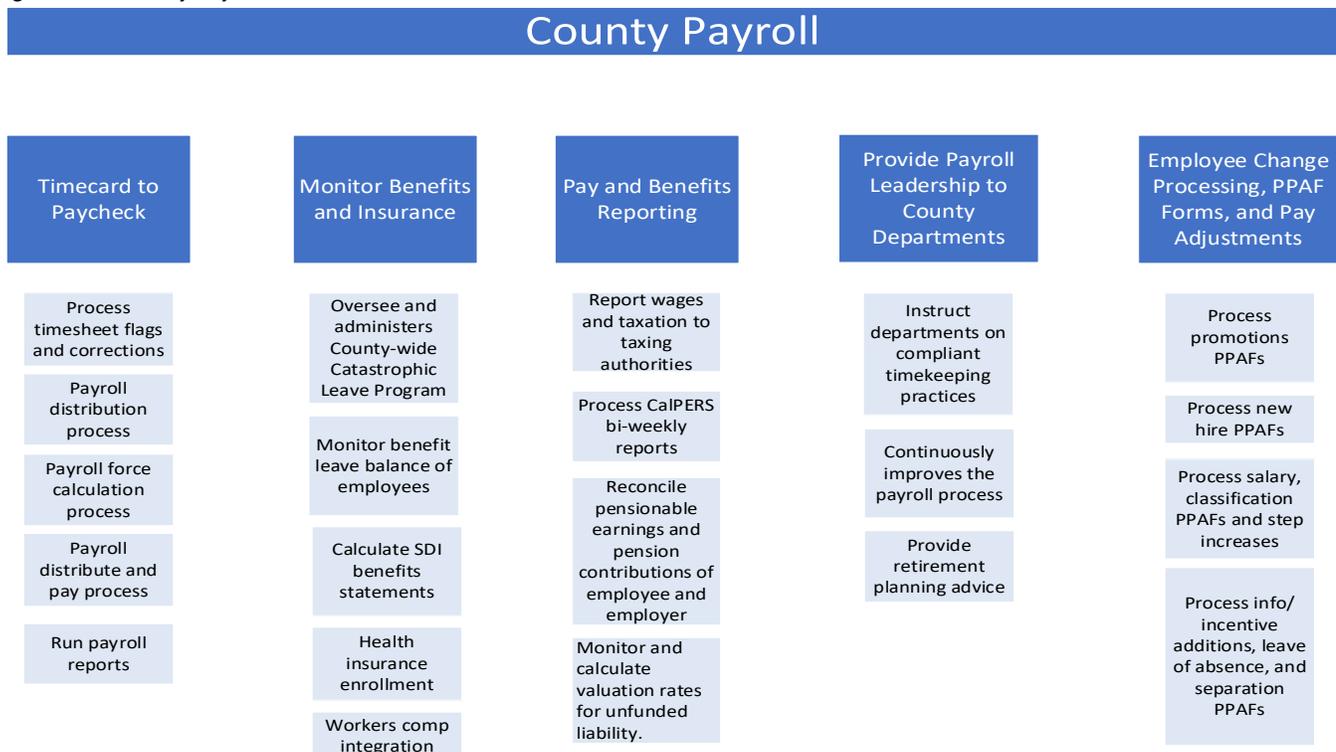
It is responsible for ensuring employees get paid in accordance with compensation plans and MOUS, monitoring employee benefits and insurance information, and providing local, state, and federal mandated reporting on employee pay, taxes, and benefits. The unit is also responsible for, instructing county departments on payroll related activities, processing a variety of employee changes, and reconciling county employee and employer pension contributions and earnings.

The primary activity groups and influencing factors that describe the work of County Payroll are listed in the system map below:

Primary Activity Groups (large dark orange boxes with white text): Cohesive groups of activity that create defined value, and that contribute to the positive outcome of the unit.

Influencing Factors (light orange boxes with black text): Tasks, activities or actions that are necessary to ensure the success of the defined Primary Activity Groups. These may include key processes. Influencing factors are listed below the primary activity groups below.

Figure PR-1: County Payroll Overview



²⁷ This includes a temporary 0.5 FTE position funded by Measure Z.

A more detailed description of the work performed by county payroll is provided below:

Timecard to Paycheck:

County payroll is responsible for processing payroll for the entire county. Departments are responsible for gathering and inputting employee time in the OneSolution payroll software. After departments submit their timesheets through OneSolution, county payroll begins processing payroll. Departments will send in some of the employee timesheets with flags on them denoting issues including medical leave, family leave, etc. Payroll will communicate back and forth with departments if there are any issues or questions employee timesheets. Throughout the payroll cycle departments are submitting changes in employee timecards on behalf of employees, known as timecard corrections. These corrections are either processed in the current pay cycle, or the next pay cycle when county payroll receives them.

The actual processing of the payroll process contains a variety of stages that occur within the OneSolution payroll software outlined in a quick summary format below. These steps are fully detailed in the process flowcharts provided in Appendix G, and described in table PR-4 “County Payroll – Timecard to Paycheck” (page 89).

The first step in payroll processing is called the payroll set up which involves setting up the pay period definitions, approving any employee changes in the system that affect pay that have occurred since the last pay period, and pre-filling remaining leave time for employees. This stage prepares OneSolution for a payroll cycle, which is triggered by the input of hours from each Department. When hours are input the pay calculations are possible and the payroll distribution process is initiated. This involves sending employee hours to the employee pay record. The One Solution software is also set up to identify related issues such as missing or incorrect data. When all employee pay record issues are resolved, the payroll force calculation process is performed. This involves creating the actual employee pay history for each employee and performing a variety of quality assurance steps including reviewing negative net pay, unpaid medical leave, reviewing edit reports and deduction issues. Next is the distribute and pay process that includes additional quality assurance steps such as verifying ACH count and value, payroll checks, vendor payments, retirement reporting, deferred compensation and payroll taxes. Lastly, a variety of payroll reports are run in OneSolution including but not limited to direct deposits, pre-lists by department, extra help time report, step increases, longevity pay, accumulated time reports. Once all processing is complete, accounts payable cuts the checks and completes the direct deposits. Department level payroll personnel then distribute the checks and direct deposit forms to employees.

Monitor Benefits and Insurance:

County payroll is responsible for administering the county-wide catastrophic leave program including determining eligibility, responding to employee requests, and calculation of leave time transfer requests. OneSolution tracks various types of leave including sick leave, vacation, comp time, holiday time, family sick leave, and administrative confidential leave. However, certain types of leave such as sick to family sick conversion are tracked outside of the OneSolution software by department staff. For example, DHHS-ES has an employee tracking database to track additional leave types, while the sample departments largely relied on individual spreadsheets either at a department-wide or supervisor level. County payroll is also responsible for State Disability Insurance (SDI) which involves analyzing and coordination of SDI benefits, analysis of submitted documents, and compliance with the Unemployment Insurance Code. During open enrollment and throughout the year county payroll is responsible for processing changes to benefit plans for all employees.

Pay and Benefits Reporting:

County payroll is responsible for a variety of regular and periodic pay and benefits reporting. This includes responding to inquiries from taxing authorities, correcting any tax discrepancies, paying appropriate state and federal payroll taxes and reporting wages and benefits to the state controller office. County payroll also processes CalPERS bi-monthly reports and resolves errors in the CalPERS system which involves analyzing the nature of erroneous records and determine the source of the reporting discrepancy.

Table PR-2: Intended Payroll Results/Outcomes

Intended Results/Outcomes
<ul style="list-style-type: none"> • Payroll is processed accurately – employees get paid correctly and on time • Complete wire transfers and EFT reports as part of the bi-weekly payroll process • Audit county departments in relation to payroll functions including: pay, hours, benefits, retirement, etc. to ensure compliance with laws and regulations • Provide direction to all County departments to develop and maintain acceptable payroll processes and procedures to ensure consistency and compliance with regulations • Make recommendations for action in policy and procedure development in the Payroll division • Ensure the catastrophic leave program is administered • Ensure the workers compensation program integration is administered • Ensure SDI integration is administered • File taxes and fulfill reporting requirements • Minimize and resolve erroneous records in the CalPERS system • Process PPAFs including new hires and promotions • Maintain the position control table

Another way to understand the importance of the work performed by County Payroll is to understand the consequences if the primary activity groups are performed successfully or not, as is shown below:

Table PR-3: Payroll Process Success/Failure

Process Timecards	Monitor Benefits and Insurance	Perform County Wide Pay and Benefits Reporting	Provide Payroll Leadership to County Departments	Process Employee Changes
<p>If successful</p> <ul style="list-style-type: none"> • Minimal timecard errors • Employees are paid on time • Decreased number of settlements performed <p>If failure</p> <ul style="list-style-type: none"> • Increased timecard errors 	<p>If successful</p> <ul style="list-style-type: none"> • Minimal errors associated with the Catastrophic Leave Program, deferred compensation, SDI, workers compensation, and health insurance enrollment <p>If failure</p>	<p>If successful</p> <ul style="list-style-type: none"> • Minimal errors in wire transfers, EFT reports, taxes, CalPERS bi-weekly reports, and general ledger reports <p>If failure</p> <ul style="list-style-type: none"> • Increased errors in wire transfers, EFT reports, taxes, 	<p>If successful</p> <ul style="list-style-type: none"> • Departments submit less timecard errors • The payroll process becomes more efficient <p>If failure</p> <ul style="list-style-type: none"> • Departments submit the more timecard errors 	<p>If successful</p> <ul style="list-style-type: none"> • Minimal errors associated with PPAFs • All requisitions that are opened have a position control number associated with a vacant position <p>If failure</p>

Process Timecards	Monitor Benefits and Insurance	Perform County Wide Pay and Benefits Reporting	Provide Payroll Leadership to County Departments	Process Employee Changes
<ul style="list-style-type: none"> • Employees are not paid on time or are paid an incorrect amount • Minimal number of settlements performed 	<ul style="list-style-type: none"> • Increased errors associated with the Catastrophic Leave Program, deferred compensation, SDI, workers compensation and health insurance enrollment • Penalties from taxing authorities • Employees having to pay back health insurance premiums due to enrollment errors 	<ul style="list-style-type: none"> • CalPERS bi-weekly reports, and general ledger reports 	<ul style="list-style-type: none"> • The payroll process becomes less efficient • Payroll staff spends more time associated with correcting timecard errors 	<ul style="list-style-type: none"> • Increased errors associated with PPAFs • Requisitions that are opened have a position control number that is associated with a filled position departments are unable to hire and fill vacancies • Employees get overpaid or underpaid

Process Flow Analysis

Based on initial conversations with County Payroll and later confirmed by the subsequent self-report of time study and long-term estimation analysis, it appeared that there were three key processes that County Payroll was involved in that took a large portion of their time and provided the most value to the county. We also chose to focus on these processes because of the high degree of interaction required between the county payroll and various departments. The three processes examined were the timecard to paycheck process, the new hire process, and the promotion process.

Onsite meetings were held with County Payroll to create process maps for each of the three processes. There was a particular focus on County Payroll’s interaction with other departments to identify where the handoffs and overlap occurred as well as to understand errors, waste and rework in the process. Based on the process flow analysis and conversations with county payroll, a list of recommendations was developed and is provided at the end of this section.

New Hire Process

The new hire process was examined with an emphasis on documenting the workflow of the various forms that need to be completed as part of the process, such as the requisitions and PPAFs (personnel position action forms). We found that there was a significant amount of back and forth between the department, HR and payroll in processing new hires. There also seemed to be a lack of standardization and accuracy in the process. The process flow diagram along with the corresponding notes can be found in Appendix E.

Promotional Process

The PPAF (Personnel/Position Action Form) promotional process was examined to identify areas of process inefficiency. Similar to the new hire process, we found that there was a lack of standardization and accuracy in the process. It also seemed that the department staff lacked a clear understanding of how to complete promotional PPAFs and other types of PPAFs in general. The process flow diagram along with the corresponding notes can be found in Appendix F.

Timecard to Paycheck Process

The timecard to paycheck process is arguably the most critical body of work county payroll is responsible for. Meetings were held with representatives from the DHHS-ES and all the sample departments to document this process and understand the unique differences in how these departments are involved in the timecard to paycheck process. Below is a high-level description of the timecard to paycheck process.

In general, staff from each department complete their timecards, supervisors approve the timecards and then send the timecards to department payroll staff in hard copy format. Department payroll staff then check the timecards for errors and transfer the time to the timesheets, which are printed form outputs generated from One Solution. They then check for additional errors and manually key in the time to the OneSolution payroll module. They then print out a report from OneSolution that shows the time entered and they check again for errors. The departments then submit the time through OneSolution to county payroll who begins to process payroll. County payroll then processes payroll in OneSolution and checks for errors using a variety of methods. Once payroll processing is complete, accounts payable cuts the paychecks and vendor payments. Payroll generates and issues direct deposits. Department level payroll personnel then distribute the checks and direct deposit forms to employees. Throughout a given payroll period, employees complete payroll correction forms that are either correcting time that was already submitted for the current pay period or time associated with the prior pay period. Some department payroll staff process these corrections and submit them to county payroll whereas other departments send the corrections directly to county payroll. County payroll staff then process these corrections in the current pay period.

The timecard to paycheck flowchart diagram and the corresponding notes that describe the process in more detail including error rates and the differences between departments can be found in Appendix G.

In addition, Appendix H contains a detailed Gantt chart describing the timecard to paycheck timeline and illustrates the overlapping nature of certain portions of the process.

In an effort to better understand the transfer of specific information fields during the timecard to paycheck process we created an information field flow. The information field flow along with the corresponding notes can be found in Appendix I.

One of the primary findings the diagram and the notes illustrate is the redundant transfer of information. Working hours and leave hours are manually transferred by department payroll staff from the timecard to the timesheets and then from the timesheets into OneSolution, allowing errors to inevitably occur.

In addition, while most types of leave taken and remaining balances (sick time, vacation time, comp time, family sick, administrative confidential, holiday) are inputted and tracked in OneSolution, other leave information such as remaining FMLA/CFRA hours, remaining family death leave hours, and total sick hours that have been converted to FMLA hours must be tracked in a separate database. DHHS tracks these leave

balances in an employee database called EMPS, whereas other departments track these types of leave either in excel spreadsheets that are maintained either by supervisors or department payroll staff. At the beginning of the pay period DHHS ES will also transfer employees' remaining leave balances from the prior pay period to the new pay period OneSolution timesheet to help them cross check leave time taken for the next pay period.

Contributing to the-complexity of the timecard to paycheck process are the differences in the various pay and leave accrual terms of the Memorandums of Agreement (MOUs) entered into with the various Bargaining Units. The MOUs dictate payroll rules stipulating how employees in certain bargaining units need to be paid. Therefore, in-depth knowledge is required by the department staff who process employee timecards as well as County Payroll staff.

Processing timecard corrections is one of the fundamental areas of rework performed by all county departments. Every pay period employees must submit their timecards early to the department payroll staff so that they have time to process the timecards. How early depends on the particular department, but many departments require employees to submit their timecards on a Wednesday with time they are scheduled or think they will work for Thursday and Friday. Often-times employees have to submit timecard corrections later when their actual time worked on that Thursday and Friday is different than what they initially put on the timecard. This review was able to use the long-term time estimation forms submitted by unit supervisors to quantify the extent to which timecard corrections and other potential areas of process waste were prevalent in the timecard to paycheck process.

Below is a list of activities that were identified as areas for significant process improvement at the time of the study²⁸.

Table PR-4: Timecard to Paycheck Tasks

Task
<p>Process Bi-Monthly Timecards and Timesheets (prior to sending to payroll)</p> <p>Prepping timesheets (printing, signing, transferring prior corrections to current timesheet, adding new employees); reviewing timecard entries, hand writing exceptions and notifying staff of any non-calculation changes, calculating on-call/standby/field time, transferring time from paper time card to time sheet; entering information into OneSolution²⁹;</p> <p>Balances to OneSolution input after Quality Assurance, copy/prep timesheets for submission to Payroll.</p>

²⁸ Following initial review the Payroll Division has begun the process of implementing ExecuTime as an electronic time keeping system for all county departments. This program will address many of the concerns outlined below, including preventing the need to prep timesheet, make written notations/exceptions, and transfer information between time record formats, and improve the time required to conduct quality assurance and make corrections.

²⁹ The Payroll Division is in the process of implementing ExecuTime (an electronic time keeping system) for all county departments. This timekeeping system will prevent the need to prep timesheets, make any hard written notations or exceptions and do any calculations. This will also eliminate the need to transfer information from a timecard to a timesheet and make entries in the financial software. The time savings are expected to be significant.

Task
Quality Assurance of Timecards (either before sending to Payroll or by the Payroll office) Conducting Quality Assurance of timecards; checking balances; sending back to original reviewer.
Prior Payroll Corrections Processing corrections to prior bi-monthly timesheets; updating OneSolution
Timecard Intake and Corrections – After submitting to Payroll Processing Corrections to bi-monthly timesheets to ensure compliance with regulations/codes; updating OneSolution, following up with Payroll if backpay or other payroll adjustments are required. Timesheet collection and assessment of department issues (flags) including medical leave, family leave, etc.; communication with departments regarding any questions
Timecard Corrections Quality Assurance Verifying accuracy of input timecard corrections.
Time Corrections in OneSolution Time spent correcting employee time in OneSolution as a result of the Payroll Distribution Process, Force Calculation Process, Distribute and Pay Process and Payroll Reports tasks.

We then looked at the long-term estimation data for those tasks for the following departments in the study and projected the amount of time that would be spent in the various timecard to paycheck process waste tasks in a given year.

Table PR-5: Projected Process Waste Tasks³⁰

Task	Department						
	Public Works	Assessor's Office	Child Support Services	Sherriff's Office	DHHS	County Payroll	Total
Process Bi-Monthly Timecards and Timesheets (prior to sending to payroll)	1162.8	39.1	66.9	1062.4	2334.8	N/A	4666.0
Quality Assurance of Timecards prior to sending to Payroll	135.3	6.2	16.0	37.4	321.8	N/A	516.7
Prior Payroll Corrections	35.6	0.0	4.5	74.2	868.8	818.4	1801.5
Timecard Corrections – After submitting to Payroll	112.9	0.0	4.5	167.6	0.0	252.3	537.3
Timecard Corrections Quality Assurance	268.8	0.0	0.0	0.0	18.6	N/A	287.4
Time Corrections in OneSolution	N/A	N/A	N/A	N/A	0.0	229.8	229.8
Total							8038.7

³⁰ This recommendation will be moot if ExecuTime is successfully deployed county-wide in 2018. Our past experience with complex automation deployments infers, however, that if any significant variance from expectations occurs, this recommendation may be an excellent option to achieve more immediate results. It is often difficult to want to commit to short-term fixes in automation systems, because it always seems that the next big implementation will make this all unnecessary.

It is estimated over the course of the year that these departments combined would spend about 8038.7 hours in time associated with payroll process waste tasks in a given year. 8038 hours would be equivalent to about 4.43 personnel years. The last four tasks that deal with processing timecard corrections constitute 2856.1 estimated hours. Also, none of these hours reflect the time employees and supervisors spend to complete timecards.

While the issues of centralization or decentralization did not seem to present any options for resolution of this source of inefficiency, the observed manual transfer of data in multiple formats did seem relevant. For this reason, consultants recommend that the County explore the use of simple forms of information technology to avoid manual data transfer in timecard recordation, review, and upload to One Solution. It is our belief that the County may be able to use an Excel spreadsheet as the basis of submitted time records, and its later automated upload. If true, this would eliminate errors from manual record transfer, and could significantly reduce error checking. The county was also beginning to roll out a new time tracking software program, Executime, with only a few departments utilizing it at the time of this report. Depending on the timeline for rolling out the program to all departments, including any training and time for troubleshooting, it may still be beneficial to have departments utilize a standardized Excel spreadsheet until full roll-out is achieved.

Recommendation PR-1

It is the understanding at the time of this final report that all departments should begin to use ExecuTime by the end of the 2018 calendar year. IF this does not occur within six months, it is recommended that the County implement the use of Excel for employee timecard recordation, supervisor review, and automatic data upload to One Solution until full conversion is achieved.

Our analysis of the self-report of time data collected in this review corroborated our observation that there is presently significant wasted time from unnecessary communications between HR and Payroll regarding the PPAF forms, and from the correction of employee hours and leave, due to current early reporting practices. Specifically, the top areas of time spent are reflected in the following table:

Table PR-6: Top Areas of Time Spent

Tasks	Percent of time spent
GW-3 - Work Organization/Time Management	12.0%
PF-1 - Processing New Hire PPAFs	10.0%
TC-4 - Prior Payroll Corrections	7.5%
PF-2 - Processing Promotions PPAFs	5.4%

Looking only at the self-report of time results from the Payroll Division, we can see that the highest percentage of time spent in the GW-3 – Work Organization/Time Management task out of any of the other departments within the AC Office, and a large portion that time involved processing employee changes such as new hires and promotions. PPAF changes reflected another large component of time. The next largest percentage of time was spent processing prior payroll corrections and it is the second largest category of time spent by payroll staff across the entire task list.

The above observations are even more significant when looking at the self-report of time data in **both** Payroll and the County HR Department. We can then fully appreciate the possible improvements in the promotional and new hire process flow. There are several areas of error and re-processing of information between county payroll and county HR that are revealed. Comments from payroll staff from the Work-flow Perceptions survey along with interviews with county payroll staff indicated inefficiencies with processing a variety of PPAFs, not just new hire and promotional PPAFs. Below is a table listing the total monthly long-term estimation hours for all HR and payroll staff related to PPAF processing.

Table PR-7: Hours for PPAF Processing

Employee Change Processing, PPAF Forms, Pay adjustments Tasks	County Payroll Monthly Hour Total	County HR Monthly Hour Total
PF-1 - Processing New Hire PPAFs	61.50	50.4
PF-2 - Processing Promotions PPAFs	33.64	22.3
PF-3 - Processing All Other Salary & Classification PPAFs and Step Increases	9.02	10.3
PF-4 - Processing Info/Incentive Additions PPAFs	46.99	12.0
PF-5 - Processing Leave of Absence PPAFs	10.92	14.4
PF-6 - Processing Separations PPAFs	1.95	25.9
PF-7 - PPAF Corrections	1.79	6.2
Total	165.8	141.6

The table indicates that both county payroll and HR spend a significant amount of time processing PPAFs. For many of the PPAFs, it appears that HR is simply reviewing them for completion, maintaining the employee file and following up with the department if there is missing information. Since payroll performs most of the actual processing, it may be the most beneficial if they had the sole responsibility of processing the PPAFs, and this is one of several factors involved in our later recommendation to consolidate payroll processing within the County HR Department. There are some pieces of knowledge related to certain types of PPAFs that HR staff currently has a better understanding of, such as knowledge related to when recruitments open which is helpful for processing new hire PPAFs. Another example of specific process knowledge is in processing promotional PPAFs. HR has more in-depth knowledge of how changes in the employee’s bargaining unit affect promotional pay which would be related to affecting pay changes. A collaborative effort between Payroll and County HR is required with Payroll taking lead on processing the PPAFs and reaching out to County HR should these specific knowledges be required. This collaboration would be easier if the units were consolidated as discussed for recommendation PR-6. Regardless of its organizational positioning, though, improvements in the PPAF sub-process can be made now, as noted in the following:

Recommendation PR-2

The CAO must commission a PPAF sub-process team to document and standardize a best practice for this workflow, and to create any necessary procedures, templates, and instructional materials to ensure that this best practice is followed. This team should be made up of members from County HR and from Payroll, and should include one administrative support person from either the Sheriff’s Office, or Public Works.

In addition, this report also shows significant time is being spent in making timecard corrections due to changes in planned work and leave hours in the last few days of each pay period, and caused by the early submission of time cards. This correction time could be saved if the county were to shift its pay cycle one week, so that the pay period is complete prior to the submission of hours. There would be a significant and continuing annual savings to the county from making this simplification. This could be achieved if the employees could be paid for one week prior to switching back to a two-week pay period, with heavy efforts required during the back to back payroll processing to realign the time sheet due dates with the pay periods.

Recommendation PR-3

The County should monitor the total labor cost (estimated hours times burdened personnel rates) for both time card processing and required corrections through the implementation of ExecuTime. It should then use this information to make a determination of the cost-benefit possible from the movement of the submission period to align with the end of the work period.

In order to notably reduce time card corrections, the county will need to allow employees to submit timecards at the end of the pay period as opposed to several days before.

Hours Worked by Payroll Staff

In addition to the self-report of time survey, long term estimation forms were completed that show the estimated amount of time per month that county payroll staff spend on various tasks. The county payroll manager was also asked to indicate the additional hours per month needed to complete work not getting done.

The following seven tasks were identified as needing additional staff hours to complete work that is not currently getting done.

Table PR-8: Additional Staff Hours Needed

<i>Please reference the task list for a full description of each:</i>	Judy Blanchard (Payroll Specialist II)	Kara Fales (Assistant Payroll Manager)	Katherine Oliveira (Payroll Manager)	Leslie Hernandez Tully-Lund (Payroll Specialist II)	Theresa Taylor (Payroll Specialist I)	Additional Hours per month needed to complete work that is not currently getting done.
Administrative Tasks						
AO-1: Physical Mail/Reception/Phone Coverage	1.0	0.0	0.0	16.4	7.4	4.0
AO-3: File and General Office Maintenance	20.5	0.0	1.0	5.6	0.3	8.0
AO-6: Program/Project Implementation	0.0	3.4	20.2	0.0	0.0	20.0

<i>Please reference the task list for a full description of each:</i>	Judy Blanchard (Payroll Specialist II)	Kara Fales (Assistant Payroll Manager)	Katherine Oliveira (Payroll Manager)	Leslie Hernandez Tully-Lund (Payroll Specialist II)	Theresa Taylor (Payroll Specialist I)	Additional Hours per month needed to complete work that is not currently getting done.
Bi-Monthly Payroll Processing Tasks						
TC-5 - Timecard Intake and Corrections – After submitting to Payroll	0.0	21.0	0.0	0.0	0.0	8.0
TC-6 - Timecard Corrections Quality Assurance	0.0	0.0	0.0	0.0	0.0	5.0
TC-7 - Time Corrections in OneSolution	13.9	4.2	1.0	0.0	0.0	10.0
Employee Change Processing, PPAF Forms, Pay adjustments						
PS-6 - CalPERS Reports	0.0	4.3	0.0	0.0	0.0	10.0

The total hours across the seven tasks equal 65 hours per month. We then calculated what 65 hours per month might mean in terms of additional staff. 65 hours per month multiplied by 12 equals 780 hours. 780 hours divided by 1811 equals 0.43. 1811 hours is assumed standard number of hours in a working year for a full-time employee when taking into consideration leave time (sick leave, vacation, holidays, etc.). So given the estimated number of hours of work not getting done, we would estimate that nearly a .5 FTE position would be needed. It's also important to note that all the exempt county payroll staff were reported as frequently working over 80 hours per pay period, and often working on holidays to complete their tasks.

During the initial interview with the county payroll manager in February 2018 when asked about work that wasn't getting done she mentioned they were two pay periods behind on processing timecard corrections from prior pay periods, which would be consistent with the long-term estimation data above. She also mentioned they were slightly behind on position control table maintenance and a couple of weeks behind on processing SDI (state disability integration) employee requests which isn't reflected in the long-term estimation data above. In February 2018 the office had a vacancy which is what the manager attributed some backlogs of work to. However, at the time the long-term estimation data was gathered, that vacancy had been filled and she still reported the backlog of work on the long term estimation forms which would indicate that filling the vacancy still hasn't fully addressed the backlog of work adequately. In addition to the backlog identified during the initial interviews, the payroll manager indicated the payroll unit is approximately 8 weeks behind in transferring timesheet corrections from department records to a master spreadsheet due to staffing shortages and software processing delays. There are also reported delays in completing CalPERS service credit purchase requests, CalPERS reconciliation reports, filing, employee verifications, subpoenas, and special board

approved corrections. It is the Department’s view that making this a 0.5 permanent position or a 1.0 limited term position would better address backlog issues, and our consultants agree.

As with many units studied, it appears that work flow improvements combined with a quicker fill of positions would in theory resolve the issues of insufficient staffing, although it is also recognized that the process of designing and making the changes necessary to obtain improvements also requires staff. For this reason, it is a **finding of this study that the addition of a 0.5 limited term position is needed to assist payroll in accomplishment of its goals until a permanent 0.50 position can be approved. The limited term part-time position can be utilized to begin immediately addressing the backlog while the requested permanent position can be utilized to prevent a repeating cycle of issues as many of the backlogged tasks are ongoing and likely to continue.**

Work-flow Perceptions Survey

The workload perceptions survey was one of the data points that sheds light on the work environment in county payroll. Three out of the five employees in county payroll completed the survey, and the results further corroborated the findings noted above.

The bottom 5 scoring questions for county payroll are shown below.

Table PR-9: Five Bottom-Scoring Questions

Question	Auditor-Controller Payroll Average
4. My work can usually be completed in a normal work day, and without sacrificing lunch hour or breaks.	2.3
20. Training is available so that each of us can do our jobs correctly.	2.3
22. There is a natural tendency throughout the County organization to work together to solve problems.	2.7
21. Employees in other County departments work with us in getting our assignments completed.	3.0
16. It is rare for our work unit to have justified complaints.	3.7

The questions with the largest difference between county payroll and the average of all the survey participants is shown below:

Table PR-10: Comparison of County Payroll and All Participants

Question	OVERALL AVERAGE (including everyone)	Auditor-Controller Payroll (4A) Average	Payroll Average Minus Overall Average
20. Training is available so that each of us can do our jobs correctly.	3.3	2.3	-0.9

Question	OVERALL AVERAGE (including everyone)	Auditor-Controller Payroll (4A) Average	Payroll Average Minus Overall Average
4. My work can usually be completed in a normal work day, and without sacrificing lunch hour or breaks.	3.2	2.3	-0.8
21. Employees in other County departments work with us in getting our assignments completed.	3.4	3.0	-0.4
19. Useful work templates, systems, and procedures are good resources for completing our work assignments.	3.9	3.7	-0.2
22. There is a natural tendency throughout the County organization to work together to solve problems.	2.8	2.7	-0.2

In both lists the following question appears: “My work can usually be completed in a normal work day, and without sacrificing lunch hour or breaks”. This is indicative of employees in county payroll having a high volume of work to complete. Also, on both lists the following questions appear: “Employees in other County departments work with us in getting our assignments completed” and “There is a natural tendency throughout the County organization to work together to solve problems”. This echoes feedback we heard when interviewing county payroll staff as well as other department staff that work with county payroll. There seems to be many communication challenges between county payroll and other departments.

The Work-flow Perceptions Survey also contained two questions regarding how time is spent.

The first question defines exactly how time is spent on non-essential duties. It differentiates among time spent redoing what was already done, responding to requests and inquiries on work being performed and any rework on work already performed.

Table PR-11: How Time is Spent Comparison

How many hours do you think you will spend in an average week doing work in the following categories:	Payroll Average	Average Percentage of All Respondents
Re-processing work that has already been done once?	3.07	2.08
Responding to persons who are waiting for action to complete?	5.33	5.74
Second entry of data that already exists in another file, form or system?	2.93	2.87
Any other kinds of wasted time?	3.33	1.99
Total of all waste	14.67	12.68

Reponses from county payroll indicate a higher amount of total wasted time compared to the rest of the survey respondents from the county.

The open-ended comment responses from county payroll indicated that much of the wasted time was related to communication with HR, specifically two respondents mentioned:

- “Lots of communication with HR in regard to PPAF 's not having correct and appropriate information necessary to process”
- “I think a good 5 hours a week is the time I spend working answering HR questions and guiding departments with HR information”

The second question examines how employees view their work as “busy” with a distinction in the first choice of there being “stress” in the work being done.

Table PR-12: Busy vs. Stressful

Thinking about the period of time you spent working here over the past three months, what percent of all that work time was: (Total should equal 100%)	Payroll Average	Average Percentage of All Respondents
Over-busy and too stressful.	47%	24.2%
Over-busy but acceptable.	23%	29.4%
Busy and challenging.	22%	38.8%
A little slow. More could have been achieved.	8%	6.2%
Too slow. There were extended periods with not enough to do.	0%	1.5%

County payroll indicated that a much larger percentage of their time was considered “Over-busy and too stressful” (47%) compared to the percentage of all county survey respondents (24.2%).”

Comments associated with this question indicated that much of the stress derived from the need to routinely guide departments and HR through the processes. This may also be a result of department staff and HR not having a clear understanding of how to work with payroll and complete various processes payroll is responsible for.

We also examined the survey responses for areas of strength. Below are the top scoring questions for county payroll and the questions with the largest positive differences between county payroll and all county survey respondents.

Top 5 Scoring Questions

Table PR-13: Top 5 Scoring Questions 1

Question	Average

6. The work I am asked to do in this work unit makes an important contribution to the success of our organization.	5.0
8. I am personally committed to helping my work unit to meet our goals.	5.0
10. My Supervisor understands the demands placed upon me.	5.0
15. The quality of the work output of this work unit is usually good or excellent.	5.0
29. We obey laws and regulations.	5.0

Questions with Largest Positive Difference Between County Payroll and All County Survey Respondents

CP-15: County Payroll v. All Survey Respondents

Question	OVERALL AVERAGE (including everyone)	Auditor-Controller Payroll (4A) Average	Payroll Average Minus Overall Average
10. My Supervisor understands the demands placed upon me.	3.9	5.0	+1.1
15. The quality of the work output of this work unit is usually good or excellent.	4.1	5.0	+0.9
12. My supervisor helps prioritize work so that the important things are done first.	3.5	4.3	+0.8
27. I am satisfied with the professional standards we achieve.	3.6	4.3	0.8
7. It is rare exception when I am asked to do work that is a waste of my time.	3.6	4.3	0.8

Questions in the table above reflect that county payroll staff have a positive relationship with their supervisors (“My Supervisor understand the demands placed upon me” and “My supervisor helps prioritize work so that the important things are done first”) and feel a sense of pride and purpose in their work (“The quality of the work output of this work unit is usually good or excellent” and “I am personally committed to helping my work unit to meet our goals.”).

Department Feedback - Gaps in Service, Unmet Needs and Work Backlogs

Several sample departments were interviewed to gain a better understanding of the gaps in services levels, unmet needs and backlogs of work as it related to their interaction with county payroll staff and on the payroll processes. Below is the information gained from these departments. These statements have not been independently verified, however it depicts the process limitations from department staff perspective.

DHHS Employee Services

- At least 80% of employees change their timecard during the payroll process due to errors or the fact that they have to turn their timecard in early.
- There are barriers in getting corrections to pay checks after they have been distributed.

Public works

- They must call county payroll and speak with someone in order to get adequate information on how to complete non-timecard to paycheck processes. For instance, many of the payroll forms are not updated on the website and they must call payroll to find the forms. The same is also true for HR and risk management forms.

Sheriff's Office

- Payroll and HR don't share information with each other efficiently.
- They sometimes have timecard corrections for all 100 employees.
- There are several errors associated with issued paychecks.
- Payroll takes a couple of weeks to assign a position number before the Sheriff can begin recruiting³¹. The PPAF has to be approved by both HR and payroll before proceeding which makes the process more onerous.
- On a leave balance report, once they found 4 or 5 extra help people who have leave balances that were still accumulating leave time. They should not have been accumulating leave time still.
- It took 4 months to set up a new direct deposit form when one of their staff members moved departments.

Assessor's Office

- It's difficult to get a response from payroll and it takes a while to get paycheck errors resolved.
- When the Assessor's office transferred from 37.5 to a 40-hour work week payroll didn't make the change correctly and incorrect paychecks went out to all staff.
- Communication is not sufficient.

Public Works

- Oftentimes settlement checks, which could be an employee's last payment, accumulated comp time, or vacation time, are mailed to the wrong address.
- It isn't clear about who is in control of making payroll related decisions about MOUs.
- There aren't enough instructions about how to complete payroll forms.

The feedback from the various departments seems to highlight errors associated with county payroll's processes and lack of communication between payroll and the departments, and payroll and HR.

³¹ Newly assigned positions require approval verification through the review of agenda items, incorporation into position control tables while new classifications require this in addition to a salary table, job table, and multi-tab and field PCN table. Existing classifications still require a multi-tab PCN table and updated position control spreadsheet.

Recommendation PR-4

Payroll should provide training to department staff on how to process new hires. This training should address the aspects that generate the most errors. Areas of training should include which forms should be directly sent to HR and which should be sent to payroll, how to complete the forms correctly, the need to get CAO approval if hiring someone above the starting salary step. This training should address one of the reasons for exchanging of forms multiple times between the departments, HR and payroll seems to be a result of lack of clarity the department staff have on the process.

Recommendation PR-5

Payroll should make the new hire forms easily accessible on the internet and in one place, and keep them up to date. Where applicable, it should provide written directions on completing them. Similar to the changes above, this should save everyone time by preventing the use of an outdate form, searching for forms, or contacting the Payroll unnecessarily for guidance on the new hiring process. It is reported that currently there is redundant communication between HR, payroll, the department and the new hire. This in part leads to payroll setting a cut-off date for a new hire PPAF to be submitted far in advance so that they can allow time for that back and forth communication to occur. If the process were more efficient, presumably a new hire could have a start date that is closer in proximity of when that individual was selected as the final candidate³². It should be a standard practice for county payroll staff to communicate directly with the new hire regarding form completion as opposed to payroll contacting HR and then HR contacting the employee.

“Special sick time” (sick to family sick conversion, military time, FMLA/CFRA, death leave) is currently being tracked independently by department staff in databases (in the case of DHHS Employee Services) and spreadsheets (by the sample departments in the study). Departments should track this “special sick time” in OneSolution utilizing blank or dummy payroll codes or within ExecuTime once it is available to the department.

HR/Payroll Centralization Analysis and Recommendations

Our analysis of the payroll work flow has pointed out numerous areas where work flow moves from HR to payroll and back again. Because HR must negotiate labor agreements, it should have superior knowledge of the MOU’s and their treatment of payroll hours and leave time. Yet under the current system, it is payroll that must administer these provisions. Likewise, “core” professional knowledge of the HR unit should include SDI, Unemployment Insurance, and CalPERS benefits, and these areas must also be administered by Payroll. In addition, both units maintain sub-systems within One Solution, that must ultimately be reconciled and align.

Nowhere is the inefficiency in the separation of payroll from HR more obvious than in the PPAF sub-processes, which have been discussed above. The promotional and new hire process flow analysis presented has identified several significant areas of error and re-processing of information between the two units. While

³² A reviewer noted that using workflow processes in One Solution would resolve this issue and that electronic PAFs generated by the department could use an approval/update process and make updates to One Solution directly. While this is an optimal future solution, one of the inhibitors to better use of One Solution is the division of sub-systems used by Payroll and HR. We believe that a unification of Payroll into HR will make an immediate improvement to communications between the two units, quick resolution of issues, and building the system competencies needed to improve service to all departments.

accommodations to bridge some of these differences have been proposed in this report, we believe that the consolidation of these functions in a single department (County HR) will best serve the interests of the County.

The simple fact that the ultimate accountability for a positive result in payroll actions is now divided has resulted in a vacuum in leadership, where it is easy to blame other and difficult to develop collaborative actions necessary to solve obvious problems. For these reasons it is the principal recommendation of this study that:

Recommendation PR-6

The County Board of Supervisors should move expeditiously to consolidate the Payroll Division within County HR, and to remove this function from the Office of the Auditor Controller.

Accounts Payable Functionality within Humboldt County

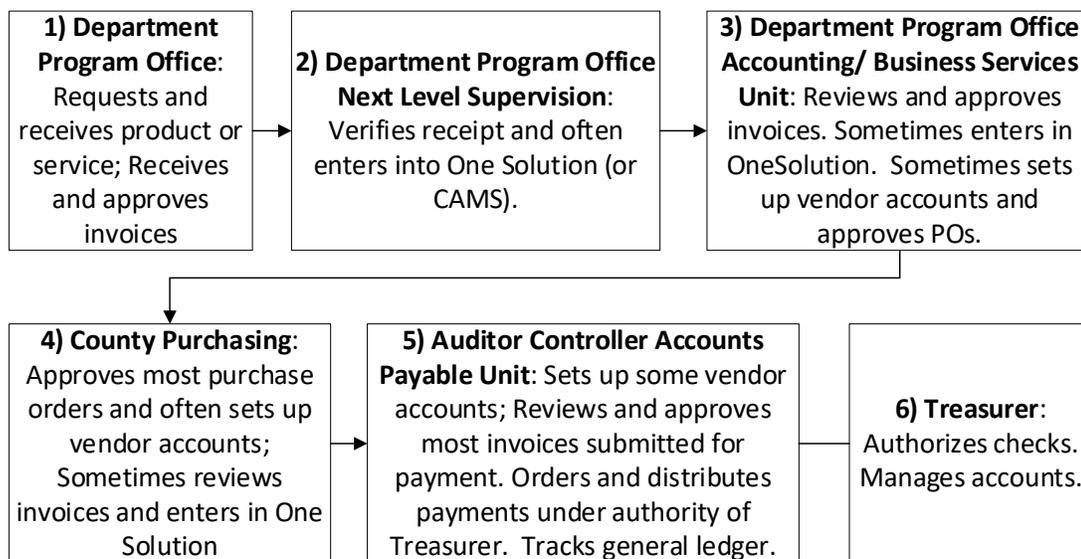
Overview and Introduction:

The Accounts Payable Division of the Office of the Auditor Controller processed \$135,620,000 of payments for the County in the past year, and 22,332 checks were issued³³. The accounts payable workflow³⁴ in Humboldt County is the means by which bills are validated and affirmed as genuine, reviewed to prevent incorrect or fraudulent claims, entered into the general ledger as charges against budget accounts, and paid. Very simplistically, this means that a program department first affirms a bill, and then submits it to the Office of the Auditor Controller (hereafter called the “Office” or the “AC Office”) for secondary review and entry into the list of approved warrants, and for charge against the appropriate general ledger account. The final steps include approval of the warrant and issuance of the payment by the AC Office, and recordation of the payment by the Treasurer. The accounts payable workflow crosses multiple Departments and work units and is not limited to the Office of the Auditor Controller.

Closely inter-twined with the accounts payable workflow are the several processes by which expenditures are authorized, including purchase orders, contracts, Cal-Card purchases, and some other small purchase authorities. These are often authorized by the Purchasing Office in the County Administrator’s Office. Because the authorization of purchases captures some information used in the payment (accounts payable) workflow, the confirmation and tracking of payments, as well as the procurement authorities sometimes overlap in the same business units that process payments. The efficiency and effectiveness of these structures will be further discussed below.

While the organizational structuring of these described functions varies somewhat throughout the County depending on the originating department and the type of procurement, the principal business platforms (or ‘system map’) used in the acquisition and payment for the goods and services of the county follow:

Figure AP-1: AP System Map



³³ The reported total was \$135,617,381.13 processed between March 1, 2017 and March 1, 2018.

³⁴ This is referred to as a workflow rather than a process, because there are a series of interconnected processes and activities necessary to accomplish this end.

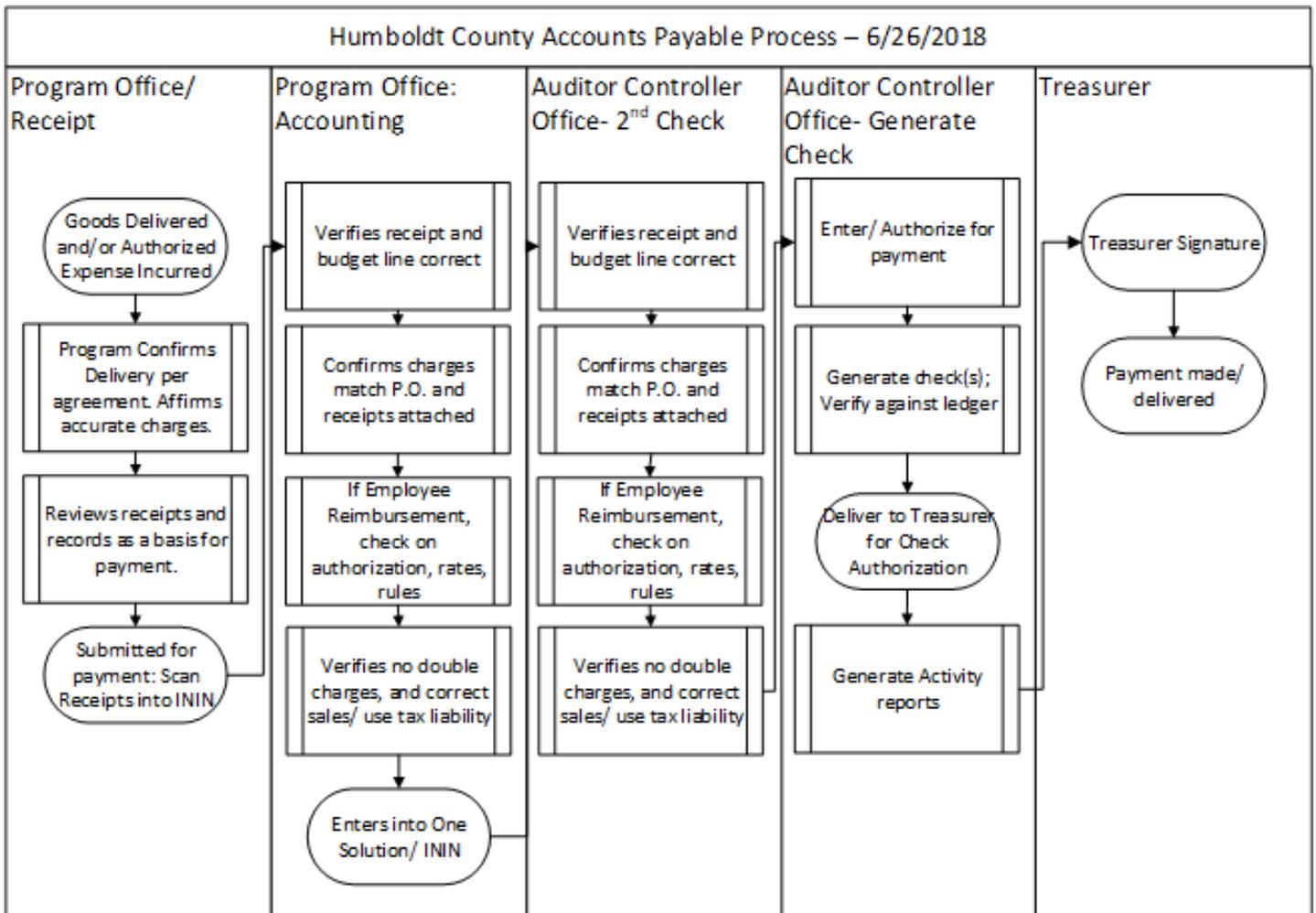
The above is a high-level process flow and is only representative of the specific process flow in a variety of subcategories reviewed, and the organizational boundaries they must cross. What it is meant to show is the pattern of similar functions throughout the Departments that manage pieces of the process. So while the accounts payable workflow is seemingly simple in concept, this review found a number of variants, and a variety of workflows that apply. Despite the differences in comparison to each other, the design of each generally corresponds to the needs of the office and program that authorized the expense, and how they authorized it. The following sections of this report will describe the various variants and specific workflows observed.

Regardless of program, all of the workflows seemed to follow determinate rules that could be clearly articulated, and all seemed to reflect good professional practices. The overlap that appears to exist in many places is one that ensures integrity in County procurements and reduces risk, even though its duplications also represent a significant opportunity for economy. The difficulty in achieving these economies derives from the complexity and variety of approval processes that now exist, and the need to reduce duplication while avoiding risk. This is something we will explain more completely later in this report, and the next sections of the report will describe the specifics of the current accounts payable processes, and the program interests they serve.

In this light we note that there are sometimes significant differences in the processing of expenses initiated by a purchase order versus those authorized under contract or another purchase authority (for example, petty cash or emergency program needs). Likewise, there are some significant differences in the processing of Public Works invoices that are recorded in its CAMS system, versus those recorded initially in One Solution. And while almost all the basic tenants of the County's Accounts Payable workflow are common to all payments, the approvals are different for utility bills, for DHHS program payments, and for CalCard payments. This report did not create a workflow for each, but it does provide analysis and description in the following sections, with notations regarding possible changes and efficiencies for the county.

Moreover, we have validated the macro-workflow in Figure AP-2 below. It should be noted that there is a very obvious duplication of actions taken in the Accounting Offices of each originating department and the Auditor-Controller's Office, which is the major opportunity for consolidation and savings. **We believe that the single rule that the county must follow to unravel these opportunities is to delegate both authority and accountability as close to the point of program delivery as possible, while remembering that authority and oversight must always reside in the office of the Auditor Controller.**

Figure AP-2: AP Process



The following sections describe the major work units within the County Structure, that represent the largest and representative parts of the Accounts Payable workflow, consistent with our project review scope of work.

Payments and the Role of the Auditor Controller

According to the California State Association of Counties³⁵, the Office of the Auditor Controller (hereafter referred to as the AC Office) "... is an independent, nonpartisan elected office established to provide various accounting and property tax administration services to county government, special districts, schools and cities." The responsibilities and authorities of the office are defined in California Government Code Title 3; Division 3 Chapter 4 Article 2, and includes Sections 26880 to 26886, 26900 to 26914, and 29740-29749³⁶.

Those duties most relevant to the accounts payable function are:

- Ensure that all articles and services have been received as agreed;

³⁵ California State Association of Counties. "Auditor Controller." 2014. <http://www.counties.org/county-office/auditor-controller>

³⁶ CPS HR has completed a separate "Management and Operations Study" of the Office of the Auditor Controller, dated July 2, 2018, that provides greater detail on the legal function of the office on pages 5 and 6.

- Issue a warrant on the county treasury for claims found to be a correct and legal charge;
- Maintain the general ledger;
- Prescribe, exercise general supervision, and review the internal controls, accounting forms, and methods used by all Departments and Special Districts within the County for keeping their financial accounts.

In short, this office is charged with ensuring that proper methods are used by all Departments in their procurement activities, with verifying the accounting records and the issuance of checks, and with keeping the records of payments for the County. It has the predominant role in the Accounts Payable process, and an analysis of the AC Office is therefore the primary focus of this chapter. The incidental and contributing roles of other Departments are also included.

But while AC Office staff are charged with developing and maintaining the accounting and financial management records of the County, CPS HR consultants found a **prevalent inability of this office to provide basic analytic records regarding these functions throughout the period of our review**³⁷. So for example, while a report of checks issued for the 2016-2017 fiscal year was provided by the AC Office, that office stated an inability to further identify which Departments had originated those payment requests. And while the amount of checks was certain, the following table was derived by CPS HR through review of the One Solution³⁸ record of User Identification Codes for invoices and items and matching those to the relevant County Departments³⁹. This **reflects a significant management weakness of this office**.

Table AP-3: Record of Invoices and Items Processed from 3/1/2017 to 3/1/2018

County Office Initiating	Invoices	Items
Accounts Payable	15,254	28,144
Purchasing	11,146	16,592
DHHS Accounts Payable	9,252	14,003
Sheriff's Office	2,208	2,521
Management Budget Unit	2,188	4,638
Payroll	1,245	1,246
Planning (3)	1,119	1,393
Terminated-Auditor/Controller	754	4,385
Probation (3)	607	867
Juvenile Hall	556	808
DHHS Purchase Orders Contract Payments	451	616
Mental Health (2)	378	378

³⁷ Not only was the AC Office unable to provide an analytic report on the checks or dollars issued by Department, it was unable to provide the payroll and leave hours of all county employees, the fiscal and check volume of the Special Districts, the number of submitted items rejected with flags or warnings, and others.

³⁸ One Solution is the automated bookkeeping system used by the County for Accounts Payable and Payroll.

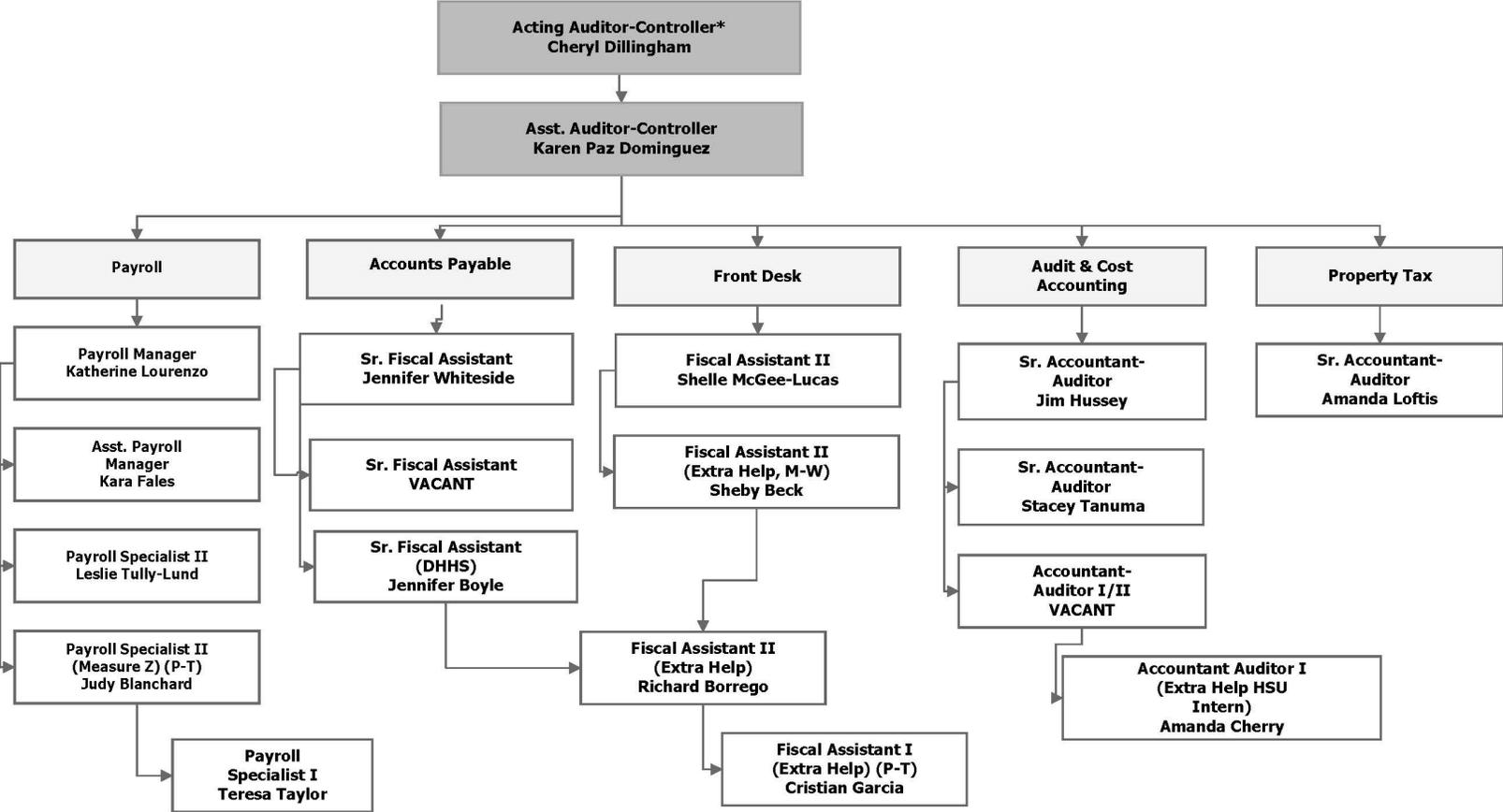
³⁹ Some inactive user codes could not be further identified.

County Office Initiating	Invoices	Items
Child Support Services	324	465
Revenue Recovery (2)	162	1,032
Accounts Receivable	117	126
Elections (2)	96	96
District Attorney (2)	58	73
Unknown User - No Reference in OneSolution*	49	52
Human Resources	44	61
Proposition 10	36	73
Recorder	27	52
Economic Development	22	36
Board of Supervisors	21	26
Ag Commissioner	14	17
Treasurer/Tax Collector	13	19
County Counsel (2)	12	13
County Library	10	12
Assessor	6	7
CAO	2	2
Grand Total	46,171	77,753

** A small number of OneSolution records could not be associated with the source department or users during the term of this review.*

The above data reflects the cooperative nature of the accounts payable workflow, with the Office of the Auditor Controller doing the inputs and processing of a significant number of invoices, and reviewing a much larger number originated by other departments. A description of the review and processing of payments in the Accounts Payable Division of the Auditor Controller Office follows.

Office of the Auditor Controller

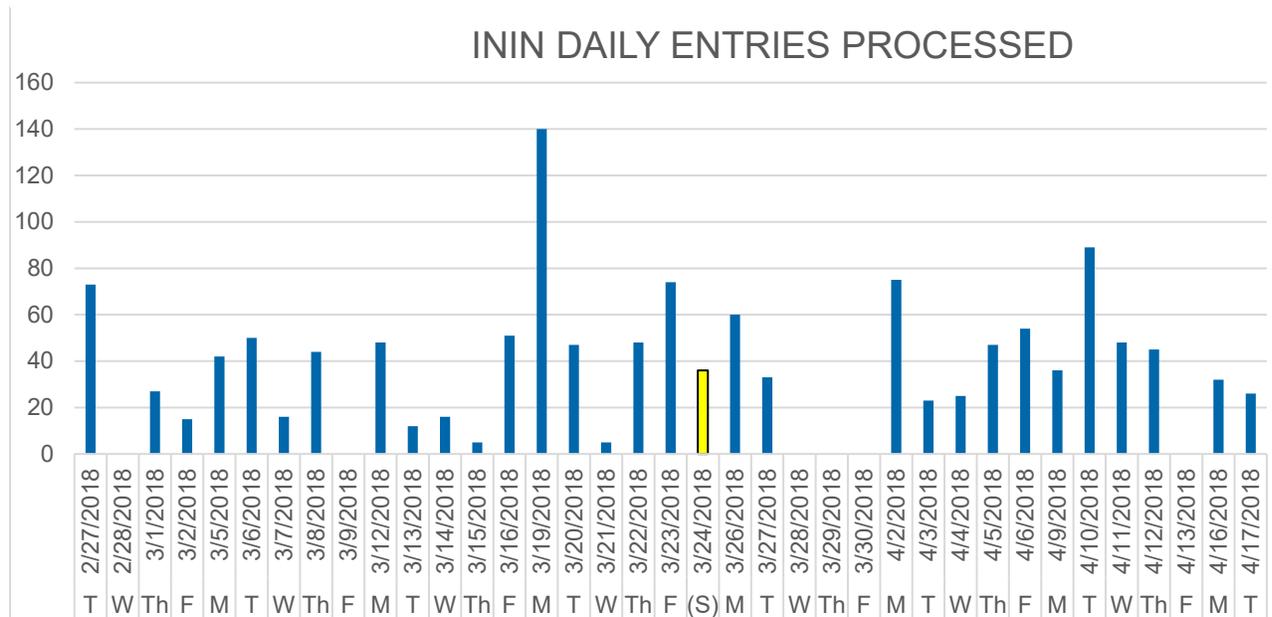


*Karen Paz Dominguez was elected in June and will take office January 1, 2019

Accounts Payable Division – Office of the Auditor Controller:

The Accounts Payable Division of the AC Office is shown on its organization chart (previous page) as consisting of three full time positions, although during most of the time of this review only 2.5 positions were filled⁴⁰. This review of operations is based on three interviews held with Division staff. While the office was current on its work at present, staff reported that whenever one positions is vacant the work backs up. This observation was supported by multiple persons interviewed about the adequacy of staffing of this area over the past two years. The amount of invoice processing (referred to by staff as ININ processing) done on a daily basis was calculated based on the following hand count of activity kept by one of two full-time workers in the area, and is provided only as a rough estimate. That record showed a processing of from zero to 140 AP transactions (invoices) in a day, over a period of roughly 7 work weeks from Feb. 27 through April 14. This reflects 36.3 items processed per day, as shown in the following table.

Figure AP-4: AP Transactions Per Day 2/27/18 through 4/14/18



If we project the 36.3 items per employee per day on to 226.5 work days per year⁴¹, we can calculate 8,222 items per employee per year, and if we project that on to two full time employees, we calculate 16,445 items per year. This number is slightly higher than the 15,254 invoices calculated for the AP Staff in Table AP-1 above and is slightly less than the 22,332 checks per year reported by the Auditor Controller at the initiation of this study. Overall, this provides a good basis for confirming a need for 2.5 to 3.5 full time positions in this unit. The additional staffing beyond the 2.5 positions is necessary to input and process the accounts

⁴⁰ DHHS Accounts Payable has stationed one employee at the AC Office, and she went there in May, 2017, when the office was 4-weeks behind in review of payments.

⁴¹ Uses the work year standard of the California Department of Human Resources, minus the standard number of vacation and leave days per employee.

payable items of the Special Districts, to download CAMS items, and to provide backup during staffing transitions, as is discussed further below.

As a part of our review, an analysis of time was also conducted based on a week-long self-report of time in a variety of task categories. This review showed the following break-down of tasks for the AC staff. Not surprisingly, the primary duties of this staff have been in payment processing and entry of payments into the General Ledger (ACA-5 Journal Entry). The CAMS Batch Processing task (ACP-3) is the necessary pre-processing task for Public Works accounts payable. Support from these positions was also provided for maintaining the tax roll (7.7%) and a very reasonable 22.8% of time was spent in general and administrative duties⁴².

Table AP-5: Percent of Timer Per Task

Accounts Payable Division – Percent of Time/ Task	
ACA-5 - Journal Entry	26.5%
ACP-3 - CAMS Batch processing	22.4%
ACP-4 - ININ Proofing	6.6%
APT-3 - Maintaining Tax Roll	7.7%
ST-2 - Supervisory/Management Meetings	5.4%
ACP-6 - Special Districts Claims Proofing	3.5%
APT-2 - Banking Reconciliation	2.0%
ACP-1 - Budget Adjustments	1.6%
FDE-1 - Front Desk Coverage	.7%
ACP-5 - Processing Checks	.5%
ACP-7 - Vendor Number creation	.4%
General and Administrative	22.8%

The office does direct review of almost 100% of all payments made by the County⁴³, and it processes payments submitted on paper from special districts. It also processes payments incurred by AC Office operations. Another significant function is to process the payment batch submissions from the Department of Public Works, which are downloaded from its CAMs system. Public Works Purchase Order invoices are extracted, to get ININ⁴⁴ records. Each extraction is equivalent to one purchase order. Public Works items under contract and not under purchase order do not have to be extracted.

⁴² Professional workload studies done by CPS HR in other routinely show 30% or more of all payroll time in General and Administrative duties. These include a number of necessary or inevitable work tasks such as maintaining files and records, filling out required internal forms, maintaining office equipment, responding to special requests, training or mentoring other employees, reading or researching procedure, or helping other employees.

⁴³ The only exception we observed was the DHHS BITS unit.

⁴⁴ ININ is part of the One Solution software package, designed to retain scanned copies of receipts and supporting documents.

All One Solution items for processing show up in the “Pending Approvals” tab, and item details show the previous review and approval records, including the current ININ entry. The required previous workflow is outlined in **Figure AP - 2**. This can be called the AC Office Invoice Approval Process and it is the final step to payment.

On a daily basis the AP staff searches approval pending items by codes and look for priority actions as follows:

- 1) Employee reimbursements
- 2) Program support payments (Example, Mental Health and Probation service providers)
- 3) Returned items
- 4) Time sensitive items

Once a group has been identified for review it conducts a one-by-one review of each invoice. Each record is pulled up and reviewed. The initial review includes:

- Verify “received” procedure and record
- Verify invoice amounts is matched to the invoice.
- Verify budget line to charge is accurate – charged to correct line.
- Sales/ use tax is correct
- Receipts (ININ) are attached and complete.
- Check on employee reimbursement requests to be sure they have used correct rates, and that they follow policy and guidelines (one example, no alcohol on travel reimbursement requests);
- Verify there are no double charges, and that use tax has been computed accurately.

An important part of the review is a check on use tax (sales tax). That can be complex from buyers out of state and the prevailing jurisdictional tax must have been paid.

It was noted that the utility of One Solution is limited. There are several possible action boxes but they only use ‘Approve’ or ‘Reject’. Reject is difficult because only limited comments are possible. Comments back to the departments are often sent by email. The ‘Forward’ function might be more useful but it doesn’t work. The ‘Hold’ function is not used because it automatically creates a duplicate entry, that cannot easily be managed. It does not appear to work properly but would be very valuable if it did.

“Validate and post” is a final review action through One Solution, that does a tentative posting of all payments to budget lines. It is designed to show problems with a lack of funds, double payments and similar issues. It does this by messages identified as ‘blocks’, ‘flags’ and ‘cautions’. So for example, a block will be lodged against a requested payment a line is overbudget. A flag may be issued if the system detects that an ‘invoice did not match contract’.

Each requires an account review and a determination of whether that will result in a rejected request. Accounts Payable staff noted that only blocks and warnings are most important to resolve, and flags are discretionary. During the day of our review the flags, blocks and warnings consisted of 86 pages; and cited 345 records (issues). In comparison there were just 123 invoice records for approval that day; and it was estimated that just 200 checks were in process.

Overall, the number of flags (345) required that most or all be ignored, and the focus was therefore placed only on the 41 blocks and flags. Considering only the blocks and flags were considered significant, and applying that to an estimated 200 checks that day implies just over a 20% special handling rate – which is very high⁴⁵. The apparent meaning of this high rejection rate can mean only one of the following:

- Departments submitting requests for payment suffer from poor operational practice;
- The Office of the Auditor controller is rejecting payments for minor or inconsequential issues;
- The Office of the Auditor controller is not exhibiting leadership to identify and prevent significant problems.

While requests for analytic reports showing the number of rejections or the cause of rejections could not be produced, despite inquiries to all subject matter experts contacted as a part of this project, subject matter experts agreed that many rejections were for minor and inconsequential issues.

One comment made by Accounts Payable Division personnel was that most rejections were due to blocks or warnings that the invoice amounts did not exactly match the purchase order. It was noted that such variation could be cause by an unexpected credit, a change in fees charged, a split of an expected charge between several invoices, and similar issues. Since there is no formal report that shows the causes of ‘blocked’ items, or their required resolution, it is impossible to conclusively state that much or most of the review work of the AC Office is not adding value, or how much is. **Consultants can conclude however, that since most subject matter experts do agree that many of the rejections are unnecessary, that a wholesale revision of this activity is warranted.** We can also **conclude that leadership to identify and prevent significant problems is not in place and should be.**

When items are rejected, there is a need to check and resolve each of these items. If ‘blocked’, the system removes the check from the list that can be approved, and it must be rejected. Resolution requires return of the invoice to the Department, and the system will then add a reconsideration and review step.

Where items are clear for payment, staff will next execute a “select for payment” command. Through this command the operator can select batches of checks by Department, or by type

⁴⁵ Professional quality literature considers process steps with rejection rates of even 5% to be significant quality issues.

(for example, 'employee reimbursements'), so that special requirements or special handling of issued checks can be arranged. This allows AP staff to add attributes, for example, if the Department wants run a remittance slip with each check to explain what it's for. The Department can also specify who gets to distribute the check (if it's not mailed). Often, they run the Cal Card checks separately. CAMs, tax refund, and Revenue Recovery check batches get separate check runs. Employee reimbursements and other checks to be returned to a department are printed as one run. Then everything else is printed as a general check run, including any general paper check batches, such as reissued checks

The last step is the "General Check" run⁴⁶. This is a comparison of physical checks to the check ledger to again verify amounts. It was noted that at the time of the interview electronic payments were not working well because they were not posting to general ledger and are now suspended. If this is not corrected, it should be with all due speed.

Other issues:

The following observations were made by Accounts Payable personnel during the interviews regarding the current work flow, and are included because they were deemed to have bearing on the issues being considered within this review:

- A reason for rejection of employee expense forms is also math errors, the largest of which are the use of incorrect mileage rates. It is the responsibility of the AC Office to develop and update the "County Travel Reimbursement form", but the update was delayed several months in 2018, which is the root cause of the rejections.
- Another reason for rejection of payments is the inclusion of confidential records as part of receipts. Confidential records are sometimes not redacted prior to scanning into the ININ system, which causes the AC Office to reject the claim and required the Department to redact the record⁴⁷.

Purchase Orders and the Role of the County Purchasing Office

The issuance of purchase orders⁴⁸ is overseen and recorded by the County Purchasing Office, housed in the office of the County Administrative Officer. Its purpose is to ensure appropriate competition and the fulfilment of state law in acquisition activity of ALL County Departments, and it is therefore a necessary first step in obtaining services of many kinds. While the authority to make such purchases is delegated to the County Departments, the issuance of

⁴⁶ At the beginning of our review we were told these were done on all checks. Later consultants were informed they were done on very few. It is hard to say whether this was a misunderstanding on the part of consultants, or if a change in policy was made during the course of the project.

⁴⁷ Consultants wonder why such redactions cannot be done by the Accounts Payable Office, as an alternative to rejection, since the re-routing and reprocessing of such an invoice may require significantly more time than its immediate correction.

⁴⁸ Purchase orders for multiple items over a period of time are called Blanket Purchasing Orders, and are based on a pricing schedule that allows the total amount and frequency of allowed commodity purchases to vary, while the unit pricing is fixed.

purchase orders and the purchasing procedures used by all Departments are mandated by Purchasing Office. These purchasing procedures ensure that Department business services offices follow competitive pricing practices⁴⁹.

Purchase orders and/ or contracts are required for any acquisition over \$1,000 and up to \$50,000. Acquisitions over \$50,000 go through County Counsel, and if they are represented by a contract rather than a purchase order, go to Risk Management to evaluate sufficiency of insurance coverage.

The County Purchasing Office maintains a centralized purchase order system in OneSolution, and establishes new vendor accounts as necessary. When Departments issue purchase orders they are entered into One Solution under the appropriate vendor account. This process begins when Department enters a request and submits it to Purchasing. The initiating Department Supervisor, or the Accounting Office in that Department can track the approval, and they the processing of any payment requests through One Solution.

County Purchasing also serves as the Accounting/ Business Services unit for all the small departments and units that report to the office of the County Administrator, including the Management and Budget Unit (for utility and telecommunications bills) the Board of Supervisors, and the County Economic Development office. In this manner they mirror the Accounting/ Business Services of all county departments, as shown in Figure AP- 2.

When each new PO is submitted, the Purchasing Office will verify correct object code, make sure product and service descriptions are adequate, ensure the pricing is correct, and that forms are signed. They then create the purchase order and email it to the vendor, to reference upon billing.

Review and Approval of Purchases

The following is a description of the review and approval function of the Purchasing Office, and while its direct application is limited to those units purchasing within the authority of the County Administrative Office, a matching review and approval process is used by all of the Finance/ Business Services units in larger Departments throughout the County, and prior to the submission of the invoice to the AC Office for final review and payment.

When goods are delivered a designated program representative who puts “eyes on” the deliverable must provide the original attestation of receipt, and this may be through a notation on a hard copy record. A secondary verification (as a first safe-guard against fraud) is then required. That is often done by the unit supervisor. Either that supervisor or the Accounting/ Business Services unit must then review the record, and enter “receiving” into One Solution, showing it as a charge against that that account and budget line. Quality checks in the review process include entry of whether the invoice represents full or partial payment; checking if tax

⁴⁹ There are some exceptions for emergency purchases, which are not discussed in this report. It was also noted in this report that the purchasing procedures are not entirely current and fully documented. There is a need for attention to this area.

rate is correct; checking whether the invoice matches what has been authorized⁵⁰, notation of whether there is to be a split in purchase liability between budget codes. If the delivered item is a fixed asset it is separately notated⁵¹.

Purchases Under contract:

When purchases are made under contract, they are not generally recorded under a purchase order number, and the provider payments are often not as predictable and quantifiable as those under the purchase order system. For this reason, the responsible Department gets the invoices and handles them as “direct pay”, which is the second primary type of payment request for the Auditor Controller Office. The invoice amount is logged into One Solution and the associated receipts are electronically submitted through the ININ system. The review and approval process are the same as described above.

Utility and Communication Payments and the Role of the Management and Budget Office

Manage Cal Card and Travel program:

The County Cal Card (covering the travel program) is managed separately and invoiced by U.S. Bank. The Purchasing Office gets the master statement that lists each authorized account, and each user also gets an individual statement. Each authorized card holder must then ensure they assemble and attach all receipts. In the past there have been two forms to submit to Purchasing, although on Sept. 16, 2018 this review responsibility was transferred to the Auditor Controller Office. The bank mails the paper record and transmit their electronic forms. An employee (now in the Auditor Controller Office) uploads these records into One Solution and the receipts are uploaded in ININ. While in the past the AC Office would be a second review, the recent change has eliminated that.

Commenting on the past structure, County Purchasing said that re-work and delays in this process occurred because of the standards imposed in approval by the AC Office. They state that if there is even one receipt missing they get the entire package back⁵². So while the transfer of the review to the AC Office will eliminate on review, the standard of review needs revision. It is a **finding of this review that the imposition of a 100% complete and correct standard on the submission of invoice records for payment, without consideration of the value or impact of the record is inappropriate, and results in unnecessary negative consequences for the county.** Since this rejection is by policy and procedure of the office of the Auditor Controller, we recommend a modification of this rule.

⁵⁰ Although the County Purchasing Office allows plus or minus 10% variation in consideration of sales tax possibility.

⁵¹ While the description of the review and approval steps may vary, they will always cover all items as noted in Figure AP - 2.

⁵² This practice was verified by multiple county employees, in many of the offices in which our review was conducted, including with representatives of the AC Office.

Utility and Communications Payment Processing:

These payments are handled by the Management and Budget Team (hereafter called MBT), within the County Administrative Office, which serves as a central point for billing for the one utility vendor (Pacific Gas and Electric - PG&E) and two telecommunications providers. These functions were transferred to the CAO Office after the General Services Department was phased out in about 2006. These payments appear to be appropriately managed by the County Administrator Office for several reasons. First, the utility and communications providers issue bills that group Departments, and that sometimes cover shared facility locations (such as the County Courthouse building). The ability to parse out appropriate charges to different offices, to correctly allocate them to various Departments and budget lines, and to verify their appropriateness, requires specialized knowledge that is maintained in the MBT.

Utility Payments – Gas and Electric Service:

The County has just one vendor, PG&E, but there are 60 service accounts which are not all billed at the same time. The county invoice is provided online, and the MBT downloads each by its expected billing date. (These are grouped by similar bill dates to assist in prompt processing). The office prints the 1st page and then saves the whole document to attach in ININ. Allocation of the total costs requires two big splits, one for the Clark Complex and one for the Courthouse building⁵³. The office keeps a master spreadsheet of all utility accounts, with utility account numbers linked to the specific program Departments associated with each. Prompt payments are ensured by timely download of bills when first available, timely allocation of costs to Departments and budget lines through maintenance of an accurate spreadsheet, prompt entry into One Solution, and prompt review and payment by the AC Office.

The Accounts Payable Division of the AC Office stated that Utility Payments have been controversial and difficult in the past⁵⁴. One stated reason was delay in submission for approval. The AP Division rejects many payments because they may not add up correctly. So for example, a \$70,000 PG&E bill is split out to multiple departments by percentage of square footage in a given building. But since each is rounded, the rounding errors can cause pennies of difference, so the whole bill does not add up. It was stated that the overall difference is never more than 50 or 60 cents, but that the bill is rejected regardless. This can result in the county being assessed with late fees.

This report finds that one vulnerability of regarding prompt payments is the result of having only one employee in the MBT Office who is tracking prompt download of county utility bills and processing them in One Solution. The office itself has recognized this and is working to maintain a backup position for this function. Consistent with this finding, we **recommend better visible management methods for ALL the interim measures of this workflow, including tracking of timely download and processing of utility bills, and regular update of the master**

⁵³ They are located at 3033 H Street and 3015 H Street (corner of H and Harris).

⁵⁴ Information obtained during a March 6 interview with Jennifer Whiteside, Senior Fiscal Assistant.

spreadsheet of utility accounts⁵⁵. In addition, the practice of the AP Division in rejecting them for minor math errors is short-sighted and damaging to the best interests of the county. We recommend a year-end reconciliation and correction of these small errors would be far better.

Telecom Bills:

The major telecommunications providers are AT&T and Verizon. The phone bill from AT&T is 200 pages. There are between 50- and 60-accounts for all the lines to each desk, and that bill also includes data services, internet via fiber optics, and some cloud services. Cell phone service is primarily through Verizon, although AT&T also has about 6 accounts. Most of these accounts are pre-assigned to single Departments and budget lines, but some must be split. The MBT office has continued to try to segregate the bills via budget lines but this is difficult at the vendor end. Because the county sends multiple checks, service providers sometimes mis-apply payments to the wrong bills. This necessitates a review prior to each bill payment cycle to see whether any accounts were short paid or need a credit. If there was misapplication past due charges may need to be challenged⁵⁶.

Telecommunications bills are delivered by email or mail to the County Administrative office, and then routed to the attention of the MBT, which inputs them to One Solution/ ININ. Staff reviews first making a determination of whether this is an account that requires a percentage allocation to several units. As with utility bills the office keeps a spreadsheet to assign the budget unit to charge for each. Staff must then check for a budget code to charge, and if there are funds available. They then match charges to a vendor account number. “Enter for payment” is the action entered into One Solution to request final review and payment.

Time is of essence and many bills are marked due upon receipt. Regardless, they get a second review from the unit supervisor prior to being advanced to the AC Accounts Payable Division for payment. The MBT had at one time used a credit card to pay telecom bills in order to compress the payment period and avoid late charges, but it was dis-allowed by the Auditor Controller Office based on a finding that the method did not provide for appropriate audit control.

Observations on Auditor Controller non-payment:

The following observations were provided jointly by Purchasing and the MBT Office regarding reasons that submitted payments to the Auditor Controller are sometimes rejected as unpaid, and many of these were affirmed by the representatives of the Auditor Controller Accounts Payable Unit who were interviewed. As noted earlier in the Centralization Methodology

⁵⁵ Two possible means of achieving Visible management practices would be: 1) The development of a staff report affirming that these key activities take place on a regular schedule, which is reviewed and affirmed as complete and satisfactory by a higher level leader, OR; 2) The development of a wall board that shows scheduled versus actual completion.

⁵⁶ This and several other areas of payment processing **may** be good candidates for a structured process improvement initiative (or “team”), but the decision to proceed would need to be based on the magnitude of the re-work effort – including the magnitude of the penalty fees the county is paying. The lack of reports and analytic review of such areas of “waste” limits the county’s ability to intelligently make such decisions.

Section of this report, one of the key considerations of an effective business area is a Smooth Work Flow Without High Correction Rates. Specifically, where we identify delay, re-work, special handling, and complexity in operational work flow we may want to consider minimizing the need to cross organizational boundaries, or better delegation. Where such problems do exist, we need to look for the existence of leadership reporting and tracking, both to hold problem occurrence to minimum levels and to show that problems are being identified and resolved, and that the occurrence of errors is continually reduced. Despite the obvious importance of this question, none of the contacted county subject matter experts were able to find such information throughout our review, so while the magnitude and “cost” to the county of each error source is unknown, the cited reasons follow:

- Auditor Controller rejects Invoice Number – The Invoice Number field is used to avoid duplicate payments, and is therefore often a helpful standard. However, there has been difficulty in completing this field because not all invoices can be recorded through a purchase order system⁵⁷ and/or may be split. When there is no invoice number Purchasing had been using a system generated invoice number. That was rejected by the AC Office which wanted the date and the last four numbers of the account, and that is now being done. However it may also be contributing to the problem of mis-applied payments since vendors prefer the account number only to help them correctly apply the funds.
- AC Office rejects the notes or the description of services. This has been an issue because some Departments prefer descriptions in terms best recognized by their own program staff, while the AC Office prefers service descriptions a 3rd party would recognize.
- Valid math error. There can be all kinds of differences in the payment amount – some very small. Small differences can be caused by anything from wrong addition on a vendor’s part, to the use of wrong mileage rates, to discrepancies caused by rounding of divided bills. Some can also be large issues, but all are rejected, and take substantial time to resolve.

While all of these issues seem to have some merit and both sides, the fact that there is no overarching leadership structure in place that uses a fact-based structure to evaluate the magnitude of these problems, and to systematically resolve them is of concern. The fact that that the Office of the Auditor Controller is independently elective and is an oversight role should not mean that it will not treat county program departments as “customers” and assist them in finding collaborative solutions that will benefit the County overall. Yet though-out our review, we found no evidence of a such a system. It is for this reason that we **recommend the County Board of Supervisors implement a strategic initiative regarding quality assurance and process**

⁵⁷ Contracts and Cal-Card payments are the best examples of this, since neither the total amount to be paid nor the incremental payment amounts are known in advance.

improvement⁵⁸, that applies both to the Office of the Auditor Controller and its accounts payable and payroll processes, and requires an annual inventory each within the Office and stakeholder departments. Such an inventory should identify the areas of waste and re-work, and their associated costs of correction. This strategic initiative should then designate the areas of highest benefit for targeting in structured process improvement⁵⁹.

The Department of Health and Human Services and its Practices in Procurement and Accounts Payable

Due to the size, the resources, and the Federal-partnerships involved in delivery of DHHS Services, the Department Procurement and Accounts Payable practices are diverse and in at least one case, significantly different than anywhere else in the county.

DHHS BITS Benefit Payments

This office processes payments to beneficiaries through use of Federal and State program funds, and due to the immediate needs of those beneficiaries, it is allowed to directly process checks bearing the signature of the Auditor-Controller⁶⁰. Its past responsible use of this authority is an excellent example of the possibility to vastly simplify the current work of the AC Office by limiting its principal activity to oversight, and review.

The Largest portion is rents, pay housing. These payments are requested by Program Coordinators or Eligibility Workers, who qualify clients, find a landlord and submit a request on a DHHS-17 form. The form goes to the DHHS branch fiscal: and could be qualified as either a Public Health, Mental Health or Social Services program area eligibility. It is then returned to the BITS office, and its review process determines:

1. Does it have Fiscal approval?
2. Does it match a budget line?
3. Is there a Rental Agreement (RA) attached?
4. If there is a W-9 (if necessary - to report taxable income).
5. If the item is associated with a pay code or "objective".

If this is approved, the obligation is included in an e-file that is forwarded to DHHS IT, for auto-extraction of data as an input in One Solution. The staff can then print the check, which is again

⁵⁸ Our work review points only to a focus on accounts payable and payroll process issues, although such a practice could be used more broadly at a later time.

⁵⁹ CPS HR can provide the "Public Sector Guide to Lean and Process Improvement," as a free resource for these teams to follow.

⁶⁰ This is a past practice which is subject to revocation, but which consultants recommend leaving in place.

reviewed by the unit supervisor. DHHS Fiscal gets all check payment reports that they reconcile against what they approved.

The office issues General Relief checks for food, clothing, and similar immediate life needs, and Temporary Assistance for Needy Families (TANF) payments that can be for CalFresh (always issued via an electronic balance transfer or 'EBT') and CalWorks (that can be by EBT or check)⁶¹. All these payments follow the approval path noted above.

All checks and payments are issued under the Auditor Controller signature, through an agreement that has been in place for a number of years. This is a delegation of authority that is a model for use in other parts of the county structure.

DHHS Accounts Payable

This office processes non-purchase order and other direct payments that support DHHS program staff, and most of these are for employee reimbursements. Employee reimbursement requests are checked to ensure costs are within limits, they are authorized, receipts are included, and there is an appropriate account to which costs can be assigned. Staff must first resolve any issues that exist. They then enter the expenses into One Solution, and scan any backup paperwork into ININ⁶² prior to submission to the AC Office for review and approval.

This office also processes direct payments for social services, mental health, or public health that are provided under contract. These are referred to as "direct pays". One example of a social services invoice would be for foster care costs related to a specific and immediate care need. Direct payments for the Mental Health program might include payments for doctors or nurses involved in program assistance. All requested program payments must be approved by a program staff person who can verify the services, and double checked by their supervisor prior to submission. They must input an amount and a budget code. The accounts payable staff check to make sure there is no duplicate payment, and that appropriate program procedure has been followed. This office reconciles travel Master Card payments against receipts, and enters receipt into the ININ system for review and approval by the AC Office. It also provides oversight of small payments such as office petty cash.

DHHS Procurement

The DHHS Procurement Office is a part of the DHHS General Services branch, and the office supervises all program procurement activity for DHHS⁶³. It issues receives and evaluates requests from program offices, locates providers, solicits bids, and issues purchase orders and blanket purchase orders. The specialized services it provides includes supplies for the public

⁶¹ Most purchases for DHHS are made by the DHHS Procurement Office, however the volume of activity supports the BITS office ordering card blanks for their EBT cards.

⁶² ININ was implemented in May 2017, and DHHS has been paperless since the first of the year.

⁶³ This office was the only noted exception to the practice of having all Purchase Orders issued by County Purchasing. The program specific nature of encumbrances combined with its volume of activity seems to justify this "de-centralized" functional office.

health laboratory, gift cards and transit passes for BITS to issue to clients, BITS temporary assistance, furniture for field offices, and similar items.

Each approved regular purchase order is input into One Solution and approved by a supervisor. After each requisition is completed the office staff checks that the prices are correct, that it was input correctly, that it has all necessary department approvals, that the sales tax rate used was correct. They then approve the invoice and forward the request for payment to the AC Office.

Blanket purchase orders are administered as follows: Program staff makes needed purchases from vendors that have an account with the County. Once the invoice is received, it is processed and entered into ININ as a direct pay invoice. The complete records are then forwarded to the AC Office.

Note that all utility and telecom purchases are submitted to the County MBT for processing.

Public Works Procurement and Accounting

Public Works has a more involved AP process due to its unique CAMS system necessary for cost accounting and project tracking. They also have a number of specialized contracts for public works and maintenance, that can be large and require specialized oversight. Because of this work arounds have been developed to bridge the county systems for Purchase Order initiation and for recordation of expenses (One Solution). While all parties recognize that the work-around (or 'accommodations') cost some extra time in processing of accounts payable, they agree that until the unique needs for cost accounting and project tracking can be built into One Solution, that these additional steps are required and useful⁶⁴.

One necessary accommodation is allowing the Department blanket authority to initiate purchase orders with an email notice of the action, and so that new vendor accounts and One Solution inputs can be done separately. When invoices are received Public Works Accounting processes them in the same manner as noted in Figure AP-2, but does its input into CAMS. It must then forward paper copies of the invoices and receipts, as well as an electronic text (txt) file containing the batch to the Accounts Payable Division of the Auditor Controller Office, as described in that section. The Auditors office imports the txt file into ONESolution. Once the file imports they then match and review the invoice against the ONESolution entries.

This office also does Cal Card invoice processing for 10 accounts within the Department. They are notified of the billing first by the Auditors Office (this is a recent change), through an email which includes a spreadsheet showing all card purchases. The office will then verify the expense, get any further detail that is required⁶⁵, get relevant receipts, and check for correct use

⁶⁴ Accounts Payable Division staff estimated that batch downloads of CAMs data takes about 2.5 hours per day, and so we might infer that it requires 600 hours per year, or about 1/3 of a full time position based on program work hours per average position and a normal work year.

⁶⁵ If the credit card expense was for travel, the 'reason for travel' would always be required.

tax. They then submit these electronically in PDF form to the Auditors Office with a descriptive cover page and enter the cost into CAMs for their own tracking.

Because of the specialized purpose and large volume of procurement activity, it is believed that this de-centralized function for verification and processing of invoices works well for the Department.

It was noted however, that the Public Works Accounting office does code, approve, record and forward most of its AT&T, PG&E, and water bills, in part because it needs to input costs into its CAMS record. (Note- The utility and telecommunications bills are entered into CAMS marked as if paid in CAMS, but are not sent through to the Auditors. These bills are instead sent to Purchasing to be paid.) This does create the possibility of duplication of payment for projects only. Routine Utility Invoices are sent to Purchasing to pay, and Project-based or specialized invoices are paid by Public Works. These exceptions can cause confusion leading to time loss discussing the responsible party of the bill, especially in cases where it receives utility bills for multiple County Departments in facilities it manages. (Note- this process is a hinderance for Public Works and is duplication of work that should be targeted for error-proofing through deployment of a lean/ continuous process improvement team.) Any cost/bill that Public Works pays is accounted for in CAMS. Processing and approving invoices such as these and then forwarding them to a 3rd party to pay causes Public Works to have to contact said 3rd party to ensure bills have been paid or help sort out any issues that may arise. Close collaboration with the County Management and Budget office is therefore necessary.

CPS HR makes no recommendation on the efficiency and effectiveness of this manner of payment of utility and communications invoices, primarily because no data is available for analysis of issues that may be occurring.

Sheriff's Office Procurement and Accounting

The Sheriff's Office has up to two employees who assist with accounts payable, and who do input of its invoices into the One Solution system. When fully staffed one staff person completes this work, and the second person is trained to cover leave periods or staffing transitions for the primary position. Procurements include purchase orders and blanket purchase orders for specialized supplies used by officers and by the jail, police communications services, and travel reimbursements. An example of services supporting police operations would be the cost of abandoned vehicle abatement. Jail services include Inmate food and kitchen supplies, laundering inmate's clothes, and floor mats. The Department also pays for its building maintenance costs⁶⁶.

It's building utility costs are paid by the MBT Office, but it pays its own specialized communications costs, including the cost of radio services.

⁶⁶ Interviewed staff had seen at least one occasion where building maintenance was double paid. In that case Public Works had inadvertently paid the Sheriff's Department cost, and they did as well.

The approval process routes all invoice payment requests to the Department Administrative Services Division, where they are reviewed to ensure appropriate verification of receipt of services. In that office the chargeable account is identified and they review it to make sure sufficient budget authority is remaining. If the receipt is for travel reimbursement they check the mileage rate, and that the course flyer is attached. They get a second review and approval by the Division supervisor and requests are then input into One Solution. The receipts are scanned into ININ and they are forwarded to the AC Office for payment.

Staff estimates that in any month they process approximately 325 invoices, and that 3-4% “come back” unpaid with issues to correct. They commented that it “would be nice to have documentation from the AC Office regarding what they expect to see” because they could “learn from rejections we weren’t anticipating getting.” The office said that the AP workflow has had periodic and unnecessary problems, probably due to vacancies, that have caused problems in Sheriff’s office operations. In one case the Wi-Fi was down for 2 days because the bills weren’t paid. In another case the department didn’t have water bottles because the bill was not paid on time. They said that at one point in time it was common that invoices took up to six weeks to pay, but they are now down to about two weeks.

Evaluation of Centralization versus Decentralization

As noted, the accounts payable work flow in Humboldt County, by law, is under the direction and oversight of the elective office of the Auditor Controller, and the processes of review, approval, records maintenance, and actual payments are directed by the Auditor Controller through the actions of its Accounts Payable Division. As noted in Figures AP-1 and -2 and the text of this report, the AC Office has enforced centralization of the responsibility for validating payment requests and their supporting records. Except for the DHHS BITS unit, it has also centralized the issuance of checks.

The functions shown in Figure AP-2 for the ‘Program Office Accounting’ and ‘Auditor-Controller Office 2nd Check’ are both decentralized and centralized. They overlap almost completely. The Departments have appropriately retained the responsibility for a “double check” of what is submitted by program office personnel and their supervisors, both as a necessary requirement of budget tracking and control, and of program oversight.

In this environment, the only possible option would be further decentralization of some of the double-checking and control provided by the AC Office, which is recommended.

Findings and Recommendations on the Humboldt County Accounts Payable Workflow

Because the operation of the accounts payable workflow is both defined and constrained by the Office of the Auditor Controller, the focus of our findings and recommendations are primarily based on the policy and procedures of that office, and the operations of its Accounts Payable Division. It only secondarily looks at the structure and operations of the other offices described in this section.

It must also be noted that CPS HR provided a comprehensive Management and Operations Study of the Auditor Controller Office within Humboldt County, dated July 12, 2018, and while several conclusions of that report will be cited here, the background discussion will not be repeated. Overall, the cited report finds that the staff of the AP Division is willing and able, and has adequate business practices in place, even though there is a persistent undercurrent of turnover and lack of training that harms morale and productivity, and which appears to fuel an atmosphere of stress in the office. It is our belief that while these issues may be influenced by a lack of staffing, it will be best addressed by leadership initiative, delegation of approval reviews, and prioritization of tasks.

The most significant finding of this review is that the imposition of a 100% re-review of every record submitted for payment is excessive, and counter-productive to the county. This conclusion is based on the subjective reports of all the subject matter experts interviewed as a part of this project, and who believe that many or most of the items rejected are for minor issues that could either be more easily corrected or ignored. However, despite all efforts to obtain data to support these findings, we were also informed that at the time of our review, that staff was unable to obtain any analytic reports from the One Solutions operational database, even though the data does exist within the system.

This led to the following finding and a recommendation, that is:

Recommendation AC-1:

The County Administrative Office should work with the AC Office in focused effort to find and document all existing user guides and support materials originally provided to the county with the One Solution system. That effort should convene all county employees who have been successful past users of the system to share information and “re-learn” what pre-formatted reports and reporting capability were built into One Solution, and to learn how to generate analytic reports relevant to current operations. One such report should track all Accounts Payable requests by Department, and show the time received, versus the time approved and time paid, as well as the items rejected, by cause, and by Department. This will provide a valuable tool for tracking, root cause analysis, and training⁶⁷.

Despite the lack of objective analysis, since most subject matter experts do agree that many of the rejections are unnecessary, and since fragmentary records⁶⁸ also support this contention, we recommend the following:

Recommendation AC-2:

The County Board of Supervisors direct the Office of the Auditor Controller to complete a one-month review of its “2nd check” activities and make a list of all items rejected for payment by Department, with a description of the errors and irregularities that were the

⁶⁷ This issue was brought to the attention of Deputy Administrative Office Chris Shaver on April 18, who planned to convene the meeting of such a group in July.

⁶⁸ A log of “returned items” provided by the Management and Budget Office is one example.

cause of rejection⁶⁹. The Board should further authorize and request a cooperative review by the Auditor Controller and a group of representatives of all County Departments to identify the Department with the best record of invoice submission, and to use that as a model for development of best practices for all departments to follow. This group should be asked to develop a procedure for formal delegations of authority to the Departments to render an opinion on behalf of the Auditor Controller that payment records are complete and appropriate for payment, without re-review, and to bring that back to the board for consideration of its adoption.

As noted earlier, we believe that the single rule that the county must follow to unravel these opportunities is to delegate both authority and accountability as close to the point of program delivery as possible, while remembering that authority and oversight must always reside in the office of the Auditor Controller. Regardless of any future policy of delegation, the Auditor Controller should be prepared to periodically test and validate that the departments are using the established procedure, or more infrequently, to audit a group of submitted invoices to ensure that procedures are being followed.

Changes in the operational procedure followed by the AC Office are also recommended for immediate adoption, regardless of the acceptance of Recommendation AC-2 as follows:

Recommendation AC-3:

The AP Division should develop an operational procedure to correct as many small errors and omissions as is practical, without returning invoices to the originating departments. The analysis of what is correctable should be based on the month-long documentation of rejected items, and the reasons for rejection.

Consideration of what is practical to correct should be determined based on the maximum benefit to the county, and not to either office. So for example, if an incomplete invoice payment request would take the Auditor Controller 10 minutes to “fix” or result in a one day delay in payment, and would take the originating department 10 minutes to fix and result in a two-week delay in payment, it would be in the County’s best interest to fix it in the AC Office⁷⁰. In some cases it will no doubt be observed that when items are rejected the tracking time ‘in’ and ‘out’ of both offices will be significant, and that a secondary location of the files in the originating office may well exceed the continuous processing by the AP Division.

A more formalized way to look at the issues surrounding the process improvements suggested above is included in the following recommendation. It could only be intelligently adopted after the development of analytic reporting through One Solution. Since the above recommendations would initiate the first steps of continuous process improvement in the AP

⁶⁹ The authority of the Supervisors to make such a request is found in G.C. 26883: “... to require that the county auditor-controller ... audit the accounts and records of any department, office, board, or institution under its control...” In this case, the audit would be of the Office of the AC itself, in its cooperative processing of invoices with other County Departments.

⁷⁰ This may be the case, for example, when personal information is included on a receipt. Perhaps the personal information could be easily redacted by the AP Division rather than returned.

Division, this recommendation would be most immediately relevant to the payroll activity, but it could also provide a continuing opportunity for learning and improvement in the AP Division as well.

Recommendation AC-4:

The County Board of Supervisors should adopt and implement a strategic initiative regarding quality assurance and process improvement⁷¹ for the Office of the Auditor Controller and the associated Departments involved in accounts payable and payroll processes. This broad improvement effort would require an annual inventory of the areas waste and re-work in these processes (which could be derived from One Solution analytic reports) and their associated costs of correction. This strategic initiative should then designate the areas of highest benefit for targeting in structured process improvement.

Adoption of these recommendations should significantly reduce workload in the Office of the Auditor Controller and in the originating Departments, while also reducing or eliminating county late payments and lapse of services. It should also lead to the establishment of standardized procedures for such reviews, and updates of guides and forms.

Part of the conduct of the cooperative review would be a continuation of the review of all items rejected for payment, to evaluate the value and impact of the rejection. Where the reasons for rejection are significant and important, these should be used as opportunities to improve training, procedures, and forms to make the likelihood of their continuation improbable. Where the reasons for rejection are of minor consequence, new procedures can be established based on the most simple, direct, and least cost ways to address these issues. For example, where rounding errors in the allocation of utility bills now leads to the rejection of a bill for an error of 60-cents or less, payment as submitted with a year-end re-allocation of costs may prove the most simple and direct solution.

One final area of improvement identified as a part of this review is focused on the prompt payment of County utility bills, which is largely a reflection on the practices of the MBT Office within the office of the County Administrative Officer, but which also reflects the processing of payments by the AP Division. The MBT Office has only one position currently focused on utility bill payment, with limited backup, but has done a good job overall with this effort despite these staffing limits. Regardless, the limited staffing and backup results in lapses in its own known best operational practice when leave and intervening assignments are presented. This does not suit the County's best interests in tracking and obtaining prompt payment. In addition, the practice of the AP Division in rejecting utility payments for minor math errors is short-sighted and may result in penalty payments that far exceed the value of the corrections. The following recommendations then address these areas:

Recommendation AC-5:

The County should consider moving its utility payment function to either the DHHS Accounts Payable office, or to Public Works Accounts Payable, as an additional duty, so that better

⁷¹ Our work review points only to a focus on accounts payable and payroll process issues, although such a practice could be used more broadly.

tracking and support can be provided. This would improve the focused attention and backup, and will prevent lapses of attention from other duties.

The move to DHHS Accounts payable is supported by the fact that this is the largest AP staff within any Department that reports to the County Administrator, and that this office uses One Solution. The move to Public Works would also broaden backup, although the number of staff in the office who do AP is smaller (just two) and they are not now on One Solution. IF the decision is made to shift this function to Public Works, it would also necessitate their use of One Solution, which perhaps could be viewed as a means of developing a future transition to that system, which is a hoped-for future goal. Public Works may also be a good choice because it currently does provide oversight of some utility accounts associated with its buildings and facilities.

Recommendation AC-6:

The Management and Budget Office should develop a better visible management method for tracking of timely download and processing of utility bills, and regular update of the master spreadsheet of utility accounts. Two possible means of achieving visible management practices would be: 1) The development of a staff report affirming that these key activities take place on a regular schedule, which is reviewed and affirmed as complete and satisfactory by a higher-level leader, OR; 2) The development of a wall board that shows scheduled versus actual completion.

Recommendation AC-7:

The Office of the Auditor Controller should work cooperatively with the Management and Budget Office to develop a means for quick resolution of utility bill issues, especially those which involved minor differences in payment amounts. It may be that a year-end reconciliation and correction of any small errors would be far better than rejection and return of payment requests.

Sample Departments Overview

Four sample departments were included in the scope of the study to help better understand the interaction between the County IT, Accounts Payable, HR and Payroll offices and the individuals in the sample departments performing IT, Accounts Payable, HR and Payroll related work. The sample departments included in the study were the Assessor's Office, the Sheriff's Office, Public Works and Child Support Services. These particular departments were included because they varied in size and complexity so that we could better generalize findings from these sample departments to other departments.

The following is the number of allocated positions for each department:

- Sheriff's Office: 300 allocated positions and 30 extra help temporary positions
- Assessor's Office: 31 allocated positions
- Child Support Services: 54 allocated positions
- Public Works: 222 allocated positions

Below is the number of staff each department has that are responsible for performing IT, Accounts Payable, HR and/or Payroll related tasks:

- Sheriff's Office: 6
- Assessor's Office: 3
- Child Support Services: 6
- Public Works: 15 (note that 5 of these 15 individuals performed a very minimal amount of IT related work on the Public Works website).

In many cases one individual may be performing tasks in two or more of the functions (IT, Accounts Payable, HR and Payroll). To see which positions are performing HR, Payroll, IT and Accounts Payable tasks in these departments you can view the org charts in Appendix A. To the extent possible, the org charts only include positions that perform HR, Payroll, IT and Accounts Payable (which will be called 'designated administrative') tasks. However, the supervisory positions above those that perform designated administrative work are shown even if they themselves do not perform HR, Payroll, IT and Accounts Payable related work. This was done to give an understanding of where the positions that do perform the designated administrative work sit in the organizational hierarchy.

The following is a brief overview of the types of HR, Payroll, IT and Accounts Payable activities engaged in by the various sample department staff, which is of course a subset of all the processing tasks in each area. For Accounts payable, some of the most likely to be performed tasks in the sample department include processing invoices and receipts, approving purchase orders and initiating procurement activity. The IT work performed by sample department staff includes serving as a liaison between department employees and county IT by submitting and managing help desk tickets as well performing minor IT troubleshooting for employees. There are a few employees in the Public Works department that are responsible for updating the department website with information about bids related to outsourcing work. The sample

departments are also engaged in a variety of HR related activities including recruitment and on-boarding, classification, risk management and workers compensation, performance management, disciplinary actions, leave management and labor relations. In regard to payroll, sample department staff are involved in processing employee timecards, transferring the time into the OneSolution payroll system and performing a variety of quality assurance activities throughout the entire process. See Appendix B for the full list of HR, Payroll, IT and Accounts Payable tasks that the sample departments perform.

Self-Report of Time Data

Demographics

CPS HR received responses from the following departments in our self-report of time survey.

Table SD-1: Self-Report of Time

Department	# of Survey Respondents	# of Staff Indicated by Department that Perform Designated Administrative Tasks	Response Rate
Assessor	3	3	100%
Child Support Services	8	8	100%
Public Works	10	15	67%
Sheriff	4	6	67%
Total	35	32	91%

Note at the time of the self-report of time survey Child Support Services had 8 individuals that responded, they now only have 6 positions responsible for performing designated administrative work due to turnover.

Self-Report of Time

Below is the number of staff for each department that had at least some time allocated to Accounts Payable, IT, HR or Payroll tasks. Oftentimes individuals in the sample departments were responsible for more than one of the designated administrative work areas.

Table SD-2: Self Report of Time

	Assessor	Child Support Services	Public Works	Sheriff
Accounts Payable	2	4	7	3
Information Technology	1	2	4	0
Human Resources	2	5	4	2
Payroll	2	4	8	3

	Assessor	Child Support Services	Public Works	Sheriff
Total Number of Staff in Time Study Reporting Time Associated with Tasks in One or More of the Designated Administrative Work Areas	2*	8	10	4
Number of Positions in Department	31	54	222	330
Total Number of Staff in Time Study Reporting Time Associated with Tasks in One or More of the Designated Administrative Work Areas Divided by the Number of Positions in Department	6.5%	14.8%	4.5%	1.2%

* Note that even though the department reported that there were three individuals responsible for designated administrative work, only two individuals reported time in any of the four designated administrative areas.

The two smaller departments, the Assessor’s office and Child Support Services appear to have a slightly higher proportion of staff performing designated administrative work relative to the number of positions in their departments compared to Public Works and the Sheriff’s Office. However, it appears that the staff performing designated administrative work in Public Works and the Sheriff’s office had a larger percentage of their job devoted to designated administrative work as shown below.

Self-report of time⁷²

Table SD-3: Self Report of Time

	Assessor	Child Support Services	Public Works	Sheriff	OVERALL
General Work (GW)	40.2%	16.1%	14.8%	20.6%	19.2%
Admin Support	11.5%	12.0%	13.6%	2.5%	11.1%
Supervisory	8.1%	14.5%	2.0%	4.7%	7.1%
Primary Job Tasks	31.8%	44.2%	35.9%	28.9%	36.9%
HR, IT, Payroll or Accounts Payable Tasks	8.50%	13.60%	32.90%	43.40%	25.50%

With the exception of the Sheriff’s Office, it appears the sample departments staff that perform the designated administrative tasks are spending a bulk of their time on primary job tasks - work that is core to their job duties not involving HR, IT, Payroll or Accounts Payable work. While some individuals within certain departments had a higher percentage of time in task categories associated with designated administrative work, rarely was any one person completely dedicated HR, IT, Payroll or Accounts Payable tasks. The larger departments like the

⁷² Based on the responses from the county for self-reporting confirmation and LTE input, CPS HR is basing analysis solely on the self-report data.

Sheriff's Office, or the Public Works had more individuals with a larger percentage of their time devoted to HR, IT, Payroll or Accounts Payable tasks than did the Assessor's Office and Child Support Services. This would make sense because the larger departments have more employees that would need HR, IT, Payroll or Accounts Payable work done on their behalf.

A further breakdown of the HR, IT, Payroll or Accounts Payable tasks expressed as a percentage of time is below:

Table SD-4: Self Report of Time

	Assessor	Child Support Services	Public Works	Sheriff	OVERALL
Accounts Payable	1.00%	5.50%	19.10%	15.90%	12.10%
Information Technology	2.70%	4.30%	0.10%	0.00%	2.00%
Human Resources	3.60%	2.10%	3.00%	1.10%	2.30%
Payroll	1.20%	1.70%	10.70%	26.40%	9.10%
Total HR, IT, Payroll or Accounts Payable Tasks	8.50%	13.60%	32.90%	43.40%	25.50%

Overall, the largest proportion of time spent by sample departments is in the Accounts Payable area followed by Payroll. There is a relatively small amount of time spent on IT or HR work.

We also wanted to see if the higher proportion of time being spent by the Sheriff's Office and Public Works on designated administrative tasks was proportional to the number of positions in the department. We took the percentage of time in the table and multiplied it by the total number of staff in the time study reporting time associated with tasks in one or more of the designated administrative work areas to get an estimation of the total number of hours spent per year in each area.

Table SD-5: Self Report of Time

	Assessor	Child Support Services	Public Works	Sheriff
Accounts Payable	36.22	796.84	3459.01	1151.80
Information Technology	97.79	622.98	18.11	0.00
Human Resources	130.39	304.25	543.30	79.68
Payroll	43.46	246.30	1937.77	1912.42

We then divided that amount of time by the number of allocated positions in the department to get an estimation of the amount of time spent annually per position for each designated administrative area which can be seen in the table below.

Table SD-6: Self Report of Time

	Assessor	Child Support Services	Public Works	Sheriff
Accounts Payable	1.17	14.76	15.58	3.49
Information Technology	3.15	11.54	0.08	0.00
Human Resources	4.21	5.63	2.45	0.24
Payroll	1.40	4.56	8.73	5.80

The goal of this analysis was to determine if the larger departments (Public Works and the Sheriff’s Office) that have more complex accounts payable and payroll systems have proportionally more staff dedicated to these designated administrative functional tasks as a result of that complexity. It does appear that both the Sheriff’s Office and Public Works have a higher proportion staff time dedicated to the payroll process, at 8.73 hours and 5.8 hours respectively, than Child Support Services (4.56 hours) and the Assessor’s office (1.4 hours). As part of the employee timecard quality checking process, both Public Works and the Sheriff’s office compare timecards to sources of funding such as grants, as well as invoices. This quality checking process also seems to result in a higher proportion of time spent in processing timecard corrections in the payroll process (see table below). In other words, the fact that Public Works and the Sheriff’s Office have to reconcile timecards to sources of funding and invoices presents more opportunity for discrepancies to occur. When the discrepancies occur, a timecard correction must be processed.

Table SD-7: Self Report of Time

	Assessor	Child Support Services	Public Works	Sheriff	OVERALL
SDTC-1 = TC-2 - Process Bi-Monthly Timecards and Timesheets (prior to sending to payroll)	0.7%	0.5%	6.5%	15.0%	5.2%
SDTC-3 = TC-3 - Quality Assurance of Timecards prior to sending to Payroll	0.1%	0.1%	0.7%	0.5%	0.4%
SDTC- 4 = TC-4 - Prior Payroll Corrections	0.0%	0.0%	0.2%	1.1%	0.3%
SDTC-5 = TC-5 - Timecard Corrections – After submitting to Payroll	0.0%	0.0%	0.6%	2.4%	0.6%
SDTC-6 = TC-6 - Timecard Corrections Quality Assurance	0.0%	0.0%	1.5%	0.0%	0.6%
SDTC-12 = TC-11 - Payroll Reports	0.0%	0.0%	0.1%	3.0%	0.5%
SDTC-13 = TC-12 - Payroll Check Distribution	0.4%	0.3%	0.2%	0.0%	0.2%

	Assessor	Child Support Services	Public Works	Sheriff	OVERALL
SDPF - Employee Change Processing, PPAF Forms, Pay adjustments	0.0%	0.8%	0.9%	4.4%	1.3%

The amount of time spent on the accounts payable tasks does not seem to correlate with the size of the department.

Next, the designated administrative tasks with the highest overall percentages of time were examined in the table below.

Table SD-8: Self Report of Time

	Assessor	Child Support Services	Public Works	Sheriff	OVERALL
AP-1 - Input Invoices and Receipt of Goods Verification.	0.00%	0.10%	11.30%	10.70%	6.30%
SDTC-1 = TC-2 - Process Bi-Monthly Timecards and Timesheets (prior to sending to payroll)	0.70%	0.50%	6.50%	15.00%	5.20%
SDIT-2 - Minor IT Troubleshooting	2.10%	3.90%	0.40%	0.00%	1.60%
AP-3 - Process initial submission of paper documents regarding payment requests,	0.00%	0.60%	2.00%	3.30%	1.50%
SDCR - Recruitment and Onboarding	0.10%	1.10%	2.30%	0.40%	1.30%

The top tasks are related to inputting invoices and receipt of goods verification (an Accounts Payable task) and processing timecards (a Payroll task). These high overall averages are greatly driven by the Public Works and Sheriff's Offices that have staff that have a higher proportion of their time dedicated to HR, IT, Payroll or Accounts Payable tasks.

Out of the 30 HR, IT, Payroll or Accounts Payable tasks on the survey, 17 were below 1% for the overall average which would indicate that most sample department staff engaged in HR, IT, Payroll or Accounts Payable tasks are doing so infrequently.

The full task list with percentages can be seen in Appendix B.

Workflow Perceptions Data

Below are the number of respondents from each of the sample departments from the Workflow Perceptions Survey:

Table SD-9: Workflow Perceptions Survey

Work Unit	Number Respondents
Assessor	3
Child Support Services	3
Public Works	12
Sheriff's Office	4

Low Scoring Questions

Below are the bottom five scoring questions for the Sample Departments.

Table SD-10: Low Scoring Questions

Question	Child Support Services Average	Assessor Average	Public Works Average	Sheriff's Office Average	Sample Depts Average	OVERALL AVERAGE (including everyone)
22. There is a natural tendency throughout the County organization to work together to solve problems.	3.7	4.0	3.2	1.5	3.08	2.82
4. My work can usually be completed in a normal work day, and without sacrificing lunch hour or breaks.	3.3	3.3	3.0	3.3	3.23	3.15
21. Employees in other County departments work with us in getting our assignments completed.	3.00	3.67	3.50	3.25	3.35	3.40
16. It is rare for our work unit to have justified complaints.	4.3	3.7	3.3	2.5	3.44	3.11
23. Leadership asks what I think.	3.7	4.3	3.5	2.5	3.50	3.41

Both questions “There is a natural tendency throughout the County organization to work together to solve problems” and “Employees in other County departments work with us in getting our assignments completed” speak to the fact that the sample departments perceive a lack of cooperation between departments, and that inter-organizational friction may be the primary justification for those positions.

During interviews, sample department staff also spoke at length about how they felt that county departments didn’t cooperate well together and they everyone seemed to be looking out for themselves.

Strengths

Overall the sample departments seem to have a higher level of satisfaction with their work environment.

The table below shows the questions where the sample departments scored the highest above all the survey respondents:

Table SD-112: Higher Level of Satisfaction

Question	Child Support Services Average	Assessor Average	Public Works Average	Sheriff's Office Average	Sample Depts Average	OVERALL AVERAGE (including everyone)	Sample Departments Minus Overall Average
9. On most days, I enjoy my job.	4.7	4.3	4.3	4.3	4.38	3.77	+0.60
28. This work unit is a good place to work.	4.7	4.7	4.5	3.5	4.33	3.80	+0.53
26. Leadership creates a work environment that helps me do my job.	4.0	4.7	4.0	3.0	3.92	3.44	+0.48
27. I am satisfied with the professional standards we achieve.	4.3	4.7	3.8	3.3	4.02	3.56	+0.46
10. My Supervisor understands the demands placed upon me.	4.3	4.5	4.3	4.3	4.33	3.88	+0.45

The relatively high scores show that the sample departments seem to have a higher level of satisfaction with their overall job (“On most days, I enjoy my job” and “I am satisfied with the professional standards we achieve.”), work environment, and leadership (“This work unit is a good place to work.”, “Leadership creates a work environment that helps me do my job” and “My Supervisor understands the demands placed upon me”). This may be due to their knowledge of the importance of their work to their Department.

In further support of a higher level of work satisfaction, the overall sample departments only had two items in which the average score was lower than the overall average, and only by an insignificant amount as depicted in the table below.

Table SD-12 Strengths

Question	Child Support Services Average	Assessor Average	Public Works Average	Sheriff's Office Average	Sample Depts Average	OVERALL AVERAGE (including everyone)	Sample Departments Minus Overall Average
21. Employees in other County departments work with us in getting our assignments completed.	3.00	3.67	3.50	3.25	3.35	3.40	-0.04
14. I am satisfied with the level of commitment to work by my co-workers in this work unit.	4.33	4.00	4.25	3.33	3.98	4.02	-0.04

Analysis of Stress and Work Quality Issues

The table below displays the results from the Workflow Perceptions Survey questions regarding the number of hours spent on specific categories of wasted time, rework and responding to people on work being done. The OVERALL across all responses row is the average across all incumbents that responded to the survey, not just the sample departments.

Table SD-13: Stress and Work Quality

How many hours do you think you will spend in an average week doing work in the following categories:						
	Re-processing work that has already been done once?	Responding to persons who are waiting for action to complete?	Second entry of data that already exists in another file, form or system?	Any other kinds of wasted time?	Total waste hours	% of time in waste hours
OVERALL across all responses	2.08	5.74	2.87	1.99	12.68	31.7%
Assessor	1.2	4.0	2.5	1.3	9	22.5%
Child Support Services	0.00	6.67	0.67	2.27	9.61	24.0%
Public Works	1.91	1.40	1.74	1.16	6.21	15.5%
Sheriff's Office	1.78	3.50	1.45	1.00	7.73	19.3%

The table below shows responses to the question related to overall work stress.

Table SD-14: Overall Work Stress

Thinking about the period of time you spent working here over the past three months, what percent of all that work time was: (Total should equal 100%)					
	Over-busy and too stressful.	Over-busy but acceptable.	Busy and challenging.	A little slow. More could have been achieved.	Too slow. There were extended periods with not enough to do.
OVERALL across all responses	24.2%	29.4%	38.8%	6.2%	1.5%
Assessor	1.7%	28.3%	68.3%	1.7%	0.0%
Child Support Services	6.7%	21.7%	71.7%	0.0%	0.0%
Public Works	23.8%	31.8%	37.3%	6.3%	0.8%
Sheriff's Office	27.5%	22.5%	39.5%	8.0%	2.5%

The highest frequency responses for each department are notated in green font while the least frequent is notated in blue font. All four sample departments have their highest frequency in “Busy and challenging” which is acceptable. The Public Works and the Sheriff’s Office have a higher percentage in the over-busy and too stressful and over-busy but acceptable categories than Assessor’s Office and Child Support Services. It’s also interesting to note that based upon analyses shown earlier, Public Works and the Sheriff’s Office staff engaged in the designated administrative tasks have larger portion of their jobs dedicated to the administrative tasks than the Assessor’s Office and the Sheriff’s Office. Therefore, there may be a relationship between the level of stress and the proportion of one’s job dedicated to the designated administrative tasks.