

COUNTY OF
Riverside
HUMAN RESOURCES
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TAP - MAP Program Description
Executive Summary
Volume 1 of 3



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Executive Summary

In 1998 the Riverside County Board of Supervisors approved the creation of the Temporary Assistance Pool in response to the growing need within the County for temporary staffing services. In 2004, the program was expanded to be more responsive to needs for medical staffing, recruiting both per diem and on-call medical staff. The development and growth of the program is documented in the Board actions outlined in Exhibit A. Now known as the Temporary Assignment Program (TAP) and the Medical Assignment Program (MAP), TAP/MAP has become a comprehensive flexible staffing solution that provides the County with a flexible labor source for temporary, per diem, and on call workers at a significant cost savings over the use of staffing agencies and registries. TAP has been embraced by County operating departments as part of their overall solution for talent management, increasing its use steadily over ten years of business.

The County of Riverside employs approximately 1,370 active TAP/MAP employees (7% of the County's workforce), with an annual payroll of over \$26 million. Not all TAP employees work full-time nor are they employed for extended periods of time. During fiscal year 2006-07, the total number of hours paid to TAP employees equated to 640 full-time equivalent positions (FTEs), and approximately 23% of those FTEs were Per Diem medical personnel who did not wish to become full-time regular employees. The characteristics of the three types of TAP employees are outlined in Exhibit B. A demographic breakdown of TAP employees is included in Exhibit H. A breakdown by type of work is provided in Exhibit I.

TAP operates somewhat like an outside temporary employment agency, but with the following significant advantages for the County and its taxpayers:

1. Supplying County departments with staff who are often familiar with County procedures is an important enhancement over outside employment agencies, reducing the amount of retraining necessary.
2. Administrative charges are significantly less than those of outside agencies through TAP, *saving the County over \$8 million per year*. See Exhibit D for detailed calculations. *From 1999 to 2007, the County has saved over \$47,000,000 in administrative charges.*

3. Allowing departments to transition temporary employees into regular positions when appropriate results in lower costs in training and orientation processes, and avoids the additional charge associated with such hires from an outside employment agency.
4. TAP provides a convenient way to bring back experienced County employees who have previously retired for special projects or in response to seasonal workload increases.
5. TAP serves as a central source for contracting with *outside* temporary agencies as needed (See Exhibit L), consolidating the County's purchasing power and ensuring monitoring of compliance with Government Code 31004, which limits such employment to ninety days. Spending for outside agencies varies from \$200,000 to \$600,000 per year, excluding outside nurse registries.

In addition, replacement of Social Security and CalPERS pensions with the 401(a) defined benefit pension plan reduces costs significantly for both the County and the TAP employee. (See Salary and Benefits discussion on page 3.)

- From the plan's inception in 1999 through December of 2007, *the County has saved over \$9,828,000* by providing this alternative to Social Security alone.
- From the plan's inception in 1999 through December of 2007, *the County has saved over \$19,167,600* in CalPERS pension contributions.
- Because the TAP employee contributes 3.75% of their pay, instead of 6.2% for Social Security and 8% for CalPERS, s/he saves 10.45% in deductions not taken. (See Exhibit E for an example of the savings.)

Allowing departments to respond to temporary vacancies, work on special projects, tackle work backlogs, and fill in for employee leaves, TAP provides a cost-saving solution to departments needing temporary help. In 2007, reasons for requesting TAP employees were broken down as follows (excluding Medical Per Diem and On-Call assignments):

- Temporary Filling of Vacancies During Recruitment – 39.2%
- Special Projects – 37.6%
- Work Backlogs – 20.7%
- Employee Leaves – 2.5%

Procedures

As County employees themselves, the TAP staff members are well-versed in the needs of County business units, an advantage that increases responsiveness and quality of placement over outside employment agencies. TAP recruiters consider candidates' related work experience, employment history, test scores, availability, certifications and licenses, indicators of dependability and job compatibility, and prior performance on other TAP assignments to ensure the most appropriate match between employee and

assignment. While a key advantage is speed of placement, speed is not favored over compliance with hiring processes to ensure an appropriate criminal background check and pre-employment medical screening are complete. Exhibit F outlines the procedures followed by TAP and by departments in requesting candidates and processing applicants.

Transitions

TAP employees in entry-level assignments may transition into regular positions of the same type of work after 90 days of employment with TAP. TAP employees placed in entry-level assignments are certified for hire through a competitive process initiated at the point of application. The same criteria used to evaluate candidates for regular positions are applied when reviewing the qualifications of TAP applicants. Since TAP candidates are evaluated and placed on assignment based on merit and competition with other outside candidates, they are allowed to transition to regular entry-level positions after demonstrating competence in the assignment, provided that the regular position's classification is equivalent to the TAP assignment's. This transition feature was specifically authorized by the Board of Supervisors when the TAP program was approved. (See Exhibit A-1).

Salary and Benefits

TAP employees are generally paid approximately 5.5% less than the first step of the range for the comparable County classification. This rate methodology was put in place in response to union concerns during the introduction of the Temporary Assignment Program, at the unions' request.

Most TAP/MAP employees are covered by the 401(a) Part-Time and Temporary Employees' Retirement Plan in lieu of Social Security and CalPERS. This plan, a career-average defined benefit plan similar to Social Security, has resulted in tremendous savings to both the employee and the County. Contribution rates are 3.75% for employees, and vary based on the actuarial valuation for the employer, resulting in savings for both the County and the employee when compared to the cost of Social Security (6.2% for both employer and employee). From the plan's inception in 1999 through December of 2007, the County has saved over \$9,828,000 by providing this alternative to Social Security. A comparison of net pay and County costs for a typical entry-level TAP employee versus an equivalent entry-level regular employee is shown in Exhibit E.

Once a temporary, non-Per Diem employee works 1,000 hours in a year, they are placed into the California Public Employees' Retirement System (CalPERS) and Social Security. Both the County and the employee contribute to these funds. Note: Per Diems and Retirees are *excluded* from enrollment in CalPERS, based upon the County's contract with CalPERS (Exhibit K), and are therefore covered by the 401(a) plan.

Of course, all TAP employees are covered by unemployment compensation and worker's compensation. In addition, the TAP Dependent Care Program allows TAP employees with minor children (18 or under) who currently do not have health coverage to have the option of enrolling their dependent children in Exclusive Care, the County's health

insurance plan. Currently there are **78** children of temporary employees enrolled in this program. Finally, Per Diem employees are allowed to purchase coverage under the County's health insurance plan at their own expense following 90 days of employment, as provided in Exhibit A-8.

Length of Assignment and Extensions

TAP employees can work up to 1,000 hours per assignment in a fiscal year. The Job Order Request Form (Exhibit J) specifically lists the start and end date, and specifies that assignments are not to exceed six months. In certain cases departments have special projects or grant funded positions requiring a temporary assignment to last longer than six months; extended assignments are approved by the Assistant CEO/Human Resources Director or his designee. If it is known that an employee will exceed 1000 hours, the employee must be placed in CalPERS and Social Security from day one. It is possible for employees to exceed the 1,000 hours in total if they are employed in different temporary assignments through the year; these employees are also placed in CalPERS and Social Security.

Medical Assignment Program

In recent years there was an alarming increase in the use of outside temporary or visiting nurses to fill nursing and other medical vacancies, especially after the State-mandated staffing levels were implemented. In fact, the Riverside County Regional Medical Center spent more than \$12,623,364 on outside contract labor in FY 05/06, up 30% from previous years. The continued reliance on outside registry nurses was expensive and provided little value.

The Medical Assignment Program (MAP) was developed in 2004 (in the FY 2004-05 budget process) to fill Per Diem and On-Call medical staffing needs as a cost-effective, flexible alternative to outside staffing sources such as nurse registries, temporary help firms, and locum tenens agencies. Because MAP is a centralized, Human Resources-run contingent healthcare staffing agency, it is an innovative response to the healthcare staffing crisis that addresses this market's need for flexible staffing models.

In evaluating the cost of implementing a program for Per Diem personnel, analysis determined the mean bill rate for competing registries averaged \$55.83 per hour. The Medical Assignment Program charges 24.9% overhead, compared to the 54% average markup charged by outside registries; the mean bill rate of \$46.79 per hour is 16.2% lower than the average for outside registries (see Exhibit C for a more detailed budgetary analysis).

- For FY 2004/2005, the first full year of the Medical Assignment Program, RCRMC saved more than \$5,390,788 and significantly reduced their dependency on outside registry personnel.
- For the three fiscal years through 2006/2007, the Medical Assignment Program saved RCRMC more than \$13,341,400.

The Medical Assignment Program also provides healthcare staff through the On-Call pool that is available 24 hours a day, 7 days a week, to work at the Riverside County Regional Medical Center and Public Health clinics. On Call employees are required to submit a monthly schedule of availability in either a part-time or full-time status. This allows the hospital an opportunity to meet its daily census requirements. The On-Call pool responds to the immediate emergent needs of the hospital to ensure safe patient care is provided. Currently, there are 180 medical On-Call temporary employees in our pool.

A full description of the Medical Assignment Program is included as Exhibit G.

Utilization by Other Governmental Agencies

In addition to serving all County of Riverside agencies and departments, TAP provides temporary staffing to county special districts, commissions, and other government agencies within the County. Current users include: the Local Agency Formation Commission (LAFCO), the Regional Park and Open-Space District, the Riverside County Flood Control and Water Conservation District, the Riverside County Transportation Commission, the Western Riverside Council of Governments, and the City of Riverside.

Program Oversight

The 2003-04 Grand Jury report did question TAP's program procedures, and recommended an independent audit. (County Responses to three Grand Jury reports related to TAP employment are included at Exhibit M-1 through M-3.) The specific finding of the Grand Jury was stated as "Since its inception in 1998, the TAP function has not been audited." This assertion by the Grand Jury was not true and in its Response to the Grand Jury Report, the County noted the following audits:

- An internal audit of cash handling practices of Human Resources, including TAP, was conducted by the Auditor-Controller's Office in October of 2002.
- A management audit of Human Resources' recruiting and hiring practices, including the TAP Program, was completed by Cooperative Personnel Services, an arm of the State Personnel Board, in December 2000 (Exhibit P). This audit noted that the County has appropriately time limited temporary employment and does not use temporary employment processes to circumvent the merit system.
- Aspects of the TAP Program were also being audited by CalPERS at the time of the Response to the Grand Jury by Human Resources.
- The Auditor-Controller conducted a full audit of TAP covering the time period between January 1998 and August 2004 (Exhibit N). Overall their conclusions were good but problems were found with payroll deduction procedures, which were corrected.
- A follow-up audit by the Auditor-Controller was conducted in 2006 (Exhibit N). This audit determined that management took timely and sufficient action in addressing the findings in the original audit.

The Human Resources Department also regularly audits its business practices, including TAP, and empowers an experienced internal auditor to review department procedures.

Conclusion

In summary, TAP and MAP complement the County's ability to respond to changing work demands of today's employment environment and eliminates departments' reliance on outside agency staffing sources through a highly cost effective, responsive, and efficient model for staffing temporary and healthcare-focused positions. Our temporary employees do not replace permanent positions, and they represent only 7% of our total workforce. From 1999 to 2007, the County has saved over \$47,000,000 through use of TAP/MAP, and 5,330 temporary employees have been transitioned into regular employment.

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