

# City of Gainesville

## Office of the City Auditor

## Memorandum

To: Lee R. Feldman, City Manager

Edward Bielarski, Gainesville Regional Utilities General Manager

Cc: Ginger Bigbie, City Auditor

Cintya Ramos, Finance Director, General Government

Claudia Rasnick, Chief Financial Officer, Gainesville Regional Utilities

From: Brecka Anderson, Internal Audit Manager

Date: September 15, 2020

Re: Targeted Review of Third Party Temporary Employment Invoicing

#### **Purpose**

In July 2020, the City Manager requested that the City Auditor's Office review temporary employment invoicing and utilization between the City and Career Center, Inc. d/b/a TempForce (TempForce). The City of Gainesville utilizes third party vendors to fill some position vacancies on a temporary basis. City management is responsible for ensuring that temporary employment services are utilized effectively to meet administrative and operational goals and objectives.

### **Background**

General Government and GRU procure temporary employee services in one of two ways:

Source	Hire Method	Payment Method
1. City Direct	Directly through the City's	Paid through City payroll
Temporary Hire	Human Resources Department	
2. Third Party	Through third party vendor	Procure-to-Pay Process*
Temporary	based on City contract	City Purchasing or requesting department issues
Employment		purchase order to vendor for temporary services.
Services		Vendor places temporary employee with City.
Vendor		Employee submits timecard to vendor for time worked.
		Vendor issues invoice to City. City hiring supervisor approves time worked in vendor's time reporting system and authorizes payment of invoice. City Accounts Payable pays vendor based on approved invoice. Vendor pays employee.

<sup>\*</sup>The table above displays the TempForce procure-to-pay process. Some third party temporary employment vendors are paid based on contract terms.

Internal Audit Objective: To provide a limited scope review of select TempForce invoices to determine whether they were paid timely, accurately, and in compliance with contract terms, and to provide additional statistics around total City temporary employment.

Scope and Methodology: This engagement is a targeted review of Career Center TempForce invoicing and utilization activities for specified periods and specific processes. Our review was limited to inspection of select third party temporary employment invoices, related policies and procedures, and internal controls. Our methodology included review of TempForce invoices paid from June 1, 2020 – June 30, 2020. In addition, we compiled temporary employment statistical data over several fiscal years.

Specifically, we reviewed the timing of invoice payments, accuracy of invoice billing rates, compliance with the City's Career Center TempForce contract, and other internal City procedures. During our review, we analyzed invoice and payment details, and provided charts of citywide utilization of TempForce services and temporary employment utilization administered by the City's Human Resources Department.

Background: TempForce is the largest City vendor for temporary services, with payments exceeding \$1.3 million from October 2019 – August 11, 2020. In comparison, City direct hire payments exceeded \$2.4 million for the same period.

Over approximately four years, from October 2016 to August 11, 2020, the City utilized 985 temporary employee assignments as City direct hires and TempForce hires. Some temporary employees worked multiple assignments, which included seasonal employees such as lifeguards. The City expended over \$14.6 million for these temporary employment services.

#### TempForce Contract

The City and TempForce first entered into the contract for temporary employment services in November 2008 with a contract termination date of December 31, 2014. The contract was extended for a five-year period and then a subsequent nine (9) month period expiring September 30, 2020. The City is currently working on the new contract to procure third party temporary employment services beyond fiscal year 2020.

The current TempForce contract specifies several areas of compliance when procuring and invoicing temporary employment services, such as position descriptions, wage rates (employee \$/hour), bill rate calculations (wage rate plus multiplier and healthcare fee paid to vendor), invoice payment specifications, and length of assignment.

## Results

During our review, we identified the following points of discussion for management's consideration when administering third party temporary employment services.

Seneral Government   Seven of 149 (5%) TempForce   without appropriate city   management approval.   Seven of 149 (5%) TempForce   without appropriate city   management approval.   Seven of 149 (5%) TempForce   without appropriate city   management approval.   Seven of 149 (5%) TempForce   without appropriate city   management approval.   Seven of 149 (5%) TempForce   without appropriate city   management approval.   Seven of 149 (5%) TempForce   without appropriate city   management approval.   Seven of 149 (5%) TempForce   without appropriate city   management approval.   Seven of 149 (5%) TempForce   without appropriate city   management approval.   Seven of 149 (5%) TempForce   without appropriate city   without appropriate city   management approval.   Seven of 149 (5%) TempForce   without appropriate city   with	Title	Discussion Point	Risk	Recommendation
Allowed Amounts* Appointing a specific purchasing staff person to process all temporary employment purchase orders.  Appointing a specific purchasing staff person to process all temporary employment purchase orders.  Longevity Appointing a specific purchasing staff person to process all temporary employment purchase orders.  Longevity Appointing a specific purchasing staff person to process all temporary employment purchase orders.  Longevity Appointing a specific purchasing staff person to process all temporary employment purchase orders.  Longevity Appointing a specific purchasing staff person to process.  Appointing a specific purchasing staff person to process all temporary employment purchase orders.  Longevity Appointing a specific purchasing staff person to process all temporary employment purchase orders.  Longevity Appointing a specific purchasing staff person to process all temporary employment purchase orders.  Longevity Appointing a specific purchasing staff person to process all temporary employment purchase orders.  Longevity Appointing a specific purchasing staff person to process all temporary employment purchase orders.  Longevity Appointing a specific purchase orders and appointing purchasing staff person to process all temporary employment purchase orders.  Consider: C	Bill Rates	General Government	General Government	General Government
Amounts*     over \$1 above contracted rates without appropriate city management approval.      GRU     No TempForce invoices were assessed bill rates \$1 above contract.  Longevity     So I of 110 (46%) TempForce employees used by the City (30 GG and 21 GRU) during FY20 had been in their most recent temporary assignment more than six months.  (End dates for HR temporary employees were not tracked in the HRIS system)  Invoices     Mo TempForce invoices were assessed bill rates \$1 above contract.  Invoices     Seneral Government     Rot Paid     Timely**    Maid Figure   M	Exceeded	Seven of 149 (5%) TempForce	Higher personnel	Consider:
without appropriate city management approval.    GRU	Allowed	invoices were approved for bill rates	expenses for the city.	Centralizing the purchasing
management approval.  GRU  No TempForce invoices were assessed bill rates \$1 above contract.  Longevity  51 of 110 (46%) TempForce employees used by the City (30 GG and 21 GRU) during FY20 had been in their most recent temporary assignment more than six months.  [End dates for HR temporary employees were not tracked in the HRIS system]  Invoices  Not Paid  Timely**  More and 21 Gavernment  Timely**  More and 21 Gavernment  Bat of 149 (54%) of TempForce invoices for GG services tested were paid an average of 50 days after invoice date.  Improperty  General Government  All GRU invoices tested were paid within 30 days after invoice date.  Improperty  Supported  Purchase  Orders  GRU  All GRU invoices tested were paid descriptions, and 28 (65%) were missing a copy of the 2020 Pay Plan.  More assessed bill rates \$\$1 above contract.  Utilizing the contract to provide labor for extended periods may appear to bypass HR hiring practices possibly leading to hiring equity concerns.  General Government  City could incur late fees, place unnecessary demands on Accounts Payable staff, and place strains on third party relations.  General Government  Payable staff, and place strains on third party relations.  General Government  Personnel may submit a purchase order for an incorrect rate resulting in additional costs to the City.  General Government  Consider:  Consider:  Enhancing monitoring to ensure extended periods may appear to bypass HR hiring practices possibly leading to hiring equity concerns.  General Government  City Could incur late fees, place unnecessary demands on Accounts  Payable staff, and place strains on third party relations.  General Government  Consider:  Enhancing monitoring to ensure extended periods may appear to bypass HR hiring practices possibly leading to hiring equity concerns.  General Government  Payable staff, and place strains on third party relations.  General Government  Payable staff, and place strains on third party relations.  General Government  Consider:  Consider:  Consider:  Enhancin	Amounts*	over \$1 above contracted rates		process.
Sample   Sample   Staff person to process all temporary employment purchase orders.   Staff person to process all temporary employment purchase orders.		without appropriate city		
Longevity   S1 of 110 (46%) TempForce employees used by the City (30 GG and 21 GRU) during FY20 had been in their most recent temporary assignment more than six months. (End dates for HR temporary employees were not tracked in the HRIS system)   Linvoices   Mot Paid date of invoice, as specified in the TempForce contract. The invoices were paid an average of 50 days after invoice date.   Linvoices Great Government Eight of 43 (19%) of GG purchase Orders   Linvoices vere missing a copy of the 2020 Pay Plan.   Linvoices or Gespens orders and provised in the missing a copy of the 2020 Pay Plan.   Linvoices or Gespens orders and employment purchase orders invoices orders and employment purchase orders invoices orders.   Linvoice assessed bill rates \$1 alone contract. The invoice assessed bill rates \$1 alone contract. The invoice date.   Linvoice		management approval.		Appointing a specific purchasing
No TempForce invoices were assessed bill rates \$1 above contract.				staff person to process all
Longevity    S1 of 110 (46%) TempForce employees used by the City (30 GG and 21 GRU) during FY20 had been in their most recent temporary assignment more than six months.   Central Enhancing monitoring to ensure that HR and City Management identify, review and approve third party temporary employees were not tracked in the HRIS system)   Leading to hiring equity employees were not tracked in the HRIS system)   City could incur late fees, place unnecessary demands on Accounts Payable staff, and place strains on third party emproval of invoice date.   General Government invoice date.   General Government envoice of the contract open contract to provide labor for extended periods may appear to bypass HR hiring practices possibly leading to hiring equity concerns.   General Government employment assignments greater than 6 months.		GRU		temporary employment purchase
Since 110 (46%) TempForce employees used by the City (30 GG and 21 GRU) during FY20 had been in their most recent temporary assignment more than six months.   Since 1 General Government employees were not tracked in the HRIS system)   Linvoices   Since 1 General Government   City could incur late fees, place unnecessary date of invoice, as specified in the TempForce orivoice date.   General Government invoice date.   General Government   City could incur late fees, place unnecessary demands on Accounts Payable staff, and place strains on third party employed and correctly billed before invoice invoice stested were paid within 30 days after invoice date.   General Government   Consider:   Con		No TempForce invoices were		orders.
employees used by the City (30 GG and 21 GRU) during FY20 had been in their most recent temporary assignment more than six months.  Invoices (End dates for HR temporary employees were not tracked in the HRIS system)  Invoices Not Paid Timely**  Invoices (adde of invoice, as specified in the TempForce orders issued to procure TempForce Orders  Improperly Supported Purchase Orders  Personnel may appear to bypass HR hiring practices possibly leading to hiring equity concerns.  Enhancing monitoring to ensure that HR and City Management identify, review and approve third party temporary employment assignments greater than 6 months.  Enhancing monitoring to ensure that HR and City Management identify, review and approve third party temporary employment assignments greater than 6 months.  Entry temporary employment assignment more thau 10 stars that HR and City Management identify, personned that HR and Ci		assessed bill rates \$1 above contract.		
and 21 GRU) during FY20 had been in their most recent temporary assignment more than six months.  Invoices  Not Paid Timely**  Invoices (Seneral Government date of invoice, as specified in the TempForce contract. The invoices were paid an average of 50 days after invoice date.  Improperly (Supported Purchase Orders)  Improperly (Seneral Government Eight of 43 (19%) of GG purchase Orders)  Improperly (Seneral Government Eight of 43 (19%) of GG purchase Orders)  Invoices (Seneral Government (Eight of 43 (19%) of GG purchase Orders)  Improperly (Seneral Government (Eight of 43 (19%) of GG purchase Orders)  Improperly (Seneral Government (Eight of 43 (19%) of GG purchase Orders)  Improperly (Seneral Government (Eight of 43 (19%) of GG purchase Orders)  Improperly (Seneral Government (Eight of 42 (2020 Pay Plan.))  Improperly (Seneral Governm	Longevity	51 of 110 (46%) TempForce	Utilizing the contract to	Consider:
their most recent temporary assignment more than six months.  (End dates for HR temporary employees were not tracked in the HRIS system)  Invoices  Not Paid  Timely**  (End dates for HR temporary employees were not tracked in the HRIS system)  Invoices (Seneral Government)  (End dates for HR temporary employment assignments greater than 6 months.  General Government  Elight of 43 (19%) of Ge purchase  Orders  Timely**  (End dates for HR temporary employment assignments greater than 6 months.  General Government  City could incur late fees, place unnecessary demands on Accounts Payable staff, and place strains on third party relations.  Fayable staff, and place strains on third party relations.  GRU  All GRU invoices tested were paid within 30 days after invoice date.  Improperly  Supported  Purchase  Orders  General Government  Eight of 43 (19%) of GG purchase orders issued to procure TempForce services were missing job descriptions, and 28 (65%) were missing a copy of the 2020 Pay Plan.  All GRU invoices tested temporary employment purchase orders and appointing purchase orders and appointing equity concerns.  All GRU invoices tested were paid within 30 days after invoice date.  General Government  Personnel may submit a purchase order for an incorrect rate resulting in additional costs to the missing a copy of the 2020 Pay Plan.  Consider:  Centralizing the purchasing purchasing staff as main point of contact to process all temporary employment purchase orders and		employees used by the City (30 GG	provide labor for	Enhancing monitoring to ensure
Invoices   General Government   City could incur late fees, place unnecessary demands on Accounts Payable staff, and place strains on third party relations.   GRU   All GRU invoices tested were paid within 30 days after invoice date.   Improperly Supported Purchase Orders   General Government   General Government   City could incur late fees, place unnecessary demands on Accounts Payable staff, and place strains on third party relations.   GRU   All GRU invoices tested were paid within 30 days after invoice date.   Improperly Supported Purchase Orders   General Government   City could incur late fees, place unnecessary demands on Accounts Payable staff, and place strains on third party relations.   Having the vendor send invoices directly to Accounts Payable staff who would facilitate department approval of invoice to ensure adequate services were provided and correctly billed before invoice is paid in a timely manner.   General Government   Personnel may submit a purchase order for an incorrect rate resulting in additional costs to the missing a copy of the 2020 Pay Plan.   City.   City.   City.   Contact to process all temporary employment purchase orders and   Contact to process and appointing equity concerns.   Consider:   Consider:   Centralizing the purchasing purchasing staff as main point of contact to process all temporary employment purchase orders and   City.   C		and 21 GRU) during FY20 had been in	extended periods may	that HR and City Management
leading to hiring equity concerns.   leading to hiring equity than 6 months.   leading the months.   leading the months.   leading the months.   leading the series than 6 months.   leading the months.   leading the months.   leading the months.   leading the purchasing than 6 months.   leading the months.   leading the purchasing process and appointing purchasing staff as main point of contact to process all temporary lemployment purchase orders and leaditional costs to the leading the months.   leading the leading the months.   leading the vendor send invoices directly to Accounts Payable staff and parcety staff, and place strains		their most recent temporary	appear to bypass HR	identify, review and approve
Concerns.   Concerts   Concerns.   Concerts   Concerns.   Concer		assignment more than six months.	hiring practices possibly	third party temporary
Invoices   General Government   State of invoices of GG services tested were paid more than 30 days after the date of invoice, as specified in the TempForce contract. The invoices were paid an average of 50 days after invoice date.    Improperly   GRU All GRU invoices tested were purchase   General Government   City could incur late fees, place unnecessary demands on Accounts   Having the vendor send invoices directly to Accounts Payable staff, and place strains on third party relations.    Improperly   General Government   General Government approval of invoice to ensure adequate services were provided and correctly billed before invoice is paid in a timely manner.    Improperly   General Government   Eight of 43 (19%) of GG purchase orders issued to procure TempForce services were missing job descriptions, and 28 (65%) were missing a copy of the 2020 Pay Plan.    Improper   General Government   General Government   City could incur late fees, place unnecessary demands on Accounts   Having the vendor send invoices directly to Accounts Payable staff, and place strains on third party relations.    Having the vendor send invoices directly to Accounts Payable staff who would facilitate department approval of invoice to ensure adequate services were provided and correctly billed before invoice is paid in a timely manner.    GRU   All GRU invoices tested were paid within 30 days after invoice date.    Improperly   General Government   Personnel may submit a purchase order for an incorrect rate resulting in additional costs to the missing a copy of the 2020 Pay Plan.    General Government   City   Consider:   Centralizing the purchasing process and appointing purchasing staff as main point of contact to process all temporary employment purchase orders and   City   City   Contact to process all temporary employment purchase orders and   City   Contact to process and contact to pro			leading to hiring equity	employment assignments greater
Invoices Not Paid Timely**  Invoices State of invoices of GG services tested were paid more than 30 days after the date of invoice, as specified in the TempForce contract. The invoices were paid an average of 50 days after invoice date.  Improperly Supported Purchase Orders  Orders  Paystem  Having the vendor send invoices directly to Accounts Payable staff, and place strains on third party relations.  Payable staff, and place strains on third party relations.  Payable staff, and place strains on third party relations.  Payable staff, and place strains on third party relations.  Payable staff, and place strains on third party relations.  Brown a payable staff who would facilitate department approval of invoice to ensure adequate services were provided and correctly billed before invoice is paid in a timely manner.  Brown a payable staff, and place strains on third party relations.  GRU  All GRU invoices tested were paid within 30 days after invoice date.  Brown a payable staff, and place strains on third party relations.  GRU  All GRU invoices tested were paid within 30 days after invoice date.  General Government  Personnel may submit a purchase order for an incorrect rate resulting in additional costs to the missing a copy of the 2020 Pay Plan.  Consider:  Centralizing the purchasing process and appointing purchasing staff as main point of contact to process all temporary employment purchase orders and		(End dates for HR temporary	concerns.	than 6 months.
Invoices   Seneral Government   Si of 149 (54%) of TempForce   invoices for GG services tested were paid more than 30 days after the date of invoice, as specified in the TempForce contract. The invoices were paid an average of 50 days after invoice date.   Invoice date.   Invoice stested were paid within 30 days after invoice date.   Improperly Supported Purchase Orders   Eight of 43 (19%) of GG purchase Orders   Orders   Services were missing a copy of the 2020 Pay Plan.   General Government City could incur late fees, place unnecessary demands on Accounts Payable staff who would facilitate department approval of invoice to ensure adequate services were provided and correctly billed before invoice is paid in a timely manner.   General Government Personnel may submit a purchase order for an incorrect rate resulting in additional costs to the missing a copy of the 2020 Pay Plan.   City.   General Government purchase orders and corrects all temporary employment purchase orders and corrects and incorrect to process and appointing employment purchase orders and corrects and incorrect to process and employment purchase orders and corrects and incorrect to process and appointing purchasing staff as main point of contact to process all temporary employment purchase orders and corrects and correctly billed before invoice is paid in a timely manner.   General Government   Consider: Centralizing the purchasing process and appointing purchasing staff as main point of contact to process all temporary employment purchase orders and correctly billed before invoice is paid in a timely manner.   General Government   Consider: Having the vendor send invoices directly to Accounts Payable staff who would facilitate department approval of invoice to ensure adequate services were provided and correctly billed before invoice is paid in a timely manner.   General Government   Consider: Having the vendor send invoices directly to Accounts Payable staff who would facilitate department approval of invoice to ensure adequate services w		employees were not tracked in the		
Not Paid Timely**  Not Paid Timely*  Not Paid Timely**  Not Paid Timely*  Not Payable staff, and place strains on third party relations.  Not Payable staff, and place strains on third party relations.  Not Payable staff, and place strains on third party relations.  Not Payable staff, and place strains on third party relations.  Not Payable staff, and place strains on third party relations.  Not Payable staff, and place strains on third party relations.  Not Payable staff, and place strains on third party relations.  Separal Government  Consider:  Centralized Separal Government  Con		HRIS system)		
Timely**    invoices for GG services tested were paid more than 30 days after the date of invoice, as specified in the TempForce contract. The invoices were paid an average of 50 days after invoice date.    Improperly Supported Purchase Orders   Orders	Invoices	General Government	General Government	General Government
paid more than 30 days after the date of invoice, as specified in the TempForce contract. The invoices were paid an average of 50 days after invoice date.    Improperly Supported Purchase Orders   Purchase Orders   Purchase Orders   Purchase Orders   Possing a copy of the 2020 Pay Plan.     Payable staff, and place strains on third party relations.   Payable staff, and place strains on third party relations.     Payable staff, and place strains on third party relations.     Payable staff, and place strains on third party relations.     Payable staff, and place strains on third party relations.     Payable staff, and place strains on third party relations.     Payable staff, and place strains on third party relations.     Payable staff, and place strains on third party relations.     Approval of invoice to ensure adequate services were provided and correctly billed before invoice is paid in a timely manner.     Payable staff, and place strains on third party relations.     Approval of invoice to ensure adequate services were provided and correctly billed before invoice is paid in a timely manner.     Consider:     Centralizing the purchasing process and appointing process and appointing purchasing staff as main point of contact to process all temporary employment purchase orders and		81 of 149 (54%) of TempForce	City could incur late fees,	Consider:
date of invoice, as specified in the TempForce contract. The invoices were paid an average of 50 days after invoice date.  Improperly Supported Purchase Orders  date of invoice, as specified in the TempForce contract. The invoices strains on third party relations.  Payable staff, and place strains on third party relations.  Who would facilitate department approval of invoice to ensure adequate services were provided and correctly billed before invoice is paid in a timely manner.  General Government Personnel may submit a purchase order for an incorrect rate resulting in additional costs to the missing a copy of the 2020 Pay Plan.  General Government Personnel may submit a purchase order for an incorrect rate resulting in additional costs to the City.  City.	Timely**	invoices for GG services tested were	place unnecessary	Having the vendor send invoices
TempForce contract. The invoices were paid an average of 50 days after invoice date.    GRU   All GRU invoices tested were paid within 30 days after invoice date.    Improperly Supported   Purchase Orders   Orders   Services were missing a copy of the 2020 Pay Plan.		paid more than 30 days after the	demands on Accounts	directly to Accounts Payable staff
were paid an average of 50 days after invoice date.    GRU   All GRU invoices tested were paid within 30 days after invoice date.    Improperly   Supported   Purchase   Orders   Orders   Services were missing job descriptions, and 28 (65%) were missing a copy of the 2020 Pay Plan.   Telations.   relations.   adequate services were provided and correctly billed before invoice is paid in a timely manner.		date of invoice, as specified in the		who would facilitate department
invoice date.  GRU  All GRU invoices tested were paid within 30 days after invoice date.  Improperly Supported Purchase Orders  Orders  General Government Eight of 43 (19%) of GG purchase orders issued to procure TempForce services were missing job descriptions, and 28 (65%) were missing a copy of the 2020 Pay Plan.  invoice is paid in a timely manner.  General Government Personnel may submit a purchase order for an incorrect rate resulting in additional costs to the contact to process and appointing purchasing staff as main point of contact to process all temporary employment purchase orders and			strains on third party	
Consider:   Cons			relations.	
GRU   All GRU invoices tested were paid within 30 days after invoice date.   General Government   General Government   Eight of 43 (19%) of GG purchase   Purchase   Orders   Services were missing job   descriptions, and 28 (65%) were missing a copy of the 2020 Pay Plan.   General Government   Personnel may submit a   Consider:   Centralizing the purchasing   process and appointing   process and appointing   purchasing staff as main point of   City.   Contact to process all temporary   employment purchase orders and		invoice date.		·
All GRU invoices tested were paid within 30 days after invoice date.  Improperly				invoice is paid in a timely
Improperly SupportedGeneral Government Eight of 43 (19%) of GG purchase OrdersGeneral Government PurchaseGeneral Government Personnel may submit a purchase order for an incorrect rate resulting in additional costs to the missing a copy of the 2020 Pay Plan.General Government Consider: Centralizing the purchasing process and appointing purchasing staff as main point of contact to process all temporary employment purchase orders and				manner.
Improperly SupportedGeneral Government Eight of 43 (19%) of GG purchase OrdersGeneral Government Personnel may submit a purchase order for an incorrect rate resulting in additional costs to the missing a copy of the 2020 Pay Plan.General Government Consider: Centralizing the purchasing process and appointing purchasing staff as main point of contact to process all temporary employment purchase orders and		•		
SupportedEight of 43 (19%) of GG purchasePersonnel may submit a purchase order for an incorrect rate resulting in additional costs to the City.Consider: Centralizing the purchasing process and appointing purchasing staff as main point of contact to process all temporary employment purchase orders and		· · · · · · · · · · · · · · · · · · ·		
Purchase orders issued to procure TempForce services were missing job descriptions, and 28 (65%) were missing a copy of the 2020 Pay Plan.  Orders purchase order for an incorrect rate resulting in additional costs to the City.  Centralizing the purchasing process and appointing purchasing staff as main point of contact to process all temporary employment purchase orders and				
Services were missing job descriptions, and 28 (65%) were missing a copy of the 2020 Pay Plan.  Services were missing job incorrect rate resulting in additional costs to the City.  City.  Drocess and appointing purchasing staff as main point of contact to process all temporary employment purchase orders and			•	
descriptions, and 28 (65%) were missing a copy of the 2020 Pay Plan.  City.  purchasing staff as main point of contact to process all temporary employment purchase orders and				
missing a copy of the 2020 Pay Plan.  City.  contact to process all temporary employment purchase orders and	Orders		_	·
employment purchase orders and				
		missing a copy of the 2020 Pay Plan.	City.	
I Increase compliance.				· ' ' · ·
300 GO 1, P. 100 GO				increase compliance.

<sup>\*</sup>See Chart 10

<sup>\*\*</sup>See Chart 11

We also noted the following:

- There is no process or procedure for updating temporary pay rates for TempForce services when new pay plans are released.
- One GG temporary employment vendor payment was paid using a City issued procurement card, which was inconsistent with other invoice payment processes.

Please see the Appendix for analytics of temporary employment utilization across the City.

### **Internal Audit Team**

Ginger Bigbie, CPA, CFE, City Auditor
Eileen Marzak, CPA, CFE, Interim Assistant City Auditor
Vincent Iovino, CISA, CRISC, IT Audit Manager
Brecka Anderson, CIA, CFE, CGAP, Internal Audit Manager (Lead Auditor for this engagement)\*
Gregory Robeson, CPA, CIA, CFE, Senior Internal Auditor\*
Patrick Keegan, CISA, Senior IT Auditor

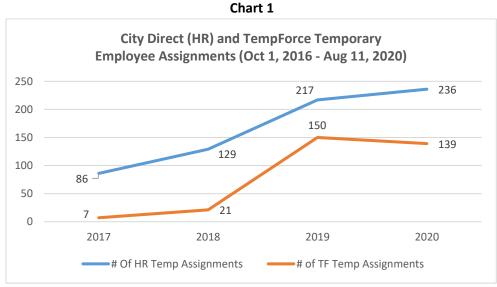
<sup>\*</sup>Denotes primary auditors on this engagement

## **Appendix**

#### **Temporary Employment Utilization**

We analyzed citywide temporary employment utilization to provide tools and resources for management. We obtained fiscal year 2017-2020 third party temporary employment services utilization data from TempForce. We obtained fiscal year 2017-2020 direct temporary employment utilization data from the City HRIS system. We also obtained third party temporary employment services pay data (January 2020 – June 2020) from General Government's financial system and GRU's financial system. Figures provided are estimates with a 1-5% variance due to timing differences.

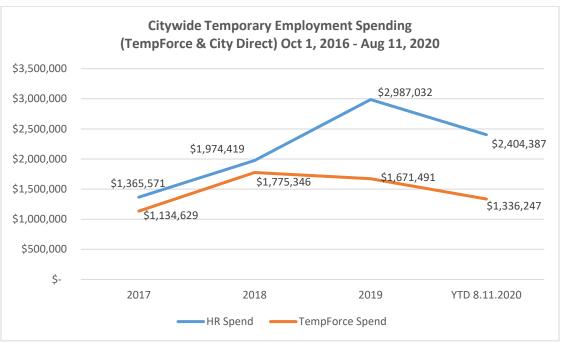
Chart 1 trends the total number of temporary employment assignments with active payments during fiscal years 2017 – 2020 through City direct hires and through the TempForce contract. The City utilized 985 temporary employment assignments over the 4-year period.



Sources: City HRIS System & TempForce

Chart 2 displays a comparative trend analysis of citywide temporary employment spending through Human Resources and spending through TempForce, third party vendor. City direct temporary employment hire spending increased significantly from 2017 to 2019 and is trending towards a decline in 2020, while TempForce temporary employment services utilized slightly declined from 2018 – 2019 and is trending towards a decline in 2020.

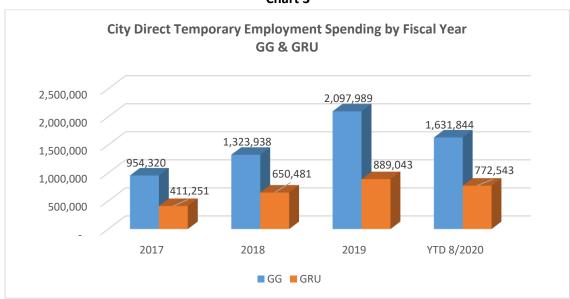
Chart 2



Sources: City HRIS System & TempForce

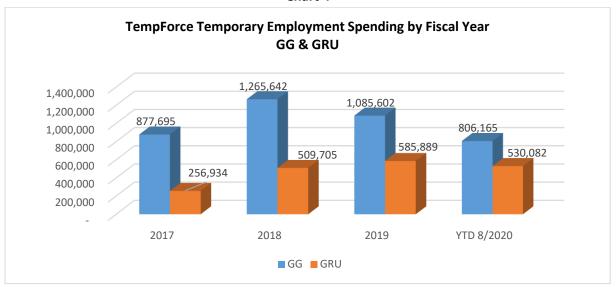
Charts 3 and 4 display temporary employment utilization by division (General Government and GRU) during fiscal years Oct 1, 2016 - Aug 11, 2020.

Chart 3



Source: City HRIS System

Chart 4



Source: TempForce

Chart 5 displays temporary employment utilization during Oct 1, 2019 - Aug 11, 2020 by GG department.

Chart 5

GG Number of Temp Employees from Oct 1, 2019 - August 11, 2020
(City Direct & TempForce)

GG DEPARTMENT	Number of City Direct Temps	Number of TF Temps
Budget & Finance	3	2
City Auditor	1	0
City Manager	0	4
Clerk of Commission	2	1
CRA/GCRA	0	1
Communications	1	0
Facilities	1	0
GFR	2	0
Housing & Comm Dev	3	1
HR	0	4
Parks & Rec	123	35
Police	47	12
Public Works	6	9
Risk	1	3
RTS	1	1
Strategic Initiatives	2	0
Sustainable Dev	3	2
Technology	2	1
Transportation & Mobility	2	0
Totals	200	76

Source: City HRIS System & TempForce

General Government total temporary employment spending by department over 4 fiscal years (Chart 6) is highest in the Parks and Recreation Department where summer seasonal employees are heavily utilized.

**GG Department Temp Employment Services Total Spend** 10/1/2016-8/11/2020 (City Direct & TempForce) Equity & Inclusion CRA/GCRA **Human Resources** City Manager Clerk of Commission Transportation & Mobility Communications Strategic Initiatives GFR Facilities **Budget & Finance** City Auditor Technology Housing & Comm Dev Sustainable Dev **Public Works** Police Parks & Rec 500,000 1,000,000 1,500,000 2,000,000 2,500,000 3.000.000 ■ TF SPEND ■ HR SPEND

Chart 6

Sources: City HRIS System & TempForce

## Charts 7 – 9 – TempForce Employee Longevity – Oct 1, 2019 - Aug 11, 2020 - Most Current Assignment

We analyzed TempForce employee longevity by their current assignment. Fifty-one of 110 TempForce employee position assignments exceeded 6 months, of which 19 exceeded 18 months. (We did not analyze longevity of City direct temporary assignments as position end dates were not tracked).

Chart 7 – Citywide TempForce Employee Longevity – Oct 1, 2019 - Aug 11, 2020 Most Current Assignment

		6 - 18		
DIVISION	< 6 Months	Months	> 18 Months	Grand Total
City of Gainesville	46	19	11	76
Gainesville Regional Utilities	13	13	8	34
Grand Total	59	32	19	110

Sources: TempForce

Chart 8 – GG TempForce Employee Longevity – Oct 1, 2019 - Aug 11, 2020 Most Current Assignment

GG DEPARTMENTS	> 6 Months	> 18 Months
Budget & Finance	0	0
City Manager	3	0
Clerk of Commission	0	0
CRA/GCRA	1	1
Housing & Comm Dev	0	0
HR	2	0
Parks, Rec & Cultural Affairs	5	1
Police	9	5
Public Works	5	2
Risk	2	1
RTS	1	1
Sustainable Dev	1	0
Technology	1	0
Total	30	11

Source: TempForce

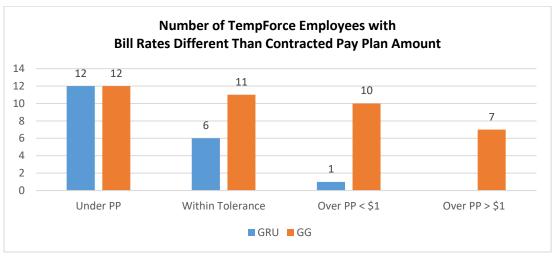
Chart 9 – GRU TempForce Employee Longevity – Oct 1, 2019 - Aug 11, 2020 Most Current Assignment

GRU DEPARTMENTS	> 6 Months	> 18 Months
Billing & Records	2	0
Budget, Finance, & Acctg	1	0
Customer Service	9	4
Electric Systems Controls	0	0
Energy Delivery	0	0
Energy Supply	0	0
Facilities	1	0
GRUCom	5	2
Information Technology	2	1
Water Wastewater Systems	1	1
Total	21	8

Sources: TempForce

Chart 10 displays the number of citywide TempForce employees whose services were procured at different rates than specified by the TempForce contract.

Chart 10

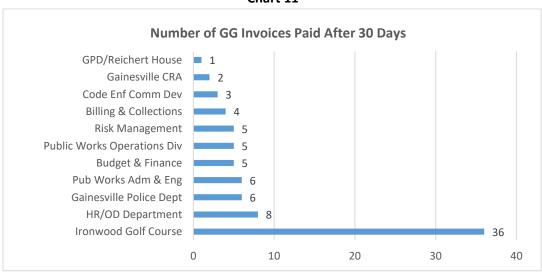


Source: TempForce

Bill rates less than \$1 above pay plan do not require additional management approval.

Chart 11 displays the number of General Government invoices paid after 30 days. GRU invoices were all paid within 30 days.

Chart 11



Sources: GG Financial System

Chart 12 is the total temporary employment dollars spent citywide on third party vendors and the dollars spent directly through the City's Human Resources Department for specified periods.

Chart 12 – Citywide Temporary Employment Spend All Sources

Temporary Employment			
Spending Snapshot	GG	GRU	Total
Third Party Vendor Spend (TempForce & other vendors) Jan 1, 2020 – June 30, 2020	\$ 427,789	\$ 343,371	\$ 771,160
City Direct Temp Spending Oct 2019 – August 2020	\$ 1,631,844	\$ 772,543	\$ 2,400,101
Total Temp Spending for Periods Reviewed	\$ 2,059,633	\$ 1,115,914	\$ 3,175,547

Sources: GG & GRU Accounting Systems, City HRIS System