



June 24, 2015

Performance Audit

Citywide – Use and Management of Staffing Agency Employees

City of Albuquerque

Report No. 15-107



**CITY OF ALBUQUERQUE
OFFICE OF INTERNAL AUDIT**

PERFORMANCE AUDIT REPORT
USE AND MANAGEMENT OF STAFFING AGENCY
EMPLOYEES-CITYWIDE
REPORT NO. 15-107

TABLE OF CONTENTS

	<u>PAGE NO.</u>
Executive Summary	i
Introduction	1
Findings:	
1. The CAO Should Review the Increasing Use of Staffing Agency Employees and Assign One Department as the Overall Owner of the Process.	3
2. The CAO Should Ensure all Departments that Use Staff Agency Employees are Aware of the Contract and RFB Terms, along with Policies and Procedures.	6
3. The CAO Should have the Purchasing Division Rebid the Contracts for Staffing Agency Employee Services.	9
Conclusion	11
Appendix A – Objectives, Scope, and Methodology	13
Appendix B – Use and Management of Staffing Agency Employees - City Comparison	15
Appendix C – Departments’ Exceptions Detail	16

Use and Management of Staffing Agency Employees

Citywide

6/24/2015

Audit #15-107

The purpose of this audit was to review, test, and report on the use and management of staffing agency employees by City departments for an 18-month period from July 1, 2013 through December 31, 2014.

Summary

The City of Albuquerque's (City) spending on staffing agency employees has increased 72.5 percent in the past five years, from \$6.2 million in fiscal year (FY) 2010 to \$10.7 million in FY 2014. The City has not assigned responsibility to one department or division to act as the "owner" for the use and management of staffing agency employees. Instead, the various user departments manage the use of staffing agency employees independently.

Most user department personnel responsible for obtaining, using, and managing staffing agency employees are not aware of the contract terms, request for bid (RFB) terms, and policies and procedures (P&P) related to staffing agency employees. This lack of awareness has led to inconsistent compliance with rules and regulations over obtaining, using, and managing staffing agency employees. Due to this, staffing agency employees have not been properly requested; have been used for periods longer than permitted; and have performed duties not consistent with the positions they were engaged to fill. In addition, overcharges on vendor invoices for some staffing agency employees were not identified by the user departments.

Current contracts with staffing agency vendors should be rebid. Over the last two years the City has lost two vendors, and must now rely on the two remaining vendor contracts, which have been extended at least 17 times for periods of two to six months.

With the exception of appointing one City department with overall responsibility for managing the use of staffing agency employees, the Chief Administrative Officer agreed with the recommendations in the report. Detailed management responses can be found in the report.

Recommendations & Benefits

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By appointing one City department with overall responsibility for monitoring and managing the use of staffing agency employees the City will:

- Be able to ensure all user departments are appropriately obtaining, using, and managing staffing agency employees.
- Be able to continually update rules, regulations, P&P in an effective and efficient manner.
- Be able to quickly identify and remedy any issues.

By rebidding the staffing agency employee service contracts the City will:

- Be able to obtain the most competitive pricing.
- Be able to offer user departments better customer service from the vendors.



City of Albuquerque

Office of Internal Audit

June 24, 2015

Accountability in Government Oversight Committee
P.O. Box 1293
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Audit: Performance
Citywide – Use and Management of Staffing Agency Employees
Audit No. 15-107

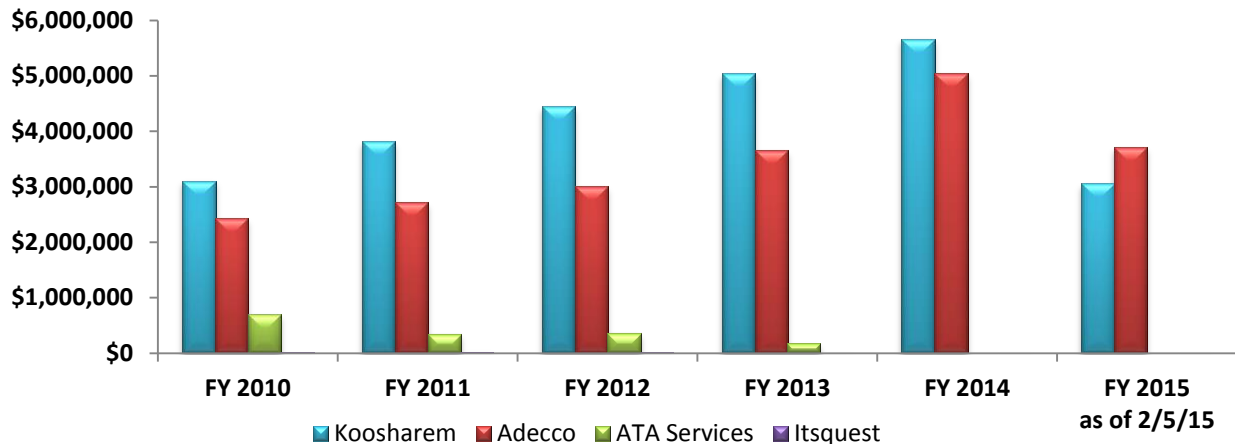
FINAL

INTRODUCTION

The Office of Internal Audit (OIA) conducted a Citywide performance audit of the use and management of staffing agency employees. The audit was included as part of OIA's FY 2015 audit plan. Information pertaining to the audit objectives, scope and methodology can be found in **Appendix A**.

The use and management of staffing agency employees has become a common component in City operations. In December 2008, the City awarded new contracts to four staffing agency vendors to provide temporary personnel services that the City required. The four vendors were Adecco Employment Services Incorporated (Adecco), New Koosharem Corporation (Koosharem), ATA Services Incorporated (ATA Services), and Itsquest Incorporated (Itsquest). From FY 2010 through February 5 of FY 2015, the City spent approximately \$47 million on staffing agency employees, as shown in the chart below.

**Amount Spent per Staffing Agency Vendor
 for FY 2010 through February 5 of FY 2015**



Source: Decision Support System

Seventeen of the twenty-six City departments used staffing agency employees during the period of July 1, 2013 through December 31, 2014. The table below details the dollar amount each of the 17 departments spent during that period.

**Amount Spent on Staffing Agency Employees per Department
 for the Period of July 1, 2013 through December 31, 2014**

Department	Amount
Cultural Services	\$4,869,039
Solid Waste	2,809,726
Parks and Recreation	2,367,072
Family and Community Services	1,963,522
Police	1,104,711
Transit	551,522
Municipal Development	489,677
Aviation	436,430
Finance and Administrative Services	429,300
Animal Welfare	328,883
Senior Affairs	320,402
Planning	297,224
Environmental Health	284,517
Legal	51,956
Chief Administrative Office	37,744
Economic Development	26,659
Council Services	12,391
Total	\$16,380,775

Source: Decision Support System

Over the years the City has implemented certain internal controls to help manage the use and expense of staffing agency employees. For example, the City is allowed to use a staffing agency employee for no more than two consecutive years, at which point the staffing agency employee must take at least a 90 day break, during which time he or she does not work for the City in any capacity. In addition, each time a department needs to obtain or extend the use of a staffing agency employee, a request form must be completed and approved by the department director, the Director of the Department of Finance and Administrative Services (DFAS), the Office of Management and Budget (OMB), and the Chief Administrative Officer (CAO). Finally, all staffing agency vendor contracts detail the specific positions the vendors can supply a staffing agency employee for, and the corresponding bill rate that must be paid for that position.

FINDINGS

The following findings concern areas that OIA believes could be improved by the implementation of the related recommendations.

1. THE CAO SHOULD REVIEW THE INCREASING USE OF STAFFING AGENCY EMPLOYEES AND ASSIGN ONE DEPARTMENT AS THE OVERALL OWNER OF THE PROCESS.

The City has continuously increased its use of staffing agency employees over the years. Between FY 2010 and FY 2014 the City's dollar use of staffing agency employees escalated from approximately \$6.2 million to approximately \$10.7 million; this is a 72.5 percent increase in the course of five years.

Interviews were conducted with key department personnel to obtain an understanding for the reasons why large increases in the use of staffing agency employees occurred between FY 2010 and FY 2014. According to department personnel, the main reason for the increase was permanent City positions were cut from the departments' budgets; however, the need to fill those positions still existed. Other reasons for the increased use of staffing agency employees were to fill vacant positions until a permanent City employee could be hired, to assist with large workloads that permanent City employees could not manage on their own, to fill seasonal positions, and because it was cheaper and faster to obtain staffing agency employees than to hire permanent City employees.

A comparison was performed between the average hourly pay rates, including benefits, for permanent City employees versus the hourly bill rates for staffing agency employees. Based on the comparison of the nine most frequently filled positions, the staffing agency employee hourly bill rates were always less than the average hourly pay rates, including benefits, for permanent City employees. The table below illustrates the difference between the staffing agency employee hourly bill rates versus the average permanent City employee total hourly pay rates.

**Difference between Staffing Agency Employee Bill Rates
 and Permanent City Employee Hourly Pay Rates**

Position	Staffing Agency Employee Hourly Bill Rate	Permanent City Employee Average Hourly Pay Rate, Including Benefits	Variance
Program Specialist	\$19.32	\$35.38	\$16.06
Senior Admin Assistant	13.40	27.07	13.67
Animal Handler	12.74	22.94	10.20
General Service Worker	* 12.07 or 13.01	21.17	9.10 or 8.16
Senior Zookeeper	18.04	26.85	8.81
Kitchen Aide	12.49	19.40	6.91
Custodian	12.85	19.40	6.55
Office Assistant	17.72	19.80	2.08
Crossing Guard	16.23	18.12	1.89

*Note: The two different staffing agency employee hourly bill rates for a general service worker is due to the different bill rates charged by Adecco (\$12.07) and Koosharem (\$13.01).

Source: Staffing agency contracts and various user department and HR personnel.

A comparison was also performed between the time it takes to hire permanent City employees versus the time it takes to obtain staffing agency employees. On average it takes about two weeks to fill positions with staffing agency employees. In comparison, it takes on average 73 days to hire permanent City employees.

While it was identified that it may be cheaper and faster to obtain staffing agency employees than to hire permanent City employees, there are other factors that are not as easily quantifiable and should be considered. For example, due to the fact that departments are limited to using staffing agency employees for no more than two consecutive years, the departments must continually train new staffing agency employees. In addition, staffing agency employees may not feel as much of a sense of fiduciary responsibility in their work knowing that it is only a temporary job. This could potentially lead to a decrease in work performance, customer service, and/or ethical conduct.

There is not one City department that has overall responsibility of monitoring and managing the use of staffing agency employees. Currently, each department is responsible for managing its own use. As a result, the City has not monitored the overall usage of staffing agency employees. This has also contributed to inconsistencies and violations of contract and RFB terms, along with P&P.

With the City continuing to spend more funds each year on staffing agency employees, it is vital for the use and management of staffing agency employees to be closely and consistently monitored. However, since each City department is currently responsible for monitoring and managing its own use, issues and inconsistencies have occurred.

To benchmark the City’s use of staffing agency employees, 14 United States (U.S.) cities were contacted to obtain information on how those cities use and manage staffing agency employees. For more detail on the information received from other U.S. cities see **Appendix B**. Based on the responses from other U.S. cities, when one department was assigned with overall responsibility for managing the use of staffing agency employees, it was the Human Resources (HR) Department. Based on the issues identified during this audit it would be logical for the HR Department at the City of Albuquerque to be appointed with this responsibility.

The City continues to use staffing agency employees at an increasing rate year after year. The use of staffing agency employees can be an effective way to supplement the City’s workforce when needed. However, the City should look at all factors, quantifiable and non-quantifiable, related to the use of staffing agency employees to determine if it is in the best interest of the City to continue to use this service as extensively as it has been.

RECOMMENDATIONS:

The CAO should:

- Assess the number of staffing agency employees used by the City and determine if the amount of use is appropriate based on department needs.
- Appoint one City department with overall responsibility for monitoring and managing the use of staffing agency employees by City departments. Based on information gathered from other U.S. cities, the HR Department may be the most logical department for this responsibility.

RESPONSE FROM THE CAO:

“CAO agrees that the number of staffing agency employees used by the City should be assessed and reviewed, however the CAO maintains that the responsibility will continue to reside with the individual department.

- *The number of staffing agency employees is and will continue to be under review to achieve maximum efficiencies for the City.*
- *The primary advantages to utilizing staffing agencies for temporary services are the lower cost, the faster turnaround time compared with the normal City hiring process, and increased flexibility with respect to City business needs. Centralized monitoring and managing of this process will diminish both the cost and time advantages of utilizing temporary staffing. In addition, the recommendation is premised on the information collected from fourteen (14) cities. A review of the information support that the HR department oversight is a best practice. As detailed in Appendix B of the Audit Report 6 or 42% of cities assign overall responsibility to the Human Resources Department; in contrast 7 or 50%*

place the responsibility with individual departments to administer hiring of temporary staff through staffing agencies. No data gathered supports any conclusions about either monitoring technique being superior in terms of consistency, process time, or amount spent by the agencies. For example, Mesa, Arizona by far spends the largest percentage of its budget and the largest amount per full time employee on temporary employees, which are managed centrally with the HR Department. In other words, there is not necessarily a direct relationship between using a centralized department to manage these services and the amount spent on those services. The majority of cities leave the process to individual departments and the data are not sufficiently persuasive to undertake the added costs of central administration and the loss of flexibility and timelines. Therefore, the responsibility for monitoring and managing staffing agency employees will reside with the individual departments.”

ESTIMATED COMPLETION DATE:

“With respect to the first bullet item recommendation, the activity will be ongoing.”

2. THE CAO SHOULD ENSURE ALL DEPARTMENTS THAT USE STAFFING AGENCY EMPLOYEES ARE AWARE OF THE CONTRACT AND RFB TERMS, ALONG WITH POLICIES AND PROCEDURES.

The City has developed certain internal controls for obtaining, using, and managing staffing agency employees, which are outlined in the vendor contracts and RFB terms, along with the P&P on using staffing agency employees. However, the RFB and P&P are not consistently distributed to the departments and personnel in charge of obtaining, using, and managing staffing agency employees. Most personnel indicated that they have never seen or received a copy of the RFB or P&P.

Departments and divisions are not consistently aware of all the rules, regulations, and P&P that must be followed when obtaining, using, and managing staffing agency employees. As a result, the City is at risk of incurring unauthorized or inaccurate costs. And, the departments and divisions are not managing the staffing agency employees appropriately.

The following testing methodologies were performed to identify any issues with the way staffing agency employees are obtained, used, and managed by the City departments:

- Sample methodology - From the period of July 1, 2013 through December 31, 2014, a random statistical sample was selected of 48 staffing agency employees who are currently or have previously worked at the City.
- Review methodology - Reviewed the length of continuous service for all staffing agency employees who worked at the City during the period of July 1, 2013 through December 31, 2014.

- Interview methodology - Interviewed personnel in 17 departments/divisions on how they obtain, use, and manage staffing agency employees.

Based on the results of sample testing, review, and interviews, the exceptions in the table below were identified (for a list of departments involved with each exception noted below see **Appendix C**).

Audit Testing Results by Testing Methodologies

Description of Exception	Number of Exceptions	Criteria
<i>Sample Methodology – Random statistical sample of 48 staffing agency employees from July 1, 2013 to December 31, 2014</i>		
Request forms to obtain staffing agency employee positions could not be found.	12 of 48	According to the NM Administrative Code, contract and agreement files must be maintained for six years after the contract has been terminated.
A request form to extend a staffing agency employee position could not be found.	1 of 48	According to the NM Administrative Code, contract and agreement files must be maintained for six years after the contract has been terminated.
The required 90 day cooling off period was not taken by an individual who resigned from the City after being an employee for more than two consecutive years, and then came back as a staffing agency employee.	1 of 48	According to the P&P on using staffing agency employees, if an individual has worked at the City for two continuous years they must take a 90 day break before coming back to work at the City in any capacity.
Staffing agency employee bill rates per the approved invoices did not match the contract bill rates. The invoices were approved by department management.	18 of 48	According to Purchasing P&P on using staffing agency employees, those making purchases from contracts must ensure the price being paid is per the contract terms.
Staffing agency employees performed job duties that did not correspond to the positions they were obtained for.	5 of 48	According to the Purchasing P&P, payments should not be made when services do not meet the scope of service stipulated in the contract.
<i>Review Methodology – Review the length of continuous service for <u>all</u> staffing agency employees who worked at the City from July 1, 2013 to Dec. 31, 2014</i>		
Staffing agency employees are used at the City for more than two consecutive years.	29 of 1,337	According to the P&P on using staffing agency employees, temporary workers are to work for the City for no more than a two-year period, unless there is a 90 day break in service.

Description of Exception	Number of Exceptions	Criteria
<i>Interview Methodology – Interview 17 City departments/divisions about the operations management of staffing agency employees</i>		
Request forms were not being completed by the departments/divisions to obtain staffing agency employees.	5 of 17	According to P&P on using staffing agency employees, request forms for all new assignments and re-starts must be completed and approved by the Director of DFAS and CAO.
Departments/divisions did not notify DFAS when they preselected a staffing agency employee to fill a position.	5 of 17	According to the P&P on using staffing agency employees, the departments must notify DFAS if there is a preselection made for a staffing agency employee.
Invoices for staffing agency employees were not reviewed against approved time sheets.	1 of 17	According to the P&P on using staffing agency employees, invoices should be verified against approved time sheets.
Departments/divisions were inappropriately promoting staffing agency employees.	7 of 17	According to the P&P on using staffing agency employees, City employees are not allowed to promise promotions to staffing agency employees.

RECOMMENDATIONS:

The CAO should:

- Ensure the HR Department or other department with overall responsibility for staffing agency contracts:
 - Updates current P&P on using staffing agency employees.
 - Ensures distribution of contracts, RFB documentation, and P&P to City personnel in charge of obtaining, using, and managing staffing agency employees.
 - Provides training to City personnel in charge of obtaining, using, and managing staffing agency employees to ensure they fully understand all of the rules, regulations, and P&P.
 - Performs a monthly review of:
 - Requests to obtain or extend staffing agency employees against reports provided by the vendors detailing staffing agency employees who are working at the City to ensure requests exist, and have been approved by the appropriate individuals.
 - Staffing agency reports to ensure employees have not been used at the City for more than two consecutive years, or if they have been used for two consecutive years, that the employees take at least a 90-day break before being obtained again by the City.
 - Staffing agency reports to ensure that if any of the staffing agency employees are previous City employees, they have

- taken at least a 90-day break between being permanent City employees and coming back as staffing agency employees.
- Staffing agency reports to ensure the positions and bill rates listed are accurate.
- Performs quarterly observation and inquiry of a random sample of staffing agency employees to ensure the job duties they are performing correspond to the positions they were obtained for.

RESPONSE FROM THE CAO:

“CAO agrees that the HR Department will play a role in the compliance of staffing agency employees and recommends that DFAS Purchasing also partake in the role.

- *To ensure compliance with the staffing agency usage, the HR Department will be charged with drafting an Administrative Instruction for the Administration’s approval regarding the proper usage of staffing agencies for temporary employees. The DFAS Purchasing Division will be instructed to post the Administrative Instruction and the staffing agency contracts with the appropriate policies and procedures on its SharePoint website.*
- *DFAS Purchasing and the HR Department will jointly sample records on a quarterly basis to ensure policies are being followed.*
- *In coordination with HR, DFAS Purchasing will provide training at least once every three years with respect to the usage of the staffing agencies and temporary employees at its Purchasing Liaison User Group meetings (PLUG).”*

ESTIMATED COMPLETION DATE:

“To be completed no later than the second quarter of FY16.”

3. THE CAO SHOULD HAVE THE PURCHASING DIVISION REBID THE CONTRACTS FOR STAFFING AGENCY EMPLOYEE SERVICES.

The current contracts for staffing agency employee services have not been rebid since FY 2007. The original contracts were awarded in December 2008, and the terms of service were for 24 months with optional extension periods of 12 months or less for each extension. The contracts with Koosharem and Adecco have been extended 17 and 18 times, respectively, with each extension period being between two and six months. In addition, some departments stated that there have been issues with the level of customer service provided by the current vendors. The Chief Procurement Officer agrees that it is time for the contracts for staffing agency employee services to be rebid.

The City has lost two of the four contracts with Itsquest and ATA Services. The reasons for the loss of these two contracts was due to one vendor's inability to provide the needed services, and because the other vendor did not respond to the request for contract extension. Due to the loss of these two contracts the City has had to rely on staffing agency services from the remaining two vendors, Adecco and Koosharem.

According to the Chief Procurement Officer, each time the Purchasing Division tries to rebid the contracts they are told by the user departments that it would be too difficult to have to switch out all of the current staffing agency employees being used by the City if new vendors are awarded the contracts. The Chief Procurement Officer also stated that in the past when the Purchasing Division tried to rebid the contracts, the current vendors threatened to sue the City, stating that they had hired a large work force to fill the requirements of the City, and if they were not re-awarded the contracts they may lose their workforce and possibly go out of business. The City has held off on rebidding the contracts to try and minimize the impact and risk of awarding new vendors and replacing all staffing agency employees.

According to the Purchasing P&P:

Public employees must discharge their duties impartially so as to assure fair competitive access to governmental procurement by responsible contractors. Moreover, they should conduct themselves in such a manner as to foster public confidence in the integrity of the City procurement organization.

Continuing to extend the contracts for the remaining two vendors instead of putting the contracts out for rebid, may cause the City to pay prices that are no longer competitive, and does not ensure fair competition for other staffing agencies that could bid on the contracts. The Purchasing Division stated that they have already prepared the new RFB and can send it out as soon as approval is obtained from the Administration. However, the Chief Procurement Officer feels that the new RFB will only be successful if the CAO appoints one department to have overall responsibility for monitoring and managing the use of staffing agency employees by City departments, as recommended in finding number one.

RECOMMENDATIONS:

The CAO should approve the Purchasing Division RFB issuance for the contracts for staffing agency employee services.

RESPONSE FROM THE CAO:

"The CAO agrees".

ESTIMATED COMPLETION DATE:

“The request for Bid shall be issued no later than August 30, 2015.”

CONCLUSION

The City has increased its use of staffing agency employees by 72.5 percent over the past five years. However, there is not one City department that has overall responsibility of monitoring and managing the use of this service. Each department is responsible for managing its own use, which has contributed to inconsistencies and violations of the contracts, RFB terms, and P&P. Most of the issues identified with obtaining, using, and managing staffing agency employees could be corrected by appointing one department with overall responsibility for monitoring and managing the use of staffing agency employees by City departments. Based on information gathered from other U.S. cities, the HR Department may be the most logical for this task.

The City has designed and implemented internal controls over obtaining, using, and managing staffing agency employees. However, these internal controls, which are detailed in the vendor contracts, RFB documentation, and P&P, are not consistently distributed and communicated to the department personnel in charge of obtaining, using, and managing staffing agency employees. This has caused many departments to be unaware of rules, regulations, and P&P regarding staffing agency employees, and consequently, has been the root cause of the exceptions.

The current contracts the City has for staffing agency employee services are overdue to be rebid. The City has lost two of the four contracts, and must now rely on the two remaining staffing agency vendors to provide the required services. The remaining two vendor contracts have been extended numerous times for short periods of two to six months. By continuing to extend these two contracts, it may cause the City to pay prices that are no longer competitive, and does not ensure fair competition among other staffing agencies that could bid on new contracts. The City can ensure that it is paying the most competitive prices, and offering departments the best staffing agency employee services by rebidding these contracts.

We wish to thank the CAO, DFAS, Purchasing Division, and the multiple City department personnel who provided their time and assistance during the use and management of staffing agency employees audit.

Principal Auditor

REVIEWED and APPROVED:

APPROVED FOR PUBLICATION:

Debra Yoshimura, CPA, CIA, CGAP, CICA
Director, Office of Internal Audit

Chairperson, Accountability in
Government Oversight Committee

APPENDIX A

OBJECTIVES

The objectives of the use and management of staffing agency employees audit were to determine:

- Are staffing agency employee vendor contracts still appropriate?
- Did the City departments obtain and use staffing agency employees appropriately?
- Are City departments consistently obtaining, using, and managing staffing agency employees?
- Is the use of staffing agency employees a benefit or a constraint to the City?
- Is the City’s use and management of staffing agency employees comparable to other U.S. cities?

SCOPE

OIA’s responsibility is to offer reasonable and not absolute assurance as to the operating effectiveness and efficiency of the use and management of staffing agency employees by City departments. Therefore, our audit did not include an examination of all functions, activities, and transactions related to staffing agency employees. Our scope was limited to the objectives above for the period of July 1, 2013 through December 31, 2014, with the exception of the trend analysis which covered the period of FY 2010 through February 5 of FY 2015.

This report and its conclusions are based on information taken from a sample of transactions and do not represent an examination of all related transactions and activities. The audit report is based on our examination of transactions and activities through the completion of fieldwork on May 4, 2015 and does not reflect events or transactions after that date.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

METHODOLOGY

Methodologies used to accomplish the audit objectives include, but are not limited to the following:

- Reviewing State and City regulations, P&P, contract and RFB terms, and other standards applicable to the use and management of staffing agency employees.
- Interviewing key personnel and performing walkthrough observations to gain a better understanding of the use and management of staffing agency employees by City departments.
- Identifying key internal controls over the use and management of staffing agency employees.
- Testing of key internal controls and processes over the use and management of staffing agency employees to ensure rules, regulations, and P&P were being followed, and to determine if the use and management of staffing agency employees was operating in the most effective and efficient manner.
- Summarizing all findings and providing the auditees with recommendations that will help to strengthen internal control, and increase operating effectiveness and efficiency.

Audit sampling software was used to generate random statistical attribute test samples to accomplish audit objectives. In addition, judgmental sampling was used to complete inquiry and observation test work over the use and management of staffing agency employees by City departments. The population data was derived from the Decision Support System and reports provided by staffing agency vendors.

APPENDIX B

Use and Management of Staffing Agency Employees City Comparison

U.S. City	Does the City Use Staffing Agency Employees?	What is the City's General Fund Budget for FY 2014?	How Many General Fund Full Time Employees did your City Budget for in FY 2014?	What City Department has Overall Responsibility for Managing the Use of Staffing Agency Employees?	How Much was Spent by the City on Staffing Agency Employees During FY 2014?
Albuquerque, NM	Yes	\$480 Million	3,989	Individual Departments	\$10.7 Million
Las Cruces, NM	Yes	\$87 Million	856	Individual Departments	\$671,373
Santa Fe, NM	No	\$73 Million	1,521*	Human Resources, if the City ever decided to use staffing agency employees	Not Applicable
Dallas, TX	Yes	\$1 Billion	11,485	Human Resources, with the exception of the Sanitation Department	Unknown
Houston, TX	Yes	\$2 Billion	14,486	Human Resources	\$14 Million
El Paso, TX	Yes	\$351 Million	4,083	Human Resources	Unknown
Phoenix, AZ	Yes	\$1 Billion	9,226	Individual Departments	\$4 Million
Mesa, AZ	Yes	\$309 Million	2,500	Human Resources	\$5.4 Million
Colorado Springs, CO	Yes	\$249 Million	1,675	Individual Departments	\$1 Million
Denver, CO	No	\$998 Million	7,356	Not Applicable	Not Applicable
Boise, ID	Yes	\$182 Million	1,592*	Individual Departments	Unknown
Portland, OR	Yes	\$494 Million	5,522	Individual Departments	Unknown
Kansas City, MO	Yes	\$194 Million	2,064	Individual Departments	Unknown
Seattle, WA	Yes	\$1 Billion	10,881*	Individual Departments	Unknown
Oklahoma City, OK	Yes	\$401 Million	2,836	Human Resources, Procurement, and Risk Management	\$800,000

*The City did not break out the General Fund employees from other funded employees. Therefore, the number of employees represents all full time employees

Source: Various U.S. Cities

APPENDIX C

- **Missing or unapproved request forms to obtain or extend staffing agency employee positions.**

Request forms to obtain staffing agency employees could not be found.

Department	Number of Exceptions
Police	4
Family and Community Services	2
Transit	2
Animal Welfare	1
Cultural Services	1
Municipal Development	1
Solid Waste	1

Request form to extend the use of a staffing agency employee could not be found.

Department	Number of Exceptions
Legal	1

- **Inadequate cooling off period.**

Department	Number of Exceptions
Family and Community Services	1

- **Violation of contract terms.**

Bill rates per the approved vendor invoices did not match to the bill rates on the approved contracts.

Department	Number of Exceptions
Cultural Services	4
Family and Community services	3
Transit	3
Police	2
Aviation	1
Environmental Health	1
Senior Affairs	1
Planning	1
Legal	1
Solid Waste	1

Job duties performed by the staffing agency employees did not correspond to the positions they were obtained for.

Department	Number of Exceptions
Cultural Services	2
Transit	2
Family and Community Services	1

- **Staffing agency employees used for over two consecutive years.**

Staffing agency employees were used by the City for more than two consecutive years.

Department	Number of Exceptions
Family and Community Services	11
Cultural Services	9
Solid Waste	4
Municipal Development	2
Senior Affairs	2
Finance and Administrative Services	1

Staffing agency employees were used by the City for two consecutive years before being released, but were obtained again by the City before taking at least a 90 day break.

Department	Number of Exceptions
Solid Waste and Parks and Recreation (employee time was split between the two departments)	2
Solid Waste	1

- **Request forms were not completed when obtaining staffing agency employees.**

Department	Division
Family and Community Services	Therapeutics
Family and Community Services	Summer Foods
Family and Community Services	Community Recreation
Family and Community Services	Maintenance
Family and Community Services	Playgrounds

- **Notification was not given for preselected staffing agency employees.**

Department	Division
Cultural Services	Library
Cultural Services	Community Events
Family and Community Services	Therapeutics
Family and Community Services	Community Recreation
Family and Community Services	Playgrounds

- **Staffing agency vendor invoices were not reviewed for accuracy.**

Department	Division
Cultural Services	Community Events

- **Staffing agency employees were directly promoted to a higher paying position by the department or division.**

Department	Division
Cultural Services	Museum
Cultural Services	BioPark
Cultural Services	Library
Cultural Services	Community Events
Parks and Recreation	Recreation
Family and Community Services	Maintenance
Family and Community Services	Playgrounds