SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

813

FROM: Riverside County Auditor-Controller

SUBMITTAL DATE:
February 10, 2016

SUBJECT: Overtime Monitoring Report 2016-003 for: Sheriff's Department, Riverside County District Attorney, Riverside County Probation Department, Riverside County Fire Department, Department of Mental Health, Riverside University Health Systems - Medical Center, Department of Public Social Services, and Riverside County Information Technology[District: All]; [$0]

RECOMMENDED MOTION: That the Board of Supervisors:
1. Receive and file Overtime Monitoring Report 2016-003 for: Sheriff's Department, Riverside County District Attorney, Riverside County Probation Department, Riverside County Fire Department, Department of Mental Health, Riverside University Health Systems - Medical Center, Department of Public Social Services, and Riverside County Information Technology.

BACKGROUND:
Summary
In 2013 the Auditor-Controller's Office initiated a monitoring program with the purpose of providing the Board of Supervisors relevant, timely, and significant fiscal transactions and trends.
(Continued on page 2)

Paul Angulo, CPA, MA
Riverside County Auditor-Controller

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	$ 0.0	$ 0.0	$ 0.0	$ 0.0	Consent ☒ Policy ☐
NET COUNTY COST	$ 0.0	$ 0.0	$ 0.0	$ 0.0	

SOURCE OF FUNDS: N/A

Budget Adjustment: No
For Fiscal Year: n/a

C.E.O. RECOMMENDATION:

APPROVE

BY: _Samuel Wong_

County Executive Office Signature   Samuel Wong

MINUTES OF THE BOARD OF SUPERVISORS

Departmental Concurrence

Positions Added ☐   Change Order ☐

A-30 ☐   4/5 Vote ☐

Prev. Agn. Ref.:   **District: ALL**   **Agenda Number:**

2-2

SUBMITTAL TO THE BOARD OF SUPERVISORS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

FORM 11: Overtime Monitoring Report 2016-003 for: Sheriff's Department, Riverside County District Attorney, Riverside County Probation Department, Riverside County Fire Department, Department of Mental Health, Riverside University Health Systems - Medical Center, Department of Public Social Services, and Riverside County Information Technology[District: All]; [$0]

DATE: February 10, 2016
PAGE: Page 2 of 2

BACKGROUND:
Summary (continued)

It was felt by the Auditor-Controller that the standard use of audits established by governing legislation in the 1940s did not provide meaningful or timely data needed for quality decision-making in the 21st century.

The attached report presents our completion of the overtime monitoring report. Eight county departments with overtime cost exceeding $1 million for fiscal year ending June 30, 2015 were selected. These departments are named above.

Overtime expense data from the county's financial system was compiled and the information forwarded to the departments for their response. Each department was asked to provide its rationale for the use of overtime, protocol to approve overtime, and if they had identified ways to reduce this expense. The response of each respective department is included in the report.

Impact on Citizens and Businesses

Provide information on significant transactions and trends occurring in county government.

SUPPLEMENTAL:
Additional Fiscal Information

Not applicable

ATTACHMENTS:

A: Overtime Monitoring Report 2016-003 for: Sheriff's Department, Riverside County District Attorney, Riverside County Probation Department, Riverside County Fire Department, Department of Mental Health, Riverside County Regional Medical Center, Department of Public Social Services, and Riverside County Information Technology.

Overtime Monitoring Report #2016-003

Public Safety
- Sheriff's Department
- Riverside County District Attorney
- Riverside County Probation Department
- Riverside County Fire Department

Health
- Department of Mental Health
- Riverside University Health Systems - Medical Center

Public Assistance
- Department of Public Social Services

Internal Service Fund
- Riverside County Information Technology

ACO | AUDITOR CONTROLLER
COUNTY OF RIVERSIDE

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Results:

Public Protection

Health

Public Assistance

Internal Service Fund

EXECUTIVE SUMMARY

$72 million in overtime expense was incurred by county departments for fiscal year ending June 30, 2015. Those departments (8) exceeding $1 million in overtime expense were selected for this report. These include: Sheriff Department, District Attorney, Probation Department, Fire Department, Department of Mental Health, Riverside University Health System – Medical Center (formerly RCRMC), Department of Public Social Services, and Information Technology Department.

INTRODUCTION

In 2013 the Auditor-Controller's Office initiated a monitoring program with the purpose of providing the Board of Supervisors relevant, timely and significant fiscal transactions and trends. It was felt by the Auditor-Controller that the standard use of audits established by governing legislation in the 1940s did not provide meaningful or timely data needed for quality decision-making in the 21st century.

As it pertains to the use of overtime labor, reasonable and necessary expenditures enables the county to continue to provide services despite labor shortages due to vacancies, leaves, changed mandated service levels, and operational and seasonal workload spikes. Appropriate overtime is a cost-effective response to short-term labor shortages or spikes in service demands as compared to hiring permanent employees. However, long-term overtime or uncontrolled uses of overtime represent significant risks of increased direct and indirect costs.

Unnecessary overtime may be avoided through management control activities, such as pre-approval of overtime, adjusting staffing levels to meet service demand levels, regular management monitoring of overtime, and informing and communicating management's objectives regarding cost containment and service delivery to all employees. In addition, long-term overtime may help obscure fraudulent overtime.

Other impacts from long-term use of overtime include increased employee turnover, reduced employee productivity and increased litigation costs arising from error, omission and fatigue.

The following report presents overtime use exceeding $1 million for the last five fiscal years.

SCOPE

Eight Riverside County departments with reported overtime cost in excess of more than $1 million were selected for this monitoring report. Those departments are named above.

Extracts from the county's financial system were compiled and the information forwarded to the departments for their response. Each department was asked to provide its rationale for the use of overtime, protocol to approve overtime and if they had identified ways to reduce this expense.

The departments' responses are included in the report.

LIMITATIONS

All overtime expenditures included in this report were extracted from the county's financial accounting system. A monitoring report is an extract of certain data and is not audited.

PUBLIC PROTECTION

SHERIFF'S DEPARTMENT

The Sheriff's Department (Sheriff) with over 5,000 law enforcement professionals, administrative and support staff, provide protection and core services through 19 different bureaus and teams. The Sheriff's Department primary services include:
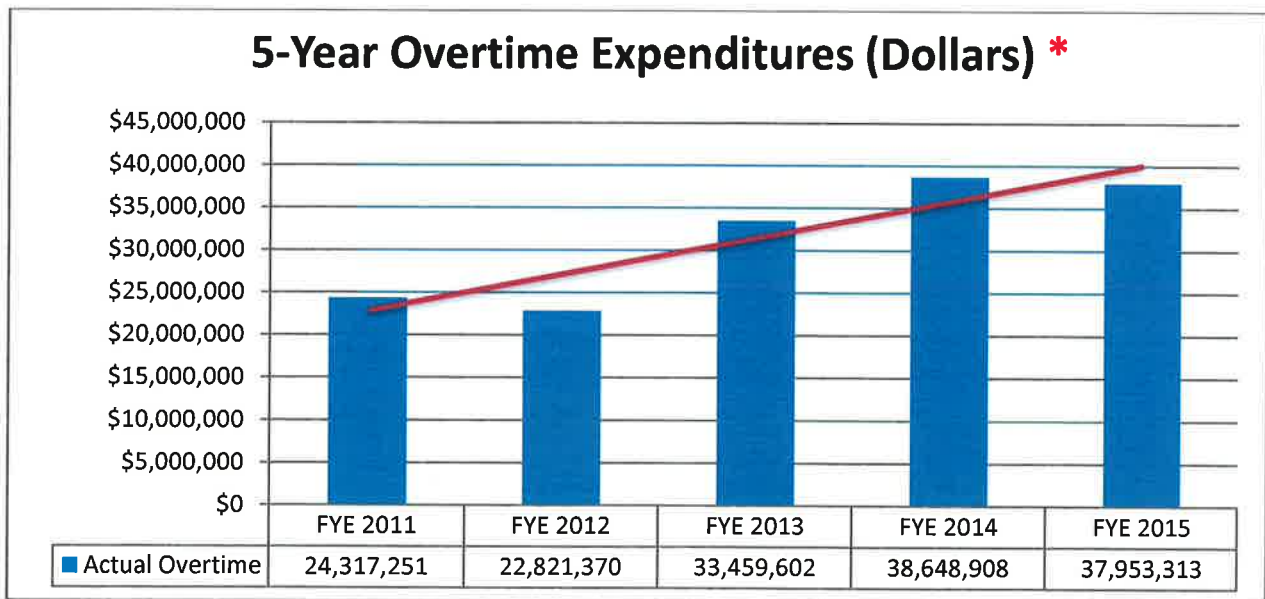
- 24/7 first responders to handle calls from the public.
- Police services for 17 of 28 cities and 1 tribal community.
- Coroner-Public Administrator responsibilities countywide.
- Joint task force lead agency for Federal, state, and local integration efforts.
- Countywide jail system operation.
- Court security and civil service countywide.
- Mutual Aid coordination for law enforcement resources countywide.

In fiscal year 2015, the Sheriff reported labor expenditures of $515,551,000. Overtime expenditures were $37,953,313 of that amount. The following section looks at the Sheriff's overtime expenditures over a five-year period.

Summary of overtime expenditures for the last five fiscal years:

Graph 1 below illustrates five-years of overtime expenditures incurred by the Sheriff.

Graph 1. Sheriff's overtime expenditures in dollars for five years

	FYE 2011	FYE 2012	FYE 2013	FYE 2014	FYE 2015
Actual Overtime	24,317,251	22,821,370	33,459,602	38,648,908	37,953,313

* Does not include overtime accruals that will be paid in future periods.

The department shows progressive increases in overtime expenditures between 2012 through 2014 with a $695,596, 1.8% decrease from 2014 to 2015. However, for the five-year period, overtime expenditures increased 56% from 2011 to 2015.

The total cost of overtime to the total cost of labor is illustrated in table 1 below.

Table 1. Sheriff's total overtime cost to total labor cost in dollars.

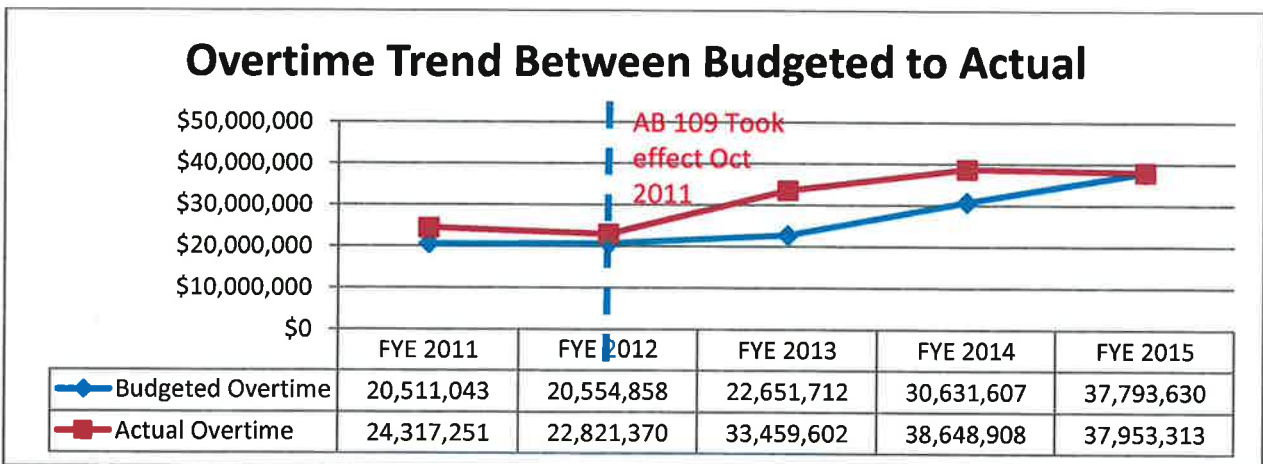| Total overtime cost to total labor cost in dollars (includes all benefits and labor taxes paid)					
Cost	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Overtime	24,317,251	22,821,370	33,459,602	35,712,079	37,953,313
Total Labor	435,108,220	426,723,566	449,974,761	489,287,286	515,551,000

The total overtime cost to total cost of regular salaries is illustrated in Table 16 below.

Table 2. Sheriff's overtime cost to regular salaries cost in dollars

Total overtime cost to regular salaries cost in dollars (only includes regular salaries cost)					
Cost	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Overtime	24,317,251	22,821,370	33,459,602	35,712,079	37,953,313
Regular Salary	268,274,758	264,309,930	266,359,507	293,865,191	313,283,316

Comparison between budgeted and actual overtime cost is shown in graph 2 below.

Graph 2. Sheriff's comparison between budgeted overtime expenditures vs. actual overtime expenditures in dollars

Overtime Trend Between Budgeted to Actual

AB 109 Took effect Oct 2011

	FYE 2011	FYE 2012	FYE 2013	FYE 2014	FYE 2015
Budgeted Overtime	20,511,043	20,554,858	22,651,712	30,631,607	37,793,630
Actual Overtime	24,317,251	22,821,370	33,459,602	38,648,908	37,953,313

Sheriff's response to overtime inquiry:

On November 6th, we received your letter stating our Department incurred overtime costs of $38.3 million from July 1, 2014, through June 30, 2015. Our Department analyzed "strictly overtime" for that time period and on November 10 we responded back to you, via e-mail, with supporting documentation showing overtime costs of $33.7 million. Your original amount was overstated by $4.6 million. On December 4th, we received an e-mail requesting a written response regarding the $33.7 million of recorded overtime costs for FY 14/15.

The actual FY 14/15 amount is approximately two million dollars or 5.34% less than FY 13/14 recorded overtime of $35.6 million. The Department monitors and controls overtime on a daily basis at all bureaus and stations. Overtime is approved through the chain of command, and is ultimately reviewed and approved by the Commander. Detailed overtime reports are produced every pay period, and reviewed by the Sheriff's Executive Staff on a monthly basis.

Approximately 60% of all overtime paid out was reimbursed back to the County. The Department was reimbursed for overtime costs associated with contract policing services, grant reimbursements, court security, and special events. The Department's "reimbursed overtime" for FY 14/15 equated to $20.2 million.

Unreimbursed overtime costs equated to approximately 40% ($13.5 million) of all overtime incurred. Our Patrol, Corrections and Dispatch divisions operate on a 24/7 basis. The Sheriff has spoken before the Board of Supervisors numerous times about the overtime impacts of dropping to minimum staffing and the impacts of AB 109 Realignment. Overtime costs associated with minimum staffing requirements, catastrophic fires, unanticipated Presidential visits to the Coachella Valley, subpoenas for court and various hearings, extended shifts due to protracted criminal investigations, and call outs fall into the non-reimbursed category.
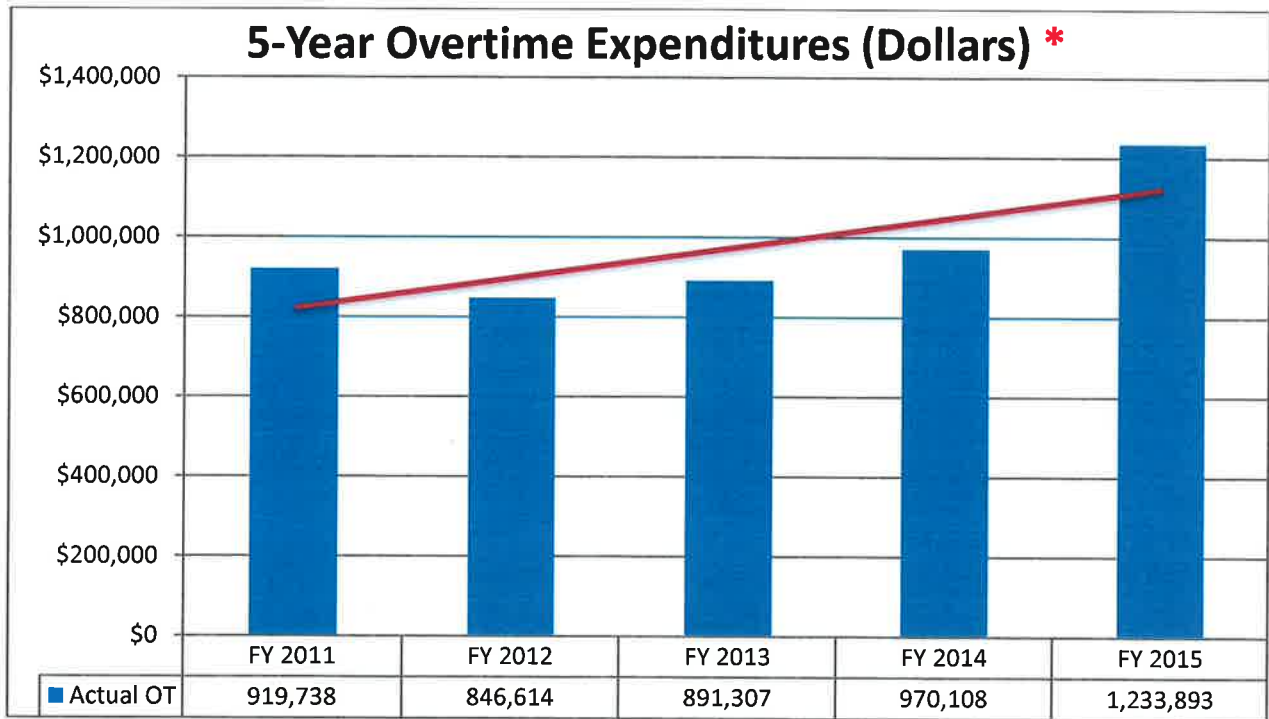
RIVERSIDE COUNTY DISTRICT ATTORNEY

The District Attorney (DA) has five offices with approximately 700 attorneys and support staff protecting County of Riverside citizens through prosecution, investigation and victim services. On average the office annually files more than 40,000 criminal cases.

In fiscal year 2015, the DA reported labor expenditures of $96,261,434. Overtime expenditures were $1,233,893 of that amount. The following section looks at the DA's overtime expenditures over a five-year period.

Summary of overtime expenditures for the last five fiscal years:

Graph 3 below, illustrates five-years of overtime expenditures incurred by DA.

Graph 3. DA's overtime expenditures

5-Year Overtime Expenditures (Dollars) *

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
■ Actual OT	919,738	846,614	891,307	970,108	1,233,893

* Does not include overtime accruals that will be paid in future periods.

The total overtime to total labor cost is illustrated in table 3 below.

Table 3. DA's total overtime cost to total labor cost in dollars

Total overtime cost to total labor cost in dollars (includes all benefits and labor taxes paid)					
Cost	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Overtime	919,738	846,614	891,307	970,108	1,233,893
Total Labor	93,882,557	87,172,340	88,720,216	92,261,879	96,041,434

The total overtime cost to total cost of regular salaries is illustrated in table 4.

Table 4. DA's overtime cost to regular salaries cost in dollars

Total overtime cost to regular salaries cost (only includes regular salaries data)					
Cost	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Overtime	919,738	846,614	891,307	970,108	1,233,893
Regular salary	61,136,300	59,097,031	60,521,536	62,918,540	66,129,400

Graph 4. DA's comparison between budgeted overtime expenditures vs. actual overtime expenditures in dollars

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Budgeted OT	540,000	824,901	800,000	765,000	1,233,893
Actual OT	919,738	846,614	891,307	970,108	1,233,893
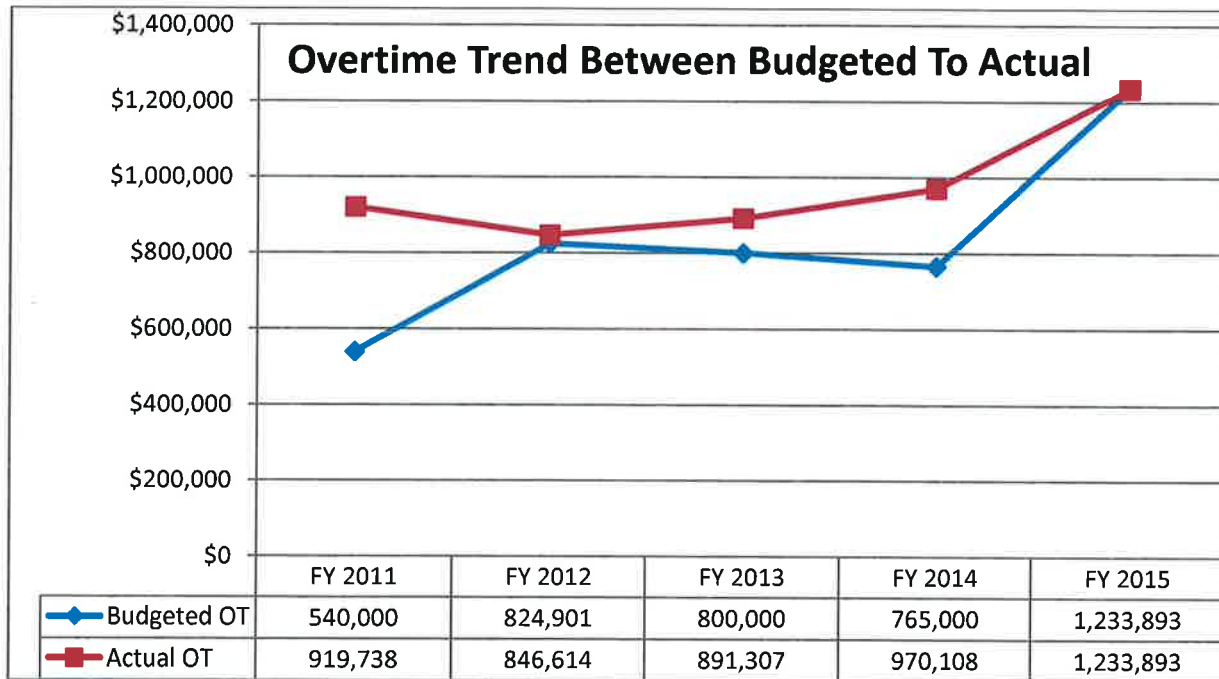
DA's response to overtime inquiry:

Background

On Friday, November 6, 2015, the Riverside County District Attorney's Office (DAO) received a letter from the Auditor Controller's Office regarding agency-wide overtime usage for FY 14/15. The total overtime reported for this period was $1,233,893. The DAO is charged with ensuring justice by prosecuting criminal cases, negotiating dispositions, seeking appropriate punishment, when necessary conducting criminal trials and protecting the rights of victims. The staff within our office have been challenged with using limited resources (staff time) and attempting to fulfill mandated expectations of the office. In accomplishing that task, some staff members have had to go above the call of duty and utilize additional hours in order to be successful to the agency's core mission.

Of the $1,233,893 in total costs, $982,062 or 80% was attributable to the Bureau of Investigations (the Bureau). The Bureau's core mission is in the preparation for prosecution of felony cases achieved by locating and protecting witnesses, conducting pretrial investigations and prepping exhibits for trial. In many instances, including various white collar crime and political corruption cases, the Bureau of Investigations is both the initial investigating agency and the primary agency responsible for any needed supplemental investigation and trial preparation duties. Of the $982,062, mentioned over half, or 55% ($534,421, was funded by various federal, state and local grants thereby having no effect on Net County Cost). Some of these grant sources include but are not limited to the Department of Insurance, Department of Homeland Security, United States Marshall Service, Real Estate Fraud and Consumer Fraud. The DAO actively seeks out a variety of grants and alternate funding sources to help ease an already strained countywide budget. Many of these funding streams have included overtime as an approved use of funding which the DAO has taken proper advantage of.

The Bureau and the DAO as a whole have had numerous attorney, investigator and support staff vacancies over the past several years that have remained unfilled. These positions have been frozen by the Executive Office due to budget constraints and thawing them has been difficult. The inability to access regular staff positions to fulfill the DAO's core mission has the direct result of increasing overtime costs for employees who make themselves available afterhours to ensure the office fulfills its legal and ethical obligations despite these significant staffing shortages. Indeed, the Assistant District Attorney of our Administrative Division, in consultation with Clerical executive staff has had to authorize recurrent overtime for clerical staff to work on Saturdays in order to keep up with the filing, data processing and case management duties which our current case management system requires.

Monitoring

Any overtime worked by any staff in the DAO including the Bureau require prior supervisory review and approval. Each requested use of overtime is vetted on a case by case basis before authorization is granted. As a law enforcement agency, it should be noted that not all work can be accomplished within the traditional work hours of 8am-5pm. There are several attorneys, investigators, technicians who are assigned to various special duties including regional task forces that often work after hours. Often times the initiation of criminal investigations requires

immediate enforcement action including search and arrest warrant service and criminal investigations. Additionally, many of our grants authorize and pay for this anticipated overtime.

In addition to the preventative measures taken via supervisory review on the timesheet, the DAO-Administrative Managers and supervisors will obtain standard PeopleSoft-HRMS payroll reports which details overtime use on a year to date basis. These reports will be received on a bi-weekly basis and upon review, specific course of action can be determined if necessary.

Communication

Upon final analysis of the payroll reports and communication to the supervisors, the Deputy Director of Administration will communicate the overtime use to Executive Management during the Executive Monthly Report presentation at least quarterly.
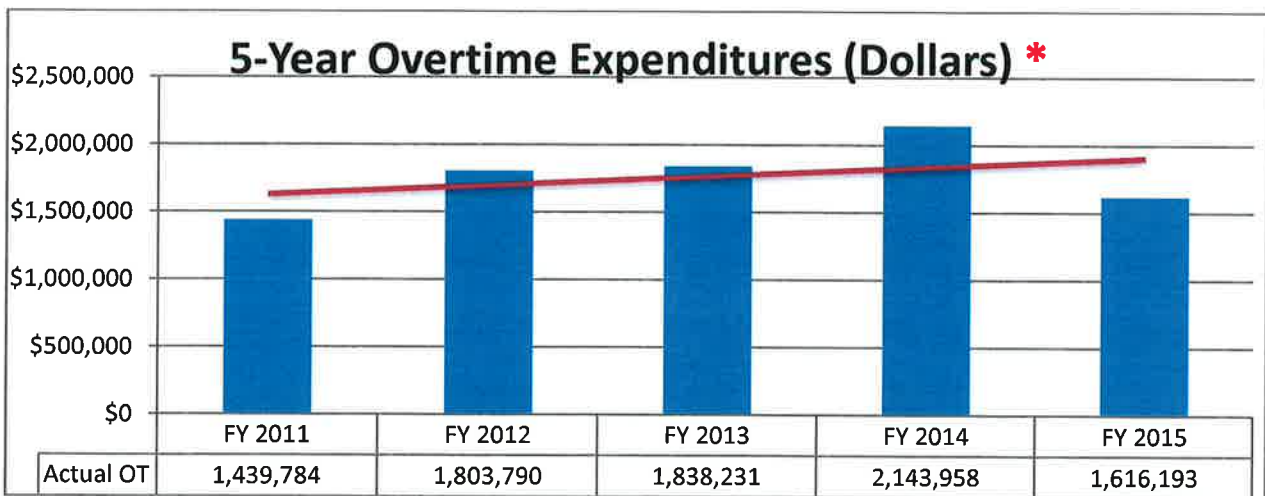
RIVERSIDE COUNTY PROBATION DEPARTMENT

The Probation Department (Probation) has 1,127 authorized positions within their three major budget units; Juvenile Institutions, Field Services and Administration. The current department-wide vacancy rate of 14.99%, or 169 positions, is a reduction from the previous overtime audit response vacancy rate of 26.43%, or 290 positions.

In fiscal year 2015, Probation reported labor expenditures of $73,986,614. Overtime expenditures were $1,616,193 of that amount. The following section looks at Probation Department's overtime expenditures over a five-year period.

Summary of overtime expenditures for the last five fiscal years:

Graph 5 below illustrates five-years of overtime expenditures incurred by the Probation Department. The department shows progressive increases in overtime expenditures of 48.9% from 2011 to 2014 with a decrease in 24.6% in 2015 from 2014 for an overall five-year period increase in overtime of 12.3% from 2011 to 2015.

Graph 5. Probation's overtime expenditures in dollars for five years

5-Year Overtime Expenditures (Dollars) *

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Actual OT	1,439,784	1,803,790	1,838,231	2,143,958	1,616,193

* Does not include overtime accruals that will be paid in future periods.

The total cost of overtime to the total cost of labor is illustrated in table 5 below.

Table 5. Probation's total overtime cost to total labor cost in dollars

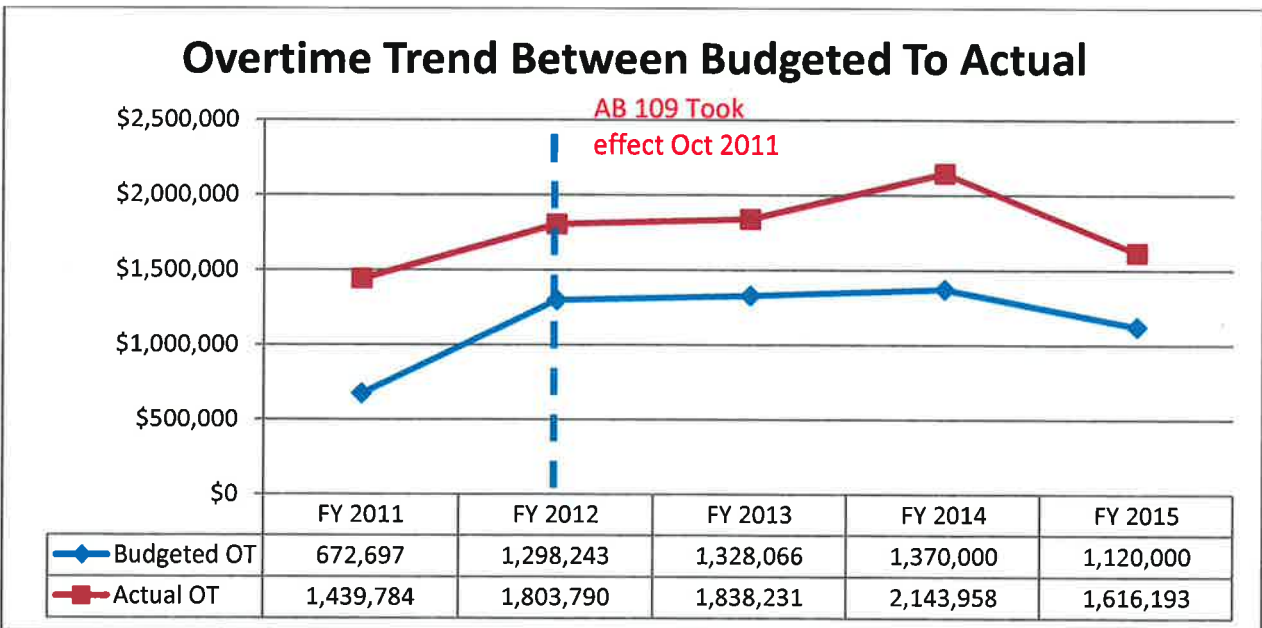| Total overtime cost to total labor cost in dollars (includes all benefits and labor taxes paid)					
Cost	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Overtime	1,439,784	1,803,790	1,838,231	2,143,958	1,616,193
Total Labor	61,790,040	63,398,737	66,909,624	71,176,134	73,986,614

The total overtime cost to total cost of regular salaries is illustrated in Table 6 below.

Table 6. Probation's overtime cost to regular salaries cost in dollars

Total overtime cost to regular salaries cost in dollars (only includes regular salaries data)					
Cost	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Overtime	1,439,784	1,803,790	1,838,231	2,143,958	1,616,193
Regular Salary	40,539,616	40,308,021	42,254,218	44,872,063	47,754,321

Comparison between budgeted and actual overtime cost is shown in graph 6 below.

Graph 6. Probation's comparison between budgeted overtime expenditures vs. actual overtime expenditures in dollars

Overtime Trend Between Budgeted To Actual

AB 109 Took effect Oct 2011

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Budgeted OT	672,697	1,298,243	1,328,066	1,370,000	1,120,000
Actual OT	1,439,784	1,803,790	1,838,231	2,143,958	1,616,193

Probation's response to overtime inquiry:

As disclosed in your letter dated November 06, 2015, and according to your office's collected data from July 1, 2014 through June 30, 2015, Probation Department staff recorded actual overtime costs of $1,616,193, a **25% decrease** from fiscal year 2013/14. As requested, below are the Probation Department's reasons and justifications for the use of overtime, including but not limited to reasons for the use of overtime, the protocol followed to approve overtime per the attached department policy, and the ongoing efforts to reduce the use of overtime. Based on the **25% decrease** in overtime usage from the prior fiscal year, the Probation Department has

been successful in its efforts to reduce the use of overtime and will continue to strive for further reductions in future fiscal years.

Overview

The Probation Department has three major budget units that contain authorized positions; Juvenile Institutions, Field Services and Administration. The Probation Department has 1,127 authorized positions with a current department wide vacancy rate of 14.99%, or 169 positions, a reduction from the previous overtime audit response vacancy rate of 26.43%, or 290 positions. The current vacancies are allocated as follows:

> Juvenile Institutions – 427 authorized positions, vacancy rate – 20.14%* (86 positions)
> Field Services – 614 authorized positions, vacancy rate – 11.07%* (68 positions)
> Administration – 86 authorized positions, vacancy rate – 17.44%* (15 positions)

> *The current vacancy rate does not include positions in a reduced work status, such as those with return to work restrictions; positions currently occupied but vacant due to FMLA leave and/or workers compensation claims.

The department continues to be aggressive in its efforts to fill all vacant positions. **For the current fiscal year, the target is to reduce vacancies by one-half.** To accomplish this task, the department has worked closely with County Human Resources and dedicated funding for three positions within the Human Resources department for Probation Department specific recruitments.

Additionally, the department has authorized the advertising of referral bonuses for key positions within the department, such as Probation Correction Officers (Juvenile Institutions) and Deputy Probation Officers (Field Services). The department is also exploring the feasibility of bonuses for difficult to recruit positions. The department continues to reduce the number of existing vacant positions by streamlining the background process; and increasing recruitment efforts by targeting populations that are most likely to successfully complete the stringent background process.

Overtime Budget and Oversight

The majority of the fiscal year 2014/15 Probation Department budgeted overtime of $1.12M is within the Juvenile Institutions budget unit, which accounted for $1.0M, or 89%. The remaining portion of the $1.12M budgeted overtime is allocated to Field Services $0.10M, and Administration $0.02M.

For each office within the Probation Department and on the back of each time sheet signed by employees and supervisors, overtime must be detailed with the purpose for the overtime and the amount of hours worked, and signed off by the appropriate supervisor before it is processed and paid. As included in the attached department policy referencing **Overtime, Section IV, Policy: "Overtime work is discouraged and is limited to emergencies and the**

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performance of urgent necessary functions. **Whenever possible, overtime is to be authorized in advance by the immediate supervisor."** This method of internal control ensures that the supervisor is aware of the overtime being worked and has authorized the overtime prior to being worked.

Field Services and Administration Budget Units: Approximately 39% of the Field Services and Administration overtime expenditures are reimbursed via outside funding and other revenue streams. For the Field Services budget unit, the overtime expenditures are typically for specific task force functions and specialized operations, such as the Sexual Assault Felony Enforcement (SAFE) teams and Special Task Force operations, **which are funded via grant allocations and memorandums of understanding with outside agencies specifically reimbursing the Probation Department for overtime activities.**

The Administration overtime expenditures are similarly **reimbursed via external grant allocations, such as the Community Corrections Performance Incentive Act (CCPIA) and AB 109 Public Safety Realignment (AB 109).** The majority of the overtime expenditures for the Administration budget unit are for quality assurance work performed with the reporting requirements of the CCPIA and AB 109 programs.

Juvenile Institutions Budget Unit: For the Juvenile Institutions budget unit where the majority of the overtime occurs for the department, Title 15-Section 1321 governs the mandated functions associated with the child custody and care duties, transportation requirements, court hearings, medical appointments, mandated training, etc. of the juvenile institutions. The code section specifically details the requirements for the minimum staffing levels associated with the operations of the juvenile detention facilities located in Riverside, Murrieta, and Indio.

Based on the code section, there is a 1 to 10 staffing requirement during the day or waking hours, and a 1 to 30 staffing requirement during the sleeping hours. The overtime associated with the juvenile institutions is a direct result of the existing vacancies within this budget unit, currently at 20.14%, and the Title 15-Section 1321 mandated requirements for minimum staffing levels. To maintain and ensure the proper control of available staffing resources within the Probation Department, the department continues to be diligent in training all detention facility schedulers to minimize overtime usage while ensuring that all detention facilities maintain compliance with Title 15 staffing requirements. One of the key tools that the Probation Department has implemented to ensure the proper allocation of available staffing resources while maintaining Title 15 compliance and ensuring officer safety is an electronic scheduling system within each detention facility that allows the schedulers to maximize available staffing resources when evaluating the need for overtime usage. Additionally, the **electronic scheduling system** allows the scheduler and manager to generate real-time usage reports, as opposed to waiting for the end of the pay period for the time to be keyed into the PeopleSoft system and payroll calculated to generate usage reports. Additionally, the department's **Executive Team and division managers receive regular overtime reports detailing**

overtime by location each pay period. The Executive Team also receives an overall monthly budget update that includes an overtime recap report, year-to-date figures in comparison to prior years' activity/costs, and end-of-year projections for overtime. This high-level briefing allows the Executive Team to stay on top of any anomalies with overtime usage and take immediate action to stem possible over expenditures.

Similar to the Field Services and Administration budget units, there is a revenue offset/reimbursement factor associated with the Juvenile Institutions overtime expenditures. **Approximately 20% of the overtime budgeted cost for Juvenile Institutions is reimbursed via the Standards for Training and Corrections (STC) funding.** The STC funding is utilized for juvenile institution staff required to attend training associated with their job duties and responsibilities.

In summary, the Probation Department continues to be cutting edge and prudent in maximizing available staffing resources, and using the latest technology and tools to establish and maintain effective internal controls designed to safeguard county resources while ensuring compliance with established laws, regulations and policies. **From the department's perspective, the total overtime cost of $1,616,193 for fiscal year 2014/15, a** <u>25% decrease</u> **from the prior fiscal year, is only 1.4% of the department's budget and is a direct reflection of the Probation Department's ongoing efforts to successfully reduce and control overtime costs. In addition, this cost is offset by grant funding and other revenues by approximately 19.8% or $319,232.**

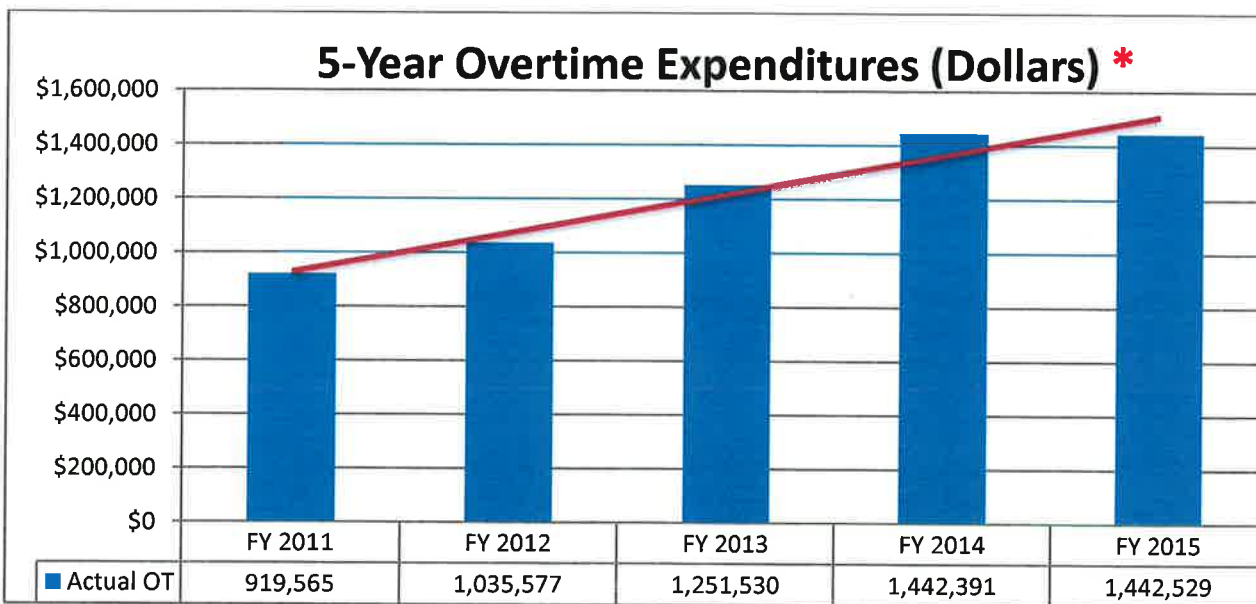## RIVERSIDE COUNTY FIRE DEPARTMENT (COUNTY EMPLOYEES)

The Riverside County Fire Department (Fire Department) on average responds to 400 emergencies everyday across the nearly 7,300 square miles that make up the County of Riverside. As of December 20, 2015, they responded to a total of 144,144 emergencies in 2015 from 91 operating fire stations. The department provides full service municipal and wildland fire protection, pre-hospital emergency medical response by paramedics and emergency medical technicians, technical rescue services, and responses to hazardous materials discharge. It directly partners with 22 County of Riverside cities to provide fire protection services and responds through mutual aid agreements with 6 other Riverside County cities.

In fiscal year 2015, the Fire Department reported labor expenditures of $22,282,460. Overtime expenditures were $1,442,529 of that amount. The following section looks at the Fire Department's overtime expenditures over a five-year period.

Summary of overtime expenditures for the last five fiscal years:

Graph 7 below illustrates five-years of overtime expenditures incurred by the Fire Department. The department shows progressive increases in overtime expenditures over the five-year period with a 56.9% total increase from 2011 to 2015.

Graph 7. Fire Department's overtime expenditures in dollars for five years

5-Year Overtime Expenditures (Dollars) *

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Actual OT	919,565	1,035,577	1,251,530	1,442,391	1,442,529

* Does not include overtime accruals that will be paid in future periods.

The total cost of overtime to the total cost of labor is illustrated in table 7 below.

Table 7. Fire Department's total overtime cost to total labor cost in dollars

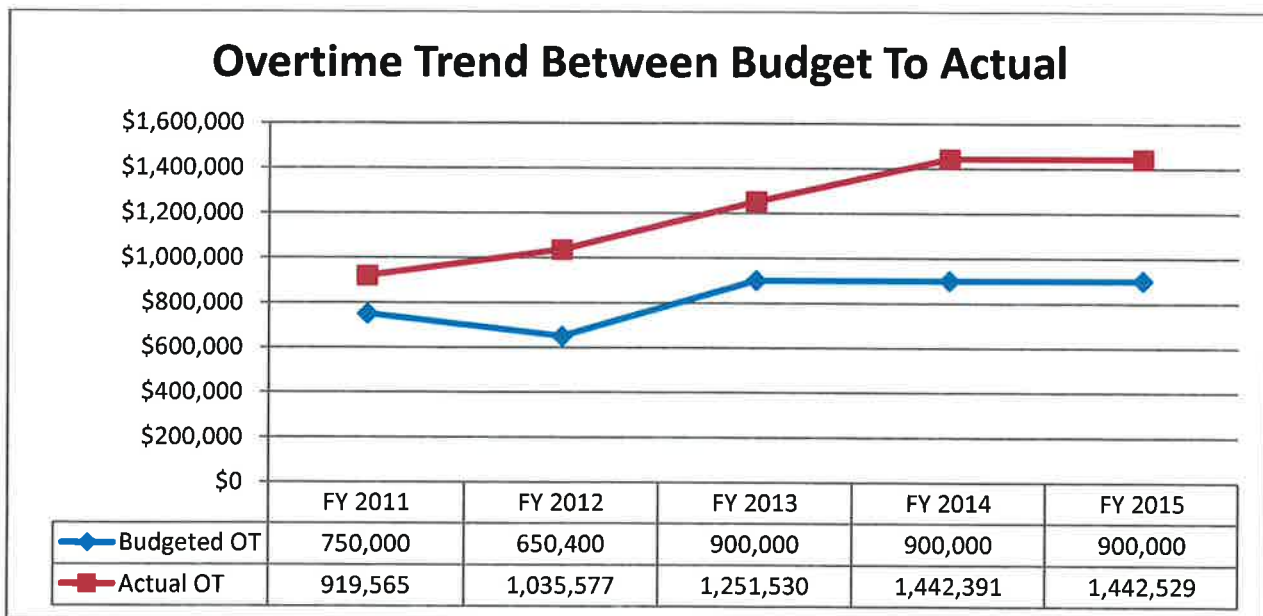| Total overtime cost to total labor cost in dollars (includes all benefits and labor taxes paid)					
Cost	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Overtime	919,565	1,035,577	1,251,530	1,442,391	1,442,529
Total Labor	16,341,844	17,308,719	17,969,185	19,930,555	22,282,460

The total overtime cost to total cost of regular salaries is illustrated in Table 8 below.

Table 8. Fire Department's overtime cost to regular salaries cost in dollars

Total overtime cost to regular salaries cost in dollars (only includes regular salaries data)					
Cost	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Overtime	919,565	1,035,577	1,251,530	1,442,391	1,442,529
Regular Salary	10,061,135	10,469,514	10,810,791	12,023,408	13,666,715

Comparison between budgeted and actual overtime cost is shown in graph 8 below.

Graph 8. Fire Department's comparison between budgeted overtime expenditures vs. actual overtime expenditures in dollars

Overtime Trend Between Budget To Actual

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Budgeted OT	750,000	650,400	900,000	900,000	900,000
Actual OT	919,565	1,035,577	1,251,530	1,442,391	1,442,529

Fire Department's response to overtime inquiry:

The Fire Department uses overtime for emergency response, coverage in our Emergency Command Center, call back for any type of maintenance issue (fleet, facility, com/it, etc...), and as workload deems necessary. Our support staff responds to the needs of our firefighters during emergency incidents and at times overtime is necessary.

Our Emergency Command Center is a 24 hour, 7 day a week dispatch center that requires staffing at all times. Overtime is used when employees are out sick, on medical leaves, and at times for vacations. We had several vacancies and some turnover in our Emergency Command Center last year that increased overtime as well. We have added two (2) Public Safety Communication Officers positions in FY 15/16 to help mitigate the overtime and the workload of our current staff.

The overtime in our Fleet, Facility Maintenance and Communications/IT Bureaus is due to necessary maintenance issues. We must always have our fleet well maintained even on evenings and weekends. The Fire Department, as you can imagine, is a 7/24/365 operation. All of our fire stations must be operational at all times day and night and our Facility Maintenance staff does respond to issues on call back overtime.

It is critical that our Communication/IT needs are met at all times as well and overtime is necessary after hours. We have added positions in our fleet and facility maintenance staff to assist in mitigating overtime. Our overtime in these areas is mostly due to the needs of our fire stations and vehicles. Adding the additional staff does not guarantee less overtime. Overtime is reviewed with each timesheet submittal and again after every pay period. All overtime on timesheets require separate signature approval. In addition, a report of overtime used and banked is provided to management after every pay period for review. The Executive Team and particularly the Fire Chief monitors the biweekly overtime report.
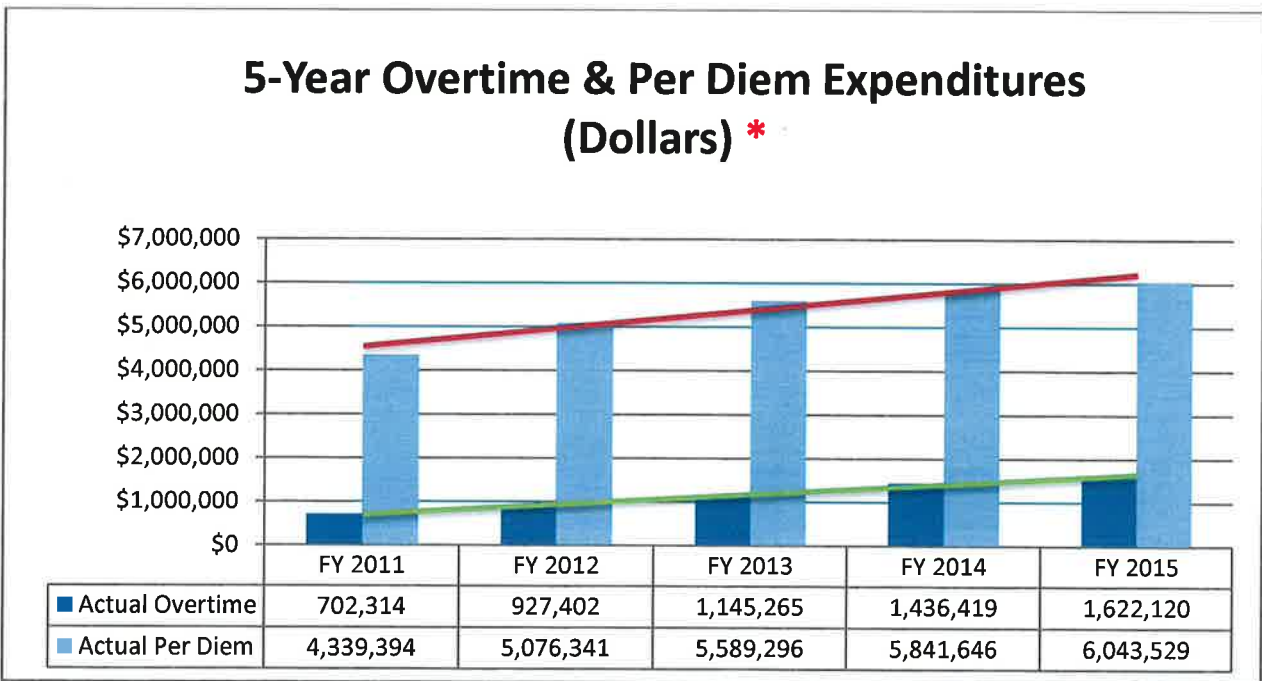
HEALTH

DEPARTMENT OF MENTAL HEALTH

The Riverside University Health System – Behavioral Health (Department of Mental Health (DMH)) has developed services that involve the latest innovations in clinical practices affecting mental health. The department has a dedicated professional team of approximately 1,000 employees consisting of Psychiatrists, Clinicians, Peer Specialists, and paraprofessionals who serve over 45,000 consumers annually through three major programs which include Mental Health Services, Substance Use Services and the Public Guardian's Office.

In fiscal year 2015, DMH reported expenditures for labor of $124,580,791, of which, $7,665,649 of that amount are expenditures for overtime and per diem. The following section looks at DMH's overtime and per diem expenditures over a five-year period.

Summary of overtime expenditures for the last five fiscal years:

Graph 9. DMH's overtime and per diem expenditures in dollars

5-Year Overtime & Per Diem Expenditures (Dollars) *

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
■ Actual Overtime	702,314	927,402	1,145,265	1,436,419	1,622,120
■ Actual Per Diem	4,339,394	5,076,341	5,589,296	5,841,646	6,043,529

* Does not include overtime accruals that will be paid in future periods.

Graph 9 above illustrates five-years of overtime expenditures incurred by the DMH. The department shows progressive increases in overtime expenditures over the five-year period with a 52.0% total increase from 2011 to 2015 (refer to graph 10).

Graph 10. DMH's combined total of overtime and per diem expenditures in dollars

Combined 5-Year Total

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Actual Combined	5,041,709	6,003,743	6,734,561	7,278,065	7,665,649
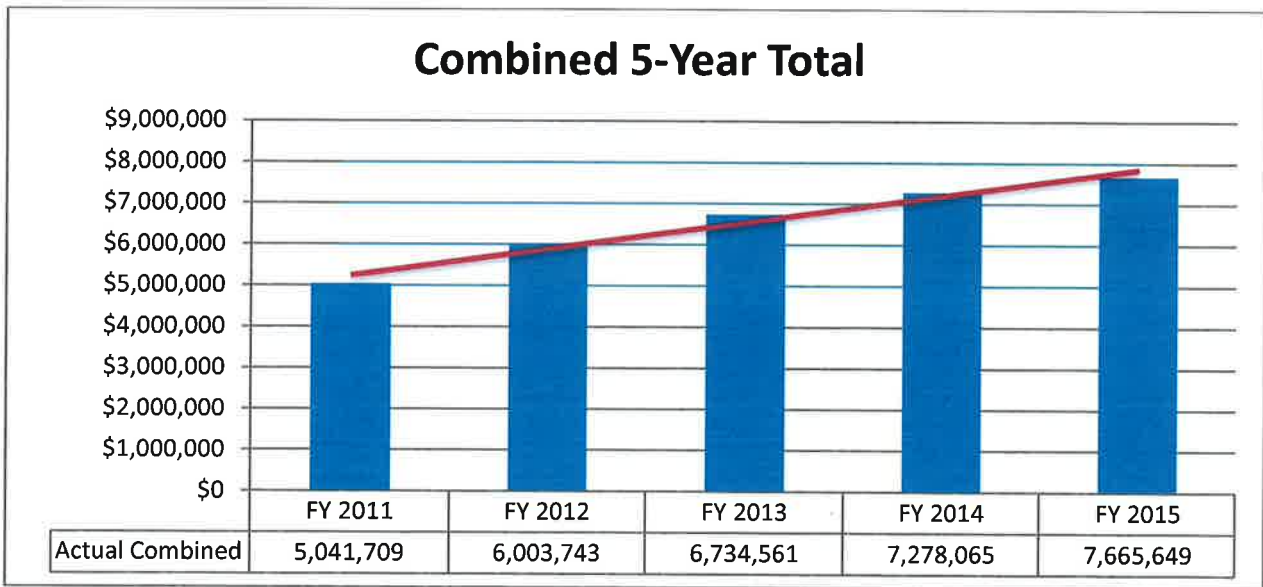
The total overtime to <u>total</u> labor cost is illustrated in table 9 below.

Table 9. DMH's total overtime cost to total labor cost in dollars

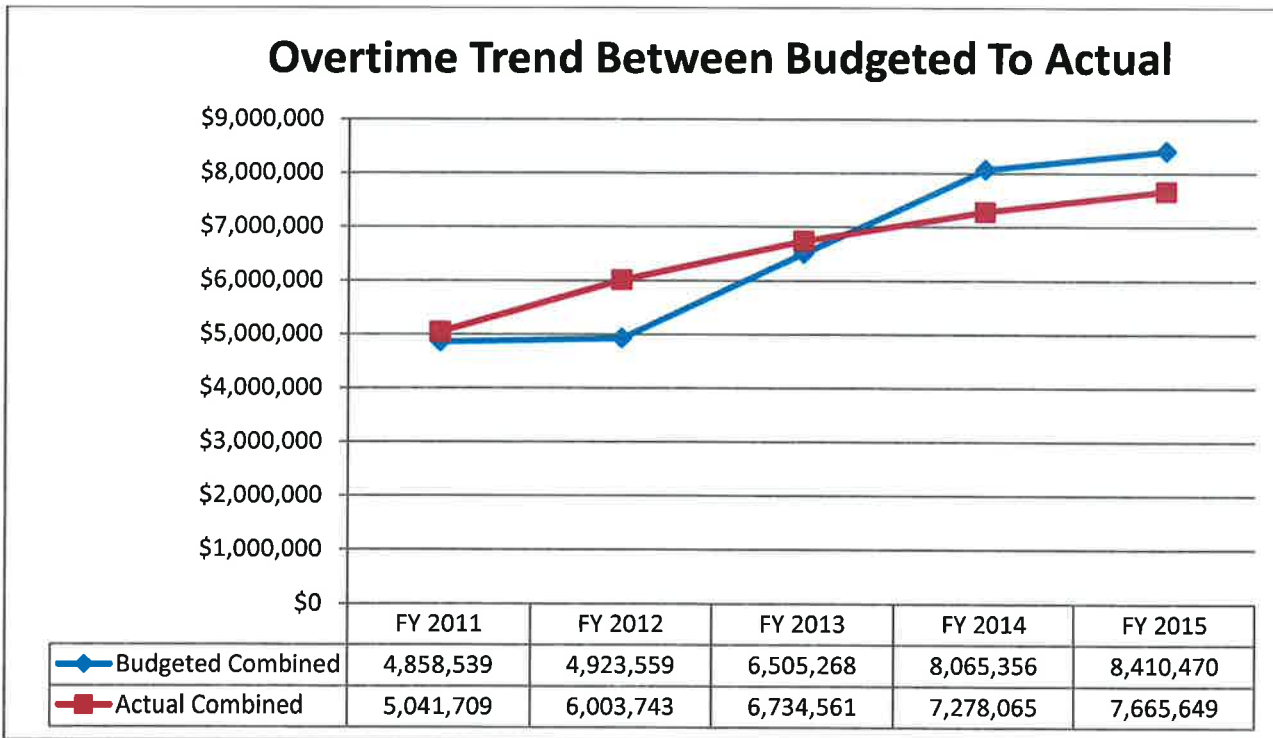| Total overtime cost to total labor cost in dollars (includes all benefits and labor taxes paid)					
Cost	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Per-Diem	4,339,394	5,076,341	5,589,296	5,841,646	6,043,529
Overtime	702,314	927,402	1,145,265	1,436,419	1,622,120
Total Labor	83,780,134	90,183,070	95,078,840	109,400,456	124,580,791

The total overtime cost to total cost of regular salaries is illustrated in Table 10 below.

Table 10. DMH's overtime cost to regular salaries cost in dollars

Total overtime cost to regular salaries cost in dollars (only includes regular salaries)					
Cost	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Per-Diem	4,339,394	5,076,341	5,589,296	5,841,646	6,043,529
Overtime	702,314	927,402	1,145,265	1,436,419	1,622,120
Regular Salary	51,817,327	54,579,255	58,888,363	68,029,940	78,874,395

Comparison between budgeted and actual overtime cost is shown in graph 11 below.

Graph 11. DMH's comparison between budgeted vs. actual overtime and per diem expenditures in dollars

Overtime Trend Between Budgeted To Actual

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Budgeted Combined	4,858,539	4,923,559	6,505,268	8,065,356	8,410,470
Actual Combined	5,041,709	6,003,743	6,734,561	7,278,065	7,665,649

DMH's response to overtime inquiry:

The increase in overtime is specifically related to the staffing shortages the department is experiencing with psychiatrists. Psychiatrist overtime is paid at straight time per the memorandum of understanding negotiated with the union, so while the department continues recruitment efforts to fill vacancies, having staff work overtime is a cost effective alternative to additional staffing because not all benefit costs increase with overtime usage. The department monitors and controls overtime usage through Policy 326 Employee Attendance and Kronos, the department's electronic timekeeping and reporting system.

In response to department efforts at reducing overtime, department staffing plans include continued usage of overtime as a staffing alternative while recruitment efforts continue in a market experiencing a significant shortage of mental health professionals. Again, the largest portion of department overtime and the specific reason for the recent increase in overtime is related to psychiatrists for which overtime is actually a cost effective staffing alternative since overtime is paid at straight time rate and not the traditional time and one half.

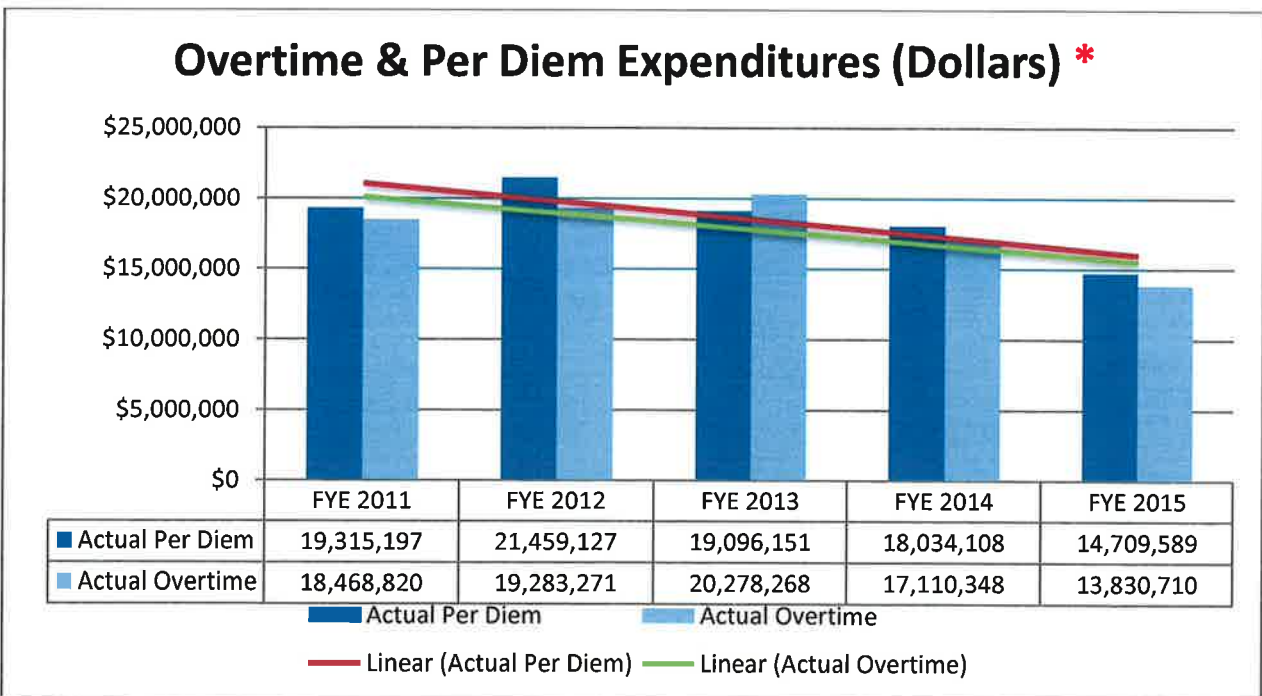### RIVERSIDE UNIVERISTY HEALTH SYSTEM – MEDICAL CENTER

Riverside University Health Systems – Medical Center (formerly RCRMC) is centrally located in the city of Moreno Valley. In fiscal year 2015, Riverside University Health Systems – Medical Center (Medical Center) incurred a total of $275,728,087 in labor cost of which $28,540,300 was overtime and per diem related cost. Since our last overtime monitoring report, overtime cost was reduced 18.8% or $6,604,157.

The following section looks at the Medical Center's overtime and per diem expenditures over a five-year period.

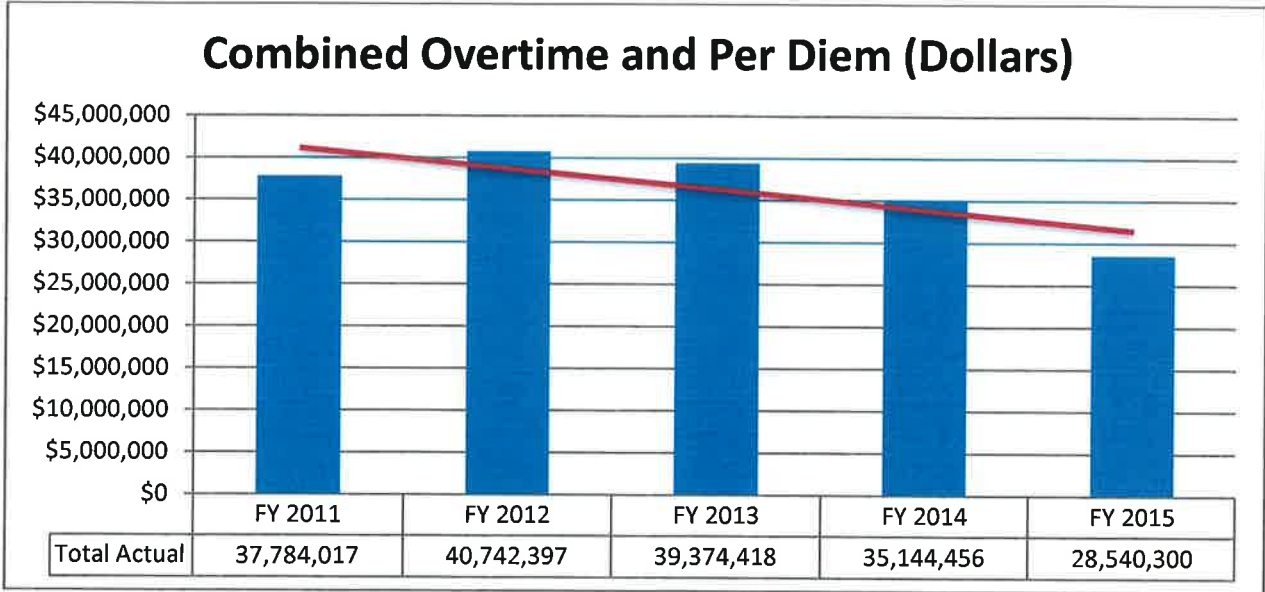*Summary of overtime expenditures for the last five fiscal years*:

In our collected data of the Medical Center's five-year overtime expenditures, per-diem expenditures were included with the assumption that most of the per diem cost was for temporary medical staff hired as needed to meet the demand. Graph 12 illustrates both overtime and per diem expenditures over a five-year period while Graph 13 is the combined total of both expenditures.

Graph 12. Medical Center's overtime and per diem expenditures in dollars for five years

Overtime & Per Diem Expenditures (Dollars) *

	FYE 2011	FYE 2012	FYE 2013	FYE 2014	FYE 2015
■ Actual Per Diem	19,315,197	21,459,127	19,096,151	18,034,108	14,709,589
■ Actual Overtime	18,468,820	19,283,271	20,278,268	17,110,348	13,830,710

Actual Per Diem   Actual Overtime
—— Linear (Actual Per Diem) —— Linear (Actual Overtime)

* Does not include overtime accruals that will be paid in future periods.

Graph 13. Medical Center's combined overtime and per diem expenditures in dollars for five years

Combined Overtime and Per Diem (Dollars)

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Total Actual	37,784,017	40,742,397	39,374,418	35,144,456	28,540,300

The total cost of overtime and per diem to the total cost of labor is illustrated in Table 11 below.

Table 11. Medical Center's total overtime cost to total labor cost in dollars

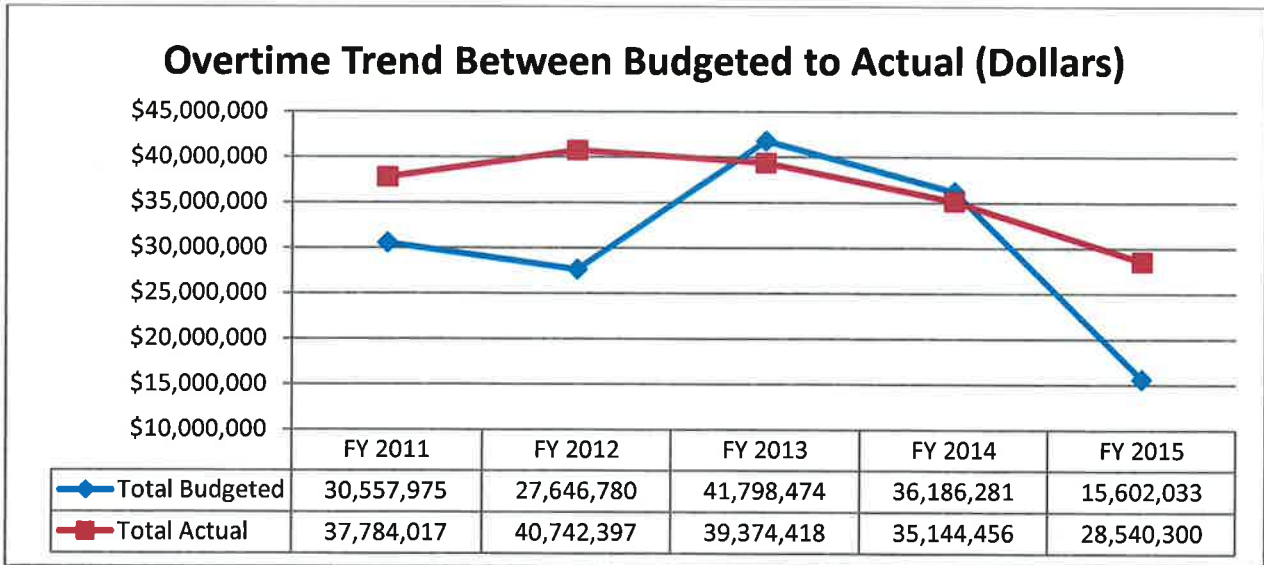| Total overtime cost to total labor cost in dollars (includes all benefits and labor taxes paid)					
Cost	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Per-Diem	19,315,197	21,459,127	19,096,151	18,034,108	14,709,589
Overtime	18,468,820	19,283,271	20,278,268	17,110,348	13,830,710
Total Labor	234,214,569	248,485,239	267,054,031	279,817,014	275,728,087

The total overtime and per diem cost to total regular salaries cost is illustrated in Table 12 below.

Table 12. Medical Center's overtime cost to regular salaries cost in dollars

Total overtime cost to regular salaries cost in dollars (only includes regular salaries data)					
Cost	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Per-Diem	19,315,197	21,459,127	19,096,151	18,034,108	14,709,589
Overtime	18,468,820	19,283,271	20,278,268	17,110,348	13,830,710
Regular Salary	122,241,328	128,753,210	146,052,026	157,990,267	160,479,412

Graph 14 below is a comparison of budgeted and actual overtime cost. In this graph, the overtime and the per diem cost are added as one total and shown as overtime cost.

Graph 14. Medical Center's comparison between budgeted overtime expenditures vs. actual overtime expenditures in dollars

Overtime Trend Between Budgeted to Actual (Dollars)

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Total Budgeted	30,557,975	27,646,780	41,798,474	36,186,281	15,602,033
Total Actual	37,784,017	40,742,397	39,374,418	35,144,456	28,540,300

Medical Center's response to overtime inquiry:

Overall, the primary reasons for the 19% decrease in overtime from FY14 to FY15 are as follows:

➢ Through attrition, we no longer hire into what was "84 hour per pay period, full-time positions" which was the norm in the past. These nursing staff would automatically accrue 8 hours of OT (1 ½) every pay period. In 2014 we began hiring only 80 or 72 hour/pp staff, resulting in instant and significant savings on OT with new staff.

➢ In 2013 and 2014, managers were given several classes on managing labor costs and concepts of productivity. These classes were initially taught by Nursing leaders and further classes were added when Huron consulted. These classes gave the tools and understanding to managers to better manage their finances, including OT.

➢ In 2013, Nursing Leadership created an every shift staffing evaluation spreadsheet for all medical-surgical units (6). Managers and Charge Nurses completed the tool each shift and adjusted staffing as needed. Targets to meet were also set. The spreadsheet was later improved and implemented in all Nursing areas by Huron.

➢ In 2014, an A.C.N.O. implemented a class entitled "Productivity and Cost Containment" for all RCRMC Charge Nurses to attend. Because the Charge Nurse oversees the staffing during weekends and nights, their education resulted in tighter management of both regular and OT hours.

➢ A lower census in some areas has assisted in decreasing OT.

How management monitors, controls and communicates OT performance:

- Inpatient nursing units (the Charge Nurse) complete a spreadsheet every four hours that lists patient census, # of patients requiring Constant Observers for safety, and number of nursing hours used in that 4 hour period. The spreadsheet calculates the worked hours per unit of service (WHPUOS). If the unit is "over budget", the Charge Nurse must either make staffing adjustments or include an explanation as to why hours are more than is budgeted. Adjustments could include sending someone on OT home. Reasons to continue with current staff could include a higher patient acuity, for example. The manager reviews the spreadsheet information both concurrently and then the 24 hour statistics the next day.
- The above report then transfers totals for the entire pay period to another spreadsheet that all managers review each pay period.
- The payroll department sends a report of OT each pay period to each manager for review. This report has included the data for the 84 hour OT, which has made it a bit difficult to distill total OT that could be a concern; however the report is being changed to not include that OT.
- The Staffing Office has a staffing system, "ANSOS", that also gives a report on overtime shifts. This is distributed to managers every pay period for review.
- Managers give their A.C.N.O. a justification of overtime and any actions needed, if there is any increase or concern about OT.
- The Finance Department has created some helpful graphs with OT information that show trending.
- Several recruitment fairs have been held to fill positions. Empty positions often equate with OT for that department.
- In 2014, the Nursing Leadership evaluated the increasing number of patients requiring Constant Observers (patients requiring close observation related to safety and/or confusion) and created a plan. This resulted in efforts to move some patients within close proximity with one staff member monitoring 2-4 patients every 5 minutes instead of each one staff member continuously for each one patient. This is possible only for a subset of our population. Less hours of Constant Observers has resulted in less worked hours and less OT.
- Staff was notified that paid education hours should rarely be overtime. The classes are scheduled to occur within the 36 hour week as much as possible. Managers monitor this closely. We will also often adjust classes to be two 4 hour classes versus one 8 hour class and stagger them so that no OT is incurred.
- Managers closely monitor "incidental" overtime. This is when there is creep in the OT due to nurses staying late small amounts of time such as 15 or 30 minutes. This incurs double time after 24 hours and can become significant if the manager does not monitor and control. There are emergencies that occur where it is acceptable, but trends of frequent incident OT are addressed with nursing staff as a performance/organization of care issue.
- We've implemented specialty training programs to fill nursing positions that are difficult to recruit.

> We've increased nursing competencies so that they can float to other areas, preventing OT in a high census unit. For example, the six medical-surgical units all float to each other and also are trained to float to the Intermediate Care Unit.

Challenges to controlling OT:

> We will have many 84 hour staff working here for many years.
> Open positions for hard to fill specialties, such as ICU and Emergency Department, are high and create need for OT to meet patient needs. We are even experiencing that the registries cannot meet all of our needs with day to day registry and travelers.
> Lack of a time clock system—which will be implemented in 2016.
> The union MOUs prevent us from sending home regularly scheduled staff during low census periods. Most hospitals do not have this stipulation and this limits our options at times.
> Unexpected fluctuations in census or acuity.

PUBLIC ASSISTANCE

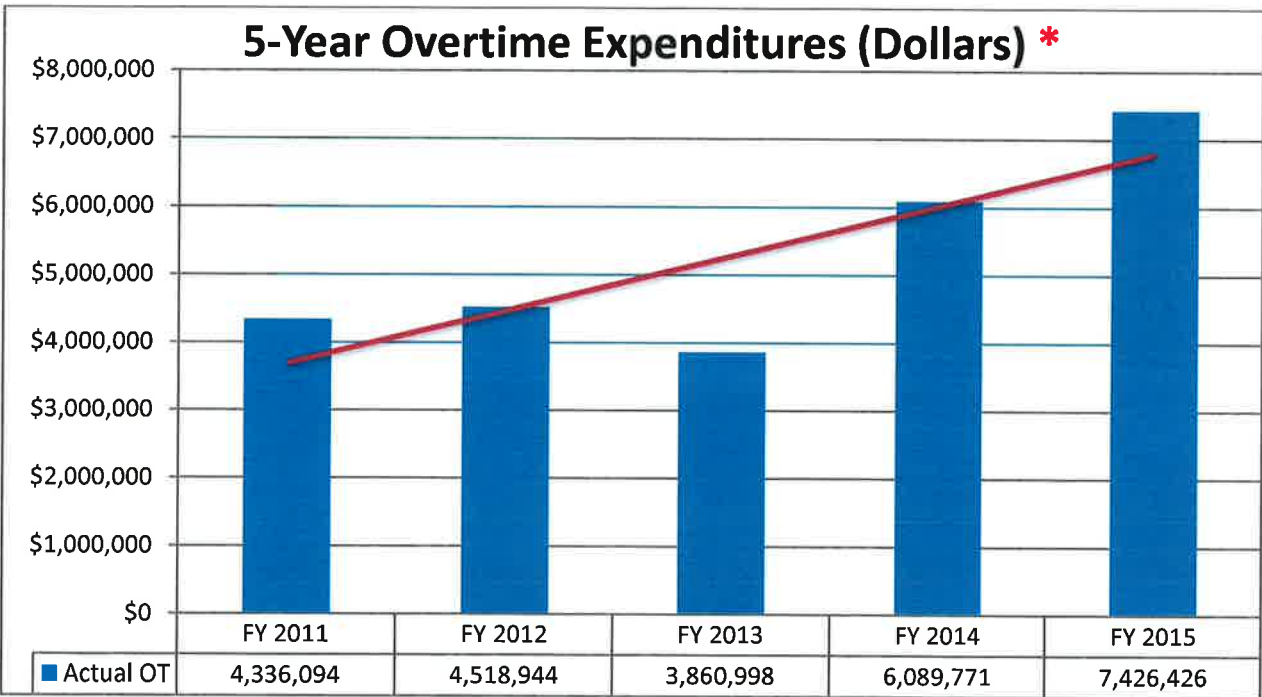### _DEPARTMENT OF PUBLIC SOCIAL SERVICES_

Department of Public Social Services (DPSS), with several offices spread throughout the County of Riverside, is comprised of more than 3,800 employees who work collectively and in partnership with community-based organizations to serve the needs of the community.

In fiscal year 2015, DPSS reported labor expenditures of $294,093,587. Overtime expenditures were $7,426,426 of that amount. The following section looks at the DPSS' overtime expenditures over a five-year period.

Summary of overtime expenditures for the last five fiscal years:

Graph 15 below, illustrates five-years of overtime expenditures incurred by DPSS.

Graph 15. DPSS' overtime expenditures

5-Year Overtime Expenditures (Dollars) *

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
■ Actual OT	4,336,094	4,518,944	3,860,998	6,089,771	7,426,426

* Does not include overtime accruals that will be paid in future periods.

The total cost of overtime to the <u>total</u> cost of labor is illustrated in table 13.

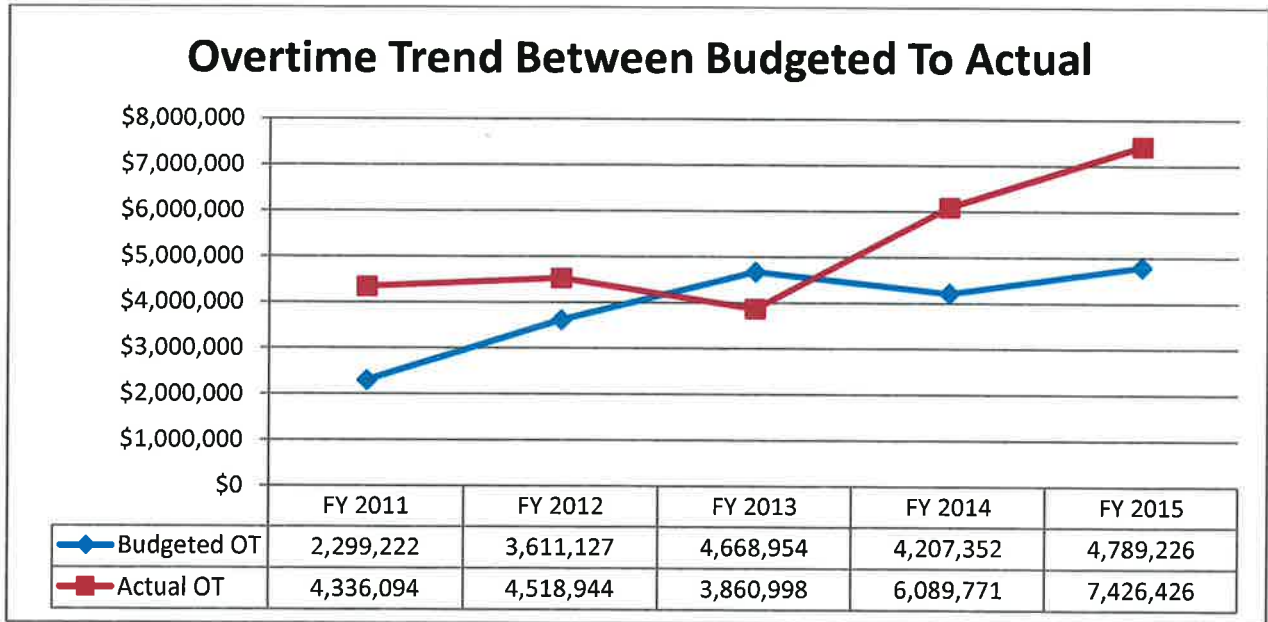*Table 13. DPSS' total overtime cost to total labor cost in dollars*

Total overtime cost to total labor cost in dollars (includes all benefits and labor taxes paid)					
Cost	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Overtime	4,336,094	4,518,944	3,860,998	6,089,771	7,426,426
Total Labor	225,207,857	238,649,158	244,205,312	264,740,225	294,093,587

The total overtime cost to total cost of regular salaries is illustrated in table 14.

Table 14. DPSS' overtime cost to regular salaries cost in dollars

Total overtime cost to regular salaries cost (only includes regular salaries data)					
Cost	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Overtime	4,336,094	4,518,944	3,860,998	6,089,771	7,426,426
Regular salary	142,008,435	148,355,262	154,937,498	165,271,848	183,879,121

Graph 16. DPSS' comparison between budgeted overtime expenditures vs. actual overtime expenditures in dollars

Overtime Trend Between Budgeted To Actual

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Budgeted OT	2,299,222	3,611,127	4,668,954	4,207,352	4,789,226
Actual OT	4,336,094	4,518,944	3,860,998	6,089,771	7,426,426

DPSS' response to overtime inquiry:

The Department of Public Social Services (DPSS) requires program management to review and justify all requests for extended overtime. Justification can include new workload mandates, regulatory changes, or recruitment and retention issues. Overtime utilization is monitored and controlled through periodic reporting of expenditures. Budgetary impacts of overtime utilization are reviewed monthly with department executives.

Department records indicate that overtime in FY 14/15 accounted for 2.7% of total salaries. It is correct that there was an increase in overtime hours of 5% from 226,429 in FY 13/14 to 238,806 in FY 14/15. However, the increase in cost associated with overtime is driven primarily by salary increases rather than hours of overtime incurred.

The total cost of overtime went from $6.3 million in FY 13/14 to $7.5 million in FY 14/15. The average overtime cost per hour in FY 14/15 was approximately $32.00. The increase in overtime hours at this rate accounts for approximately $400,000 of the increase. A second factor contributing to the increase in overtime expense is negotiated salary increases for FY 14/15. In addition to a 2% COLA at the beginning of the fiscal year, an additional 3 steps were available to many SEIU and LIUNA staff. This resulted in a 10% increase in overtime costs or approximately $650,000 of the overtime cost increase.

During this same time period, the department continued to experience significant caseload growth including: Medi-Cal – 57.9%; CalFresh – 5.5%; Adult Protective Services – 15.9%; Child Welfare Services – 8%; Foster care 5.4%; and Adoptions Assistance Program – 4.6%. The department also hired and trained several hundred new employees to backfill for attrition and to respond to the increasing demand for services.

In summary, DPSS continues to prioritize hiring to meet the increased workload resulting from regulatory changes and caseload growth. Authorization for overtime is based on justified workload needs that are necessary to process cases within required time lines.

INTERNAL SERVICE FUND

RIVERSIDE COUNTY INFORMATION TECHNOLOGY

Riverside County Information Technology (RCIT) is an Internal Service Fund department with reliance on revenues received from services. The department is a full service provider of IT services which include:
- Applications Development
- Communications Services
- Geographic Information Services
- Operations Support Services
- Project Management Office
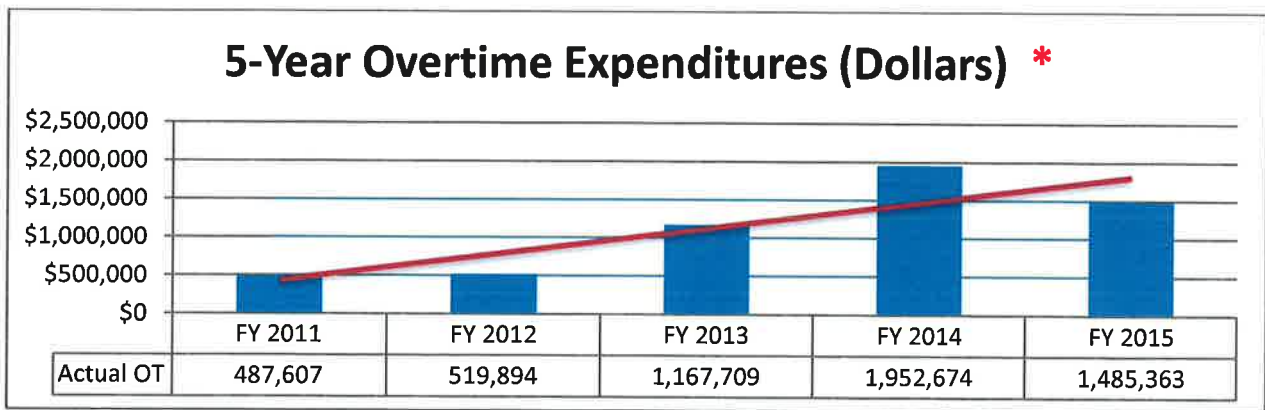- Services and Support
- System Services

The extensive array of technology solutions and service extend beyond county internal departments to other local governments and agencies. These agencies and local governments include Moreno Valley, Riverside City, San Jacinto, Commission for Women, Coachella Valley Community Events, and the Inland Empire Small Business Development Center among others.

In fiscal year 2015, RCIT reported labor expenditures of $61,848,796. Overtime expenditures were $1,485,363 of that amount. The following section looks at RCIT's overtime expenditures over a five-year period.

Summary of overtime expenditures for the last five fiscal years:

Graph 17 below illustrates five-years of overtime expenditures incurred by the RCIT. The department shows progressive increases in overtime expenditures over the four-year period with a decrease in the last year resulting in a 205% net increase from 2011 to 2015.

Graph 17. RCIT's overtime expenditures in dollars for five years

5-Year Overtime Expenditures (Dollars) *

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Actual OT	487,607	519,894	1,167,709	1,952,674	1,485,363

* Does not include overtime accruals that will be paid in future periods.

The percentage of total cost of overtime to the <u>total</u> cost of labor is illustrated in table 15 below.

Table 15. RCIT's *total overtime cost to total labor cost in dollars*

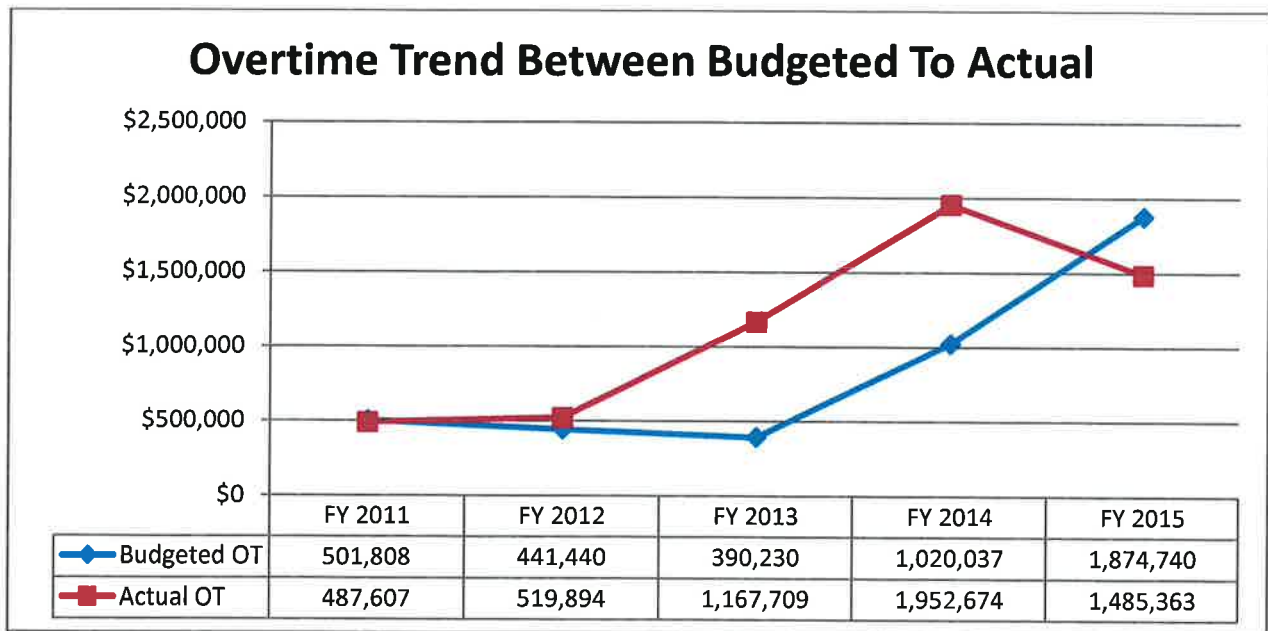| Total overtime cost to total labor cost in dollars (includes all benefits and labor taxes paid)					
Cost	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Overtime	487,607	519,894	1,167,709	1,952,674	1,485,363
Total Labor	23,007,515	22,007,482	31,797,610	45,073,377	61,848,796

The total overtime cost to total cost of regular salaries is illustrated in Table 16 below.

Table 16. RCIT's *overtime cost to regular salaries cost in dollars*

Total overtime cost to regular salaries cost in dollars (only includes regular salaries data)					
Cost	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Overtime	487,607	519,894	1,167,709	1,952,674	1,485,363
Regular Salary	15,261,424	14,287,809	20,596,064	27,689,931	41,137,517

Comparison between budgeted and actual overtime cost is shown in graph 18 below.

Graph 18. RCIT's comparison between budgeted overtime expenditures vs. actual overtime expenditures in dollars

Overtime Trend Between Budgeted To Actual

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Budgeted OT	501,808	441,440	390,230	1,020,037	1,874,740
Actual OT	487,607	519,894	1,167,709	1,952,674	1,485,363

RCIT's response to overtime inquiry:

RCIT is currently in a negative unrestricted net position due to budgetary constraints and has been reviewing its overall spending including overtime usage. With the partial consolidation of IT classified positions to RCIT from departments, we have been working with our new organizational structure to review and reduce the use of overtime and on-call. Due to budgetary constraints during FY14/15, RCIT management called for reductions in overtime and on-call usage to the minimum needed to maintain its supported systems. With this necessity to balance its budget in FY14/15 RCIT was able to reduce its use of overtime and on-call support without impacting its customer's requirements.

RCIT is responsible for the support of critical systems and applications that must be maintained and kept operational 24/7 which requires use of overtime for downtime issues, off hour maintenance, upgrades, and patching. RCIT monitors its overtime usage and performance monthly by the use of overtime reports supplied to each Bureau manager by administration. As RCIT is not out of budgetary issues, we will continue to review and evaluate our overtime usage to continue to consolidate and reduce where possible.