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**CITY OF REVERE
HUMAN RESOURCES
ORGANIZATIONAL AND POLICY REVIEW**

INTRODUCTION

The City of Revere (City) engaged the services of the Collins Center for Public Management (Collins Center) to perform a Human Resources Organization and Policy review and provide recommendations.

According to the Society for Human Resource Management, human resource management is the formal structure within an organization responsible for all the decisions, strategies, factors, principles, operations practices, functions, activities and methods related to the management of people.

A human resources review is wise in order to take an objective look at policies, practices, procedures, staffing and systems to identify opportunities for improvement and adopt best practices. A review can also help an organization know if they are on the right track in terms of effectiveness and efficiency. Oftentimes, it is not what an organization is doing with human resources, but what it is not doing.

SUMMARY OF RECOMMENDATIONS

The following report identifies and discusses numerous human resource issues for the City. The key recommendations are to:

- Establish a centralized Human Resources Department, with a director, group benefits coordinator and an administrative employee;
- Centralize all recruitment and selection processes;
- Develop a comprehensive compensation and classification system including position descriptions;
- Promulgate a comprehensive series of policies and procedures including conflict of interest/ethics, criminal offenders records inquiries, Family and Medical Leave Act procedures, absenteeism, discrimination prevention and discipline;
- Provide training to department heads and supervisors on critical policies and develop a long-term approach to training;
- Modify the residency requirement to a preference to employ individuals that reside in the City.

- File a special act exempting the City from the Massachusetts Civil Service law for all positions except uniformed positions below the rank of chief in the police and fire departments.

METHODOLOGY

In order to evaluate the current human resources systems, extensive interviews were conducted. The Collins Center team conducted interviews with key staff including the mayor, finance director, assistant treasurer/collector, auditor, public works director, police chief, fire chief, library director, director of recreation, benefits coordinator, city solicitor, superintendent of public works, director of municipal inspections, school superintendent, school payroll manager and school benefits coordinator. Numerous documents were reviewed, including ordinances, collective bargaining agreements, budgets and policies.

EXISTING STAFFING AND SCOPE OF OPERATIONS

The City, employs approximately 425 full and part time regular employees and numerous temporary, casual and seasonal employees. The School Department employs approximately 1375 regular, part time and temporary employees. The City has 506 benefited retirees. The City's operating budget is in excess of \$170 million.

The City does not have a human resources department. At one time, the City did have a personnel director, but the position was eliminated. At this time, the human resources functions are dispersed across various departments and positions.

HUMAN RESOURCES FUNCTIONS

The following table identifies core human resource functions and identifies which positions and/or departments have responsibility for, or participate, in them.

Function	Responsible Position/Department
Recruitment	Department Heads Mayor's Office
Civil Service- Police & Fire	Police Chief and Fire Chief
Civil Service – Labor Service	DPW
CORI, References and Background Checks	Police Department, Mayor's Office
Orientation	Department Heads
Personnel Files	Various departments
Computerized Employee Records	Assistant Treasurer
Position Descriptions	No consistent system
Classification and Compensation	Most classification and compensation issues are dictated by collective bargaining agreements. Nonunion classification and compensation is set by the Mayor.
Fair Labor Standards Act (exempt/non-exempt) and Overtime and Compensatory Time	Mayor's Office Department Heads
Payroll	Assistant Treasurer
Benefits and Insurance – Health, Life Dental, Optional	Benefits Coordinator
Deferred Compensation	Assistant Treasurer
Personnel Policy Administration/Compliance	Mayor's Office
Training	Department Heads
Leave Accruals and Tracking	Department Heads Payroll Supervisor
Family Medical Leave Act	Rarely utilized. No policy or system

Function	Responsible Position/Department
Workers Compensation	Assistant Treasurer in consultation with 3 rd party administrator
Injured on Duty (Police/Fire)	Police Chief and Fire Chief in consultation with 3 rd party administrator
Employee Relations	Mayor's Office
Disability and Accommodation Issues	Mayor's Office Labor Counsel
Collective Bargaining and Labor Relations	Mayor's Office Labor Counsel
Performance Appraisal	Department Heads, when done. Not consistently done across city departments

As evidenced by the many people and departments identified as having the responsibility for the core human resource functions, it is clear the City does not have centralized human resource systems, policies and practices. The result is a disjointed, inconsistent and deficient system. Interviews with department heads and staff, the universal response was that the City needs to comprehensively improve its human resources administration. Universally, it was articulated during these interviews that there is systemic lack of a robust human resources function within the municipal organization in Revere.

HUMAN RESOURCE COMPLIANCE

The following sections are a discussion of many of the core human resource issues.

Recruitment. The City does not have centralized hiring practices and procedures. Under the current administration, efforts have been made to centralize the hiring of new employees. In the past, individuals have been hired into positions without any coordinated recruitment practice and, in some circumstances, have been placed into positions without the knowledge of the department head. For the sake of consistency, the prevention of discrimination and documentation, recruitment should be centralized.

Residency. The City has a restrictive residency requirement which hinders the ability to recruit the best possible candidates for positions. While the residency requirement can be waived, it sends a chilling effect to potential candidates and discourages people from other municipalities from applying for positions. The City should change its policy from a residency requirement to a residency preference. Doing so will encourage qualified candidates to apply for positions, particularly at the department head level.

Civil Service. The antiquated civil service law in Massachusetts is divided in to a merit system (official service) and a registration system (labor service). The police and fire departments are responsible for complying with the official civil service law, appointing individuals based on the placement on a list issued by Commonwealth as a result of testing and other preferences (minority, veteran's status, etc.). Most other positions in cities are subject to the official civil service provisions but generating lists of candidates has been abandoned by the Commonwealth for many years, leaving an entire body of employees in limbo. The public works department is subject to labor service, appointing individuals based on the date of registration on a list maintained by the City. Department heads coordinate the efforts of requesting and/or generating the civil service lists and following civil service regulations for selecting candidates. It is recommended that the City file a special act with the Legislature to exempt itself from the provisions of the Massachusetts Civil Service Law for all positions except for uniformed positions below the rank of chief in the police and fire departments.

Criminal Offender Records Inquiries. (CORI), References and Background Checks. A comprehensive approach to CORI, reference checks and background checks does not exist. The Police department is involved in many background verifications, but it is not a best practice. The recent practice has been that the Mayor's Office performs CORI checks. The City should have one or two authorized employees to conduct CORI checks with the Criminal Records Review Board and develop a comprehensive CORI policy.

References are not consistently performed and no records exist documenting references. The City should establish a reference policy, not only for verifying credentials of potential employees, but also restricting individual employees from giving references on behalf of the City.

Background checks and verifications need to be done in a consistent manner by type of position. The same process does not need to be followed for every type of position, but must be followed for all backgrounds conducted for the same position. Documentation of all background checks must be maintained.

Employment Application. The City does not have a city-wide standard employment application and does not have one that is current and in compliance with state and federal laws. For example, the employment application for one department asks for age, another asks for social security number and neither has all the employer statements required by law. Applications must include items such as allowing for volunteer activities to be listed, a statement regarding discrimination and a statement indicating lie detectors may not be used to verify information. Applications may not include inquiries into social security number, date of birth, medical information, and criminal background. Every application should also have a statement requiring the applicant to sign their name and indicate the information on the application is accurate and authorizing the City to verify all information.

It is acceptable for the City to receive resumes for positions, however, it is recommended that all applicants be required to complete a standard application. By doing so, objective analysis of candidates can occur and specific data may be obtained, in addition to securing a signature regarding accuracy and truthfulness.

Orientation. The City has no onboarding system for new employees. Department heads are expected to train the employee, which makes sense, but there is no system to guide a person who has been selected for a position in the steps that need to be followed. The process is typically the sharing of an appointment letter, but it often does not get fully distributed to the necessary departments, or if it is, it is done after the new employee has

started working. The payroll supervisor and the benefits coordinator are usually able to guide the new employee with what forms are necessary, how to enroll in various benefits and enrolment in the retirement system. Similarly, when the school department hires an individual, there is inconsistent communication between the City and the school department. A standardized personnel action form should be created and instituted for all employment changes, from new hire to compensation changes to termination.

Personnel Files. The City has no system of comprehensive or official personnel files. Personnel records are kept by department heads, by the Mayor's office, by the benefits coordinator, by the payroll supervisor and the assistant treasurer. The City should centralize all personnel files and maintain and secure them in accordance with state and federal regulations. Departments are able to keep departmental information if copies are in the official personnel file.

Position Descriptions. The City does not have position descriptions for most positions. Recently, the City has made an effort to create a new position description for each position being newly filled, which is a start. Otherwise, position descriptions, if they exist, are inconsistent and outdated. The City should update all position descriptions to be in a standard format.

Classification and Compensation. Many of the City's employees are members of collective bargaining units. As such, classification and compensation are determined by negotiation. However, in the past, there have been instances where salary adjustments have been made outside of collective bargaining. All compensation of union positions must be done through collective bargaining. Non-union classification and compensation should be reviewed, particularly with respect to position description, grade structure and salary structure.

Performance Appraisal. The City does not evaluate employees in a consistent manner. While a performance appraisal tool exists, it is substandard and is not consistently used. Only a few departments are truly evaluating employees. Additionally, without accurate position descriptions with clear expectations, and without training for those who will

conduct the evaluations, attempting to implement an evaluation system is futile. In order for a performance appraisal system to be successful, the City should update position descriptions, create an effective performance appraisal tool, train all evaluators, and have the HR department be responsible for reviewing all evaluations to ensure consistent application of the system.

Payroll. The City employs a payroll supervisor in the treasury. Payroll processes in the treasury works well. The school, police and fire departments enter payroll data and it is processed by the payroll supervisor. Other departmental payroll submissions and time sheets are inconsistent by department, but because payroll is centralized few problems exist. Departments should be required to use a standardized form or system in submitting payroll in order to streamline and improve the payroll process.

While the payroll process works well once submitted, each department has individualized methods of collecting data, tracking hours and processing time and attendance at the department level. In most instances, redundancy of documenting time and attendance occurs. For example, in some departments, time sheets are completed by the employee, reviewed by the supervisor, submitted to the departmental administrative staff, entered into an excel spreadsheet, re-entered onto payroll sheets and then submitted to the payroll office. Much time is wasted in duplicating the documentation of time and attendance. The City should automate the entry of payroll across all departments.

Benefits. The City does a good job in the area of benefits. Both the benefits coordinator, who handles, health, life, dental and other optional insurances, and the assistant treasurer who handles retirement, deferred compensation, cafeteria plans, short and long term disability plans, are efficient and effective. By having these functions centralized, the established procedures and systems work well.

Leave Accruals. Leave usage, such as vacation, sick and other leaves, is entered into the MUNIS software as payroll is processed and balances appear on employee pay checks. Individual department staff also track leave accruals and usage and oftentimes the records do not match those on the paychecks which causes lost time due to cross checking

leave balances. While leave benefits are dictated by collective bargaining agreements for some employees, there has been an inconsistent application of the methods of accruals.

Leave Administration. It is important for leave to be administered centrally to ensure that policies and benefits are being administered consistently among all employees, in accordance with policies, collective bargaining agreements and state and federal laws. It is important that individual department heads and supervisors are applying the rules consistently. The various collective bargaining agreements determine leave accruals, usage rules and carryover provisions. There is evidence that not all departments consistently apply collective bargaining provisions, particularly with respect to vacation carryover. It is important to have a centralized authority on collective bargaining administration in order to ensure equal and fair application of collective bargaining agreements and usage of leave across departments.

Family Medical Leave Act (FMLA). It is critical the City create an FMLA policy. The City needs to be aware of the provisions and requirements of the FMLA and should be designating the time employees are out for qualifying circumstances in accordance with the law. A policy must be created and department heads need to be educated with the requirements to notify the appointing authority when an employee is on leave that could or should be designated as FMLA leave. It is also important that the FMLA is administered consistently across all departments to ensure employees are treated similarly. Individual department heads should not be administering FMLA leave. It should be administered by the human resources department.

Training. The City does not provide sufficient training to its managers and employees. While some trainings have occurred in response to specific issues or concerns, a policy or formal approach to training does not exist. The City should conduct a training needs assessment of its employees and develop a short and long range plan to address the identified needs. Supervisory training is especially critical.

Sexual Harassment and Discrimination Prevention Policies. It is critical that the City update its sexual harassment prevention and discrimination policies. The City's

policies are outdated and has it has not conducted training on these matters. State law requires the sexual harassment policy be distributed to each employee every year. The City is not complying with this requirement. It is also a best practice to train supervisors and managers periodically on these laws and their personal and professional responsibilities and liabilities in discrimination cases. Without policies and training on discrimination issues in the workplace, the City, and its officials, are exposing themselves to potential liability.

Group Health Insurance Plans. It is recommended the City evaluate all its group health insurance products and services to determine if the products, premiums and programs are meeting the City's needs both financially and the level benefits provided. The City should engage the services of an independent insurance advisor, not an insurance broker, to comprehensively evaluate insurance issues for the City to determine how it should fund its insurance programs.

Employee Assistance Program (EAP). The City does not have an employee assistance program. EAPs are relatively inexpensive and provide a beneficial service to employees and supervisors. EAPs provide advice to supervisors on how to address employee issues and provide training on a host of those issues. Additionally, and more importantly, EAPs provide confidential services to employees and their families, including counseling, financial planning, family referrals, and legal assistance. The City should secure an EAP either through a health insurance plan or a stand-alone service.

Workplace Injuries. The City manages workplace injuries fairly well with the help of third party administrators. The police and fire chiefs coordinate injured on duty cases in their respective departments and the assistant treasurer serves as the liaison for non-public safety workers compensation cases. The City could be more aggressive in moving employees along in the process of returning to work or seeking other alternatives. Too often, employees languish out on leave without sufficient follow up. Currently, department heads have the responsibility to reach out to employees out on injury leave and work with third party administrators. Such a practice is not practical or wise. Department heads should not be involved in discussing medical conditions and treatment

plans about employees. A human resources professional with an understanding of workplace injury issues should be working directly with the third party administrators in a more comprehensive, hands-on approach on workplace injury management.

Conflict of Interest. It is critical the City create a conflict of interest policy. The City does not have a policy and has not conducted mandated training on conflict of interest laws. The City should conduct annual city-wide training on conflict of interest laws.

Discipline Policies and Procedures. It is critical the City develop a comprehensive, centralized approach to discipline. Without a unified approach to discipline, the City is exposed to liability with respect to unfair labor practices, grievances and claims of discrimination and disparate treatment. The City is the employer and should have one voice in dealing with city-wide issues such as discipline. Even though collective bargaining agreements may have grievance procedures that involve department heads, the approach to discipline should be centralized through the human resources department. All supervisors, whether they are subject to a collective bargaining agreement or not, should be trained on the principles of progressive discipline and must understand that the City is one employer and cannot administer disciplinary processes inconsistently.

Personnel Policies. The City has no personnel policy guide or system. The following table represents the policies the City should adopt. A sample of each policy has been submitted to the City electronically.

Access & Use of Telecommunications Systems
Alcohol & Drug Use
Anti-Fraud
Attendance Policy Statement
Basic Life Insurance
Conduct
Conflict of Interest and Financial Disclosure
Consolidated Omnibus Budget Reconciliation Act

Criminal and Sexual Offender Registry Information
Discipline
Discrimination Prevention
Discrimination Grievance Procedure
Domestic Violence Prevention
Dress Code
Drug Free Workplace
Employee Grievance Procedure
Equal Opportunity/Affirmative Action
Family Medical Leave Act
Health Insurance
Health Insurance Portability & Accountability Act
Hours of Work and Overtime Payroll Submission Form Compensatory Time for Non-Exempt Employees Meal & Break Period Emergency Closing Policy
Maternity & Paternity Leave
Military Leave
Personnel Records
Political Activity
Recruitment & Selection Policy Vacancy Recruitment Offer of Employment Salary increments/Benefit Levels Pre-employment Physical Exams Probationary Period
Reference
Retirement
Retiree Health Insurance Benefits
Sexual Harassment Prevention

Sick Leave
Small Necessities Leave Act
Social Networking
Travel Reimbursement
Vacation
Vehicle Use and Reimbursement
Whistleblower Protection
Workplace Injuries Workers Compensation Police & Fire Injuries
Workplace Safety
Workplace Violence Prevention

RECOMMENDATIONS

Municipalities expend the majority budget dollars on personnel costs. Especially in light of the increase in compliance and documentation requirements of federal and state laws and mandates, it is important from a practical and liability perspective to have a focus on human resource management. The risks of not paying attention to human resources are great, particularly in the fast-changing human resources landscape.

The City has already made a commitment to centralize the human resources function, which is the critical first step in creating a modern human resources system. The Collins Center recommends the creation of a human resources department with a director reporting to the Mayor as a “cabinet” level position. Employee issues should be a top priority in the effective and efficient operation of the municipal organization. Additionally, it is imperative for employees to have a place to go if they have concerns or confidential matters to discuss. The human resources director can be the conduit to the chief executive on these critical issues.

Initially, the human resources department should consist of the human resources director, the benefits coordinator and an administrative employee. Human resource

administration is heavily based in documentation, tracking and record keeping. It will be critical to have administrative staff for the department. After the department is established, the City may consider transferring payroll functions to human resources, but this can be phased in as the department is established and systems are in place to enable this transfer of responsibility. In addition to the functions of the benefits coordinator, the following functions should be moved to, or become, the responsibility of the human resources department.

FUNCTION/RESPONSIBILITY	RECOMMENDATION
Personnel Files	All official personnel files should be maintained by the HR Department.
Recruitment Process	All vacancies should be processed through the HR department. Communication about new hires should be coordinated by HR with other departments. HR should develop standardized forms.
Civil Service	The City should be exempt from civil service in all positions except for uninformed positions below the rank of chief in the police and fire departments. The HR department should be responsible for all requisitions and record keeping for police and fire transactions with the Commonwealth.
Equal Employment	The HR Director should serve as the Equal Employment officer and deal with issues of discrimination and accommodation.
Employee Onboarding and Orientation	The HR Department should serve as the point destination for onboarding new employees, coordinating paperwork and other requirements with necessary departments.

FUNCTION/RESPONSIBILITY	RECOMMENDATION
Classification, Compensation and Position Descriptions	The HR Department should be responsible for the development and maintenance of position descriptions, and a classification and compensation system.
Performance Appraisal	Once a comprehensive position description, classification and compensation system is constructed, the City should pursue an evaluation system.
Workplace Injuries	The liaison role to the third party administrators should be the responsibility of the HR department which can coordinate with departments.
Collective Bargaining	The HR Director should support and participate in collective bargaining.
Collective Bargaining Agreement Administration	The HR Director should be the authority on the interpretation of collective bargaining agreements to ensure consistent application across departments.
Leave Administration	Coordinating with the payroll supervisor, the HR Department should be responsible for the consistent application of leave benefits as delineated in policies and collective bargaining agreements.
Personnel Policy Administration	The HR Director should recommend and implement all personnel policies.
Training	After the creation of critical policies, the City should train department heads and supervisors. Once completed, a comprehensive approach to broader training needs should be developed.

As stated in this report, the City is in critical need of establishing a centralized human resources department, as most cities of its size and complexity. The City has experienced litigation, increased legal expenses, challenges in the inability to recruit and retain talent, and poor morale; all of which impacts the delivery of services to its residents and businesses.

By making a commitment to create a comprehensive, centralized human resources department, the City will take a giant leap towards enhancing the organization, being fully compliant with state and federal laws and applying the appropriate resources to its most important resource, its employees, the people who deliver critical the services to its inhabitants.