

Hiring and Promotion

City of Tulsa
Internal Auditing
July 2006



Hiring and Promotion



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Chief Internal Auditor

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City Auditor

AUDIT TEAM:

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Summary of Audit Project

Scope:

Evaluate the internal control framework of the Hiring and Promotion Process in the Employment Division of the Human Resources Department.

Objectives:

Evaluate and conclude on each component of the internal control framework and the internal control framework, as a whole. Provide improvement suggestions, as appropriate.

Overall Risk Exposure: (Low, Moderate or High)
MODERATE

Conclusion: (Satisfactory, Satisfactory-needs improvement, or Unsatisfactory)
SATISFACTORY

Project Results:

- The Employment Division has established policies and procedures which are understood by division staff.
- Consistency in hiring and promotion is emphasized by management and understood by staff.
- Civil Service Commission duties are not well defined by the Charter and policy. (Audit Finding 1)
- Personnel Policy and Procedure development is not properly controlled. (Audit Finding 2)
- Funding to conduct thorough background checks on applicants is inadequate. (Audit Finding 3)
- Funding for continuing professional education is inadequate. (Audit Finding 4)
- No formal risk-assessment process exists. (Audit Finding 5)
- The police and fire testing coordinator is not properly backed-up, and does not receive an appropriate level of feedback. (Audit Finding 6)

Responsible Officers: Human Resources Director Mike Bates, Personnel Director Richard Walker

Auditors: Cathy Criswell, Nathan Pickard

Introduction

The Employment Division maintains the primary goal of “recruiting the most qualified personnel available for positions in the classified service of the City of Tulsa.” The process begins when a department has a job vacancy. The department manager fills out and sends a personnel requisition form. Once the requisition is approved and accepted, the job is advertised. The job is first advertised internally to allow for promotions of City of Tulsa personnel. If no internal applicants are chosen, the position is advertised externally.

The Employment Division receives applications in response to the advertisement and evaluates them based on a combination of city requirements and job requirements. Applicants who meet requirements are called in for testing and interviews given by the Employment Division. For some positions, the hiring department is involved with review of resumes and/or interviews before the Employment Division certifies the candidate. Applicants who pass the testing and interview phase receive background checks and reference checks. The successful candidates are certified by the Employment Division. The department with the vacancy then interviews the certified candidates and makes a hiring decision. If a candidate is selected by the hiring department, an Employment Division employee makes an offer to the chosen candidate.

The Fire and Police Departments’ hiring practices include a scheduled written exam open to the public, a physical abilities exam, a structured oral assessment, a background check, and an interview. Offers of employment to successful candidates in any department are made contingent upon passing a drug screening and physical exam. Fire and Police candidates must also pass a psychological assessment.

Promotion in the Fire and Police Departments begins with eligibility. To be eligible, candidates must meet minimum years of service required for promotion and possess the required certifications for promotion. Those who are eligible are scheduled for promotion examinations. Examinations can be in the form of written assessments, oral assessments, or both, depending on the requirements of the promotion. Candidates who are ranked with the highest overall examination scores are added to the eligibility list. The order of ranking is the order in which vacancies are filled until the list is expended.

Audit Findings, Recommendations and Management Responses

AUDIT FINDING 1:

CIVIL SERVICE COMMISSION DUTIES ARE NOT WELL DEFINED BY THE CHARTER AND POLICY

SUMMARY:

The Civil Service Commission (“Commission”) is created in Article X of the 1989 Amended Charter (“Charter”). Sections 8.2 through 8.4 address hearings on employees who are suspended without pay, removed, or demoted. These sections specifically state the Commission’s duties with regard to these types of personnel actions. However, hearings held by the Commission also include other types of personnel actions.

Article X, Section 3, states the Commission “shall adopt rules and regulations governing the merit system,” and includes a list of topics which the rules and regulations “shall particularly provide for.” Section 100 of the Personnel Policies and Procedures (“personnel policies”) was created to satisfy this requirement. Personnel policies include a process for hearings on employees who are suspended without pay, removed, or demoted (Section 105), as required by Charter. Personnel policies also provide a process for the Commission to hear discrimination complaints (Section 104) and disputes involving the promotional process (Section 127). The Charter does not specifically address hearings on discrimination complaints or promotional process disputes.

Article X, Section 2.2, states the commission “may summon and compel the attendance and testimony of witnesses, the production of books, papers, or other evidence, and may impose penalties established by rule for refusal to obey an order or a subpoena.” It is unclear whether the “order” referred to in this section applies specifically to orders to produce testimony or records or if it applies to other types of Commission orders. Whether the Commission has authority to impose penalties, including related due process requirements and enforcement provisions, is not clear. The Commission has adopted internal procedures on subpoenas that discuss only penalties for employees, and do not mention elected officials or others who may be subpoenaed to provide information.

The Commission is comprised of five members appointed by the Mayor and confirmed by the Council. They serve a five year term. The only qualification in the Charter is that they be “qualified electors of the city and shall not be or become candidates for public office or hold any public or political office during their tenure.” There is no requirement for the members to have knowledge of human resources practices or employment law.

RECOMMENDATIONS:

- ? The City Council should consider a charter change to more clearly define the topics to be heard by the Commission. Consideration should be given to whether hearing of topics other than suspensions, demotions, and removals is appropriate for the Commission. In addition, Charter provisions and the Commission's internal procedures should be reviewed regarding whether subpoena and penalty power is appropriate.

- ? Basic training for new Commission members should be defined and consistently provided. In addition, quarterly training and updates should be consistently provided.

RESPONSE:

A response was not received.

AUDIT FINDING 2:

POLICY AND PROCEDURE DEVELOPMENT IS NOT ADEQUATELY CONTROLLED

SUMMARY:

There are two controls governing the adoption and approval of Personnel Policies and Procedures:

- The Charter requires the Civil Service Commission to adopt policies and procedures related to the merit system. Commission members serve a five year term and may have no knowledge of current policies and procedures, or experience in the employment field. This elevates the risk that policies could be adopted that conflict with other policies, or with state or federal employment laws.
- The Charter requires the City Council to approve the policies and procedures adopted by the Commission. City Council can approve the adopted policies by either expressing approval or failing to act.

Internal Auditing reviewed two changes made to Section 100 of the Personnel Policies and Procedures during 2005. One of the two was not submitted to Council for approval, but was still included in the personnel policies. Human Resources Department internal procedures do not address the process of making changes to the Personnel Policies and Procedures Manual. This leaves staff unsure of the correct process, and may cause staff to unknowingly violate Charter requirements.

Personnel policies are written primarily by members of the Human Resources Department, who are not required to have technical writing experience or training. The policies are unclear in some sections, and internally inconsistent. Following are two examples of this:

- The Charter states the Personnel Director can certify at least three persons for a position, but the Personnel Policies and Procedures require the number of persons certified shall be the number of open positions plus two. This caused confusion among management as to whether the total certifications must be limited to three for an open position. To clear up the confusion, the City Attorney wrote a Legal Memorandum explaining that greater than three certifications can be made according to the City Charter.
- Employment Division internal procedures regarding injury leave reference a "CSD #181." Employees must meet this requirement to be certified for a promotion. The Personnel Policies and Procedures Manual does not include this requirement on injury leave. There is a reference to injury leave in the index, but no policy in the body of the manual

Employees need a source to get clear and complete guidance regarding personnel matters. Guidance used to make employment decisions is scattered throughout a number of documents, including the Personnel Policies and Procedures Manual, labor contracts, internal procedures manuals, Civil Service Documents, state and federal employment law, and emails from directors. While all the documents may be available, it is difficult for employees to be aware of where to look for them or know that they exist. To get complete information regarding a subject, an employee would need to access

numerous documents and would also likely find some documents conflicting with each other.

The Assistant City Attorney, who handles most of the Employment Division's work, wasn't aware that Civil Service Documents were being used by the Employment Division as authoritative guidance. The Assistant City Attorney stated many of the lawsuits, grievances, and complaints brought by employees result from employees not being able to understand the policies. The Assistant City Attorney also stated an observation that when changes are to be made to policies, attention is focused on just the section that needs to be changed and no consideration is given to the effect the change might have on other policies and external documents.

RECOMMENDATIONS:

- Controls should be developed governing the writing and reviewing of policies and procedures to ensure they are adopted according to Charter requirements.
- Personnel Policies and Procedures should be reviewed to clear up all internal inconsistencies and to ensure they comply with state and federal employment laws, city charter and ordinances. Management should consider contracting with or hiring a technical writer for this purpose.
- Internal policies and procedures used by the Employment Division and other divisions of Human Resources should be reviewed to ensure they are consistent with Personnel Policies and Procedures.

RESPONSE:

A response was not received.

AUDIT FINDING 3:**FUNDING TO CONDUCT THOROUGH BACKGROUND CHECKS ON APPLICANTS IS INADEQUATE****SUMMARY:**

Analysts complete all background checks using free state websites. The state websites are not comprehensive. The free state websites are also time consuming to use, as opposed to outsourcing the function, or using a comprehensive website service. Because of this time intensive service the analysts must provide, they have less time to fulfill their other responsibilities effectively.

The Human Resources Department has repeatedly requested budget funding to pay for more extensive background checks, which has not been approved. By not funding background checks, risk is increased that the city may unknowingly hire applicants with criminal histories.

RECOMMENDATION:

The department should continue to request funding to carry out comprehensive background checks. Some background checks could continue to be done by city staff and others done by an outside contractor. Policies should address how the depth of background checks should increase according to the sensitivity of the position.

RESPONSE:

A response was not received.

AUDIT FINDING 4:**FUNDING FOR CONTINUING PROFESSIONAL EDUCATION IS INADEQUATE****SUMMARY:**

The Human Resources Department receives limited annual funding for training employees. The amount available for use by the Employment Division is not sufficient to completely train a staff of eight people. This lack of funding for training compromises the division's ability to retain competent personnel. With inadequate training, the likelihood of grievances and lawsuits increases.

RECOMMENDATION:

The department should analyze what training is necessary for Human Resources Department employees to remain competent, and analyze available resources for this basic level of training. The department should then estimate the cost of training and continue to request adequate training funds.

RESPONSE:

A response was not received.

AUDIT FINDING 5:
NO FORMAL RISK ASSESSMENT PROCESS EXISTS

SUMMARY:

Employment Division staff identifies a list of division goals each year. Management identifies approaching deadlines. When a goal is not going to be achieved by deadline, management will either reassign the goal to another individual, or extend the deadline. The lead analysts meet with analysts who report to them to ensure they are meeting their goals.

A risk assessment process provides a means to analyze how potential events might affect the achievement of objectives. However, no formal risk-assessment process is in place to consider external and internal risk factors, or how these factors could negatively affect the achievement of goals and objectives. Management deals with risks on a reactive basis rather than proactively assessing and dealing with potential problems before they occur.

RECOMMENDATION:

Management should develop a risk assessment process to be completed in conjunction with the annual objective-setting process.

RESPONSE:

A response was not received.

AUDIT FINDING 6:

THE POLICE AND FIRE TESTING COORDINATOR IS NOT PROPERLY BACKED-UP, AND DOES NOT RECEIVE AN APPROPRIATE LEVEL OF FEEDBACK

SUMMARY:

The Police and Fire Testing Coordinator procedures are not documented, and there is no other person fully trained on how to do the duties. By not having duties defined and a back-up person trained, a risk exists that there would be a delay in hiring police and fire personnel if the Coordinator became ill or terminated employment.

RECOMMENDATION:

Management should document the responsibilities of the position, so that the position is fully defined and succession could quickly occur if necessary.

RESPONSE:

A response was not received.

Distribution List

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