

July 2, 2004

Lisa Miller  
Director of Human Resource Commission  
175 S. Main Street  
Akron, OH 44308

Dear Ms. Miller:

Attached is the final report of the Human Resource Commission preliminary audit that was discussed with members of senior management on March 5, 2004. In addition, please note that the Commission's management action plan was incorporated into the final report.

The report was approved by the Audit Committee at its June 23, 2004 meeting at which time it became public record.

We appreciate the cooperation and assistance received during the course of this audit. If you have any questions about the audit or this report, please feel free to contact me at extension (330) 643-2655.

Sincerely,

Bernard F. Zaucha  
Director, Internal Audit

cc: Audit Committee

**SUMMIT COUNTY  
HUMAN RESOURCE COMMISSION**

**Preliminary Audit**

**04-hum.hrc-06**

**March, 2004**

**Approved by Audit Committee**

**June 23, 2004**

**Summit County  
Internal Audit Department  
175 South Main Street  
Akron, Ohio 44308**

*Bernard F. Zaucha, Director*

**HUMAN RESOURCE COMMISSION**  
**Preliminary Audit**  
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**HUMAN RESOURCE COMMISSION**  
**Preliminary Audit**  
**BACKGROUND**

**Auditors:** Lisa Skapura, Dan Crews, Joseph George and Deanna Calvin

**Background:**

On Tuesday November 7, 1995, the electors of Summit County at the general election voted to amend the Charter of the County of Summit by enacting an article, which allowed for the formation of a Human Resource Commission.

The HRC rules were adopted by May 15, 1996 and took effect July 1, 1996. The Human Resource Commission consists of three individuals. Two of whom shall be members of the same political party, which shall be responsible for administering, for and in cooperation with the officers, agencies, boards and commissions of the County, an efficient and economical system for the employment of persons in the public service of the County according to merit and fitness.

The members of the Human Resource Commission shall be appointed by the County Executive and confirmed by County Council and shall be persons with experience in personnel matters or personnel administration and supportive of equal opportunity considerations.

The term of office of each member of the Human Resource Commission shall be six years. The terms shall be staggered so that no term expires within less than two years of the expiration of any other term. The County Executive shall fill a vacancy occurring during a term for the unexpired term in the same manner as a regular appointment.

**HUMAN RESOURCE COMMISSION**  
**Preliminary Audit**  
**OBJECTIVES**

**Objectives:**

1. To obtain and review the current policies and procedures.
2. To review the internal control structure through employee interviews and observation.
3. To perform a general overview of existing contracts in the department.
4. To perform a general overview of the physical environment and security of the facilities, data, records and departmental personnel.

**Scope:**

An overview and evaluation of the existing policies, processes, procedures, contracts and internal control structure utilized by the commission.

**Testing Procedures:**

The following were the major audit steps performed:

**OBJECTIVE 1 – POLICY AND PROCEDURES REVIEW**

1. Obtain and review the current policies and procedures.
2. Meet with the appropriate personnel to obtain an understanding of the current department processes and procedures. Compare those existing processes to the policies and procedures manual for consistency, noting all exceptions.
3. Test procedures for mandatory compliance where applicable.
4. Identify audit issues and make recommendations where appropriate.

**OBJECTIVE 2 – REVIEW OF INTERNAL CONTROLS**

5. Meet with the appropriate personnel to obtain an understanding of the control environment.
6. Document the existing control procedures in narratives and/or flowcharts.
7. Compare existing processes to the policies and procedures manual for consistency.
8. Test procedures for compliance where applicable, noting all exceptions.
9. Investigate discrepancies and summarize results.
10. Make recommendations where appropriate.

### OBJECTIVE 3 – CONTRACT REVIEW

11. Obtain and review the current operating contracts, i.e., vendor contracts, union contracts, and service contracts.
12. Determine that contracts are current, properly executed, and applicable.
13. Test the contracts for departmental performance, where appropriate, noting all exceptions.

### OBJECTIVE 4 – REVIEW OF SECURITY

14. Perform a general overview of the physical environment and security of the department/ agency being audited.
15. Interview various personnel to determine that confidential information is secure and processed only by appropriate parties.
16. Obtain and review the document retention policy and determine if policies and procedures are currently in place and being followed.
17. Test security issues where appropriate.
18. Analyze current policies and make recommendations.

**HUMAN RESOURCE COMMISSION  
Preliminary Audit  
DETAILED COMMENTS**

**I. Policies & Procedures Review:**

The Human Resource Commission Rules manual was obtained and reviewed by the Internal Audit Department. It was noted by IAD that the Human Resource Commission Rules manual was a comprehensive guide to the processes used to create rules, file and docket appeals, conduct hearings, and appeal to the Court of Common Pleas when necessary. However, the following was noted:

Issue

The Human Resource Commission Rules manual does not cite administrative procedures for routine processes including, but not limited to: creating docket numbers, notifying interested parties of hearing dates (media or method used), granting continuances, issuing subpoenas, etc.

Recommendation

The Human Resource Commission should develop a policies and procedures manual specific to the daily and administrative operations of the Commission.

**Management Action Plan**

**Administrative Procedure for Employee Appeal Hearings completed and attached.**

**II. Internal Control Testing:**

Internal control testing and/or observations were performed in the following areas:

- Disclosure Statement Test
- Personnel Files
- Commissioner's Salaries
- Attorney Fees
- Annual Report
- Job Descriptions
- Hearings

**DISCLOSURE STATEMENT TEST:**

Sample testing was performed to ensure that the Annual Ethics Disclosure statements had been filed in accordance with Chapter 117.02 of the Codified Ordinances.

No errors were noted with the sample selected.

## PERSONNEL:

### Issue

There is no formal process for the termination or the change of responsibility for employees. Per June Garey, Director of M.I.S., her department currently runs a termination report monthly. This report is used to remove the network and application access of terminated employees. This process leaves a large gap of time and the risk that a recently terminated employee could have unauthorized network/application access. Lack of informing other departments such as insurance can also lead to a terminated employee incorrectly being insured. A formal process for termination would also ensure the collection of county property when an employee terminates employment.

### Recommendation

IAD recommends that a formalized policy and procedure be created for the termination, resignation, or job change of an employee. The policy should include a form for notification of the termination to departments such as insurance, M.I.S., payroll, the executive area handling I.D. badges, and any other department that the employee is connected to. This policy should also ensure that County assets are inventoried when the employee is hired so that these items can be collected upon separation from employment.

### Management Action Plan

**Employee Separation/Exit Procedure completed and attached. This will be used until such time a 'Countywide' Procedure is established.**

### Issue

It was noted that there was only one evaluation for Janis Corbin, Administrative Specialist and it was not a standard County evaluation form with a signature line for the employee to indicate that they received the evaluation. Janis has been with the county since 1996.

### Recommendations

IAD recommends that the Human Resource Commission utilize the standard County evaluation forms to perform performance evaluations to measure employee performance. In addition, IAD recommends employee evaluations be completed annually.

### Management Action Plan

**Next evaluation will be done on the standardized form.**



Issue

There was no Personnel Action Form for the hiring of Lisa Miller, Director of Human Resource Commission in the personnel folder as required by Human Resource Department. IAD obtained a copy of the completed form from Janis Corbin, Administrative Specialist on 3/3/04.

Recommendation

IAD recommends that this form be included in this individuals personnel file as required by the Human Resource Department.

**Management Action Plan**

**Copy of the Personnel Action form has been inserted into Lisa Miller's personnel file.**

Issue

There was no copy of the drivers' license or social security card for Janis Corbin, Administrative Specialist. This is a requirement of the Human Resource Department.

Recommendations

IAD recommends that a copy of the driver's license or social security card be placed in the file of Janis Corbin.

**Management Action Plan**

**Copy of driver's license has been inserted into Janis Corbin's personnel file.**

COMMISSIONER'S SALARIES:

According to Summit County Council Resolution 2001-801, dated January 7, 2002, the compensation of the Summit County Human Resource Commission members is set at a stated annual salary, no benefits, to be paid in twenty-six equal payments. Payroll testing was performed for all three commissioners for conformance with the resolution.

No exceptions were noted.

ATTORNEY FEES:

A review of procedures for appointing and compensating outside Hearing Officers for the Human Resource Commission was completed with the following noted:

Issue

The Human Resource Commission has no specific procedures in place for recruiting outside Hearing Officers, validating their experience, or determining whom to select for duty among the available officers when the need arises.

Recommendation

Lisa Miller, Director of the Human Resource Commission, informed the IAD that the HRC would no longer be using outside Hearing Officers. In the event that the HRC continues to or resumes employing outside Hearing Officers, IAD recommends that the HRC develop and implement specific procedures for recruiting outside Hearing Officers, validating their experience, and maintaining documentation of that experience in an HRC file. The HRC should also devise and implement a fair and equitable method of rotating hearing assignments among the outside Hearing Officers whose names are on the list that should be maintained by the department. The IAD is aware of two hearings that are currently scheduled with hearing officers in 2004.

Management Action Plan

**Lisa Miller will be the HRC Hearing Officer. Should this ever not be the case, resumes will be received and forwarded to the HR Commissioners for their review. Rotation would largely depend on their availability.**

ANNUAL REPORT:

The Human Resource Commission Rules Section 4.05 requires that an annual report be prepared for the HRC. IAD reviewed the annual report for 2002 due to the fact that the 2003 report is generally completed at the end of the following year's 1<sup>st</sup> quarter.

No exceptions were noted.

JOB DESCRIPTIONS:

Issue

There were no position descriptions noted for the two Human Resource Commission positions.

Recommendation

IAD recommends that position descriptions be created for these two positions.

Management Action Plan

**Position Description has been completed for Janis Corbin and is attached.**

**Position Description for Lisa Miller is same as her classification specification.**

## HEARINGS:

Testing was performed to ensure that hearings are in compliance with the Human Resource Commission Rules. An observation of an HRC hearing was performed to confirm that the hearings are being conducted in accordance with the Human Resource Commission Rules.

No exceptions were noted.

## **III. Contract Review:**

The Human Resource Commission currently has two contracts, both of which are with the same vendor. Therefore, both contracts were selected for review. The contracts were for Professional Services Agreements between the County of Summit and Buckingham, Doolittle & Burroughs, LLP. The contracts were reviewed to determine if they were current, properly executed, and applicable to the services performed.

### Issue

No exceptions were noted.

## **IV. Security:**

Security issues noted during fieldwork are addressed under separate cover in the accompanying report in compliance with Ohio Revised Code §149.433<sup>248</sup>.