



# COUNTY OF HUMBOLDT

Date: August 23, 2021

To: County of Humboldt Board of Supervisors  
Linda Le, Director of Human Resources  
Karen Paz-Dominguez, Auditor/Controller

Re: August 24, 2021 Agenda Item for Operational Realignment of Payroll Operations

Dear Esteemed Board of Supervisors, Director Le, and Auditor/Controller Paz-Dominguez,

Several middle-management administrative, payroll and/or fiscal staff from the Department of Health and Human Services (DHHS), Probation Department, Public Defender's Office, Public Works, and the Sheriff's Office have come together to share our mutual concerns about the operational realignment of payroll operations and to offer an additional recommendation.

Payroll is a critical shared service that directly impacts the daily work of our departments. We believe we have valuable insight, history, and expertise in our departments and would like to be part of the solution. We understand that leaving payroll with Human Resources may not be the best solution given the reasons discussed in the agenda item. Therefore, this is a difficult situation to resolve, and we empathize with the position that Human Resources/Payroll and the Auditor-Controller's Office are in.

Although the operational realignment recommendation to move payroll back to the Auditor/Controller's office ("AC") may make the most sense on paper, the current short-staffing of the AC office makes this recommendation at this time deeply concerning. Currently when staff email the AC Office they receive an automatic reply as follows:

"Due to countywide impacts of the ongoing coronavirus pandemic and our staffing capacity, our primary focus is on completing emergent, urgent, and essential office tasks. We understand that your inquiry is important, and we shall do our best to respond as soon as possible. We will respond to your inquiry at the earliest time possible though response times may be longer than usual. Please note that phone messages received by our office will be returned after email messages."

Our current experience is that it can take months to receive an answer to an inquiry. Furthermore, some departments are experiencing essential financial tasks like journal entries and interest postings being more than 6+ months behind. We are deeply concerned that since the AC's current staffing capacity has resulted in essential financial tasks being more than 6+ months behind, that moving a payroll division to the AC office when that payroll division is also short-staffed will only exasperate an already difficult situation.

Currently several of our departments have provided staff resources to assist payroll during this difficult time and we are willing to continue to do so until payroll staffing can be stabilized.

Additionally, we believe it's time to assemble a Board appointed working group involving all county departments that wish to be involved to help support payroll during this difficult time and provide ideas for efficiency, process improvement and be part of implementing those ideas.

We are recommending that the Board establish a working group to include a leader from Human Resources ("HR")/Payroll, the Auditor Controller ("AC"), the interim Assistant CAO/CFO, and staff from each county department that is interested in participating. The focus of the working group would be the following:

- a. Evaluate how departments could further assist payroll until the payroll staffing positions are filled.
- b. Evaluate the tasks and duties currently assigned to payroll to determine if some tasks/duties could be decentralized back to departments.
- c. Improve efficiency of the workflow and tasks while also maintaining sufficient internal controls.
- d. Improve automation/workflow in Finance Enterprise ("FE").
- e. Evaluate if the county should continue to look for other alternatives for payroll and time & attendance or continue utilizing FE and/or Executime.

We are in strong support of the recommendation for one (1) FTE Accounting Systems Analyst to support FE. If approved, we would hope that this position would be an integral part of the working group for payroll improvement and efficiency. We would also like to encourage the Board to consider allocating financial resources to engage FE directly to assist in making modifications needed to the system to implement the process improvement and efficiency changes. Not only are there payroll and financial system improvements/changes, but there are also reporting requests that our departments would like support with, and we are very interested in other FE modules like grants and contract management.

In summary, we would like to offer our continued support to payroll through the establishment of a formal working group. We also hope that some other interim solution could be found to stabilize payroll and delay moving it to the AC Office until such time that the AC's staffing capacity has improved so that they can catch up with essential financial tasks and are able to respond to staff inquiries timely.

Thank you very much for your consideration.

Sincerely,

*Signatures on next page*

*Re: August 24, 2021 Agenda Item for Operational Realignment of Payroll Operations  
Signature Page*

Yvonne Winter, Deputy Director Employee Services – Department of Health & Human Services

Tami Hunter, Payroll/Personnel Supervisor – Department of Health & Human Services

Cindy Hammers, Supervising Staff Services Analyst – Department of Health & Human Services

Melissa Norton, Senior Payroll/Personnel Specialist – Department of Health & Human Services

Ellisha Hardison, Legal Office Business Manager – Probation Department

Mitzi Whitley, Administrative Services Officer – Probation Department

Marie Essig, Legal Office Business Manager – Public Defender's Office

Charlotte Merkel, Deputy Public Works Director General Services – Public Works

Regina Fuller, Deputy Director Administration – Sheriff's Office

Katie Collender, Senior Administrative Analyst – Sheriff's Office

Monika Fridley, Administrative Services Officer – Sheriff's Office