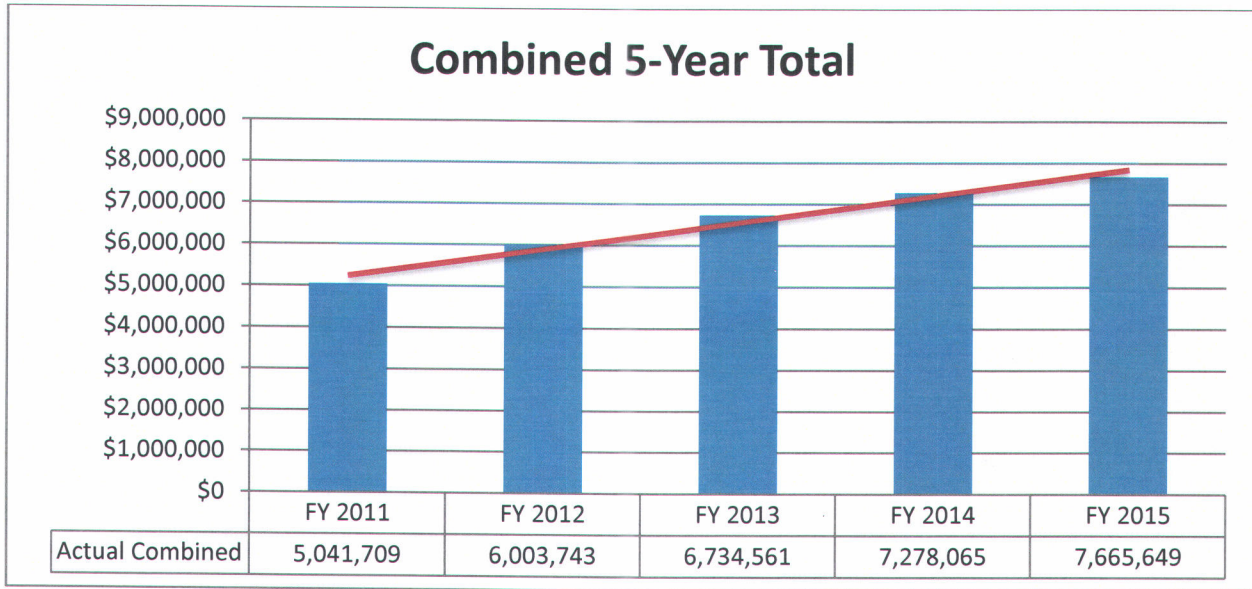


Graph 10. DMH's combined total of overtime and per diem expenditures in dollars



The total overtime to total 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
<b>Total Labor</b>	<b>83,780,134</b>	<b>90,183,070</b>	<b>95,078,840</b>	<b>109,400,456</b>	<b>124,580,791</b>

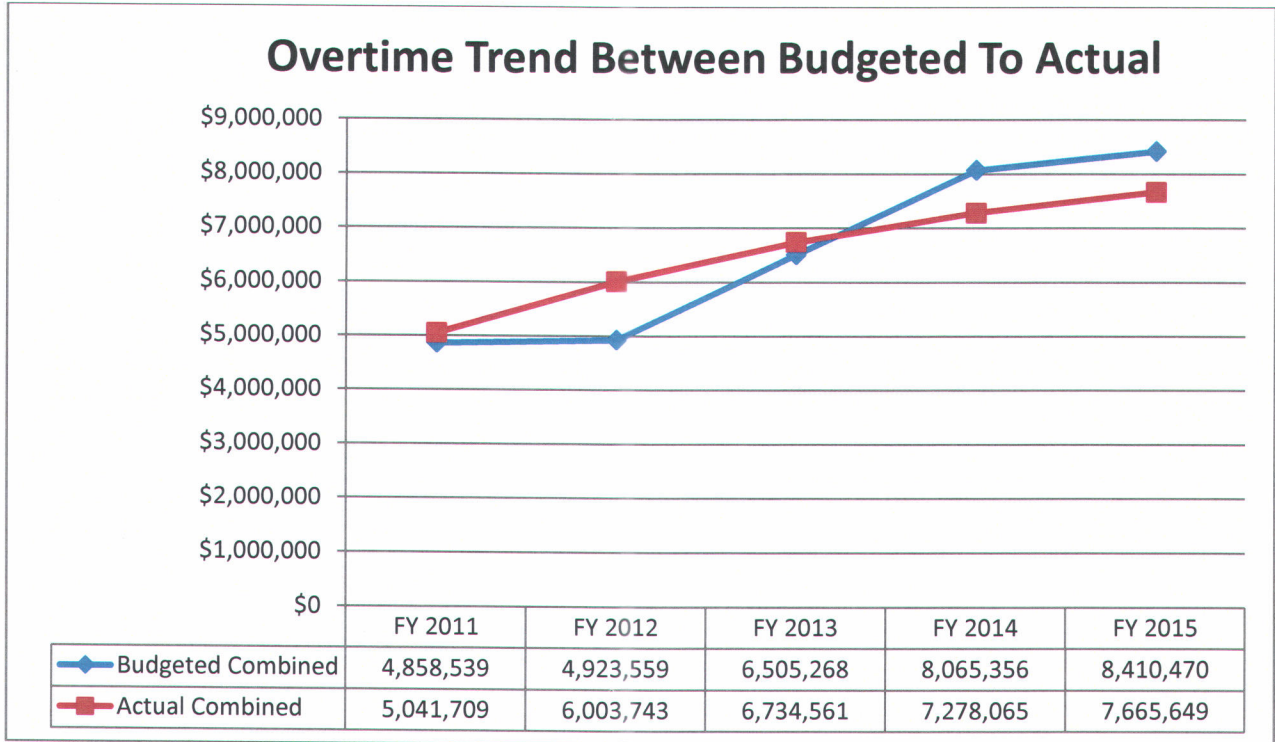
The total overtime cost to total cost of regular salaries is illustrated in Table 10 below.

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
<b>Regular Salary</b>	<b>51,817,327</b>	<b>54,579,255</b>	<b>58,888,363</b>	<b>68,029,940</b>	<b>78,874,395</b>

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



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**

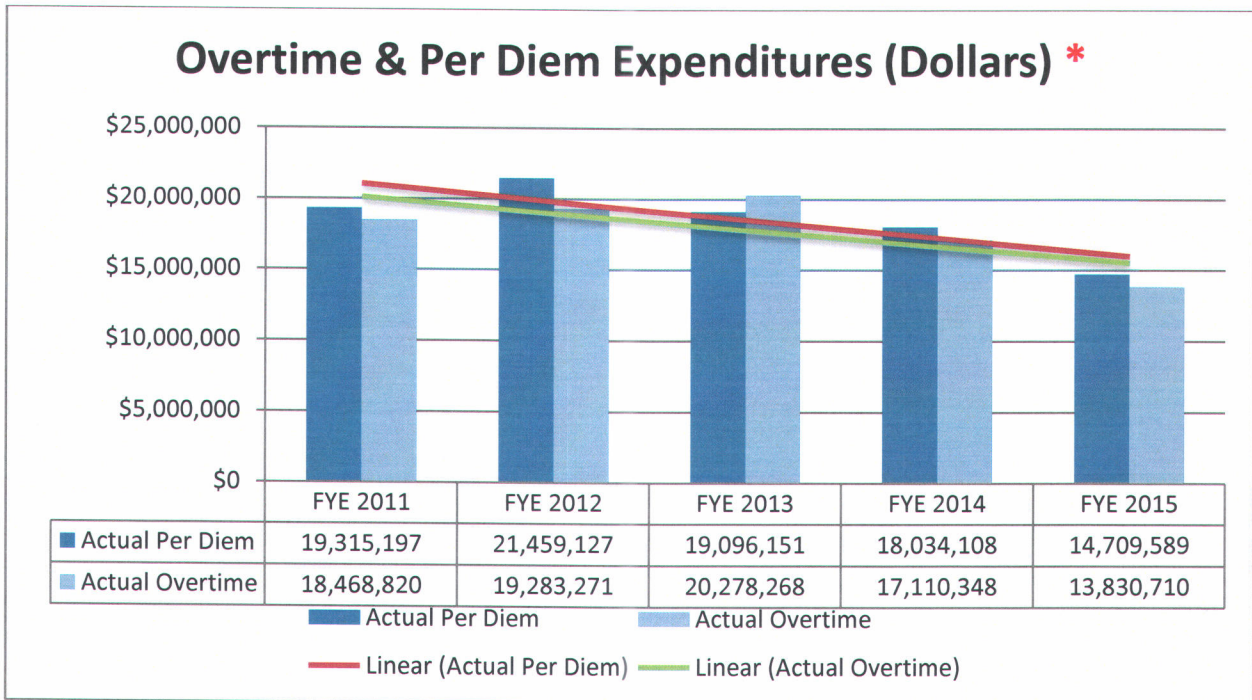
Riverside University Health Systems – Medical Center (formerly RCRMC) is centrally located in the city of Moreno Valley. In fiscal year 2015, Riverside University Health Systems – Medical Center (Medical Center) incurred a total of \$275,728,087 in labor cost of which \$28,540,300 was overtime and per 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:

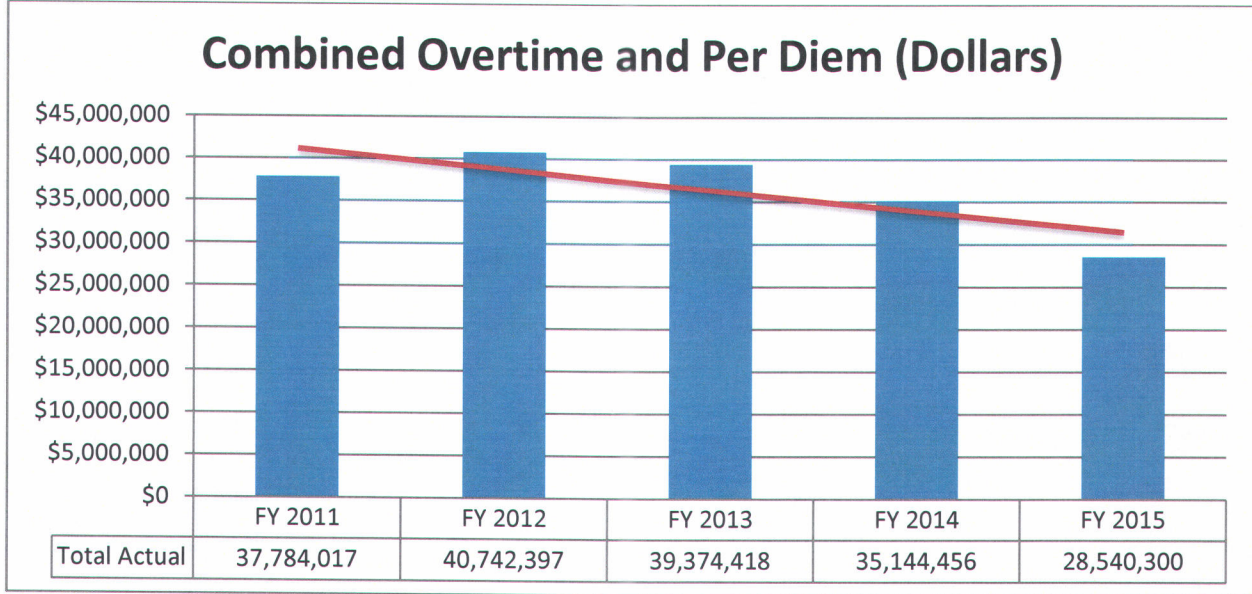
In our collected data of the Medical Center’s five-year overtime expenditures, per-diem expenditures were included with the assumption that most of the per diem cost was for temporary medical staff hired as needed to meet the demand. Graph 12 illustrates both overtime and per diem expenditures over a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



\* 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



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
<b>Total Labor</b>	<b>234,214,569</b>	<b>248,485,239</b>	<b>267,054,031</b>	<b>279,817,014</b>	<b>275,728,087</b>

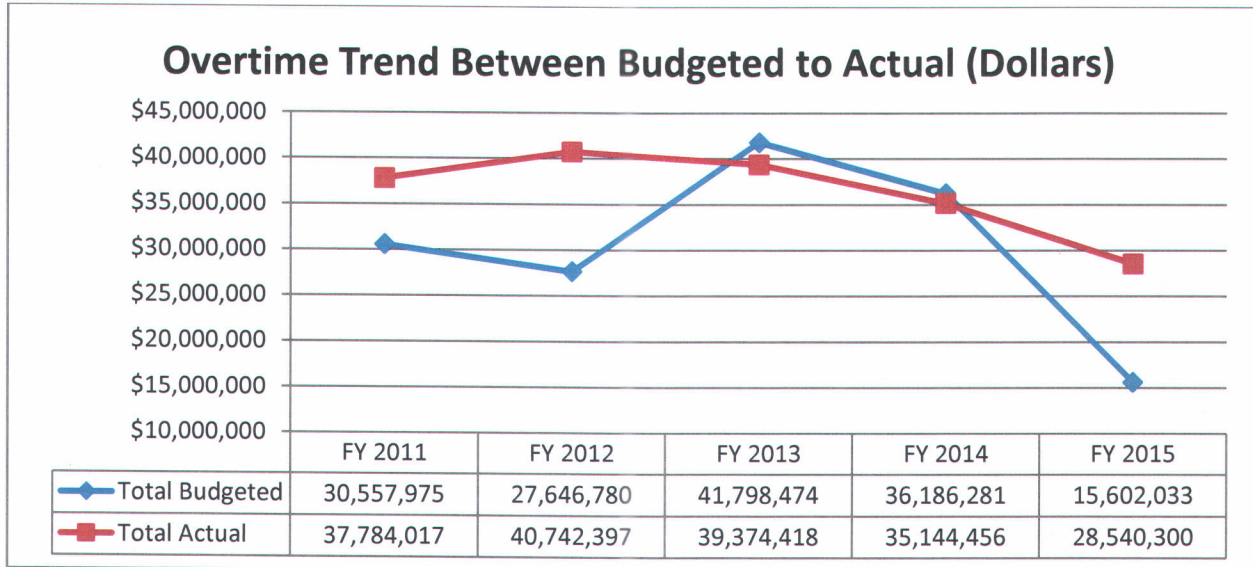
The total overtime and per diem cost to total regular salaries cost is illustrated in Table 12 below.

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
<b>Regular Salary</b>	<b>122,241,328</b>	<b>128,753,210</b>	<b>146,052,026</b>	<b>157,990,267</b>	<b>160,479,412</b>

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



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

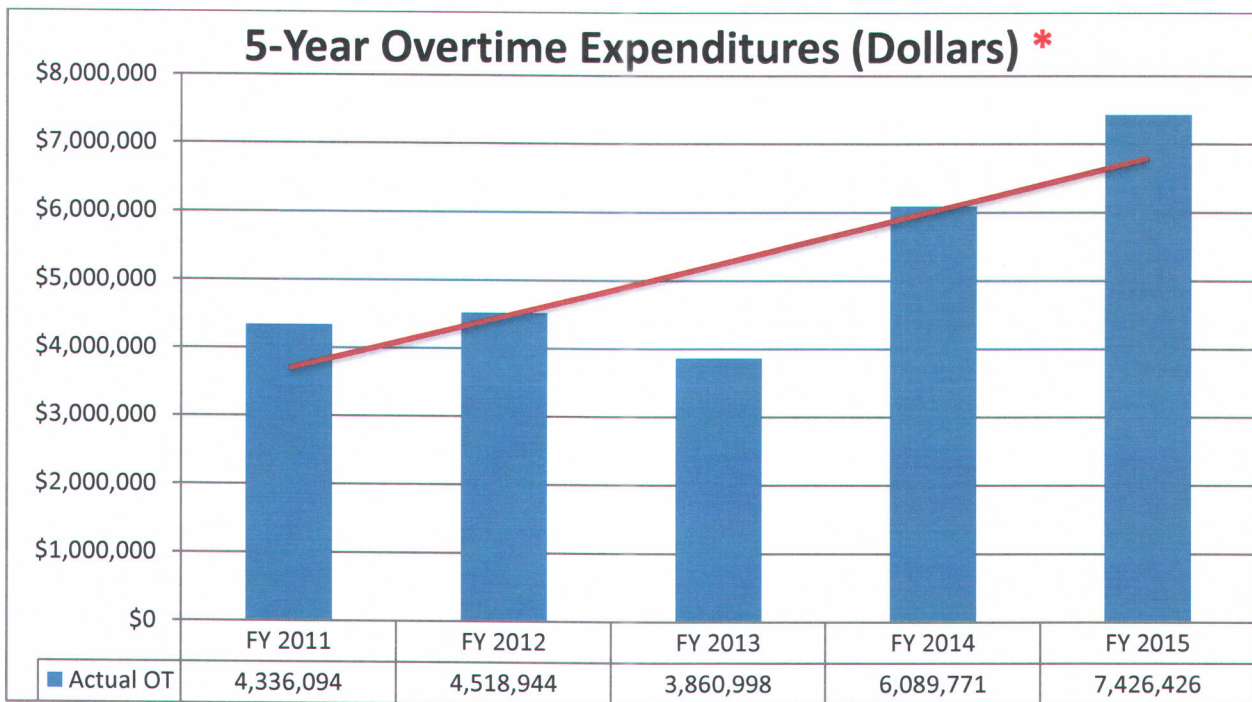
Department of Public Social Services (DPSS), with several offices spread throughout the County of Riverside, is comprised of more than 3,800 employees who work collectively and in partnership with community-based organizations to serve the needs of the community.

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



\* 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 13.

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

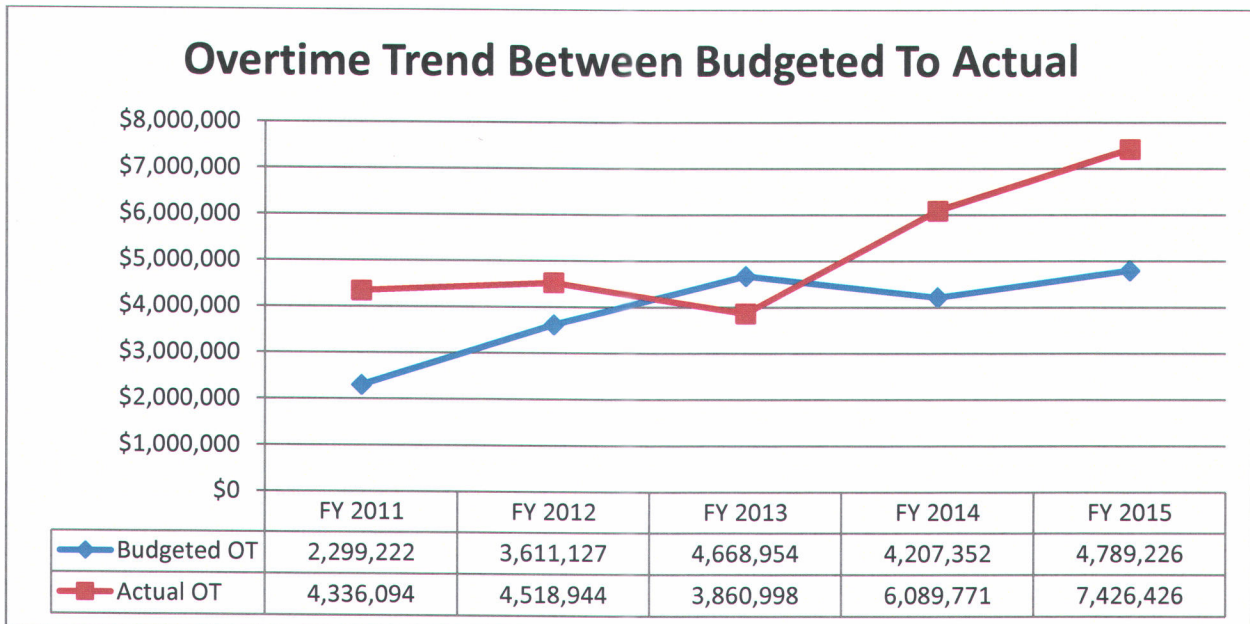
Total overtime cost to total labor cost in dollars (includes all benefits and labor taxes paid)					
Cost	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Overtime	4,336,094	4,518,944	3,860,998	6,089,771	7,426,426
<b>Total Labor</b>	<b>225,207,857</b>	<b>238,649,158</b>	<b>244,205,312</b>	<b>264,740,225</b>	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

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
<b>Regular salary</b>	<b>142,008,435</b>	<b>148,355,262</b>	<b>154,937,498</b>	<b>165,271,848</b>	<b>183,879,121</b>

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



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

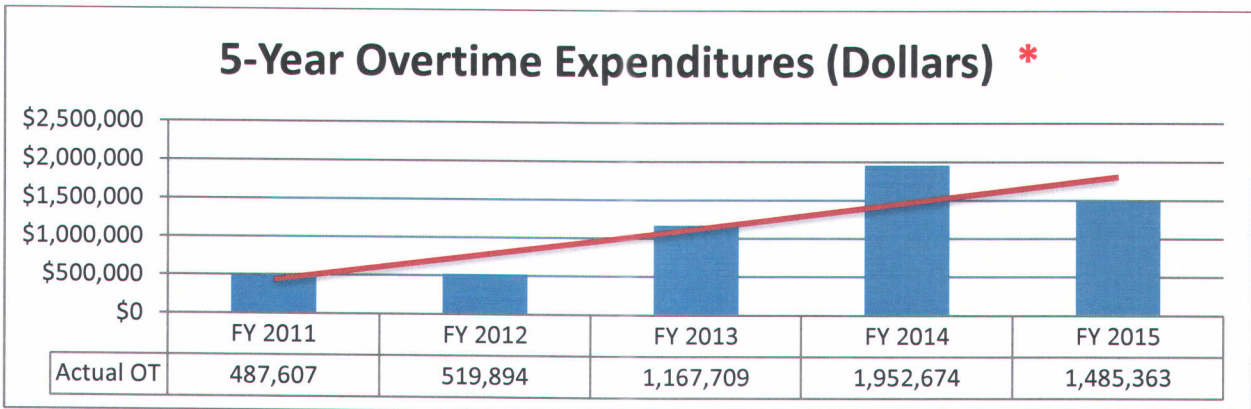
The extensive array of technology solutions and service extend beyond county internal departments to other local governments and agencies. These agencies and local governments include Moreno Valley, Riverside City, San Jacinto, Commission for Women, Coachella Valley Community Events, and the Inland Empire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



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

The percentage of total cost of overtime to the total 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
<b>Total Labor</b>	<b>23,007,515</b>	<b>22,007,482</b>	<b>31,797,610</b>	<b>45,073,377</b>	<b>61,848,796</b>

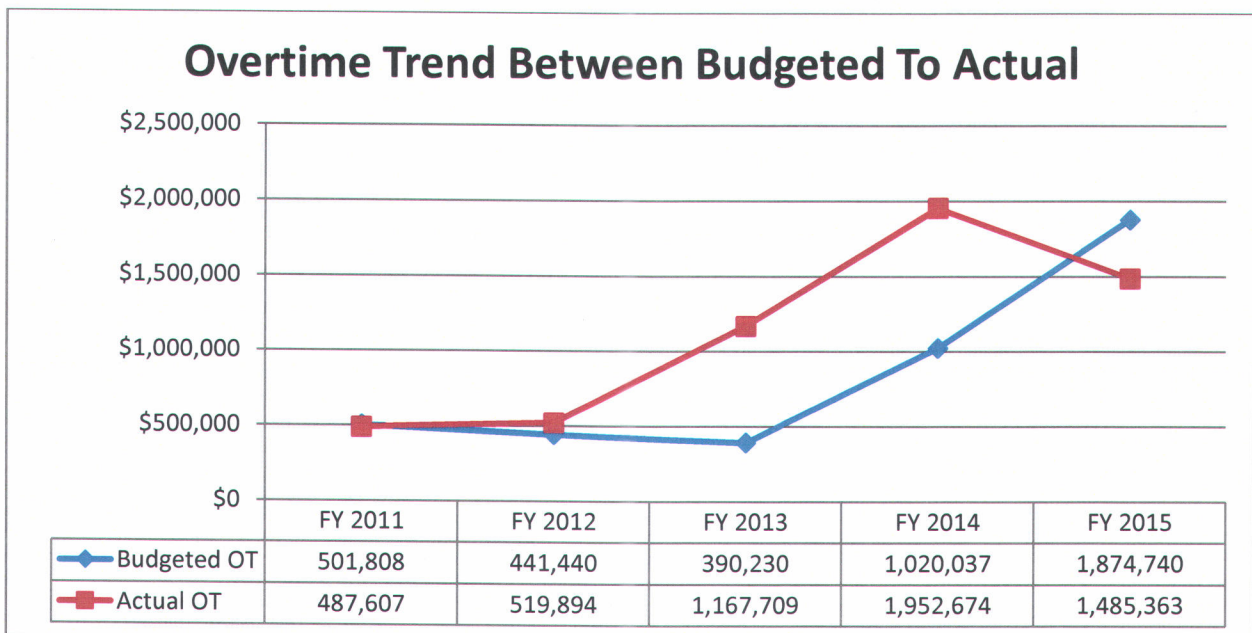
The total overtime cost to total cost of regular salaries is illustrated in Table 16 below.

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
<b>Regular Salary</b>	<b>15,261,424</b>	<b>14,287,809</b>	<b>20,596,064</b>	<b>27,689,931</b>	<b>41,137,517</b>

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



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.