



Audit Follow-Up

Period Ending March 31, 2021

Report #AR-2108
September 30, 2021

Audit of City Hiring and Promotion Practices

Issued April 12, 2019

Summary from Original Report #1904

We conducted this audit to determine whether City hiring and promotion practices were conducted in accordance with applicable policies and procedures, state and federal requirements, and industry best practices. The scope of our audit included a review of certain citywide personnel actions to include hiring and promotion practices and related compensation activities for the fiscal year October 1, 2012 through September 30, 2017.

We found the personnel actions for which supporting documentation was available were conducted consistent with governing policies and procedures. However, our testing disclosed required supporting documentation for personnel actions was not always available for examination. Therefore, we were unable to make an overall determination whether City hiring and promotion practices were conducted in accordance with applicable City policies and procedures during the audit period.

A total of 7 action plan steps were established by management in response to our audit recommendations; 6 were completed in this period with no further action required and 1 remained in progress. This is the 1st follow-up on audit report #1904.

Complete
6

In Progress
1

Needs Attention
0

Action Plan Step 1

HRWD management is working closely with the City's Enterprise Resource Planning (ERP) team in the development and deployment of an integrated workflow system to be linked to the PeopleSoft software application to ensure that hiring, promotion, and compensation records are timely captured and retained in the City's system of record for these personnel actions (e.g., within 21 days of payroll processing deadline).

Action Plan Status: COMPLETE

The integrated workflow system under development at the time of the original audit was completed and went "live" on October 28, 2019. The new system, Gideon Taylor, provides for an electronic personnel action form (e-PAF) process which ensures hiring, promotion, and compensation records are captured and retained at the time of the personnel action.

Action Plan Step 2

HRWD will institute a system of periodic audits to ensure personnel actions and supporting records are complete and are recorded, retained and can be retrieved in a timely manner.

Action Plan Status: COMPLETE

HRWD has instituted a system of quarterly audits for personnel action processes that ensures completeness, appropriate maintenance, and timely accessibility. Quarterly e-PAF system analytics reports have been prepared and distributed.

Action Plan Step 3

HRWD will require departmental pay exception requests and authorizations follow a standardized electronic format and process.

Action Plan Status: COMPLETE

HRWD now requires all pay exceptions and authorizations to be routed through the Electronic Personnel Action Form (e-PAF) system process which standardizes the review and approval process for all personnel actions.

Action Plan Step 4

HRWD will amend its Pay Administration Guidelines to reflect the standardized process described in #3 above.

Action Plan Status: COMPLETE

The Pay Administration Guidelines did not require amendment as the e-PAF process was designed and implemented such that the Pay Administration Guidelines in place are sufficient to guide and control the use of departmental pay exception requests.

Action Plan Step 5

The Technology and Innovation Department management (now responsible for all security requests), in collaboration with the Enterprise Resource Planning (ERP) team, will implement a process to prevent unauthorized employee access to the City's ERP systems, which include the PS Human Capital Management system (PS HCM - formerly PS HRMS) and the PS Financial Management system (PS FMS).

Action Plan Status: COMPLETE

All requests for changes to user access and permissions in the City's ERP systems (PS HCM and PS FMS) are now made through the City's information technology support system (Solar Winds) and require documented supervisory approval prior to implementation.

Action Plan Step 6

HRWD management will review with the City Manager the recommendation to advertise temporary positions including acceptable exceptions to such advertising.

Action Plan Status: COMPLETE

HRWD, in conjunction with the City Manager, determined the filling of most temporary positions could benefit from advertisement of the vacancy. However, it was also determined there were instances where advertising would not be appropriate. Specifically, it was noted it would be cost prohibitive to advertise certain Park Recreation Aide positions (typically transient in nature and have a high turnover) and unnecessary to advertise temporary positions designated to be filled by City employees pursuant to agreements between the Department of Corrections and the City.

Action Plan Step 7

HRWD management will review with the City Manager the recommendation to perform periodic background screenings of current employees as well as the feasibility of conducting credit checks for certain employees in financial-related positions of trust.

Action Plan Status: IN PROGRESS

After further review, management concluded Personnel Policy and Procedure 706.10 *Criminal History Screening*, provides for sufficient periodic background screenings of current employees. HRWD is in the process of reviewing and evaluating the feasibility of conducting credit checks for employees in financially sensitive positions. Specifically, management reported it is surveying other municipalities regarding their policies related to conducting credit checks for employees in financial-related positions of trust. Management's decision on whether to implement a new process for periodic credit checks is expected by December 1, 2021.

Conclusion

Management developed 7 action plan steps to address the recommendations in the original audit report (#1904). As of the end of this follow-up period, March 31, 2021, management successfully completed 6 steps and 1 step remained in progress.

Appointed Official's Response

I am pleased that the follow up report shows that out of the seven (7) action plan steps, six (6) were completed in this period with no further action required. One (1) action item remains in progress and is addressed below. Specifically, the remaining action plan step (#7) refers to an initial audit recommendation to consider the evaluation and implementation of a method of ongoing, periodic background screenings for a sample of current employees who are not already subject to periodic rescreening. The report also includes an audit recommendation that the City evaluate the feasibility of conducting credit checks for certain employees who hold financial positions or other positions of public trust. Management's response is as follows:

Recommendation to Perform Periodic Background Screenings of Current Employees

Staff have met on the above proposed recommendation. In accordance with Personnel Policy and Procedure 706.10 *Criminal History Screening*, each city employee who is selected to be hired into a vacant position through promotion, demotion, transfer, etc., is subject to the same background check requirements as that of an external selected applicant. In FY21, this additional requirement resulted in 5% of non-union employees having additional background checks.

Additionally, it should be noted that, under current City policy, City employees who fail to disclose an arrest or conviction during the time they are employed by the City are subject to disciplinary action, up to and including, termination of employment.

We believe that the standards in Policy 706 allow for sufficient periodic background screenings of current employees. These standards have been in effect and consistently applied by departments to adequately address the needs of the organization in this regard. Therefore, we believe that the current periodic background screening requirements already meet the overall intent of the recommendation such that no additional background screening procedure is necessary.

Recommendation to Evaluate Feasibility of Conducting Credit Checks for Certain Employees

Staff have met on the above recommendation and are in the process of surveying other municipalities including the cities of Jacksonville, Lakeland, and Gainesville on their policies in this area. Staff also continues to collect information on best practices from both public and private employers. This recommendation remains under consideration, with a final management decision on whether to institute such a practice expected by December 1, 2021.

Acknowledgements

We appreciate the cooperation and assistance provided by HR management and staff during this audit follow-up.

Project Team

Engagement conducted by: Jane Sukuro, CPA
Audit Director (Acting)

Approved by: Dennis R. Sutton, CPA, CIA, CIG
Inspector General

Statement of Accordance

The Office of Inspector General's mission is to advance integrity, accountability, transparency, and efficiency and effectiveness within City government by providing professional, independent, and objective audit and investigative services.

We conducted this audit follow-up in conformance with the Institute of Internal Auditors International Standards for the Professional Practice of Internal Auditing and Generally Accepted Government Auditing Standards. Those standards require we plan and perform the audit follow-up to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe the evidence obtained provides a reasonable basis for our findings and conclusions based on our objectives.

Please address inquiries regarding this report to the Office of the Inspector General at (850) 891-8397 or inspector.general@talgov.com.

<http://www.talgov.com/transparency/inspectorgeneral.aspx>

