TUCSON UNIFIED
SCHOOL DISTRICT

November 23, 2021

OFFICE OF INTERNAL AUDIT

Human Resources Department
Review of Hiring Process

REPORT #: 002_FY2021-2022

MARTHA SMITH
INTERNAL AUDITOR

The Office of Internal Audit has completed the assessment of the Human Resources (HR) hiring process. This review was requested by the Governing Board. It was scheduled and performed as an added assignment to the originally provided Annual Audit Plan.

This report deviates from the traditional internal audit report format due to the individuality of the assignment. There are no district criteria or industry benchmarks that directly address the unique elements necessary to effectively measure the TUSD's hiring process. The letter of intent stated this would be a function-specific audit. However, for efficiency and effectiveness, the audit and its reporting format were modified to a review of the HR hiring process.

Reviews are nonconforming, they:

- Focus on unique areas, including but not limited to, pre-evaluations of software purchases, implementation of new processes, upgrades and/or changes within the organization that lack conventional measures.

- Use key evaluating elements to identifying activities that deviate from expectations.

- Have a lean report format; content is limited to listing identified deviations.

- Do not require management to respond to the listed observations.

- Limit the report distribution to need-to-know recipients.

The Human Resources (HR) Department is responsible for overseeing processes that include recruitment, training, staffing, retirement, etc. HR's employment and recruitment functions include recruiting qualified and diverse candidates for school sites, programs, and district staffing needs. The department is managed by the Human Resources Executive Director and assisted by its HR Leadership Team (HRLT).

> *"The TUSD Recruitment Function: A Guidebook for New Employees" states, "We're hiring to continue to provide excellent service to our faculty and staff. Your role is critical to help us find and retain the talent we need, to ensure the continued academic, health, social and emotional success of our 42,000 students and 7,500 staff. TUSD is a great place to work, and with you on our team, we will continue to build on our success and reputation in the Tucson community. "*

The purpose of the review was to evaluate the overall HR hiring process and procedures; the focus was on performance, timelines, and to identify areas of potential improvement.

The scope of the review: July 1, 2020 through September 30, 2021.

Methodology:
Conducted meetings and interviews with schools, departments, and HR staff.
Performed reviews of electronic documents.
Analyzed data in Infinite Visions (iVisions), TalentED, and "Complete Payroll" report from TimeClock Plus.

Sample:

A random sample of 100 names from a population of 4,222 was collected from the two systems - iVisions and TalentEd-. The sample contained a mixture of Employee Personnel Application Requests (ePARs) position requests, new hire assignments, current employee assignments, and staff termination requests. Names from the sample were cross referenced between all three sources.

Terminology:

 iVisions Web Portal: The system used by TUSD to manage district positions and employee records.

TalentEd: TUSD's Application Tracking System for posting jobs for recruitment and completing hires.

ePAR: Electronic Personnel Action Request (ePAR), is the electronic form to process hiring, pay, position, and termination transaction or all employees. It triggers and instructs Finance, HR, and Payroll to make changes/additions to employee positions and pay.

Deviations: Segmented into the three different categories below:

1. Supplemental Discoveries: Issues, concerns, and/or discrepancies in the three sources:
- Overuse of an undefined task title "Current Employee Assignment" and an inconsistent use of the title "New Hire".
- Duplicated ePAR identification numbers, from one school year to the next, and also within the same school year. Assigned ePAR numbers are intended to identify specific processes. Duplicating or reusing these numbers makes it difficult to track and identify specific processes.
  - Potential Improvement: Consider starting all ePAR numbers with a two-digit year code and a hyphen.
- Some of the documented processes did not include dates.
- "Job Lifecycle Flowchart" which is part of the instructions provided to the HR staff, is missing steps and includes steps that are out of order.
- Employees getting paid extended shifts without breaks, up to 16.75 consecutive hours per shift.
- Most of the employee hours are being calculated and paid in 15-minute increments while others are being calculated and paid to the exact minute.
- Over 7% of the ePARs in the sample were submitted after the recorded completion date.

2. Supplemental Discovery: Inefficiencies within the HR Department:

- Inadequate training for HR staff results in unqualified personnel performing tasks above their current skill and proficiency level. Developed proficiency should not be considered a replacement for proper training. Staff members should be properly and fully trained prior to receiving assignments. All staff members should be provided a complete, accurate, and detailed instruction manual for all systems.

- Lack of consistency in the way individual associates perform their tasks and record their information. There is no consistency for tracking processes in the system. Associates also have significant variation in tracking their pending tasks. Examples include Excel spreadsheets, paper calendars, calendar reminders, or personal notes.

- The amount of overtime currently being approved on a regular basis would nearly cover the cost of three full time employees. The department is currently paying out an average of 79 hours of overtime every week. 79 hours of overtime is equivalent to approximately 118.5 hours of regular pay. The current overtime expense would cover 98% of the salaries to three additional full time employees. Overtime should be a temporary solution to temporary staff shortages, not a permanent practice.

- Paper files – There is a significant amount of time, resources, and storage space dedicated to paper files. There is currently no known requirement for any of the HR data to be stored as hard copies.

- The current HR training manual is lacking. "THE TUSD RECRUITMENT FUNCTION: A Guidebook for New Employees" is a general overview but does not include complete or step-by-step instructions.

- HR is allowing individual sites to circumvent the final steps of the hiring process.
  This results in:
    - Instances of new hires starting before they are officially employed by TUSD.
    - HR being required to backdate hiring steps and processes.
    - Backdating these particular steps is creating an illusion that these specific tasks are taking longer than they actually are.

- The systems – iVisions and TalentEd – are not integrated, and require duplicate data to be entered manually and individually into each system.

- TalentEd application management is not regularly updated. The active tab under the "Status" contained applicants noted by HR as having "accepted other offer", not eligible, or inactive. It also had a couple of applications dated over eight months old, and several over five months.

3. Processing time for new hires:

- The average time from receiving a complete request to fill a position, to an individual's first day on the job is approximately 11 weeks.

- Of those 11 weeks, approximately six to seven weeks are already at the minimum timelines such as:

- o Number of days for ad postings.
  - o Interviews by the department.
  - o Number of days for background checks.
  - o Candidate's review of offer letter.
  - o Testing or verification of credentials.
  - o Candidate's submission of required documentation.
  - o Scheduling orientation date.
- The remaining tasks of the hiring process are being performed by the TUSD HR Department in an average of four weeks.

- Based on interviews with the HR Staff, this four-week period could potentially be shortened to one week of accumulated time. This potential increase to efficiency has several variables of consideration.
  - o It is apparent that the current HR staff has a high workload.
  - o Some of the staff is not able to use either of the systems efficiently or effectively.

- The aforementioned timelines are averages based on normal circumstances. Exceptions to these averages would be employees that require additional vetting or verifications, such as:
  - o Coaches: First Aid and Cardiovascular Pulmonary Recitation (CPR) certifications.
  - o School Bus Drivers: Obtaining their Commercial Driver's License (CDL) may be part of their hiring process.
  - o Anyone requiring Paraprofessional testing in lieu of actual experience.

Conclusion:

The purpose of this evaluation was to provide reasonable assurance on the requested assignment. The conducted evaluation was performed using due professional care; the information reviewed provides a reasonable basis for the conclusions.

Appreciation is extended to the Human Resources Department staff and the visited sites for their time, assistance, and cooperation during this review.

Respectfully,

Office of Internal Audit
Martha Smith
Martha Smith
11/23/2021

DATE: December 14, 2021

TO: Martha Smith, Internal Auditor

FROM: Renée Heusser, Executive Director of Human Resources

SUBJECT: Final Report on HR Hiring Process

Thank you for providing us with a copy of your final report on the HR hiring process. Your time and input are appreciated, and HR Department staff were very complimentary of your professionalism during the review.

I understand that the final report deviates from the standard audit and requires no response from our department. After review, however, our department did have some questions regarding a few of the discovery areas and felt the need to provide additional information on other discovery areas where we felt that information provided to you may not have been clear or complete based on your report findings. For ease of reference, I have structured my responses to align with your report.

Supplemental Discoveries: Issues, concerns, and/or discrepancies in the three sources

- *Overuse of an undefined task title "Current Employee Assignment" and an inconsistent use of the title "New Hire".*

We assume this reference is toward the two types of ePARs available in the Infinite Visions ERP system. Sites select either a "New Employee" or "Current Employee" ePAR type when they are recommending a candidate to fill a vacancy. The only difference between these two ePAR types is that the "New Employee" ePAR requires the site to complete additional demographic information for the employee being hired (i.e. address, phone number, etc.). While Human Resources does process a new district employee differently than an existing employee, the ePAR type itself poses no issues or delays to the process. HR staff recognize when a wrong ePAR type has been selected by a site and the process moves forward without delay. These site user mistakes fall under the umbrella of site training and we work with the Technology Services staff who provide that training to get these items addressed with users.

- *Duplicated ePAR identification numbers, from one school year to the next, and also within the same school year. Assigned ePAR numbers are intended to identify specific processes. Duplicating or reusing these numbers makes it difficult to track and identify specific processes.*
  - *Potential Improvement: Consider starting all ePAR numbers with a two-digit year code and a hyphen.*

The Infinite Visions ERP system is built on an "annual" database model. This means that each fiscal year represents a separate dataset within the database structure. There is no provision for setting ePAR numbers, they are sequential, and system generated. ePAR numbering begins at zero each year. As a system-generated ID number, this number cannot be duplicated within the same year – each time a new ePAR is created, the next sequential number is system assigned. ePARs cannot be deleted and canceled ePARs cannot be reused. The ePAR date identifies what fiscal year the ePAR number was issued in.

- *Some of the documented processes did not include dates.*
- *"Job Lifecycle Flowchart" which is part of the instructions provided to the HR staff, is missing steps and includes steps that are out of order.*

We would like to better understand what these statements represent so we may work to make improvements or corrections to our processes and/or instructions.

- *Employees getting paid extended shifts without breaks, up to 16.75 consecutive hours per shift.*

In reading this discovery, we assume this refers to HR Staffing Associates. As you mention in your report, the HR Department is significantly understaffed for the size of our District and the workload that flows through this department. To that end, many staff members work extended hours, weekends, and holidays to ensure that staffing processes do not slow down, and employee personnel actions are completed in a timely manner. We encourage all staff to take periodic breaks, leave the building for lunch, and certainly to get up and move around at least once every hour. There is no expectation of a 16.75-hour workday with no breaks, however, if an employee chooses to eat lunch at their desk and continue working, we will pay them for that time and do not require them to clock out.

- *Most of the employee hours are being calculated and paid in 15-minute increments while others are being calculated and paid to the exact minute.*

This is another area where we would like to better understand the discovery.

Supplemental Discoveries: Inefficiencies within the HR Department

- *Paper files – There is a significant amount of time, resources, and storage space dedicated to paper files. There is currently no known requirement for any of the HR data to be stored as hard copies.*

Arizona standards for public records outline minimum standards for digital imaging or scanning of documents. These standards dictate that a request for document imaging must be completed and approved by the state prior to starting a scanning or digitization project for public records. TUSD has

been looking for document storage solutions that will comply with the Arizona State minimum standards, but the project was derailed by the pandemic. As business returns to normal, HR plans to resurrect the project, submit to the state for approval, and move forward with a digital document storage solution.

- *HR is allowing individual sites to circumvent the final steps of the hiring process. This results in:*
  - *Instances of new hires starting before they are officially employed by TUSD.*
  - *HR being required to backdate hiring steps and processes.*
  - *Backdating these particular steps is creating an illusion that these specific tasks are taking longer than they actually are.*

While we understand this discovery, we want to speak to the word 'allow'. Sites will often allow an employee to begin working prior to HR authorizing the employee to start. This is not an HR allowed practice and we have a process in place to report these sites/departments to leadership when it occurs.

- *The systems – iVisions and TalentEd – are not integrated and require duplicate data to be entered manually and individually into each system.*

TalentEd is an applicant tracking system. HR uses this system to post and advertise district vacancies online, create an electronic portal for candidates to complete the TUSD application online, and as a tool for sites to communicate with us when they need a vacancy posted. The Infinite Visions ERP system (you refer to it as iVisions) is the system of record for employee information, position control and tracking, and payroll. There is very little shared data between these two systems (basic employee demographics) and while some system integration may be nice to have, it is not a trigger for dual entry by HR or site staff. In fact, in areas where we do pull in applicant-provided data from an online system (address changes for example) we find a need to rekey most of the data to correct formatting or correct case.

Thank you again for providing us with a copy of your final report on the HR hiring process. As previously mentioned, your time and input are appreciated.