

# 1012400000—Human Resources

## General Government

Ted Cwiek, Human Resources Director

General Fund	2017-2018 Actual	2018-2019 Adjusted	2019-2020 Requested	2019-2020 Recommended	Increase/ (Decrease)
<b>Expenditures</b>					
Salaries & Benefits	\$6,839,605	\$7,657,544	\$8,036,101	\$8,036,101	\$378,557
Services & Supplies	771,272	1,119,326	1,228,243	1,228,243	108,917
Centrally-Budgeted Expenses	1,921,436	2,157,894	2,387,294	2,387,294	229,400
<b>Total Expenditures</b>	<b>\$9,532,313</b>	<b>\$10,934,764</b>	<b>\$11,651,638</b>	<b>\$11,651,638</b>	<b>\$716,874</b>
Expenditure Reimbursements	(7,250,742)	(9,608,492)	(10,180,427)	(10,180,427)	(571,935)
<b>Total Appropriations</b>	<b>\$2,281,571</b>	<b>\$1,326,272</b>	<b>\$1,471,211</b>	<b>\$1,471,211</b>	<b>\$144,939</b>
<b>Earned Revenues By Source</b>					
Charges For Services	\$681,648	\$676,816	\$732,446	\$732,446	\$55,630
Miscellaneous Revenues	58,473	100,075	100,075	100,075	0
<b>Total Revenues</b>	<b>\$740,121</b>	<b>\$776,891</b>	<b>\$832,521</b>	<b>\$832,521</b>	<b>\$55,630</b>
<b>Net County Cost</b>	<b>\$1,541,450</b>	<b>\$549,381</b>	<b>\$638,690</b>	<b>\$638,690</b>	<b>\$89,309</b>
<b>Allocated Positions</b>	<b>49.0</b>	<b>50.0</b>	<b>52.0</b>	<b>52.0</b>	<b>2.0</b>

### Purpose

The Human Resources (HR) Division provides centralized human resources and labor relations services for all County departments including recruitment; exam development; equal employment opportunity coordination; administration of County health, dental, workers' compensation, unemployment, casualty, and life insurance programs; and the administration of training, education, deferred compensation, and flexible spending programs. HR also negotiates labor contracts; processes complaints and grievances; conducts meet-and-confer sessions and joint labor management meetings; advises County departments on disciplinary actions and counseling matters; recommends policy and procedures for employer-employee relations; and provides staff support for the Civil Service Commission.

### Board Strategic Priorities 2019-2020 through 2021-2022

The 2019-2020 recommended budget for HR focuses on the implementation of the Board Strategic Priorities as adopted by the Board on April 9, 2019. The Board Strategic Priorities for fiscal years 2019-2020 through 2021-2022 are a continuation of the Board's original five key priorities

established in 2015. The Board has updated and augmented the goals associated with these strategic priorities to reflect the Board's direction related to water issues, health, collaboration, and homelessness.

#### Ensure Fiscal Responsibility

The cost of salary and benefits is the largest single item in the County budget. By negotiating labor agreements within Board-established limits, HR provides a solid foundation for a structurally-balanced budget. In addition, the rising cost of health care for employees is being addressed through administrative changes and revised relationships with vendors through the Request for Proposal (RFP) process.

#### Promote Good Governance and Increase Organizational Capabilities

With the continued development of the SJC Engage website, HR continues to work towards increasing employee satisfaction and wellness. Attending to the financial, physical, mental, and emotional health and wellness of employees enhances the capabilities of the organization. SJC Engage also allows the local business community to partner with the County and offer goods and services directly to County employees.

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### Improve Public Safety and Enhance Overall Criminal Justice System

Support to the Sheriff’s Office, District Attorney’s Office, Probation, and other County departments with a role in providing public safety is HR’s primary contribution. Specifically, HR’s support for Rule of the List hiring by the Sheriff’s Office for Deputy Sheriff and Correctional Officer classes will enhance recruitment effectiveness.

### Promote Economic Development

Engaging in hiring activities on behalf of the largest employer in San Joaquin County provides HR with an opportunity to provide quality employment and economic development throughout the County. Contact with thousands of candidates each year provides HR the opportunity to reinforce the County brand “Greatness Grows Here” and raise the visibility of the County as a sophisticated, technologically-advanced employer of choice.

### Major Budget Changes

#### Salaries & Employee Benefits

- \$133,476 Salary and benefits adjustments.
- \$151,559 Add a Personnel Analyst.
- \$93,522 Add a Position Control Technician.

#### Services & Supplies

- \$90,900 Increase in professional services for labor negotiations and RFPs for benefits vendors.
- \$20,200 Increase in rent expense for staff development training.
- \$13,500 Increase in training tools and supplies.
- \$6,700 Increase in SJC Engage and employee appreciation activity.
- (\$9,000) Decrease in office expense.
- (\$8,640) Decrease in software-related costs.
- (\$8,000) Decrease in professional services related to training.

#### Centrally-Budgeted Expenses

- \$227,159 Increase in data processing charges.

### Expenditure Reimbursements

- \$45,281 Decrease in reimbursement from San Joaquin General Hospital.
- (\$350,703) Increase in reimbursements to support County self-insured plans.
- (\$266,513) Cost Allocation Plan adjustment.

### Revenues

- \$59,542 Increase in administrative fees for Kaiser enrollment.

### Program Discussion

The 2019-2020 recommended HR budget totals \$11,651,638, which is an increase of \$716,874 from the 2018-2019 adjusted budget. The increase is primarily due to salary and benefits adjustments, the addition of a Personnel Analyst and Position Control Technician, and data processing charges.

#### Recruitment

In October 2018, the Board of Supervisors adopted HR’s recommended changes to the Civil Service Rules that affect the areas of recruitment and selection. The primary goal of the rule changes, which were part of HR’s Google Innovation Goals, is to allow for greater flexibility and efficiency in the testing and selection processes. As a result of these changes, HR has begun to see improved turnaround time for the application and testing process, larger pools of candidates being referred to departments for selection, and a reduction in the use of oral board examinations when establishing eligible lists.

Recruitment staff is continuing to work on process improvement and greater utilization of technology, while continuing to recruit quality Civil Service and exempt employees. Staff will pilot on-line written examination administration by December 2019, which will allow qualified candidates to take the written exam at a time and place that is convenient for them and will assist in improving candidate participation rates for examinations. Staff will expand the social media profile and community outreach activities through high schools, colleges, and other academic groups to educate and capture the interest of students considering a career in public employment.

Recruitment staff also supports the County’s pre-employment screening processes including drug screening and arduous physicals for all County candidates, as well as background checks for candidates for unrepresented positions. During 2019-2020, HR will review and revise the physical program

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to ensure the County has a cost-effective and legally-defensible pre-employment physical examination process, which utilizes best practices to streamline these components with minimal impacts to the onboarding process. Staff will also implement a pre-employment background check program in October 2019, which will be utilized for all County employment candidates, with the exception of candidates for departments who already complete their own law enforcement background investigation before hire.

### Classification & Compensation

The more complex classification and compensation projects were outsourced in 2018-2019, which required staff time to support projects and complete the administrative and union related activities that result from classification studies. HR will recruit for an experienced analyst with this specialized skill, and intends to continue to use contracted services as appropriate to ensure HR is able to meet the classification and compensation needs of the County.

### Policy & Leave Management

With the assistance of a leave consultant, a thorough review of the County's practices in the area of entitlement leave laws has identified several areas for improvement. This process included a complete audit of leave practices, forms, and processing procedures from a compliance perspective and an analysis of written documentation of current policies and procedures. The outcome of this audit will result in a change in the required notification communications when leaves occur, and revised forms incorporating recognized best practices by the end of 2018-2019. As a result of this audit, formal training will be initiated for HR staff beginning fall 2019, followed by training for department leave processors, supervisors, and managers.

Preliminary findings indicate a need to develop a Countywide leave policy, and in some cases recommend policy changes at the department level to ensure legal compliance and consistency. With the growing number of leave cases and the increased need for specialized knowledge in this area to advise departments in addressing complex leave cases, the recommended budget adds an advanced journey level Personnel Analyst position that will focus primarily on leading and advising in the area of leave administration and HR policy compliance.

The addition of a "Leave Administrator" was also recommended by the consultant to build and maintain a level of professional expertise within HR, to sustain the compliance improvements in the audit, and to improve the current level of support provided to County departments. The need for consistent support, direction and expertise in this area has also been shared with HR from County departments. The addition of this position will reduce the need for Personnel Analyst

positions at the department level and ensure consistency in advising and implementing a best practice model consistent with the public personnel industry standard.

### Staff Development, Training, & Wellness

Perks at Work has secured County employees savings of over \$268,000 over the last 12 months. As of March 14, 2019, there are 2,433 registered users. HR will continue to find opportunities for additional discounts for staff in 2019-2020 through this program. These discounts are designed to draw employees to the website for wellness opportunities as well as community activities, training, and development resources.

In 2019-2020, the Staff Development Coordinator will focus efforts on redesigning and enhancing the new employee onboarding and training process as well as supporting efforts to increase awareness around the SJC Engage program.

With the new Senate Bill (SB) 1343 sexual harassment prevention training law of 2019, a task force has been created to ensure compliance in training all 7,000-plus County employees. The use of outside vendors will be used to support this process.

In fall 2019, a new incumbent apprenticeship program will be implemented to support training and career growth for County employees who are interested in directing their careers towards the field of Information Technology.

### Employee Benefits Overview

Employee Benefits oversees the administration of health insurance, supplemental retirement savings, and employee wellness programs. Most of these programs are highly regulated by Federal and State laws and regulations that change frequently. In calendar year 2018, County and employee-paid premiums, contributions, and costs for these programs exceeded \$110.0 million. Additionally, Employee Benefits provides management and fiduciary oversight of over \$413.0 million in accumulated employee assets in deferred compensation programs.

In 2019-2020, as part of fiscally-responsible benefits administration and transparency, Benefits staff will continue the process of conducting RFPs and/or bid processes on long-standing vendor contracts. This is necessary to ensure the County receives the most cost-effective agreements while ensuring superior customer service programs for County employees, retirees, and their dependents. Staff will also be seeking proposals to conduct audits to ensure vendors are following plan guidelines and charging appropriate costs.

### Health Care

The County's self-funded plans have historically enjoyed large reserve levels. However, over the last several years,

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medical and prescription claims experience, in conjunction with five years of no rate increases, have depleted reserves to a concerning level. In 2018-2019, the County increased rates by 16%, and in 2019-2020 the rates will increase by 22.8%.

Due to these significant rate increases, County staff conducted a RFP looking for other plan alternatives. This process concluded, and a new HMO plan through Sutter Health Plus will be provided to non-Medicare retirees and certain employee groups. The new plan option will be made the subject of input with the bargaining groups.

The controversial Affordable Care Act Excise (Cadillac) Tax was scheduled to take effect in 2020, however was delayed until 2022. This tax would impose a 40% excise tax burden on health insurance costs that exceed mandated thresholds.

The County changed Third Party Administrators (TPA), Lucent Health, for the self-insured health plan effective July 1, 2018. This change was required due to the previous TPA, Pomco, being acquired by another company.

County staff worked with the dental and vision vendors to successfully develop additional plan options for employees and their dependents. This will allow employees more flexibility in meeting their family's specific health needs.

### Deferred Compensation

In 2018-2019, as part of an effort to ensure transparency, staff created a separate trust account for a portion of the revenue-sharing fees collected for administering the expenses. This fund will clearly show earmarked fund deposits and expenses, ensuring funds are used strictly for the administration and promotion of the Deferred Compensation Plan. The balance of revenue sharing fees collected are utilized to offset staff salary and benefits costs from HR, Auditor-Controller, and County Counsel assisting in deferred compensation administration.

### Equal Employment Opportunity (EEO) Program

The EEO Program provides Countywide services through its primary programs of investigation, consultation and support, workforce compliance, training, and EEO Advisory Committee (EEOAC) administrative support. The Program's goal is to enforce Federal and State laws, and County policies related to non-discrimination, anti-harassment, and retaliation.

As the recipient of Federal funds, the County is required to formulate, implement, and maintain an EEO Plan under the authority of 28 CFR, Part 42 - Non-discrimination, and applicable County EEO related Policies and Procedures. The EEO Plan is prepared by the Program, reviewed by the EEOAC, and presented to the Board of Supervisors for

approval and adoption every two years. The Board approved and adopted the 2018-2020 EEO Plan in November 2018.

In 2018-2019, the Program received 47 complaints of discrimination and harassment, including 32 formal complaints, which was an increase of 29% from 2017-2018. The observed influx of complaints and the additional time required to ensure a thorough investigation has made it difficult for the Program to finalize investigations within the required 60-day timeline required by Civil Service Rule 20 – Discrimination Prohibited. To address this concern, the Program will review the Rule 20 process with HR and County Counsel in 2019-2020 and expects to present any proposed changes to the EEOAC.

The County is required to keep records relevant to the determination of whether unlawful employment practices have been or are being committed. As part of this requirement, the Program investigates complaints of discrimination and harassment and completes comprehensive post-investigation reports at the conclusion of each investigation. Post-investigation reports can take up to 50 hours or more to complete, and require numerous additional hours to conduct interview preparation, participant interviews, and the final review and analysis of witness statements. The Program facilitated 18 formal investigations in 2017-2018. Use of outside investigators has been a cost-effective means to prepare for possible litigation and manage multiple investigations simultaneously.

In order to stay in compliance with Federal and State laws on employment discrimination and harassment, the County must provide ongoing Countywide training for managers, supervisors, and general employees. In 2018-2019, the Program conducted 70 trainings, as compared to 79 trainings conducted in 2017-2018. In 2019, SB 1343 will require all organizations in the State with 50 or more employees to train their staff on Sexual Harassment and Abusive Conduct Prevention. In compliance with the new law, the Program is scheduling all County employees to take the Sexual Harassment and Discrimination Prevention Training in 2019. In 2018-2019, to improve training capacity, the Program along with the Staff Development Unit will launch a Sexual Harassment Prevention week for all employees in September 2019 along with providing other means of training to employees including on-line training. In 2019-2020, the Program anticipates the expanded on-line course to meet the demands of the EEO training requirements to supervisors and managers.

The Program leads in the coordination and planning of the Annual Diversity Luncheon with a sub-committee of the EEOAC. The Program is responsible for the majority of the tasks related to conducting this event including the collection of funds, recordkeeping, purchasing of supplies, advertising,

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and the coordination of volunteers. More than 430 County employees attended the 21<sup>st</sup> Diversity Luncheon in October 2018, the largest gathering of employees to date for the Luncheon. The Program looks forward to hosting the 22<sup>nd</sup> Annual luncheon in October 2019.

It is projected that the requests for services provided by the Program will increase in 2019-2020 due to the increased trend in the number of complaints of discrimination and harassment, the increased awareness of County employees, and the projected increase in hiring. In 2019-2020, the Office intends to initiate research and review of various EEO policies and program requirements to stay current, seek continuous improvement opportunities, and focus on policy development where needed.

### Labor Relations

During 2018-2019, a new agreement was reached with the San Joaquin County Probation Officers Association. The approval of this agreement brings the total proportion of County employees under contract to 86%. Bargaining is continuing with the California Nurses Association, whose contract expired December 31, 2018. Bargaining has begun with the Union of American Physicians and Dentists and Service Employees International Union Local 1021 (six contracts) whose contracts expire June 2019 and September 2019, respectively.

The Labor Relations Unit will continue to ensure the County complies with the Meyers-Milius-Brown Act (MMBA), which governs labor management relationships within California governmental agencies. Changes in terms and conditions of employment and successor agreement negotiations are subject to the MMBA. In addition to contract bargaining, staff are involved in meet-and-confer sessions

over impacts of various decisions including policy changes, as well as processing union complaints and advising departments on employee discipline.

The table below is a status summary of the 17 labor contracts, along with their expiration dates:

<i>Representation Unit Name</i>	<i>Organization</i>	<i>Contract Expires</i>
<i>Sheriff's Management</i>	LEMA	06/30/15*
<i>Sheriff's Non-Management</i>	DSA	06/30/15*
<i>Sheriff's Sergeants</i>	SDSA	06/30/15*
<i>In-Home Support Services</i>	SEIU-2015	03/31/16*
<i>Registered Nurses</i>	CNA	12/31/18*
<i>Physicians</i>	UAPD	06/30/19
<i>Office &amp; Office Technical</i>	SEIU	09/05/19
<i>Paraprofessional &amp; Technical</i>	SEIU	09/05/19
<i>Professional</i>	SEIU	09/05/19
<i>Safety, Investigative, &amp; Custodial</i>	SEIU	09/05/19
<i>Supervisors</i>	SEIU	09/05/19
<i>Trades, Labor, &amp; Institutional</i>	SEIU	09/05/19
<i>Attorney</i>	SJCAA	06/30/20
<i>Middle Management</i>	SJCMA	03/31/21
<i>Peace Officers Miscellaneous</i>	SJDAIA	03/31/21
<i>Probation Officers</i>	SJCPOA	12/31/21
<i>Correctional Officers</i>	SJCCOA	03/31/22

\* *Indicates expired contract.*

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### Workload Data

	-----Actual-----			Est./Act. 2018-2019	Projected 2019-2020
	2015-2016	2016-2017	2017-2018		
<b>Recruitment &amp; Certification</b>					
<i>Recruitments</i>	426	508	519	613	600
<i>Applications Processed</i>	25,554	24,231	25,580	33,432	30,000
<b>Examinations</b>					
<i>Written Exam Sessions</i>	236	212	183	250	286
<i>Oral Exam Days</i>	178	150	122	115	96
<b>Referrals</b>	2,071	1,497	1,511	1,650	1,600
<b>Countywide Vacancy Rate</b>					
<i>Fiscal Year Start</i>	11.48%	12.89%	10.74%	11.98%	11.00%
<i>Fiscal Year Midpoint</i>	10.39%	11.64%	10.38%	10.43%	10.25%
<i>Fiscal Year End</i>	12.48%	10.25%	10.43%	9.50%	9.50%
<i>Fiscal Year Average</i>	10.96%	11.59%	10.52%	10.63%	10.25%
<b>Allocated Position Hires</b>	453	792	653	804	750
<b>Part-time or Temporary Hires</b>	673	869	727	661	700
<i>Total Hires</i>	1,126	1,661	1,380	1,465	1,450
<b>Employee Training Attendance</b>	8,902	8,799	8,218	7,500	9,000
<b>Classification</b>					
<i>Classification Projects</i>	61	33	15	15	25
<i>Compensation Studies</i>	39	20	16	10	10
<b>Civil Service Hearings</b>	4	2	1	2	7
<b>Position Control</b>					
<i>E-Pad Actions Processed</i>	9,458	9,248	8,226	8,282	8,448
<i>Mass Updates Processed</i>	21,984	14,216	5,161	14,433	15,182
<b>Equal Employment Opportunities</b>					
<i>Complaints Received (Countywide)</i>	46	30	32	47	60
<i>Formal Complaints (EEO Office)</i>	18	26	18	30	32
<b>Labor Relations</b>					
<i>MOU's Negotiated</i>	2	9	3	1	8
<i>Arbitration Hearings Scheduled</i>	10	4	4	3	4
<i>Complaints Processed</i>	89	91	54	103	90
<i>Impact Meet &amp; Confer Sessions</i>	49	44	37	17	40
<i>Public Employee Relations Board Charges</i>	6	9	9	8	9