

**Columbus City Schools
Office of Internal Audit**



**COLUMBUS
CITY SCHOOLS**

**Human Resources Part III Follow-up
Status Report**

Report Date: September 27, 2018

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Human Resources Part III Follow-up Status Report Overview

The initial **Human Resources - Operational Audit** report was presented to and approved by the CCS Audit and Accountability Committee on August 27, 2014. As part of the initial audit, there were **33 recommendations** that were made for the Office of Human Resources. The objective of the follow-up review was to ensure Management has taken corrective action to address the issues identified by the Office of Internal Audit during the initial audit.

33

Total Corrective Action Plans
Developed by Management

29

Corrective Action Plans
Implemented by
Management

4

Corrective Action Plans
Not Implemented by
Management

Overview

- Three (3) recommendations concerning the development of a formal comprehensive personnel policy and procedures manual has not been implemented by management. Management has submitted a revised corrective action plan with new implementation date.
- One (1) recommendation in regards to developing written procedures for the tracking of required certification/licensure of four (4) positions that are not issued through the Ohio Department of Education was not implemented by management. Management has submitted a revised corrective action plan with a new implementation date.
 - OIA did perform procedures to ensure the four (4) positions/employees identified by HR are all current with certifications/licenses.
- Management created a new Allocation Request Form that now captures, through electronic workflow, the entire approval process cycle.
- Management implemented an electronic application system and now accepts only electronic applications, for teachers, administrators, classified jobs or substitutes.

Audit Issues by Risk Level

High: 20 | Moderate: 5 | Low: 8

(3 Open)

(1 Open)

(0 Open)

Executive Summary

Background

This Follow-up Report presents the current status of the Management's Corrective Action Plans that were developed in response to the recommendations contained in the initial Human Resources (HR) – Operational Audit Report.

The initial report was approved for the release by the Audit and Accountability Committee on August 27, 2014. The initial report contained thirty-three (33) recommendations and the related management corrective action plans.

Follow-up Review Part I, was approved for release by the Audit and Accountability Committee on May 28, 2015. For Part 1 of the follow-up review, twenty-three (23) of these recommendations were tested, where seventeen (17) corrective action plans were implemented and six (6) were not implemented by management.

Follow-up Review Part II, was approved for release by the Audit and Accountability Committee on September 21, 2016. The Office of Internal Audit (OIA) tested the six (6) recommendations (mentioned above) from Part I, where the corrective action plans were not implemented and tested four (4) recommendations that were not tested during Part I of our follow-up review. OIA determined that management took sufficient corrective action for 100% (10 of 10) of the recommendations tested.

For Follow-up Review Part III, we tested the remaining six (6) recommendations (#3, #4, #5, #18, #19, #21) that were still outstanding.

Roles and Responsibilities

District management is responsible for follow-up and corrective action to address audit recommendations. To fulfill this responsibility, the Office of Internal Audit has a process in place to track the status of corrective action plans and ensure that audit issues are adequately resolved.

Objectives

The objective of this follow-up review is to ensure that management has taken corrective action to address the control deficiencies identified by the Office of Internal Audit.

Scope

The Human Resources Operational Audit follow-up work was completed in Fiscal Year 2018 and included a review of information from the period of July 1, 2017, through June 21, 2018.

Approach and Methodology

To complete this follow-up audit we performed the following procedures:

- Reviewed the prior Human Resources Operational audit report and the corrective action plans that were approved by the Audit & Accountability Committee at the August 27, 2014 meeting;
- Interviewed Human Resources staff and other relevant District staff to gain an understanding of the corrective actions taken and determine the status of the corrective actions according to management;
- Analyzed available information to validate information obtained during staff interviews; and
- Tested available documentation to determine if corrective actions have been fully implemented, are operating as management intended, and addressed all issues included in the above referenced audit report.

Results

We consider an issue resolved if management implemented their corrective action plan or took other appropriate action to resolve the identified issues.

The Office of Internal Audit found that management took sufficient corrective action for recommendations (#18, #21), resulting in 33% (2 of 6) of the tested issues from the original Human Resources Audit Report. OIA concluded four (4) recommendations (#3, #4, #5, #19) were not implemented. Overall, management took sufficient corrective action for 88% (29 of 33) of the recommendations. This audit report was reviewed with management and they agreed with the conclusions.

The Office of Internal Audit classified each issue into one of the following categories based on the work that we performed regarding the corrective action plan prepared by management and approved by the Audit & Accountability Committee at the August 27, 2014 meeting:

Implemented – Action described in the corrective action plan prepared by management has been fully implemented and testing performed by Office of Internal Audit staff validated that the actions are working as management intends.

Not Implemented – There was insufficient evidence that the corrective action plan prepared by management was fully implemented.

Management Accepted the Risk – Risk concerning this issue was accepted by Management and therefore no corrective action was taken.

Alternate Means – There was a significant change to the internal control environment regarding this recommendation and compensating controls and/or other methods were used to satisfy the recommendation.

Not Tested – The corrective action plan was not ready to be tested by the Office of Internal Audit or it could be tested more efficiently during another time.

SUMMARY OF RECOMMENDATIONS – FOLLOW-UP

Based upon the procedures performed, a number of issues having varying degrees of risk were noted. The following table outlines the recommendations, the risk ratings assigned to each and the follow-up status. The definition of each rating’s significance is noted below the table.

Recommendations	Risk Rating			Follow-up Status
	1	2	3	
1. OIA recommends the Human Resources (HR) Department develops written internal operating procedures manual for all its HR processes. The internal operating procedures should be updated as needed for any changes in the process, organization, systems, agreements, and regulatory guidelines.	X			Implemented
2. OIA recommends the internal operating procedural manual should be communicated to all Human Resources Department employees, along with each employee’s responsibilities in complying with the procedures.	X			Implemented
3. OIA recommends the Human Resources Department develops a formal comprehensive personnel policy and procedure manual.	X			Not Implemented
4. OIA recommends the comprehensive personnel policy and procedure manual be distributed to all District employees and/or have electronic access to the manual on the District’s website.	X			Not Implemented
5. OIA recommends the Human Resources Department develops a mechanism of having all employees acknowledge annually that they have received the comprehensive manual and are responsible for reviewing its content.	X			Not Implemented
6. OIA recommends the Human Resources Department develops a written process for ensuring HR information on the District website is regularly reviewed and updated.	X			Implemented
7. OIA recommends the Human Resources Department provide hiring managers a training course on the hiring process to teach employees the laws and regulations on how to interview.		X		Implemented
8. OIA recommends the Human Resources Department develop procedures for reviewing interview questions for all departments to ensure illegal questions are avoided.			X	Implemented

Recommendations	Risk Rating			Follow-up Status
	1	2	3	
9. OIA recommends the Human Resources Department develops a mechanism to maintain approved interview questions for all positions/departments of the District.			X	Implemented
10. OIA recommends the Human Resources Department develops one standard universal comprehensive "New Employee Checklist" across all employee groups for consistency and completeness purposes.			X	Implemented
11. OIA recommends the "New Employee Checklist" require the initials of the HR personnel verifying submitted information.			X	Implemented
12. OIA recommends Human Resources to develop a standard criterion of all documentation to be filed, the location of the files, and the parties responsible for maintaining the various personnel files.	X			Implemented
13. OIA recommends Human Resources periodically monitor and review the maintenance of personnel files.	X			Implemented
14. OIA recommends as Human Resources develops their written standard operating procedures they also include procedures over the entering of Personnel Actions.	X			Implemented
15. OIA further recommends Human Resources identify data to be verified and approved for various Personnel Actions.	X			Implemented
16. OIA recommends Human Resources develop detailed written job descriptions for Teachers.			X	Implemented
17. OIA recommends that when positions receive final approval by the Superintendent that the Budget Office creates a position code at that time.			X	Implemented
18. OIA recommends Human Resources further develop the new electronic form to capture the entire approval process cycle.			X	Implemented
19. OIA recommends the Human Resources Department develops written procedures for tracking required certifications/licenses for District positions that are not issued through Ohio Department of Education.		X		Not Implemented

Recommendations	Risk Rating			Follow-up Status
	1	2	3	
20. OIA recommends the Human Resources Department properly document the completion of the Employee Reference Check form and retain a copy as evidence that reference checks were performed.		X		Implemented
21. OIA recommends that Human Resources implement an applicant tracking system to facilitate the hiring process for the hiring of all District positions.			X	Implemented
22. OIA recommends Human Resources management develop written procedures for scanning documents.		X		Implemented
23. OIA recommends Human Resources management develop a strategy to safely secure personnel records.		X		Implemented
24. OIA recommends Human Resources ensure supplemental personnel files contain copies of all applicable current certifications.	X			Implemented
25. OIA recommends Human Resources ensure the completeness of Sport or Activity Appointment Forms submitted by Building Principals and Athletic Directors.	X			Implemented
26. OIA recommends Human Resources ensure that only complete and accurate information is maintained in personnel files.	X			Implemented
27. OIA recommends Human Resources to ensure the collection of required documentation to support conditional offers.	X			Implemented
28. OIA recommends Human Resources develop a mechanism to ensure all background checks can be readily retrievable.	X			Implemented
29. OIA recommends Human Resources maintain signed copies of the Certification of Eligible List.	X			Implemented
30. OIA recommends Human Resources ensure the District has an adequate process to ensure network access for separated employees is terminated as quickly as possible.	X			Implemented

Recommendations	Risk Rating			Follow-up Status
	1	2	3	
31. OIA recommends Human Resources create a strictly enforced procedure that clearly states who is to notify whom when someone's employment is ending or has ended.	X			Implemented
32. OIA recommends Human Resources have the BOE ratify hiring actions taken earlier that was not a delegable action. The ratification makes the BOE bound to the contract back to the inception date of the contract (hiring date), even though it may have not been done properly then.	X			Implemented
33. OIA recommends that there should be a better tracking system of what contracts are necessary to get on the BOE agenda sooner so that future ratifications of contracts are diminished in time and eliminated altogether.	X			Implemented

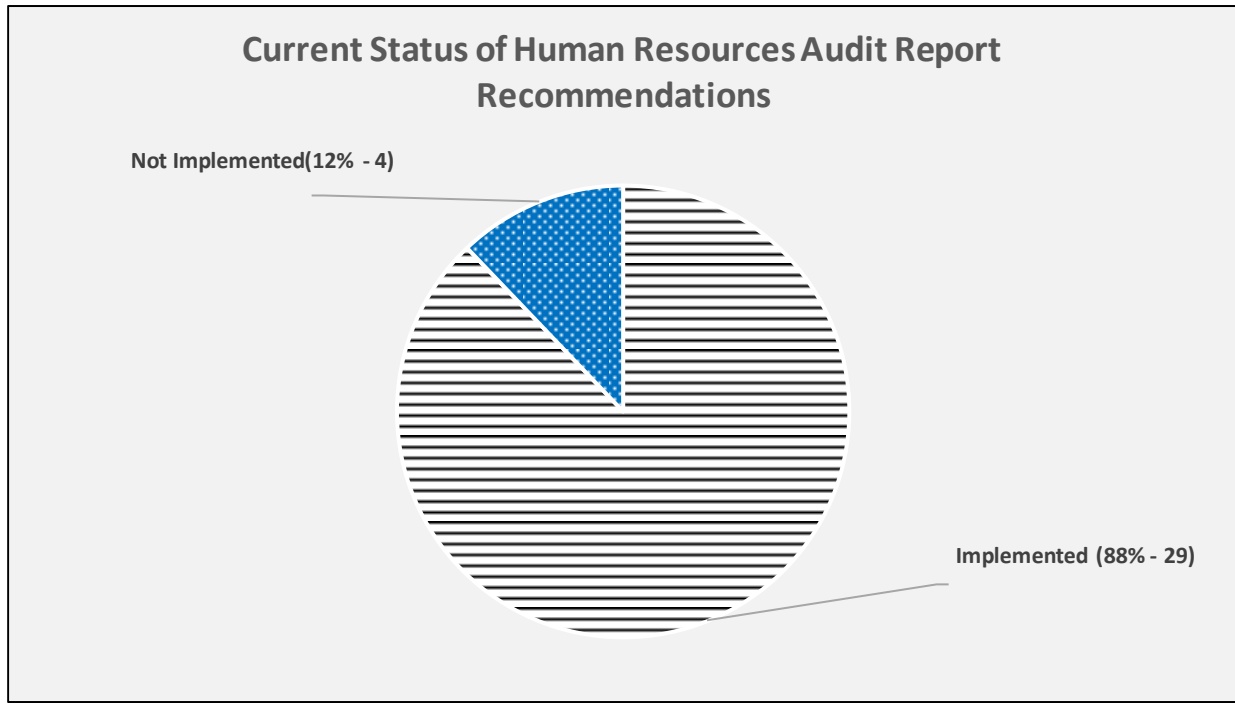
Risk Ratings

1 - High: Unacceptable risk requiring immediate corrective action;

2 – Moderate: Undesirable risk requiring future corrective action; and

3 – Low: Minor risks that management should assess for potential corrective action.

Summary Charts



Open issues by risk level

Risk level		High	Moderate	Low
Total recommendations		20	5	8
Implemented		17	4	8
Not Implemented		3	1	0
Open issues		0	0	0

Original Human Resources – Operational Audit Report, Recommendations, Original Corrective Action Plans, OIA work performed, and Current Status for those issues that were not deemed to be successfully implemented as a result of our testing.

Recommendation No. 3 (High)

OIA recommends the Human Resources Department develop a formal comprehensive personnel policy and procedures manual.

Original Management Response

*As the Interim Executive Director has begun this work with all HR Division Administrators for the creation of an electronic set of formal comprehensive personnel policy and procedures manual for district administrators' use, further work will take place for the electronic publication of such policy and procedural manual with the CCS Office of Communications for use by all district employees by the end of June 2015. An annual review of materials electronically published for use by all district employees will be conducted during the month of July. **Revised Implementation Date: June 2015***

OIA Work Performed:

Based upon inquiry with the Executive Director of Human Resources (HR) on June 6, 2018, her office has not developed a formal comprehensive personnel policy and procedures manual.

OIA recommunicated to the Executive Director of HR the benefits associated with having a comprehensive personnel policy and procedures manual which include:

- It's a one-stop-shop to introduce employees, no matter their level or experience, to the District, its culture, mission, and vision;
- Helps ensure key District policies and procedures are clearly and consistently communicated;
- Communicates to employees what is expected of them;
- Educates employees about what they can expect from management and leadership;
- Ensures compliance with federal and state laws; and
- Let's employees know where to turn for help.

Current Status: Not Implemented

The Human Resources Department on September 20, 2018 did submit a revised management corrective action with a new implementation date. Please see below:

The Human Resources Department will work with the Chief of Staff and Chief Communications Officer to identify critical employment related information by the end of March, 2019 and will develop a reference guide for use by all employees for the purpose of ensuring that all employees receive consistent information in a readily available format. The Human Resources Department will work with the District's Communication Office to upload and update the critical employment related information on the District's

website and other appropriate electronic means. The Human Resources Department will also compile such information in a more traditional document format.

New Implementation Date: March 2019

Original Recommendation No. 4 (High)

OIA recommends the comprehensive personnel policy and procedure manual be distributed to all District employees and/or have electronic access to the manual on District website.

Original Management Response

*Human Resources will establish the expectation for all district employees to review the Personnel Policies and Procedures Manual at the beginning of each new academic year. Employees will be expected to note their review at the same time they are scheduled to complete their annual PublicSchool Works requirements. **Revised Implementation Date: September 2015***

OIA Work Performed:

See Recommendation No. 3, for OIA work performed and revised management corrective action plan.

Current Status: Not Implemented

Original Recommendation No. 5 (High)

OIA recommends the HR department develops a mechanism of having all employees acknowledge annually that they have received the comprehensive manual and responsible for reviewing its content.

Original Management Response

*Human Resources will establish the expectation for all district employees to review the Personnel Policies and Procedures Manual at the beginning of each new academic year. Employees will be expected to note their review at the same time they are scheduled to complete their annual PublicSchool Works requirements. **Revised Implementation Date: September 2015***

OIA Work Performed:

See Recommendation No. 3, for OIA work performed and revised management corrective action plan.

Current Status: Not Implemented

Original Recommendation No. 19 (Moderate)

OIA recommends the HR develop written procedures for tracking required certifications/licenses for the District positions that are not issued through the Ohio Department of Education.

Original Management Response

*The Interim Executive Director of HR will work with the Chief Operating Officer, Chief Communications Officer and the Internal Auditor by the end of September 2014 to identify all required certifications/licenses for District positions that are not issued through Ohio Department of Education. During this work, the establishment of a review cycle will be developed to determine specificity to how often each certification/license is required to be renewed. A database of all employees required to have job-specific licenses will be generated in addition to the timelines for each affected employee to renew such certification/licensure. Verifications of all required certifications/licenses will be completed prior to each affected employee's employment contract with the District. Human Resources has been advised by Office of Internal Audit that we are not including Transportation and Nursing Services as each of those offices is being handled within the office staff for all verifications. Transportation and other areas such as Nurses, OT, and PT etc excluded. **Revised Implementation Date: April 2015***

OIA Work Performed:

Based upon inquiry with the Executive Director of Human Resources, her office has not developed written procedures for tracking the required certification/licensure for District positions that are not issued through the Ohio Department of Education. The Executive Director of Human Resources indicated that due to turnover in the positions which handles certification and licensure (3 times since April 2015), the transfer of this position to Employment and Staffing, and the low priority due to the number of positions involved, the procedure draft has not been completed.

Executive Director of Human Resources indicated her office has identified four (4) positions that require a current certification/licensure that are not issued through the Ohio Department of Education. These four (4) positions are the Chief Audit Executive – Internal Auditor, Medical Doctor - School Physician, Executive Director – General Counsel, and the Director – General Counsel.

Since there have been no written procedures developed and/or placed into operation, OIA did perform procedures to ensure these four (4) employees certifications/licenses are all current. No problems were noted pass further review.

Current Status: Not Implemented

The Human Resources Department on September 20, 2018 did submit a revised management corrective action with a new implementation date. Please see below:

The Interim Sr. Executive Director of HR will work with the Chief of Staff, Chief Communications Officer and the Internal Auditor by the end of March, 2019 to identify all required certifications/licenses for District positions that are not issued through Ohio

Department of Education. During this work, the establishment of a review cycle will be developed to determine specificity to how often each certification/license is required to be renewed. A database of all employees required to have Non-Ohio Department of Education job-specific licenses will be generated in addition to the timelines for each affected employee to renew such certification/licensure. Verifications of all required certifications/licensures will be completed prior to each affected employee's employment contract with the District. Human Resources has been advised by Office of Internal Audit that we are not including Transportation and Nursing Services as each of those offices is being handled within the office staff for all verifications. Transportation and other areas such as Nurses, OT, and PT etc. excluded.

New Implementation Date: March 2019