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CHESTERFIELD COUNTY
Internal Audit

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Human Resources Candidate Recruitment and Selection

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Human Resources

Candidate Recruitment and Selection

Highlights

New Hires and Promotions

Human Resources (HR) provides services and support to departments during candidate recruitment and selection. We tested 30 FY20 new hires/rehires candidate selection packets for compliance with County Administrative Policy 6-7 without exception. County policy requires a competitive recruitment process for employees seeking promotion to a position in a higher salary grade. We tested 30 FY20 promotions for compliance with County Administrative Policy 6-7 without exception.

Commendation: We commend HR for following County policy 6-7: HR Employment when hiring and promoting employees.

Board-Approved Positions and Executive Hires

Per inquiry with Compensation & Benefits, we noted the current process used to create new positions does not match the process described in County Administrative Policy 6-8. We compared 79 FY20 Board-approved positions to new In Focus position control numbers without exception. Additionally, we analyzed payroll data to confirm all 79 position pay grades agreed to the Classification and Compensation Plan, without exception.

Chesterfield County Code grants the County Administrator the authority to appoint qualified officers and employees to head County administrative departments. We tested 8/9 FY20 County executive hires (6 department directors and 2 Deputy County Administrators) and noted all 8 executive hires underwent a competitive recruitment process with no exceptions.

Recommendation(s): We recommend HR revise the Classification and Compensation Plan and HR policy 6-8 to match the current new position creation process.

HR Liaison Survey and Training

HR liaisons facilitate and provide guidance to department management for HR-related processes. We reviewed a list of 94 liaison positions and determined one department did not have an assigned liaison, however HR notified us the Community Operations liaison retired and liaison responsibilities were divided among remaining Administrative Assistants. We compared the liaison list to participant training records to determine whether liaisons were properly trained. Per inquiry with HR, liaisons do not receive system access until they have successfully completed all required training.

We surveyed County department's main liaisons regarding the candidate recruitment and selection process. We received 39 of 67 (58%) responses and noted several responses related to the Personnel Requisition Review Request form process, training opportunities, hiring departments receiving candidate applications more frequently, and increasing recruitment and selection process automation.

Action(s) Taken: As of 3/16/2021, HR has updated the HR liaison listing to assign a liaison to Community Operations.

Recommendation(s): We recommend HR streamline the personnel requisition form by evaluating for duplicate information requests and optional information fields.

Management concurred with 2 of 2 recommendations detailed in the report to be implemented by July 1, 2021. Internal Audit performs annual follow-up with management to confirm implementation status.

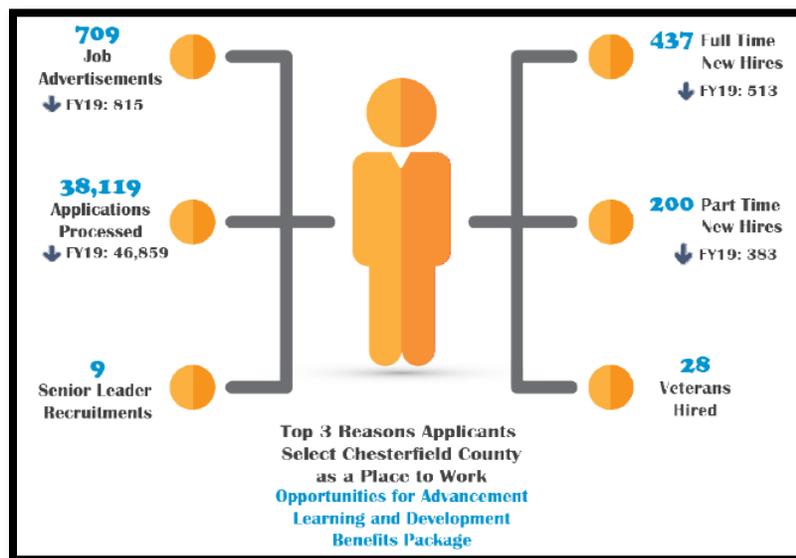
INTRODUCTION

BACKGROUND

Chesterfield County HR department provides programs and services to support a high-performing workforce and organizational excellence. As of FY20, HR employs 30 full-time positions, including three Human Resources Information Systems (HRIS) and four Employment section positions, to support 3,593 full-time and 764 part-time County employees. HR programs and services include consultation and compliance, recruitment and employment, compensation and benefits, medical services, wellness programs, and HR information and records.

The HRIS and Employment section of HR offer recruitment and hiring support to all County departments. HRIS staff are responsible for maintaining the automated recruitment and job application system, NEOGOV Online Hiring Center (OHC), which is used to advertise job vacancies for County employment opportunities. HRIS staff also manage HR data for active, separated, and retired employees and can review, approve, and process incoming online webforms using the In Focus HR System. In Focus is a component of the enterprise-wide system that is utilized to manage County employee and retiree data. Other activities performed by Employment staff include developing and conducting training, reviewing interview questions, serving on interview panels, assisting departments with screening applications, and supporting new hires with form completion during New Employee Orientation (NEO).

HR develops an annual report highlighting statistics for workforce demographics, recruitment and talent acquisition, compensation, insurance, employee wellness, and other HR-related initiatives. The graphic below illustrates recruitment and talent acquisition statistics for FY20.



¹Source: FY20 [Human Resources Annual Report](#).

OBJECTIVES

Objectives of the audit were to:

- Evaluate the effectiveness and efficiency of HR’s recruitment and selection process.
- Assess compliance with County Administrative Policy 6-7: HR Employment.
- Analyze recruitment and selection during FY20.

SCOPE

Our audit work covered FY20 and the current operating environment. We considered the following code, policies, and procedures:

<i>Chesterfield County Charter § 4.2</i>	<i>Chesterfield County Classification and Compensation Plan</i>
<i>County Administrative Policy 6-7: HR Employment</i>	<i>County Administrative Policy 6-8: Human Resource Management (HRM) Creation, Reclassification and Deletion of Positions</i>
<i>HR Liaison Handbook</i>	

We conducted this performance audit in accordance with generally accepted government auditing standards (GAGAS). Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives. Christian Wingfield, Staff Auditor, performed the audit work. Chesterfield County Internal Audit is a department within the organization of Chesterfield County/Schools.

Professional standards require us to disclose the possibility of the Internal Audit Department selecting its own recruitment and selection transactions for testing. While the possibility of selecting our own transactions technically impairs our independence under GAGAS, we otherwise followed GAGAS standards.

METHODOLOGY

Detailed information regarding the methodology can be found in the individual findings listed in the report. Our methodology included personnel interviews, observations, data analysis, detail testing, surveying, and documentation review.

INTERNAL CONTROL CONCLUSION

According to Government Auditing Standards, internal controls, in the broadest sense, encompass the agency's plan, policies, procedures, methods, and processes adopted by management to meet its mission, goals, and objectives. Internal controls include the processes for planning, organizing, directing, and controlling program operations. It also includes systems for measuring, reporting, and monitoring program performance. An effective control structure is one that provides reasonable assurance regarding:

- efficiency and effectiveness of operations;
- accurate financial reporting; and
- compliance with laws and regulations.

Based on the results and findings of the audit test work, auditors concluded that internal controls were in place and there were minimal findings to question their ability to assist management in meeting its mission, goals, and objectives. Recommendations specific to improving these controls can be found in detail further in the audit report.

CLOSING

We would like to thank Mary Martin Selby and the Human Resources department for their cooperation and assistance during this audit.

FINDINGS, RECOMMENDATIONS, RESPONSES

New Hires and Promotions

(Point Sheet 1)

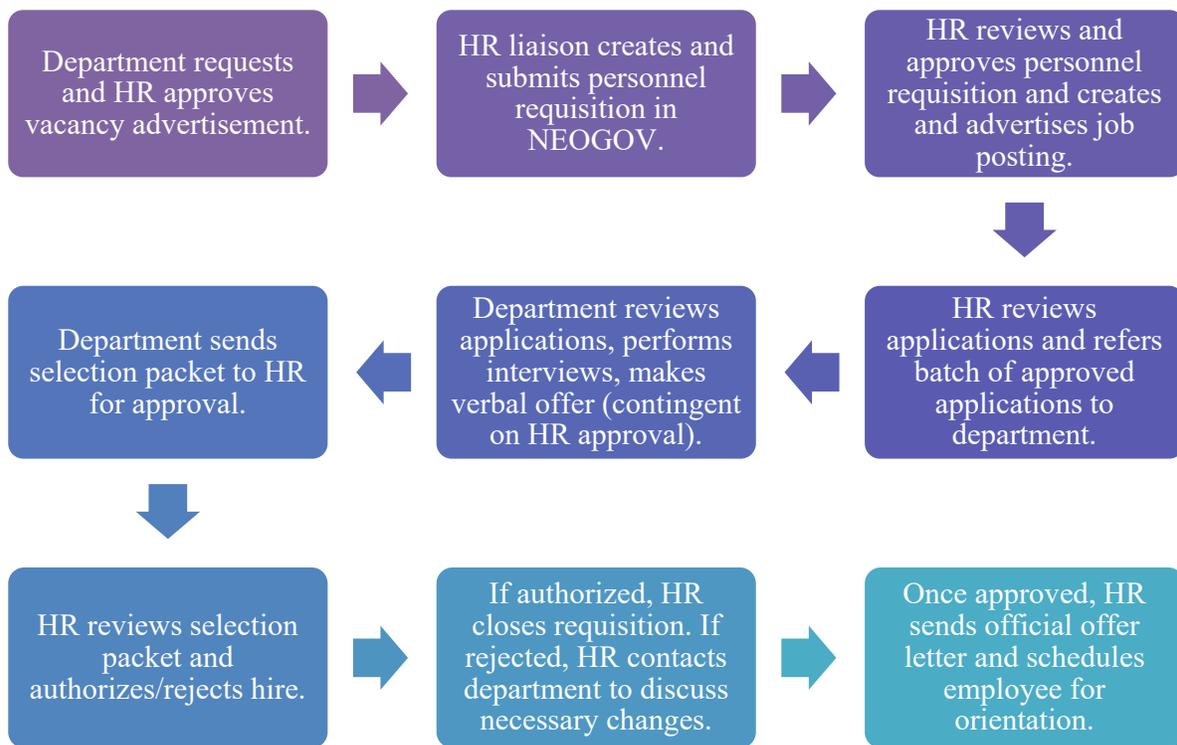
CRITERIA:

County Administrative Policy 6-7: HR Employment guides hiring practices and requires the following:

- Full-time vacancies are advertised externally to ensure equal opportunities. Positions not exempt by the Chesterfield Code will go through standard employment practices.
- Promotions are the selection of a current employee in a competitive recruitment process to fill a position in a classification having a higher salary grade than their current position.
- Departments may only offer a salary within the advertised range of the job posting.
- Departments must have full funding and an authorized position number to fill a position.
- Selection packets must be electronically submitted to HR for review and approval.
- Official job offers are extended by HR after review of the selection packet.
- Job advertisements are posted for one week, or longer by department request.
- The Director of HR may approve exceptions to the policy, as needed, to assist hiring departments in maintaining appropriate staffing for critical operations.

CONDITION(S):

HR assists hiring departments during the candidate recruitment and selection process. NEOGOV OHC is the HR software which enables departments to create personnel requisitions (used to create job postings and initiates the recruitment process), view applications, send notices to candidates, and submit new hire documentation for approval. The figure below illustrates HR's candidate recruitment and selection process.



FINDINGS, RECOMMENDATIONS, RESPONSES

New Hires and Promotions

(Point Sheet 1)

Chesterfield County initiated a hiring freeze beginning March 17, 2020 in response to the COVID-19 pandemic. The freeze placed a hiring hold on all vacant positions other than public safety. If a department recognized a critical hiring need, Deputy County Administrator (DCA) approval was required by signed Personnel Requisition Request Review (PRRR) form or email. Fifty of 637 (8%) FY20 new hires/rehires were selected during the hiring freeze and 30 of 50 (60%) were public safety related.

We tested 30/637 (5%) FY20 new hires/rehires candidate selection packets to ensure sufficient DCA approval was obtained, offered salary was within the advertised range, candidate selection packet was approved by HR prior to sending official offer letter, and deadlines were met. No exceptions to County Administrative policy 6-7: HR Employment were noted.

We tested 30/152 (20%) FY20 promotions for compliance with County Administrative policy 6-7: HR Employment without exception.

CAUSE:

A HR policy exists for employee hires and promotions.

EFFECT:

Controls are effective for new employee hires and promotions.

COMMENDATION:

We commend HR for following County policy 6-7: HR Employment when hiring and promoting employees.

FINDINGS, RECOMMENDATIONS, RESPONSES

Board-Approved Positions and Executive Hires

(Point Sheet 2)

CRITERIA:

Chesterfield County Charter § 4.2. Duties and Responsibilities allows the County Administrator to appoint qualified officers and employees to head County departments.

County Administrative Policy 6-7: HR Employment guides hiring practices. When recruiting and selecting positions exempt by the Code of Chesterfield County, including department directors, processes may vary from County employment guidelines.

County Administrative Policy 6-8: HR Creation, Reclassification, and Deletion of Positions describes the new position creation process and requires the Board of Supervisors approve new full-time positions. Prior to Budget approval, HR will provide advice on proposed position classifications. After Board approval, HR will classify the position, assign a position number, and notify the hiring department to submit a personnel requisition to initiate the recruitment process.

CONDITION(S):

The Board of Supervisors authorizes all new full-time positions and approves the Classification and Compensation Plan during the annual Budget process. The Classification and Compensation Plan, which is administered and maintained by HR, is compiled of HR policies and procedures, job classification titles, and salary structures to assist departments with various HR related responsibilities. Per inquiry with Compensation and Benefits, we noted the current new position creation process does not agree to the Classification and Compensation Plan or HR policy 6-8. HR rarely reviews new positions and does not provide proposed classification advice to the Board prior to Budget approval. Although specific Board-approved position titles are listed in the Budget, the Board does not approve position titles, only total positions for a department. HR is aware of new positions to be presented to the Board for approval (through Budget), however, the positions are officially classified after Board adoption prior to the Budget effective date (July 1).

Internal Audit compared 79 FY20 Board-approved positions to new In Focus position control numbers (position identifying number) without exception. In addition, we analyzed payroll data to confirm all 79 position pay grades agreed to the Classification and Compensation Plan, without exception.

We tested 8 of 9 FY20 senior leader recruitments (HR donated services to an external organization for one senior leader recruitment). Six department directors and two Deputy County Administrator executive hires followed a competitive recruitment process with no exceptions.

CAUSE(S):

- After Board of Supervisor approval, hiring departments work with HR to classify positions.
- Although the County Administrator has the authority to make appointments, FY20 executive hires followed a competitive recruitment process.

EFFECT(S):

- HR provides classification recommendations after Board approval of positions rather than before approval.
- Executive recruitments comply with HR policy 6-7: HR Employment.

FINDINGS, RECOMMENDATIONS, RESPONSES
Board-Approved Positions and Executive Hires
(Point Sheet 2)

RECOMMENDATION:

1. We recommend HR revise the Classification and Compensation Plan and HR policy 6-8 to match the current new position creation process.

MANAGEMENT'S RESPONSE:

1. *Concur. Assistant Director of HR, Nancy Brooking, is responsible for implementing 7/1/2021. HR supports the recommendation to revise the Classification and Compensation Plan and HR Policy 6-8 to match the current new position control process.*

FINDINGS, RECOMMENDATIONS, RESPONSES

HR Liaison Survey and Training

(Point Sheet 3)

CRITERIA:

The HR Liaison Handbook provides HR liaisons guidance to perform their duties. The handbook provides information such as personnel policies, recruitment and selection forms and processes, and system manuals and training documents.

CONDITION(S):

HR liaisons (liaisons) facilitate and provide guidance to department management for HR-related processes. Each department assigns the role to one or more employees. Some liaisons cover multiple departments. Liaisons have several responsibilities in the recruitment and selection process, including, but not limited to submitting requisitions and forms to NEOGOV for HR review, screening applications, scheduling interviews, and completing/submitting the selection packet to NEOGOV. When a liaison position is vacant, HR staff provides assistance until the position is filled.

Internal Audit reviewed a HR provided list of HR liaisons to ensure all departments are assigned a liaison and the list is current. The 94-position list (67 primary liaisons, 14 back-up liaisons, 11 vacant positions, and 2 employees covering multiple departments) included 52 departments. We noted:

- 1 of 52 departments (2%) did not have an assigned liaison. HR notified us the Community Operations liaison retired and liaison responsibilities were divided among remaining Administrative Assistants.

HR's Liaison Training Program offers liaisons the opportunity to improve their skills and gain knowledge of HR's policies, procedures, and processes related to their duties. When liaisons are initially assigned, HR contacts the individual to schedule orientation sessions and discuss training opportunities. Liaison training is provided in-person and virtually through Ulearn. Ulearn is the County's learning management system maintained by the Learning and Performance Center. It includes a catalog of online and live personal and professional development courses, certifications, and videos available to County employees, including HR Liaisons.

The following training courses are available:

- HR Liaison Training Program – The course covers employment, employee relations, benefits, compensation, and administration topics.
- NEOGOV Automated Recruitment and Selection Training – Instructions for the automated recruitment cycle completed in NEOGOV OHC.
- For HR liaison designated for an In Focus workflow role, In Focus training is provided via:
 - In Focus for HR Webform Liaisons – Introduction to the ONESolution HR System, including navigation, how to initiate and process HR web forms, and HR reporting.
 - Ulearn In Focus Job Aids – Employee instruction on In Focus and various HR webforms.
- Employment Toolkit Training – Facilitated by HR staff, covers the recruitment and selection process, employee evaluations, employee retention, and other HR-related topics.

FINDINGS, RECOMMENDATIONS, RESPONSES

HR Liaison Survey and Training

(Point Sheet 3)

HR maintains participant training records for all liaison training courses. Liaisons do not receive NEOGOV or In Focus system access until they have successfully completed the training courses. Internal Audit compared 82 of 94 (11 vacant positions and 1 position was removed due to department consolidation) liaison positions to the training records to determine whether training was complete. We noted:

- 77 of 79 (97%) liaisons completed the New HR Liaison Training Program. Three liaisons are included on this list for email distribution only and were not required to complete training. Two of 79 (3%) training records could not be reviewed as employee hiring dates (21 and 29 years ago) predate electronic training records.
- All liaisons completed the NEOGOV Automated Recruitment and Selection and In Focus trainings when required.

Internal Audit surveyed 67 primary HR liaisons on the candidate recruitment and selection process to determine training received, level of comfort with requirements in County policy 6-7, HR Employment, responsibilities in the recruitment and selection process, evaluation of the process, and level of interest in department and individual liaison trainings available. We received 39 of 67 (58%) survey responses and noted:

- Three liaisons indicated the PRRR process is cumbersome and obtaining a DCA's approval can be difficult. Although not a normal part of the process, during a hiring freeze, DCA approval is required. During the recent hiring freeze, DCA's have provided approval using both the PRRR form (60%) and email (40%).
- Twenty-four liaisons stated their departments are interested in the Employment Toolkit training offered by HR and 28 stated they are interested in HR-related trainings on Ulearn. HR staff provide Employment Toolkit training upon department request or when a skill set deficiency is identified. Staff-led sessions provide participants the opportunity to engage and learn about department-specific issues. HR utilizes Ulearn to provide the HR Certificate Training Program, Nuts & Bolts of Supervision, and numerous other HR-related courses.
- Four liaisons requested to receive applications on a periodic basis during the advertisement period instead of a batch after the advertisement ends. HR makes exceptions, upon request, when departments have hard to fill positions, critical hiring needs, or high applicant volume. HR performs a manual process on all applicants to ensure County employment eligibility, before sending applications to departments. Sending all applications after the deadline gives applicants equal opportunity for review and consideration.
- Five liaisons requested the recruitment and selection process be automated. For each hiring selection, a 10-document selection packet must be completed then uploaded to NEOGOV. Although NEOGOV does not have the capability to develop customizable forms within the system, most required forms can be completed and signed electronically.
- Two liaisons requested stronger templates to submit quality personnel requisitions. Currently, the personnel requisition template in NEOGOV contains 76 fillable fields; 14 yes/no fields, 28 radio/checkbox fields, 9 drop-down fields, 25 text box fields (only 15 are typically required to complete). There are three cases where the position title is asked and two cases where the anticipated employee hire/start date are asked.

FINDINGS, RECOMMENDATIONS, RESPONSES
HR Liaison Survey and Training
(Point Sheet 3)

CAUSE(S):

- HR assists departments with HR liaison responsibilities when necessary.
- HR liaisons complete necessary training before receiving system access.
- Surveyed HR liaisons suggested improvements to the candidate recruitment and selection process.
- NEOGOV's personnel requisition includes 76 fillable options for every new recruitment request.

EFFECT(S):

- HR liaison responsibilities are covered during department vacancies or reassignments.
- Effective internal controls are in place for training liaisons with NEOGOV and/or In Focus responsibilities.
- HR has reasonable processes in place to address HR liaison concerns.
- Departments with frequent recruitments could delay the hiring process due to detailed information required in personnel requisitions.

ACTION(S) TAKEN:

As of 3/16/2021, HR has updated the HR liaison listing to assign a liaison for Community Operations.

RECOMMENDATION:

2. We recommend HR streamline the personnel requisition form by evaluating for duplicate information requests and optional information fields.

MANAGEMENT'S RESPONSE:

2. *Concur. Assistant Director of HR, Candace Lackey, is responsible for implementing 7/1/2021. HR supports the recommendation to review the Personnel Requisition Form to remove any duplicate fields and streamline the form where appropriate. It's important to note that even in its current form, the Personnel Requisition only takes five to fifteen minutes to complete per an HR survey of five of the county's largest departments.*