

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



ITEM: 3.10
(ID # 14287)

MEETING DATE:
Tuesday, February 02, 2021

FROM : HUMAN RESOURCES:

SUBJECT: HUMAN RESOURCES: Human Resources General Support Services (GSS) Rate Allocation for Fiscal Year 2021-22, All Districts. [\$0, Department Budgets 100%]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve the Assistant County Executive Officer/Human Resources Director's recommendations for Human Resources General Support Services rate allocations to Departments for FY 2021/22 as outlined in Attachment B for the provision of Core HR Services as outlined in Attachment A.

ACTION:Policy

A handwritten signature in black ink, reading "Brenda Diederichs", is written over a horizontal line. The signature is cursive and fluid.

Brenda Diederichs, Assistant CEO / Human Resources Director 1/7/2021

MINUTES OF THE BOARD OF SUPERVISORS

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FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$ 0	\$ 0	\$ 0	\$ 0
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0
SOURCE OF FUNDS: Department Budgets 100%			Budget Adjustment:	No
			For Fiscal Year:	21/22

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

The Human Resources Department (HR) recognizes the value of a highly qualified and talented workforce and superior support services. In FY 2021/22, HR will continue to focus on improving service efficiency and cost effectiveness, the application of LEAN methods for process improvement, metrics for decision making, marketing and communication, onboarding and orientation, and improved collaboration with stakeholders. HR will also continue to monitor the changing healthcare landscape and adjust as needed.

The proposed FY 2021/22 HR General Support Services (GSS) Rate has decreased slightly from the current FY20/21 GSS Rate, from a total cost of \$27,264,452 to \$27,174,881. A summary of services that are included in this cost pool is presented in Attachment A.

HR's GSS Rate is calculated to recover costs associated with the provision of core human resources services as specified in Attachment A. HR operates as a General Support Service and must recover its operating costs through charges to customers that are in line with industry benchmarks while maintaining high quality services. HR compared its proposed rates to industry benchmarks for both government agencies and private industry and confirmed the proposed FY21/22 GSS Rate is consistently priced lower than market benchmarks in all areas.

The GSS cost pool is allocated to Departments based on three measures of service: number of filled permanent positions as of October 2020, number of recruiting services performed in FY19-20, and number of temporary full-time equivalent (FTE) staff in FY19-20. Although the overall GSS cost pool has decreased slightly, Departments will experience changes in their specific allocation based on year-to-year changes in their staffing and HR service levels.

Impact on Residents and Businesses

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There is no direct impact on residents and businesses as these rates are internal to County departments.

SUPPLEMENTAL:

Additional Fiscal Information

In 2020, Human Resources (HR) proactively undertook a major effort to implement substantial improvements to its General Support Services (GSS) rate methodology in order to ensure fair and equitable allocation of costs in a manner that more accurately reflected the actual level of services provided to each department.

In October 2020 the Board of Supervisors approved the revision of HR's GSS rate for FY2020/21 using this new methodology, with the understanding that additional refinements would be implemented in future years as HR was able to accumulate previously unavailable cost data and service activity statistics

During their review of HR's proposed FY2021/22 GSS rate, the ACO noted an opportunity to further improve the allocation methodology with respect to the distribution of the administrative overhead and recruiting cost pools to fully ensure fair allocations to all departments. HR and ACO will work together to implement these improvements using available cost data and service usage statistics beginning with the FY2022/23 HR GSS rate.

Departmental HR GSS Rate allocations, plus a comparison to the prior year's rate and allocations, is presented in Attachment B.

ATTACHMENTS:

ATTACHMENT A. FY 2021/22 Elements of the HR General Support Services Rate

ATTACHMENT B. FY 2021/22 HR GSS Rate Departmental Allocations

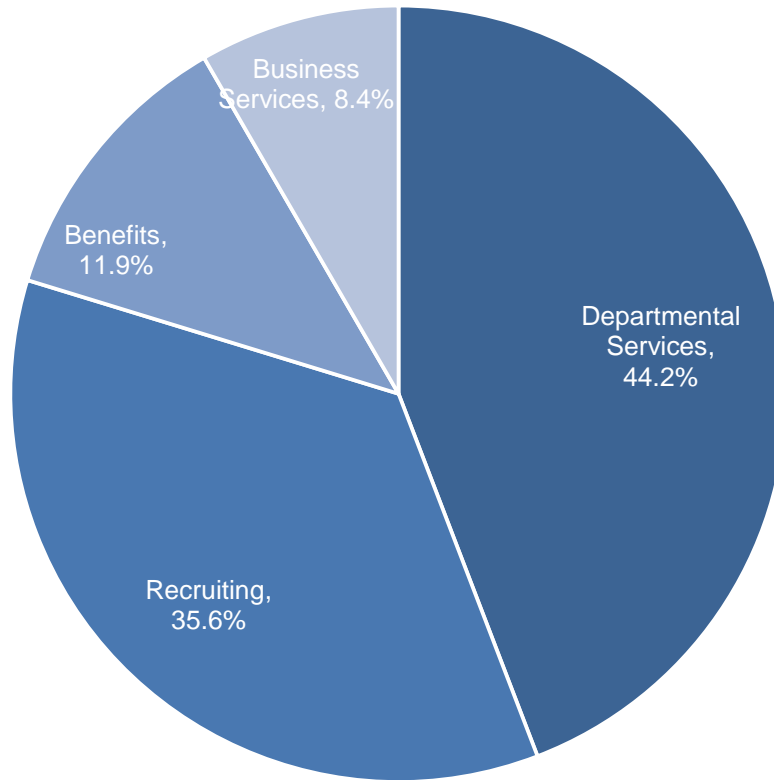


Brenda Diederichs, Assistant CEO / Human Resources Director 1/4/2021



FY22-22 BENCHMARK COST COMPARISONS			
	<u>Rivco Cost</u>	<u>Industry Benchmark</u>	<u>Rivco Over/ (Under)</u>
Core HR Services cost per FTE	\$1,289	\$2,050 *	(\$761)
Cost per Recruitment	\$1,683	\$4,425 **	(\$2,742)
Total HR Spend per FTE	\$8,647	\$10,211 ***	(\$1,564)

What's included in the HR CORE SERVICES RATE?



Departmental Services

- Employee Relations
- Learning & Organizational Development
- Business Partners
- Employee Services
- Class & Compensation
- Labor Relations
- Onboarding, Events, College Relations

Business Services

- Executive, Admin, Finance
- Business Systems Solutions
- Marketing

Recruiting

- Recruiting
- Temporary Assignment Program
- Assessment & Background
- Psychological Assessment
- Testing

Benefits

- Employee Assistance Services
- Benefits
- Retirement
- Culture of Health
- Rideshare

* 2016 Human Capital Benchmarking Report - Government Agencies ; Society for Human Resource Management (SHRM)

** 2016 Talent Acquisition Benchmarking Report - All Industries ; Society for Human Resource Management (SHRM)

*** 2016 Human Capital Benchmarking Report - All Industries ; Society for Human Resource Management (SHRM)

