**Internal Audit Committee of
Brevard County, Florida**

**Internal Audit of
Human Resources – Recruiting and On-Boarding**

**Prepared By:
Internal Auditors
May 20, 2020**

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The Audit Committee of
Brevard County, Florida
2700 Judge Fran Jamieson Way
Viera, Florida 32940-6699

Pursuant to the approved 2019/2020 internal audit plan, we hereby submit our internal audit of the Office of Human Resources' Recruiting and On-Boarding function. We will be presenting this report to the Audit Committee at the next scheduled meeting on June 9, 2020.

Our report is organized in the following sections:

Executive Summary	This provides a summary of the observations and testing results related to our internal audit of the Recruiting and On-Boarding function.
Background	This provides an overview of Human Resources in general and the Recruiting and On-Boarding function in particular.
Objectives and Approach	The internal audit objectives and focus are expanded upon in this section as well as a review of our approach.
Observations Matrix	This section provides the results of our internal audit procedures, including our recommended actions and management's responses.

We would like to thank all those involved in assisting the Internal Auditors in connection with the internal audit of the Office of Human Resources' Recruiting and On-Boarding function.

Respectfully Submitted,

Carr, Riggs & Ingram, L.L.C

INTERNAL AUDITORS

Executive Summary

Executive Summary

Overview

The Office of Human Resources is committed to providing quality support services and benefits administration to the employees of the Board of County Commissioners and other County Agencies.

The Office of Human Resources effectively carries out its operations in four primary areas:

- Personnel Technical Services
- Employee Relations
- Employee Benefits
- Risk Management

Each of these components are expanded upon in the Background section as to their specific, respective duties, recent accomplishments, initiatives, and trends / issues.

Objective

As outlined in the FY 2019 / 2020 Internal Audit Plan issued in November 2019, one of the most critical activities of a high-functioning Human Resources Department is the ability to recruit qualified candidates and execute successful onboarding processes. Employee hiring / onboarding refers to the procedures taken when an individual is hired to a position at the County. The main objective of this internal audit of the new hire / onboarding process included an assessment of the following areas: recruiting, selecting, and onboarding of employees. Aspects of the assessment would include, but not be limited to testing of: completion of any required pre-employment consent forms, performance of necessary background check activities, candidate vetting, the orientation process, employee setup and timeliness to fill positions.

Observations

Observation ratings are a subjective evaluation of the severity of the concern and the potential impact on the operations. An observation rating of "High" represents an issue of immediate concern and could cause significant operational issues if not addressed soon. A "Moderate" rating is an issue that may also cause operational issues and does not require immediate attention but should be addressed as soon as possible. Observations given a "Low" rating could escalate into operational issues but can be addressed through the normal course of conducting business.

The following is a summary of observations noted.

Ratings by Observation	Risk Rating
1. *Recruitment / Selection Prerequisites*	**Moderate**
2. *Mandatory Training Courses*	**Moderate**
3. *Probationary Performance Evaluations*	**Moderate**
4. *Job Postings / Advertising*	**Low**

Background

Background

Overview

The Office of Human Resources is committed to providing quality support services and benefits administration to the employees of the Board of County Commissioners and other County Agencies.

The Office of Human Resources effectively carries out its programs and services in four primary areas:

- Personnel Technical Services – Recruitment and referral of applications; processing and orientation of new employees; compiling, updating, archiving, retrieving personnel records; job class / pay review and administration of pay and class plans; configuration and maintenance of the SAP HR/Admin Module and the SAP Timekeeping Module; and collective bargaining/labor agreement administration.

- Employee Relations – Process/adjudicate employee grievances and appeals; conflict intervention; employee development, supervisor, customer service and continuous improvement training; assure equal employment opportunities afforded to all; and match volunteers / interns to service needs.

- Employee Benefits – Administer insurance benefits; health & wellness; coordinate employee retirements (separations) from employment; provide appropriate HIPPA and COBRA notices.

- Risk Management - Administration of workers' compensation, auto liability, auto physical damage, general liability, property, and loss control/safety plans; and contract review.

Staffing

Key personnel from the HR Department that are involved in the operations and assisted in the internal audit, which focused on the recruiting / onboarding process, are as follows:

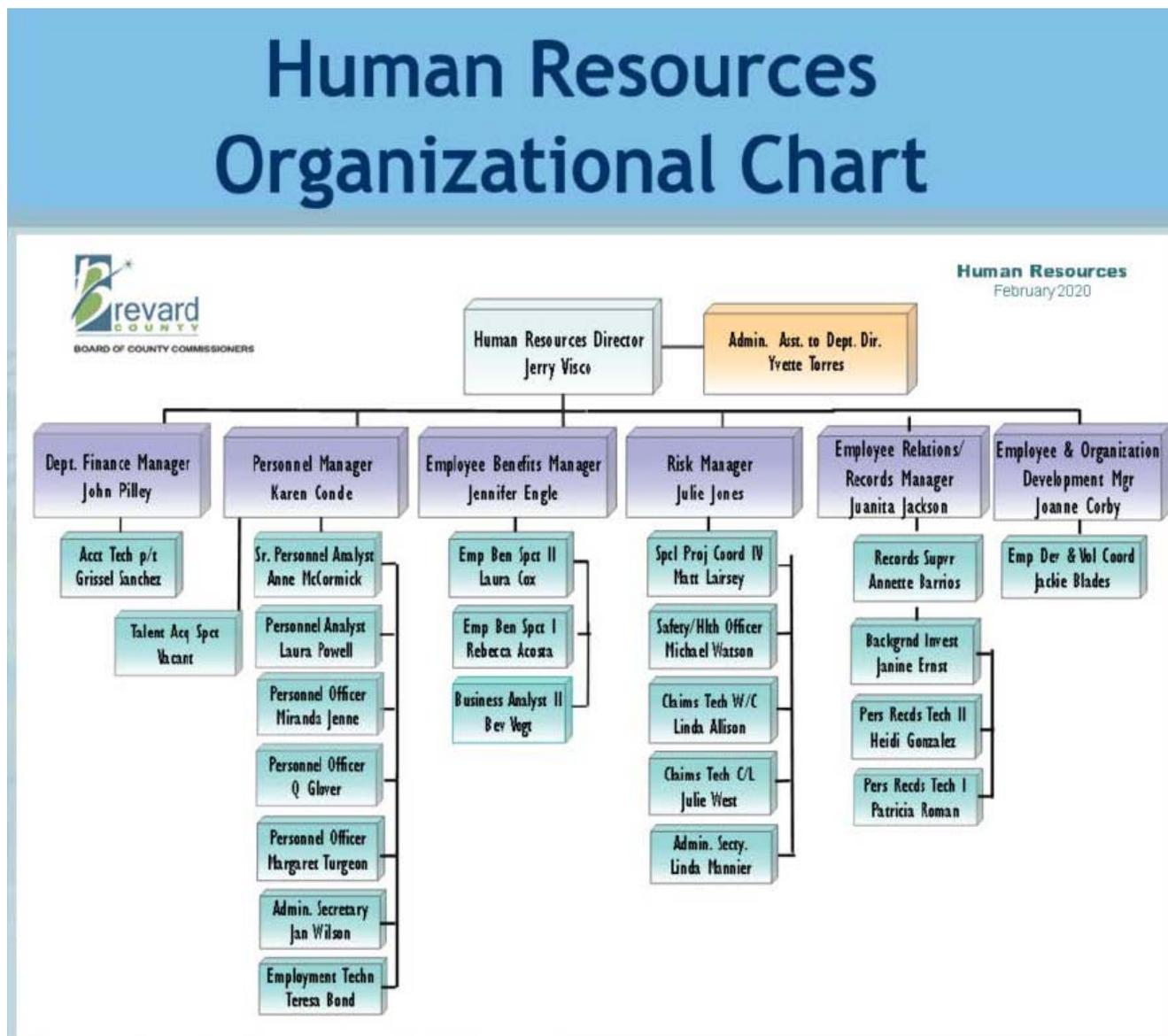| Name	Title
Jerry Visco	Director
Karen Conde	Personnel Manager
Miranda Jenne	Personnel Officer
Janine Ernst	Background Investigation Technician

See complete HR organizational chart and listing of all HR personnel by function on subsequent page.

Currently, HR is composed of 28 employees in addition to the Department Director with one vacant position.

COVID-19 Impact

The scope covered by our internal audit was prior to the events related to COVID-19 and the current impact as determined by management to be significant to the operations of the Office of Human Resources. The future impact to the nature and function of its operations and the operations of the County as a whole is not yet known. As part of the follow-up process, we will address any impact there may be on significant internal controls, in particular, controls related to segregation of duties and system access controls.

Human Resources
Organizational Chart

brevard
COUNTY
BOARD OF COUNTY COMMISSIONERS

Human Resources
February 2020

Human Resources Director
Jerry Visco

Admin. Asst. to Dept. Dir.
Yvette Torres

Dept. Finance Manager
John Pilley

Personnel Manager
Karen Conde

Employee Benefits Manager
Jennifer Engle

Risk Manager
Julie Jones

Employee Relations/Records Manager
Juanita Jackson

Employee & Organization Development Mgr
Joanne Corby

Acct Tech p/t
Grissel Sanchez

Talent Acq Spct
Vacant

Sr. Personnel Analyst
Anne McCormick

Personnel Analyst
Laura Powell

Personnel Officer
Miranda Jenne

Personnel Officer
Q Glover

Personnel Officer
Margaret Turgeon

Admin. Secretary
Jan Wilson

Employment Techn
Teresa Bond

Emp Ben Spct II
Laura Cox

Emp Ben Spct I
Rebecca Acosta

Business Analyst II
Bev Vogt

Spcl Proj Coord IV
Matt Lairsey

Safety/Hlth Officer
Michael Watson

Claims Tech W/C
Linda Allison

Claims Tech C/L
Julie West

Admin. Secty.
Linda Mannier

Records Suprr
Annette Barrios

Backgrnd Invest
Janine Ernst

Pers Recds Tech II
Heidi Gonzalez

Pers Recds Tech I
Patricia Roman

Emp Der & Vol Coord
Jackie Blades

Background - continued

The following represents a summary of the Office of Human Resources' various accomplishments, initiatives, and trends and issues related to FY 2018-2019 for Personnel Technical Services and Employee Relations areas since these are the areas within scope (source: Brevard County Adopted Operating and Capital Budget):

Personnel Technical Services

Accomplishments:
- Completed implementation of a new online employment application system providing expanded functionality for both applicants and departments.
- Conducted on-site efforts at job fairs and local education facilities for employment and volunteer opportunities.
- Completed the pay and classification study with the overhauled Pay and Classification Plan completed during the prior year.

Initiatives:
- Efforts to train new personnel in the everyday operation and configuration of SAP and Success Factors.

Trends and Issues:

- With the expansion of the State of Florida Veterans' Preference Eligibility and the number of Veterans entering the local labor market, Human Resources has provided and will continue to provide additional training to County staff as further revisions are made to Florida Statutes. This training has focused on Veterans' Preference in the hiring process, and Human Resources will continue to attend local Veteran-focused Job Fairs.

- Changes in the records/payroll SAP system through upgrades and Union contract modifications continue to be difficult to support following the loss of experienced staff, prior staff reductions and associated system conversion challenges; as the office moves forward, the office believes these constraints may result in processing delays and longer wait periods, impacting our level of service.

Employee Relations

Accomplishments:
- Continue to show increased usage in online training through Target Solutions.
- Local municipalities continue to utilize the County's Employee Development Program.
- Outside agency participation in the Executive Leadership Institute (ELI) program continues.

Initiatives:
- Reduce performance Evaluation form to a 1-2 page format to make less cumbersome, while still being able to give meaningful and effective performance feedback to employees.
- Evaluate Phase 3 classes to update where appropriate, consistent with case law updates and management practice, as needed.
- Explore opportunities for increasing diversity recruiting efforts through veteran outreach at job fairs on or near military installations.

Trends and Issues:
- Continue to add to, and enhance, the County's internal training and employee development efforts. Training will focus on developing leaders, retaining top talent, succession planning, improving organizational productivity, and providing quality services.
- As local government agencies continue to be impacted by budgetary constraints, the County's Employee Development Program will continue to offer training at reasonable costs. Continue to monitor case law updates impacting Title VII of the Civil Rights Act of 1964 expanding coverage to the LGBT community.

Background - continued

FY19 Budget vs. FY19 (unaudited)

Human Resource Office: Summary

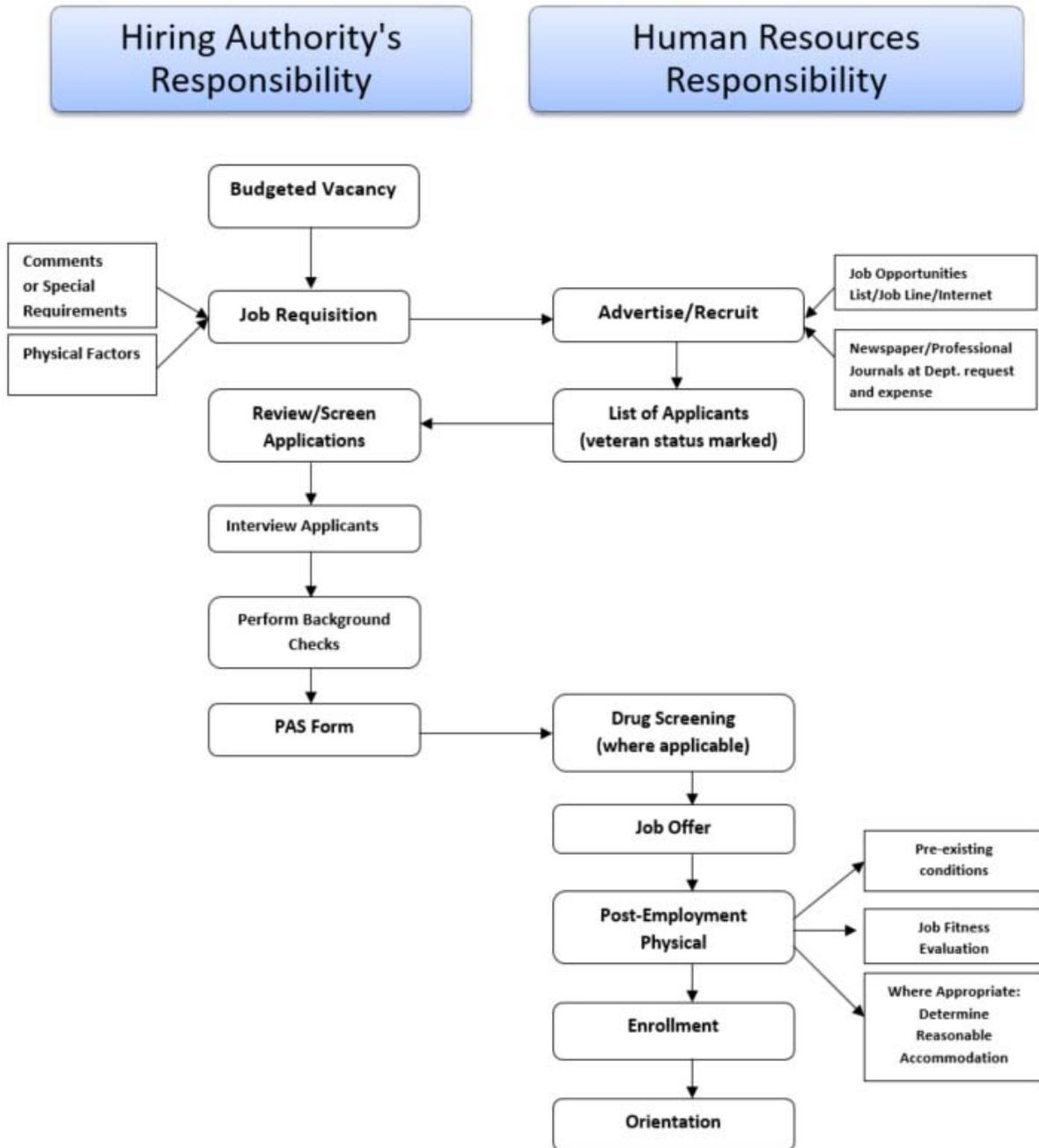| Human Resources Office Revenue & Expense Category	FY19 Budget	FY19 Actual
Taxes revenue	$0	$0
Permits, Fees & Spec. Assess	$0	$0
Intergovernmental Revenue	$0	$16,013
Charges for Service Revenue	$62,926,668	$63,758,659
Fines & Forfeits Revenue	$0	$0
Miscellaneous Revenue	$1,624,500	$3,020,744
Statutory Reduction	-$440	$0
Total Operating Revenues	$64,550,728	$66,795,416
Balance Forward Revenue	$67,987,790	$67,987,790
Transfers - General Revenue	$708,804	$708,804
Transfers - Other Revenue	$0	$0
Other Finance Source Revenue	$0	$0
Total Non-Operating Revenues	$68,696,594	$68,696,594
TOTAL REVENUES	$133,247,322	$135,492,010
Compensation and Benefits Exp	$1,924,503	$1,907,020
Operating Expense	$71,226,905	$67,784,073
Capital Outlay Expense	$12,964	$6,280
Operating Expenditures	$73,164,372	$69,697,373
C I P Expense	$0	$0
Debt Service Expense	$0	$0
Reserves - Operating Expense	$0	$0
Reserves- Capital Expense	$0	$0
Reserves- Restricted Expense	$60,082,950	$65,794,637
Grants and Aid Expense	$0	$0
Transfers Expense	$0	$0
Total Non-Operating Expenses	$60,082,950	$65,794,637
TOTAL EXPENDITURES	$133,247,322	$135,492,010

Background - continued

HUMAN RESOURCES OFFICE
PERFORMANCE MEASURES

Program	Objective	Measure	Actual FY 2017-2018	Estimated FY 2018-2019	Projected FY 2019-2020
Personnel Technical	Deliver excellent customer service	Job requisitions posted	844	800	800
Personnel Technical	Effective and efficient operations	New hire requisitions process within 30 days of receipt	98%	95%	95%
Employee Relations	Deliver excellent customer service	Hours of training provided (excludes Fire Rescue)	12,045	12,743	12,998
Employee Relations	Effective and efficient operations	Average score of employee's satisfaction with Employee Development Workshops	94%	92%	94%
Employee Relations	Effective and efficient operations	Trainer cost per registered Trainee	$10.55	$10.52	$10.55
Employee Relations	Community partnerships	Training participants from outside the organization	186	240	240
Employee Relations	Enhance staff learning through on-site and on-line training	Training hours attended	70	80	80
Employee Benefits	Deliver excellent customer service	Enrollment seminars held	24	24	24
Employee Benefits	Deliver excellent customer service	Customer service contacts	24,500	26,500	26,500
Employee Benefits	Effective and efficient operations	Health plan cost per member per month	$557	$562	$575
Risk Management	Fulfill workload requirements	Active claims	931	1,023	817
Risk Management	Fulfill workload requirements	New claims	1,657	1,224	1,324
Risk Management	Improve effectiveness	Closed claims	1,576	1,430	1,372
Risk Management	Increase efficiency	Closed claims as a percentage of all claims	61%	64%	64%
Risk Management	Expand community outreach	Employees attending Safety & Loss Control training	696	675	660
Risk Management	Enhance staff learning through on-site and on-line training	Training hours attended	265	270	282

Source: Brevard County Adopted Operating and Capital Budget – the first two are the applicable performance measurements for this internal audit.

Brevard County's Hiring Process

Hiring Authority's Responsibility

Human Resources Responsibility

- Budgeted Vacancy
- Comments or Special Requirements
- Physical Factors
- Job Requisition
- Advertise/Recruit
- Job Opportunities List/Job Line/Internet
- Newspaper/Professional Journals at Dept. request and expense
- Review/Screen Applications
- List of Applicants (veteran status marked)
- Interview Applicants
- Perform Background Checks
- PAS Form
- Drug Screening (where applicable)
- Job Offer
- Post-Employment Physical
- Pre-existing conditions
- Job Fitness Evaluation
- Where Appropriate: Determine Reasonable Accommodation
- Enrollment
- Orientation

Source: Board of County Commissioners, Brevard County – *Our Hiring Process in An Equal Employment Environment – Employee Development Program, Phase III, January 2018* (*IV. 1. Recruitment, Screening, and Selection Process*, page 19).

Objectives and Approach

Objectives and Approach

Objectives

The primary objectives of this internal audit included the following:
- Obtain an understanding of the recruiting / onboarding function and related activities.
- Determine that there are effective controls in place to facilitate collaboration and information sharing with Departments.
- Evaluate the policies and procedures surrounding job posting, recruiting, screening and offers of employment to determine that they are up-to-date, adequate and documented.
- Evaluate the effectiveness of controls in place to mitigate the risk that candidate vetting and approvals do not occur before active employment.
- Evaluate the effectiveness of controls in place to help ensure that the recruiting and hiring process is efficient.
- Determine that controls are in place to facilitate compliance with applicable policies, laws and regulations.

Approach

Our internal audit approach consisted of three phases:

Understanding and Documentation of the Process

During the first phase, we held an entrance conference with key personnel involved with the recruiting / onboarding function to discuss the scope and objectives of the internal audit work, obtain preliminary data, and establish working arrangements. We reviewed Florida Statutes, administrative orders, County policies/procedures and other relevant resources. We gained an understanding and documented the overall recruiting and onboarding management function, and related processes. We conducted interviews with management and staff and documented their respective roles in the processes. We updated our understanding of the processes and relevant controls.

Detailed Testing

The purpose of this phase was performance of testing procedures based on our understanding of the recruiting / onboarding function to meet the objectives stated above. Our detailed procedures included inquiry, walkthrough and testing of individual transactions for the significant areas listed below.

- Recruiting – Posting / Selecting
- Onboarding – Employee set-up / Orientation / Training
- Exempt vs. Non-Exempt – effective January 1, 2020
- Performance Evaluation within the nine (9) month probationary period
- Key Performance Indicators - used by management.
- General Compliance – with County policies, Statutes, local ordinances, administrative orders, etc.

Aspects of this assessment included, but were not limited to testing of: completion of any required pre-employment consent forms, performance of necessary background check activities, candidate vetting, the orientation process, employee setup and timeliness to fill positions.

Reporting

At the conclusion of our procedures, we documented our understanding of the recruiting / onboarding function and summarized our observations related to this function. We conducted an exit conference with management and have incorporated management's responses into our report. We prepared our report and related observations and provided copies to appropriate County personnel.

Observations Matrix

Rating	Observation	Recommended Action	Management Response
Moderate	***1. Recruitment / Selection Prerequisites***		
	We noted the following lack of compliance with various sections of County Administrative Order 05 Section (AO 05) *Background Investigative Checks* related to our testing of 40 new hires: • For 11 out of 40 employees, various departments did not provide documentation to confirm a check was performed of the employee's prior employment or personal references • For 4 out of 40 employees, various departments provided documentation that indicated they performed only one or two prior employment/personal reference checks when AO 05 requires a minimum of three • For 4 out of 40 employees, the respective departments did not provide any documentation to confirm a check of the employee's certification, license, college degree, or other education • For 1 out of 40 employees, the supporting documentation for the criminal background check could not be located by the hiring office	We recommend that management perform the following: a. The Office of Human Resources should add a section to their Background Investigation Checklist to verify that the department has provided (3) employment or personal reference checks, and a section in the New Employee Processing/Tracking Checklist to ensure the department has verified education / licenses/ certifications in accordance with the job eligibility requirements specified in the job requisition description. b. The Office of Human Resources should circulate a memo via email to each department / office director to remind them of their detailed responsibilities pursuant to Section III of AO 05 as related to the various exceptions identified.	**Response:** a. Departments may be making telephonic reference checks but are not documenting and maintaining their files. The Background Investigation Checklist will be modified to include Reference Checks and a certification statement that back-up materials will be held on file, at the department level, for a period of four (4) years, per GS1-SL guidelines. b. A memo outlining AO-05 responsibilities will be emailed to Department Directors, Administrative Assistants, & Department HR contact annually. **Responsible party:** Employee Relations Manager/Records Manager **Estimated completion date:** June 2020

Rating	Observation	Recommended Action	Management Response
Moderate	**2. *Mandatory Training Courses***		

	We noted the following lack of compliance with various sections of the *2019 Brevard County Training & Development Opportunities Manual* related to our sample of new and/or promoted employees:
	
	• Based on our inspection of the training history documented in SAP, we noted that 8 out of 40 new employees did not complete these various required training courses as noted in parenthesis:
	  1. New Employee Orientation (5 of 8)
	  2. Workplace Harassment Awareness and Prevention (4 of 8)
	  3. Preventing Workplace Violence (3 of 8)
	  4. Anger Management (3 of 8)
	  5. Customer Contact – Lasting Impressions (4 of 8)
	  6. The Role of Ethics in Public Government (3 of 8)
	
	• Based on our inspection of the training history documented in SAP, 1 out of 16 new and/or promoted employees tested were for a supervisory position, but did not complete all Phase III Classes which is a requirement of the Employee Development Program
		We recommend that management perform the following:
		
		a. Although the *2019 Brevard County & Development Opportunities Manual* allows new employees up to 9 months to complete the New Employee Orientation training section ("within the initial probationary period of 9 months"), given the nature of the training, we recommend that new employee orientation training be completed within the first 60 days of employment, where operationally feasible.
		
		b. The Office of Human Resources should put a process in place to ensure that at a minimum the New Employee Orientation training is completed timely in accordance with recommended action a. above.
		
		c. The Office of Human Resources should circulate an email to the Human Resource contact at each department/office and recommend that they create an outlook calendar reminder for training course completion to facilitate the timely completion of the mandatory training courses.
			Response:
			
			a. The Office of Human Resources will distribute an email annually outlining M.S. Procedure V. Each Department Director and HR Contact will be reminded of the importance of compliance with M.S. Procedures and new hires attending the mandatory training. In addition, it will be recommended that all new employees attend New Employee Orientation within the first 60 days of employment.
			b. Departments will be asked to create the necessary online calendar (Outlook) reminder to ensure that each new hire is attending mandatory training class in a timely manner.
			c. A Mandatory Training memo for each new hire is currently provided to each Department for completion and return to HR. A copy of said memo will be provided to the Human Resources Training Section to ensure that Departments are registering their employees in a timely manner and to confirm attendance.
			
			Responsible party:
			
			Personnel Manager; Employee & Organizational Development Manager
			
			Estimated completion date: June 2020

Rating	Observation	Recommended Action	Management Response
Moderate	**3. *Probationary Performance Evaluations***		
	For 20 employees tested, we noted various instances of a lack of compliance with Merit System Policy XI which states: *Employees serving an original probationary period shall receive at least one (1) performance evaluation each four (4) months during their probationary period (II. A.)* For the sampled employees hired in the period tested from February 2019 to February 2020, we noted the following: • For 19 of the 20 new hires employed for four (4) months, a performance evaluation was not provided related to the first 4 months of their employment • For the new hires that had been employed for nine (9) months or more [the original probationary period], 1 out of 9 did not have any performance evaluations and 8 out of 9 had one performance evaluation in their personnel file.	We recommend that management perform the following: The Office of Human Resources should circulate an email to the Human Resource contact at each department/office and recommend that they create an outlook calendar reminder for performance evaluation completion to comply with the requirements of Merit System Policy XI.	**Response:** The Office of Human Resources will distribute an email annually outlining M.S. Policy XI. Each Department Director, Administrative Assistant and HR Contact will be reminded of the importance of compliance with M.S. Policy XI and new hires receiving timely performance evaluations**.** Departments will be asked to create the necessary online calendar (Outlook) reminder to ensure that each new hire is receiving their performance evaluations in a timely manner. **Responsible party:** Personnel Manager Employee Relations Manager/Records Supervisor **Estimated completion date:** June 2020

Rating	Observation	Recommended Action	Management Response
Low	***4. Job Postings / Advertising***		
	We noted the following in our review of the job postings listed on the Office of Human Resources section of the Brevard County website: *Brevard County Human Resources Employment Information:* https://career8.successfactors.com/career?company=brevardcou • The Career Opportunities portal did not include the required Equal Opportunity Employer (EOE) statement; however, the EOE statement is included elsewhere on the BrevardFl.gov website • There is a pull-down choice of language, but the only choice is English	We recommend the following: a. Management should add the EOE statement to the Career Opportunities portal of the County website. Note: As indicated in management's response, management added the EOE statement to the Career Opportunities portal subsequent to our bringing it to their attention during our fieldwork. We inspected the Career Opportunities portal noting the EOE statement had been properly added. This matter is considered closed. b. Management should add one or more languages to the options list or remove the language option.	**Response:** a. The EEO statement was added to both the Internal and External Career Opportunities Portal on the County's SuccessFactors website. b. Human Resources will work in conjunction with the Information Technology Department and outside vendors, if needed, to have the "Other Languages" option removed. **Responsible party:** Personnel Manager **Estimated completion date:** a. Completed b. July 2020