

# CITY OF OAKLAND

## AGENDA REPORT

2010 JUL 15 PM 3:48

TO: Office of the City Administrator  
ATTN: Dan Lindheim  
FROM: Department of Human Resources Management  
DATE: July 27, 2010

RE: **Informational Report with a Status Update on the Use of Temporary Contract Service Employees (TCSEs) and Exempt Limited Duration Employees (ELDEs) in Response to the 2009 Hiring Practices Audit**

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### SUMMARY

Staff presented a report to the Finance and Management Committee on March 23, 2010 that addressed a number of issues raised in the 2009 Hiring Practices Audit report prepared by the City Auditor. In discussing that report, the Committee directed staff to return in July with an update regarding the use of temporary employees in the status of Temporary Contract Service Employees (TCSEs) and Exempt Limited Duration Employees (ELDEs). The March 23, 2010 report addressed four categories of temporary assignments: 1) grant-funded positions; 2) annuitants (part time retirees); 3) revenue-generating positions; and 4) temporary employees hired under special circumstances. This report provides an update on the employees serving in each of those categories and identifies the next steps in the process of bringing the temporary assignments into closer alignment with City policy.

### FISCAL IMPACT

This is an informational report. There are no fiscal impacts at this time.

### BACKGROUND

City departments may utilize Temporary Contract Service Employees (TCSEs) for short-term projects or Exempt Limited Duration Employees (ELDE) to perform duties that have not yet been classified. TCSEs may serve for a maximum of 960 hours per fiscal year. TCSEs may not be used on an ongoing or long-term basis. The TCSE category is also used for retired Annuitants.

The status of ELDE was established to meet the City's need to fill positions: a) with limited funding cycles of one year or less; b) for projects longer than 6 months in duration, yet still short-term; or c) to fill positions where the duties and responsibilities have not yet been fully defined. ELDE assignments may not exceed one year in duration. Under CalPERS rules, any employee working more than 960 hours in a fiscal year is entitled to the same health and fringe benefits as regular appointees.

The 2009 Hiring Practices Audit found that some ELDE and TCSE assignments had been continued past the established time limits and that more needed to be done to bring those assignments into alignment with City policy.

Item: \_\_\_\_\_  
Finance and Management Committee  
July 27, 2010

**DISCUSSION**

Over the last year, the Department of Human Resources Management (DHRM) has been working with City departments to ensure that TCSE and ELDE temporary employees are being assigned in compliance with City policy. Currently, there is a combined total of 158 TCSE and ELDE employees (137 TCSEs and 21 ELDEs) in the City. The positions fall into one of four categories: 1) grant-funded positions; 2) annuitants (part time retirees); 3) revenue-generating positions; and 4) temporary employees hired under special circumstances. Of those, DHRM has determined that 63 have been assigned appropriately and within the required timelines; 31 positions are filled by annuitants and have been assessed since the March 23, 2010 report; and the remaining 64 fall into one of the other three categories and required additional follow up to bring the assignments into full compliance.

**A. Status Update (Data Date: June 25, 2010)**

| Categories   | Total Employees Affected | Employees Placed in Appropriate Categories | Estimated Timeline |
|--|--------------------------|--|--------------------|
| Grant Funded TCSEs/ELDEs   | 26                       | Pending                                    | December 2010      |
| Revenue Generating TCSEs/ELDEs   | 31                       | Pending                                    | October 2010       |
| Annuitants (TCSEs)   | 32                       | Completed April 2010                       | N/A                |
| Special Circumstances- not fitting in any above categories                                   | 6                        | Pending                                    | December 2010      |
| Other Temporary (TCSE/ELDE) employees currently within appropriate timelines and assignments | 63                       | N/A  | N/A                |

Below, the text taken from the March 23, 2010 report to the Finance and Management Committee is bulleted and in *italics*, followed by status updates for each category.

**Grant Funded Positions**

- *For all current TCSE/ELDEs performing work that matches with existing reinstatement or eligible lists, the department will have to offer the "Grant Funded Limited Duration Appointment" to those employees. This process should be completed by April 2010.*

**Update:** DHRM completed its review and assessment of grant-funded TCSEs and ELDEs in April 2010. There are 26 grant-funded positions. Eligible lists, reinstatement lists, an open exam, and revised classification specifications will address 14 of the positions. For the remaining 12 positions, DHRM will have to conduct new recruitments or establish new classifications. DHRM is working closely with the Department of Human Services to set appropriate dates to conduct the recruitment, exams and establishment of classes. Employees currently working in these positions will have to successfully compete in the exam process to obtain permanent status. DHRM anticipates completing

this process by the end of December 2010.

### **Revenue Generating**

- *The 32 Revenue Generating temporary employees were identified in the Parks and Recreation Department. The duties being performed are in alignment with instructors. DHRM will need to establish classifications in order to support the duties and the need to continue to have the work performed...The above process should be completed, with appropriated classifications established and employees placed in them by July 2010.*

**Update:** Class specifications have been drafted for the Parks & Recreation positions and are being reviewed by the department. The addition of any new classification requires the authorization of City Council to establish the positions, Civil Service Board approval, and a meet and confer with the appropriate union before the classification can be finalized and implemented. DHRM anticipates final completion of the process by October 2010.

### **Annuitants**

- *DHRM has identified 32 annuitants placed in the status of TCSE. In order to maintain effective and efficient monitoring of annuitants, and keep in compliance with the California Public Employees Retirement System (CalPERS) rules, DHRM will be developing an Annuitant status. This will require DHRM to meet and confer with the unions and propose revisions to the Civil Service Rules. The above process should be completed, with the appropriated status established and employees placed in them by October 2010*

**Update:** After further assessment of the hiring process of Annuitants, DHRM determined that there is no need for the establishment of a new status. Instead, an assessment of Annuitant hiring has been incorporated into the standard review process to ensure that Annuitants are hired in compliance with Public Employees Retirement System (PERS) criteria. This was implemented as of April 2010.

### **Special Circumstances**

- *There are a total of 6 special cases placed into the status of TCSE. The Veterinarian's and Nurse Case Manager's historically have been difficult to recruit and retain. Therefore, they are used on an as-needed, repetitive basis. DHRM will be recommending the addition of a PT classification for the already existing class of Veterinarian and conducting a salary survey for both classes in order to determine the appropriate market compensation. The above process should be completed, with appropriated classifications and salaries established and employees place in them by December 2010.*

**Update:** DHRM is still in the process of conducting surveys for the classes of Veterinarian and Nurse Case Managers. Staff is targeting completion of this process by December 2010.

## **B. Next Steps**

In the coming months, DHRM staff will be simultaneously working to identify appropriate classifications for long term assignments and will be monitoring temporary assignments to ensure that

no permanent employee in a classification affected by layoffs is laid off while there are employees without status in the same class of work.

DHRM will also continue to consult with the City Attorney's Office to review all temporary employee assignments and determine which may not be in compliance with City policy. In conjunction with Payroll, DHRM will be working to improve a monitoring process in the Human Resources Information System (HRIS) for temporary employees. All of the above steps will help address inconsistencies in the short term and are geared toward establishing and implementing a long-term strategy and process for managing temporary assignments throughout the City.

**SUSTAINABLE OPPORTUNITIES**

The recommendations contained in this report do not have any economic, environmental or social equity impacts.

**DISABILITY AND SENIOR CITIZEN ACCESS**

In compliance with the Americans with Disabilities Act (ADA) and the Older Americans Act, and other applicable laws, Civil Service Board meetings are conducted in accessible facilities.

**ACTION REQUESTED OF THE CITY COUNCIL**

Staff requests that the City Council accept this informational report.

Respectfully submitted,

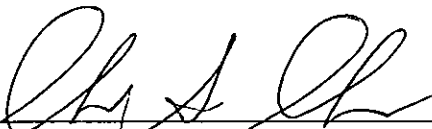


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APPROVED AND FORWARDED TO THE  
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Office of the City Administrator