COUNTY OF LOS ANGELES
DEPARTMENT OF HUMAN RESOURCES

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To enrich lives through effective and caring service

MICHAEL J. HENRY
DIRECTOR OF PERSONNEL

January 8, 2004

To: Each Supervisor

From: Michael J. Henry
Director of Personnel

David E. Janssen
Chief Administrative Officer

Subject: **TEMPORARY CONTRACT PERSONNEL**

On December 9, 2003, on motion of Supervisor Knabe, your Board instructed the Director of Personnel, the Chief Administrative Officer and respective departments to work to resolve issues regarding the management of temporary contract personnel and report back to the Board within 30 days with a recommended plan.

We have gathered information from County departments regarding their utilization of temporary contract personnel. Our preliminary review of the most recent data available indicates that for the period April 1, 2003 to June 2003 the Department of Health Services (DHS) used approximately 1,300 temporary contract personnel. The most recent data available for all other departments reveals that they used approximately 400 temporary contract personnel during the period July 1, 2003 to September 30, 2003. DHS is currently the target of a lawsuit by SEIU, Local 660, regarding compliance with California Government Code Section 31000.4 which limits certain temporary contract personnel assignments to 90 days.

County departments currently contract with temporary personnel agencies by developing Requests For Proposals (RFPs), soliciting contract agencies, evaluating bids, and processing contracts for approval by the Board of Supervisors. We were contacted by and have met with representatives of CORESTAFF Services regarding their expertise in managing temporary personnel contracts. During our meeting, we were informed that CORESTAFF has purportedly saved their clients considerable money by functioning as the single contractor for all their clients' temporary personnel needs. This umbrella agency concept provides that CORESTAFF function as the single contractor for temporary personnel services responsible for various functions, including, but not limited to: negotiating reduced rates with subcontractors, monitoring utilization

and expenditures, ensuring compliance with laws related to utilization, and maintaining time records. It should be noted that if the County were to pursue the concept outlined by CORESTAFF, we would need to develop a RFP and go out to bid to all qualified contractors.

We will be meeting with the Auditor-Controller and County Counsel within the next week to discuss the County's current utilization of temporary contract personnel and the umbrella agency concept outlined by CORESTAFF. These discussions will take into consideration what impact any changes in the current utilization of temporary contract personnel may have on the lawsuit by SEIU, Local 660 and the current budget crisis which may significantly alter the County's utilization of temporary contract personnel. We anticipate completing our review and the development of recommendations within 60 days and will report back to the Board at that time.

If you have any questions please contact either of us or your staff may call Richard Boswell, Senior Human Resources Manager at (213) 974-2451.

MJH:DEJ
REB:sbh

c: Executive Officer, Board of Supervisors
County Counsel
Auditor-Controller
Health Services

H:KnabeMotionResp04