

2004-2005 GRAND JURY REPORT

Riverside County Regional Medical Center Human Resources and Employee Relations

Background

Riverside County Regional Medical Center (RCRMC) located in the City of Moreno Valley since 1998, is the primary health-care institution that operates 24-hours/7-days-a-week to provide medical care to Riverside County residents. RCRMC has over 1,700 employees. RCRMC's operating budget for the past four (4) years is summarized in Table "A" below:

RIVERSIDE COUNTY REGIONAL MEDICAL CENTER FINAL YEAR-END FINANCIAL SUMMARY

	FY 2000-2001	FY 2001-2002	FY2002-2003	FY 2003-2004
Operating Income	\$275,328,994	\$281,976,378	\$308,304,400	\$324,616,617
Operating Expenses	\$271,017,760	\$278,868,867	\$313,115,400	\$322,653,350
Net Income (Loss)	\$4,311,234	\$3,107,511	(\$4,811,000)	\$1,963,267

The following operational and service areas are addressed in this report:

- Memorandum of Understanding (MOU)/Pay Issues
- Time and Attendance System
- Disciplinary Procedure Letter
- Electronic Signature Transmission System
- Advertising Budget
- Employee Orientation
- Supervisors and Managerial Training

Findings

1. Through Grand Jury interviews, it was discovered that eligible nurses and technicians are highly dissatisfied and frustrated with the denial of premium and/or special pay previously received, which has prompted them to file pay grievances with the Service Employees International Union (SEIU). Employee dissatisfaction has resulted from:
 - a. Ambiguity in the MOU regarding premium and/or special pay.
 - b. Constant changes in interpretation by Riverside County Human Resources personnel and SEIU Representatives regarding employees' eligibility to receive premium and/or special pay.
 - c. RCRMC Managers incorrectly advising employees of entitlement to premium and/or special pay.
 - d. Past practices by RCRMC Managers who approved premium and/or special pay, which were not authorized in accordance with the MOU.
 - e. Employees notified only one day prior to payday of the denial of premium and/or special pay.
2. RCRMC utilizes a manual time and attendance system. RCRMC Administrators cancelled installation of KRONOS (an electronic time and attendance system) that is used by 115 hospitals/health care institutions in Southern California, including the Riverside County Department of Mental Health. According to Human Resources, funding was instead directed toward the installation of "People Soft" (a countywide personnel management system), which does not meet the needs of RCRMC. The complexity of time sheets containing multiple pay categories for nurses is evident on Attachments 1 and 2. Auditing of time sheets by the payroll staff to determine the correctness of pay in accordance with the MOU is a time-consuming and laborious task. Approximately twenty-five percent (25%) of the 1,700 manual time sheets processed each pay period have errors or discrepancies that must be resolved between the employees' supervisors and payroll staff.

3. In early 2004, employees who were subject to progressive disciplinary procedures received an Administrative Investigation Letter from their supervisor. This letter was developed by the Riverside County Human Resources Department as a template for supervisors/directors to use when needed. The purpose of an Administrative Investigation Letter is to determine all relevant facts pertaining to an allegation of employee misconduct. Substantiation of the allegation of employee misconduct. Substantiation of the allegation(s) could result in appropriate disciplinary action against an employee, including termination. Through interviews conducted by the Grand Jury, employees who received this letter expressed concern that the tone was, "...intimidating, threatening and accusatory, does not identify specific allegations to be investigated, and does not advise that we are entitled to outside representation." During this Grand Jury investigation the Human Resources Department has twice revised the original letter dated early 2004.
4. The current RCRMC process to verify a vacant budgeted nurse position and the authorization to fill it is complex and difficult. Frequently, this lengthy process can take several weeks and, as a result, ready and willing applicants seek employment elsewhere due to the hiring delays.
5. RCRMC has no allocated budget for advertising nurse positions.
6. When advertisement is authorized by the Administration for nurse recruitment, only the local newspaper is used; therefore, few applications are received.
7. Through Grand Jury interviews and observations, it was discovered that managers and first-line supervisory staff at RCRMC are unaware of the chain of command to seek guidance and/or report incidents that could lead to liability.

Recommendations

RIVERSIDE COUNTY BOARD OF SUPERVISORS RIVERSIDE COUNTY HUMAN RESOURCES DEPARTMENT RIVERSIDE COUNTY REGIONAL MEDICAL CENTER

1. The Riverside County Human Resources Negotiation Team and SEIU Representatives revise, clarify and standardize those portions of the current MOU that pertain to premium and/or special pay compensation such as overtime, preceptor (supervised training), call-back and on-call pay for nurses and technicians.
2. By January 2006, RCRMC and Human Resources Service Unit, submit a Form 11* to the Board of Supervisors to procure an electronic time and attendance system that will:
 - Increase productivity.
 - Reduce payroll processing labor cost.
 - Reduce time and pay category recording errors.
 - Reduce the potential for fraud.
3. Human Resources Department/Employee Relations notify all county department supervisors/directors and SEIU representatives of the revised Administrative Investigation Letter to be used in future disciplinary procedures.
4. Human Resources Department and the RCRMC Nurse Administration implement, by August 2005, an Electronic Signature Transmission System** to accelerate the hiring of qualified nurse candidates. The Grand Jury investigation revealed that much of the system is already in place; therefore, the approximate cost according to Human Resources to complete implementation would be about \$4,800.
5. RCRMC allocate funds for the purpose of advertising for nurse recruitment.

**A Form 11 is a standard request form used for all requests for Board of Supervisors action.*

***An Electronic Signature Transmission System automates the manual paper process for hiring authorization and approval.*

6. In view of the nationwide nursing shortage, RCRMC must expand recruitment to include advertisement in professional nursing magazines/journals, out-of-county newspapers with large circulations, and the Internet.
7. RCRMC new employee orientation must include instruction explaining the process of accessing the established lines of authority for guidance, and reporting incidents that could lead to liability if not properly addressed.

Report Delivered: 06/27/05
Report Public: 06/29/05
Report Response Due: 09/26/05

Attachment #1

Attachment #2