



### **Agenda Action Form Overview**

The Risk Management Division of the Legal Department is requesting approval to increase the funding on our contract with Adecco USA, Inc. to a total of \$80,000 for temporary staffing services of two (2) administrative assistant positions through the remainder of FY18 (June 30, 2018). The full funding of this request is available under the current FY18 Risk Management budget. The initial contract was executed under the Department Director's authority in the amount of \$30,000. However, the need for both positions has exceeded expectations, due to full-time Risk Management positions that became vacant in FY18. These two (2) temporary employees will be required through the remainder of the fiscal year to assist with the implementation of Countywide projects and to offset the workload of the vacancies.

Therefore, Risk Management is requesting approval of an additional \$50,000, currently available in its budget, to fund the outstanding invoices for temporary services that have been completed to-date and future invoices for services through June 30, 2018 for a total contract amount of \$80,000.

### **Background/Justification**

In June 2017, the Risk Management division of the Legal Department was fully staffed with four (4) positions (Safety & Risk Manager, Claims Program Manager, Safety Specialist and Safety Technician). The then Safety & Risk Manager submitted their resignation in July 2017, which now left the division one position short and the Claims Program Manager had to assume dual roles as the Interim Safety & Risk Manager, as well as the Claims Program Manager. The workload/duties of both these positions cannot be performed by one employee. The need for a temporary Claims Assistant to offset the duties of the Claims Program Manager was vital to handle the departments' claims, while the Interim Safety & Risk Manager was tasked with the following tasks:

- Still supervising/managing the claims process
- Supervising the Safety program
- Completing insurance coverage applications/renewals for the County
- Contract reviews
- Generating quarterly reports for excess insurance coverage
- Day-to-day managerial operations

Hence, in August 2017, Legal contracted with Adecco USA, Inc. for temporary staffing services in the amount of \$30,000, per the Department Director's authority, to fill a temporary Claims Assistant position.

The Safety Program is expanding to ensure that the County is OSHA compliant, so the workload dictated that a temporary Safety Assistant position be brought in to assist with the following:

- Implementation of the Countywide Safety Training System to ensure that all County employees receive the mandatory OSHA compliance trainings, which requires:
  - Obtaining information from SAP & HR about 2,000+ County employees' for initial uploading for all County Departments and Divisions



- After initial upload of all County employees, position would provide subsequent maintenance of updates for all County Departments and Divisions
  - Generates reports for applicable General Managers, Directors, and Supervisors
  - Follows up on all incomplete/overdue assignments
  - 70% of the County is currently enrolled in this system
- Implementation of the Vehicle Operation Policy Update, which requires:
  - Gathering driver's license information of all County employees that drive a County vehicle, or their personal vehicle for County business
  - Uploading driver's license information of all County employees that drive a County vehicle, or their personal vehicle for County business into the NCDMV Driver's License Monitoring System
  - Receiving and disseminating notifications from the NCDMV Driver's License Monitoring System to Risk Management and appropriate County Departments if any changes occur in the status of those employees that drive on behalf of the County, reducing our liability risks

Therefore, in August 2017, Legal added the temporary Safety Assistant position to the \$30,000 contract with Adecco USA, Inc.

As of March 16, 2018, the Occupational Health & Safety Specialist position will be vacant, leaving the Safety Program down to one full-time employee (Safety Technician) and the temporary Safety Assistant position. If this temporary Safety Assistant position is no longer funded, this will leave the entire Safety Program with only one (1) employee, which would significantly impede the County's ability to obtain OSHA compliance and prevent potentially costly penalties to the County. Services of the Safety Assistant position would conclude upon completion of the Countywide onboarding. Should that completion happen prior to the end of FY18, services for that position would be eliminated.

Funding these temporary positions for FY18 would average approximately \$30,000 per temporary employee, with the fee for the temporary staffing agency being an additional 50% of the temporary employees' hourly rate, which translates to an additional \$15,000 per temporary employee. This agency markup rate has been reduced to 40% for the remainder of FY18 (as of March 12, 2018), so including the agency fee, the total for both positions will be approximately \$80,000 for FY18. We have expended \$28,753.35 of the initial \$30,000 contract, leaving \$1,246.65 in the current funds reservation. There is an outstanding balance of approximately \$24,000 for these services to-date. To continue these services through FY18, we require an additional \$26,000. Therefore, we require an additional \$50,000 approved to continue providing these necessary services to Durham County for the remainder of FY18, which is available in Risk Management's current budget, pending Board approval.

Additionally, a new position has been requested in the upcoming FY19 budget to encompass the duties (or some variation) of these two temporary positions, which will create significant savings to the County.



**Policy Impact**

Failure to fund these positions would result in the Risk Management Division being reduced to two (2) FTE's to carry out the workload of the four (4) FTE's that are currently budgeted. The Interim Safety & Risk Manager would carry the full workload of that position as well as the full workload of the Claims Program Manager, with no administrative assistance. The Safety Technician would carry the full workload of that position as well as the full workload of the Occupational Health & Safety Specialist, with no administrative assistance.

This would gravely impede the County's entire claims process (*i.e.* Workers' Compensation, General Liability, etc.). It would also halt or severely slow the Safety Program, particularly the projects that are being implemented to reduce the County's overall risk of workers' compensation claims, OSHA compliance, etc.

**Procurement Background**

**Type of purchase**

- ☐ Goods
- ☒ Services
- ☐ Architect, Engineer or Surveyor Services
- ☐ Construction and Repair

**Did this request for purchase go through a bid process? Yes ☐ No ☒**

*Goods: Bids required if  $\geq \$30,000$ , BOCC approval if  $\geq \$90,000$*

*Services: Bids required if  $\geq \$30,000$ , BOCC approval if  $> \$40,000$*

*Construction/Repair work: Bids required if  $\geq \$30,000$ , BOCC approval if  $\geq \$500,000$*

If yes, attach a copy of bid tab and the minority and women business enterprise (MWBE) compliance review form provided by the Purchasing Division.

If no, why?

- ☐ Sole source exemption
- ☐ Cooperative purchasing program exemption
- ☐ State and federal contract exemption
- ☒ Contract is an amendment to an existing contract
- ☐ Other (please explain)

**If exempted from bidding, has this request been reviewed and approved by the Purchasing Division in the agenda Legistar system? Yes ☐ No ☐**

If no, why?

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**Fiscal Impact**

Impediment of the County's ability to reduce risks, handle claims, ensure OSHA compliance, etc. can result in severe financial liability for the organization in the form of lawsuits, state and federal fines, etc.

Due to the lapsed salaries of the vacant full-time positions in the Risk Management Division, the full cost of this contract is available under the current FY18 Risk Management budget. Risk Management is currently working with Human Resources to actively recruit qualified candidates to fill our vacant full-time positions.

**Recommendation**

The Board is recommended to approve the additional \$50,000, currently available in Risk Management's budget, to continue funding the two (2) temporary positions for services through June 30, 2018, for a total contract amount not to exceed \$80,000 with Adecco USA, Inc.