



FINANCE/EXECUTIVE COMMITTEE EXTRA HELP

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OBJECTIVE

- Are controls in place to prevent the city's extra help expenses from creating personnel budget overruns?

DEPARTMENTS USE EXTRA HELP POSITIONS TO MEET RESOURCE DEMANDS

Exhibit 3: Extra Help Positions Fill Staffing Gaps

Temporary Assignment	<ul style="list-style-type: none">• Provides for filling a temporary need: special project, employee on extended leave, or temporary or seasonal vacancy
Employee Transition	<ul style="list-style-type: none">• Allows for overlap period between separating employee and new hire replacement
Temporary Compensation	<ul style="list-style-type: none">• Allows the department to temporarily pay an employee higher than the position's entry point

Source: Prepared by auditor based on Human Resources' extra help policy

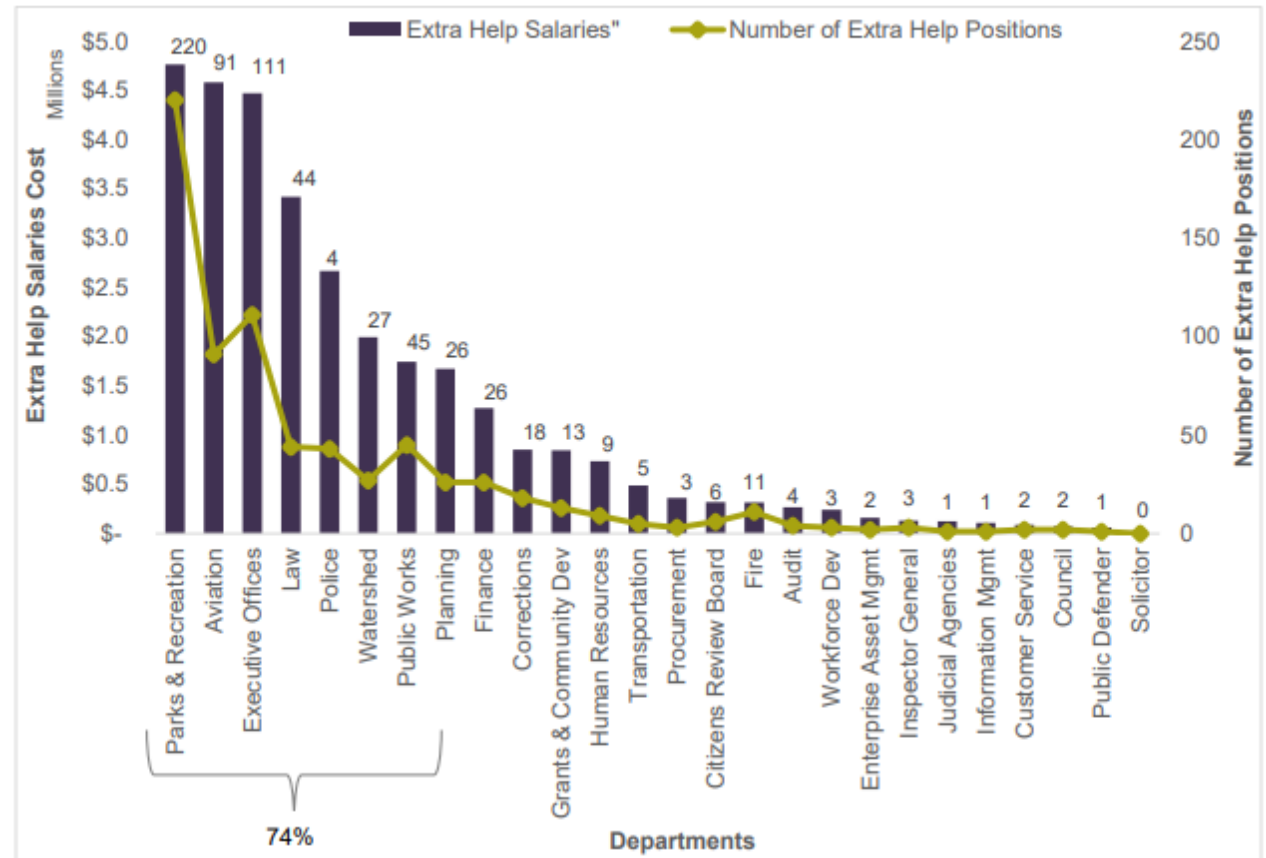
5% OF THE CITY'S EMPLOYEES WERE IN EXTRA HELP POSITIONS

- As of 11/8/21, the city had 8,214 employees filling 8,405 positions; 438 (5%) of the filled positions were extra help.
- Extra help positions may be full-time, part-time, or temporary
- Extra help positions are not intended to extend past one year, based on Human Resources policies

SEVEN DEPARTMENTS ACCOUNT FOR MOST EXTRA HELP SPENDING

Over \$23 million of \$31 million of approved extra help salaries (74%) come from seven departments: Parks & Recreation, Executive Offices, Aviation, Law, Police, Watershed, and Public Works

Exhibit 9: Seven Departments Accounted for About 74% of Salaries for Approved Extra Help Position Requests (July 2020 to December 2021)



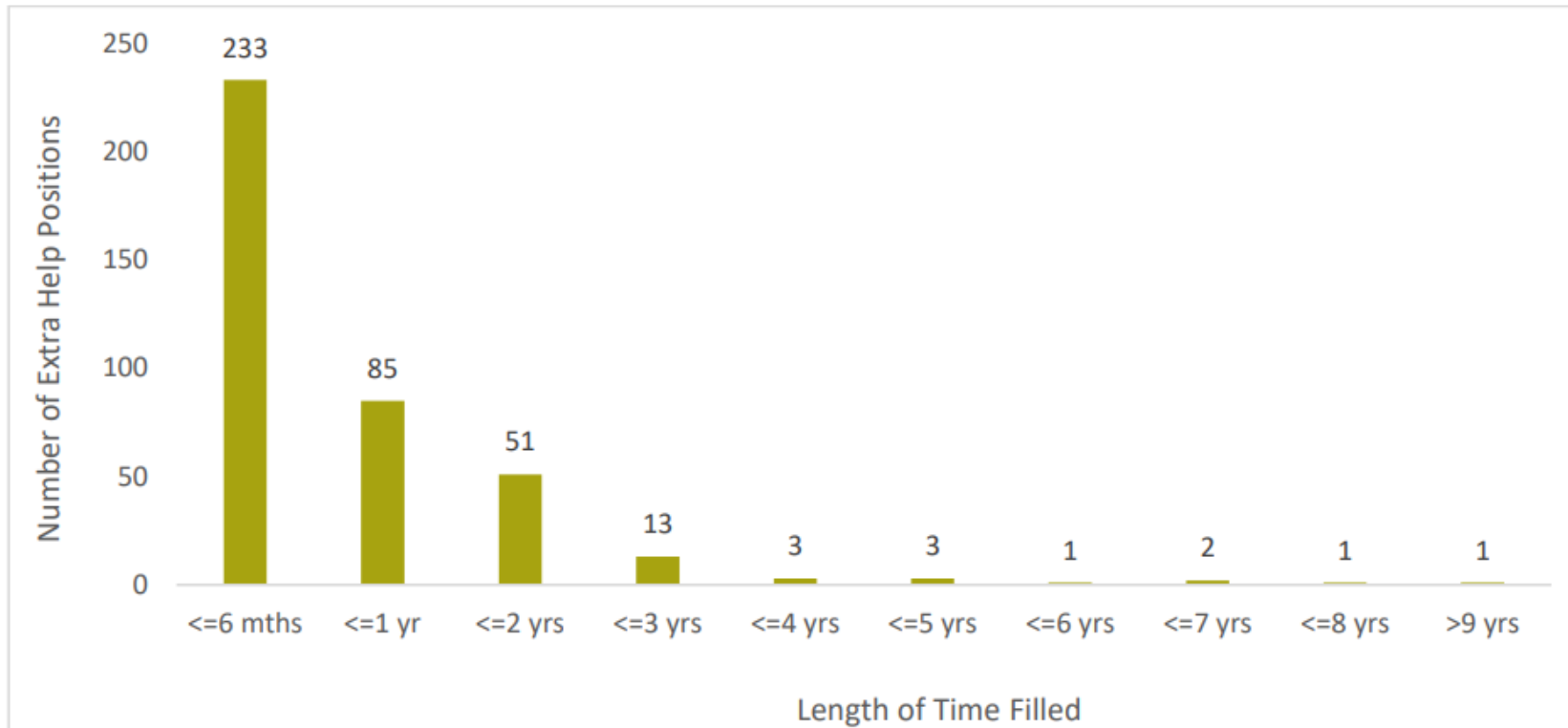
Source: Based on auditor analysis of request to fill information

EXTRA HELP POSITIONS HAVE LESS OVERSIGHT THAN OTHER POSITIONS

- Extra help positions are subject to less oversight than the city's formal pay and classification system
- Current extra help policy was last revised in 2007, prior to creation of Vacancy Review Board
- Extra help policy does not define:
 - Vacancy Review Board approval process
 - length of transitional periods
 - reuse of position numbers
 - circumstances for benefits eligibility

ABOUT 17% OF EXTRA HELP POSITIONS WERE FILLED FOR LONGER THAN ONE YEAR

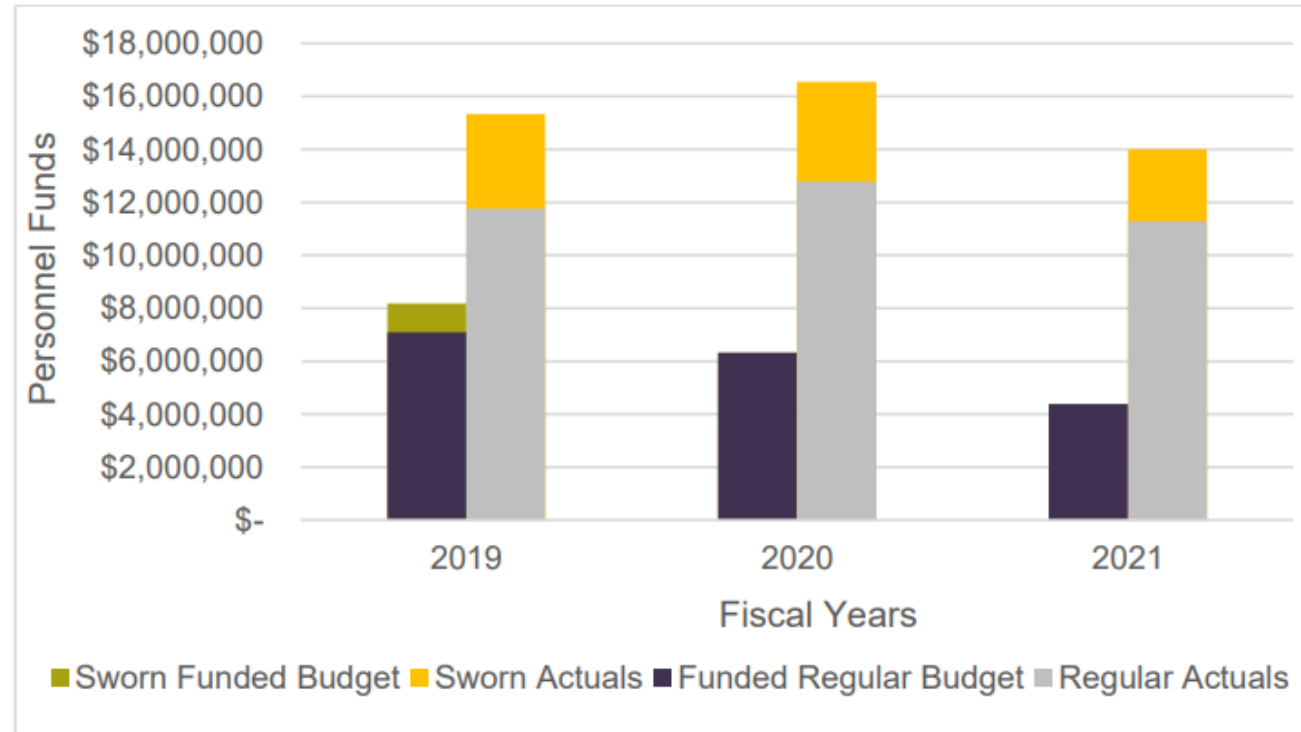
Exhibit 6: The Majority of Extra Help Positions Did Not Exceed One Year as of November 8, 2021



Source: Based on auditor analysis of position data

MANY DEPARTMENTS OVERRAN AVAILABLE EXTRA HELP FUNDS BETWEEN 2019 AND 2021

Exhibit 5: Extra Help Expenses Exceeded Budgeted Amounts Over Three Fiscal Years



- Expenses for both regular and sworn extra help positions exceeded the funded budget amounts in each fiscal year by \$6.6 to \$10.2 million.
- Because departments can fund extra help positions with salary savings and funds are not typically transferred from the surplus account to the extra help account, budget deficits may not indicate personnel budget overruns.

Source: Auditor analysis of Oracle expenditure data received from the Office of Budget and Fiscal Policy

OVERRUNS IN BOTH EXTRA HELP AND TOTAL PERSONNEL FUNDS 2019 THROUGH 2021

- 11 Departments had cost overruns in both the extra help fund and personnel costs in **at least one** of the same fiscal years: Executive Offices, AIM, Parks, Watershed Management, Human Resources, Fire, Police, City Planning, City Solicitor, Audit, and the Department of Transportation
- 7 departments had cost overruns in both the extra help fund and total personnel costs in **at least two** of the same fiscal years: Executive Offices, AIM, Parks, Watershed Management, Human Resources, Fire, and the City Solicitor

Within this group:

- 4 department had cost overruns in **all 3 fiscal years**: Executive Offices, AIM, Fire, and the City Solicitor

RECOMMENDATIONS

To increase transparency in extra help use, prevent personnel budget shortfalls, and ensure costs are appropriately reviewed and managed before positions are approved, we recommend the Human Resources Commissioner:

1. create and implement processes to monitor the length of extra help positions and alert departments and human resources business partners to expire extra help positions per the policy or to reclassify extra help positions in personnel papers per the request to fill process
2. ensure departments indicate whether requested extra help positions are to be temporary or to be entered into a personnel paper on the request to fill form

RECOMMENDATIONS

3. request indicators from departments with existing extra help positions that do not have indicators in Oracle
4. expand the city's extra help policy to reflect current procedures and make departments aware of the updated policy in key areas:
 - define specific circumstances in which position numbers can be reused
 - define when an extra help employee is eligible to receive benefits
 - define the length of time of transitional periods

RECOMMENDATIONS

5. freeze the corresponding vacant authorized position(s) when departments fund extra help positions with salary savings
6. establish criteria for approving positions when the Budget Office forecasted a deficit in personnel spending

To ensure departments sufficient funding is available for requested extra help positions, we recommend the Budget and Fiscal Policy Chief

7. prepare more complete cost estimates that include associated benefits costs on the request to fill form

QUESTIONS?

Full Report:

<http://www.atlaudit.org/extra-help---june-2022.html>