

**Performance Audit:
Hiring Process**

August 2020

**City Auditor's Office
City of Atlanta**

File #20.01



CITY OF ATLANTA

City Auditor's Office
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August 2020

Performance Audit:

Why We Did This Audit

The Department of Human Resources recently implemented a new hiring process to address departments' concerns with the slow pace of hiring. This audit reviews city hiring processes both before and after the pilot program for clarity, compliance, and efficiency.

What We Recommended

To reduce the risk of hiring delays, errors, and inconsistencies; ensure compliance with regulations; and increase accountability, consistency, and efficiency, the Human Resources Commissioner should:

- streamline hiring policies and procedures into one document
- automate manual forms
- use the Department of Finance to perform vacancy budget validations
- create a quality assurance process for personnel files
- develop a standardized vacancy posting template
- capture all candidate transactions in the hiring system
- establish performance expectations and provide training for staff
- use the industry benchmark's methodology for measuring time to fill
- separate requisition editing and approval
- determine how to prevent, detect, and monitor bypassing and offer changes
- document the city's hiring bonus policy
- improve hiring system clarity

For more information regarding this report, please use the "contact" link on our website at www.atlaudit.org

Hiring Process

What We Found

The Department of Human Resources streamlined its hiring process, which appears to have reduced the time to fill vacant positions by 35%—falling slightly short of the city's target and the industry benchmark. Data limitations prevent conclusive analysis.

Human Resources streamlined the hiring process by updating policies and procedures, which hadn't been updated since 2008; providing more direction to hiring departments; and reducing the number of manual signatures and the number of approvers required for some forms. However, more comprehensive guidance is needed. Human Resources prepared six reference documents for the new process that contained conflicting guidance on the order of steps. We also recommend that Human Resources require the Department of Finance's budget analysts to validate budgets before filling vacant positions.

Human Resources has controls in place to mitigate the risk of discriminatory hiring practices but could make more use of the system input controls and efficiency measures in the hiring system.

We found inconsistencies in Human Resources' application of federal guidance and city record retention policy. About 30% of our random sample of 75 active and inactive personnel files were missing. Staff told us they did not create some hard copy files during an effort to shift from paper files to digital storage. A backlog was created when staff were asked to move back to paper files. We were therefore unable to confirm that files contained all the legally required hiring documents. Five of the ten vacancy postings we reviewed did not contain all the information required by City Code.

Management Responses to Audit Recommendations

Summary of Management Responses

Recommendation #1: We recommend that Talent Acquisition continue to work with the consultant to provide one streamlined document and clearer instructions to stakeholders for hiring new employees to reduce the risk of hiring delays, inconsistencies, and errors.

Response & Proposed Action: The Department of Human Resources (DHR) has developed comprehensive written guidance to inform departments on the process for hiring new employees. **Agree**

Timeframe: July 2020

Recommendation #2: To enhance file retention compliance, we recommend that Human Resources' creates a quality assurance process for creating and maintaining personnel files, including a list of which documents are legally required, which need to be maintained separately from the personnel file, and the location of files.

Response & Proposed Action: DHR will reevaluate its current process for ongoing maintenance of personnel files to ensure that all files are in compliance with federal, state, and local record retention mandates, including recommended filing structures. **Agree**

Timeframe: December 2020

Recommendation #3: To reduce hiring delays, errors, and inconsistencies, we recommend that Human Resources provide clearer instructions (department level) for required information to stakeholders.

Response & Proposed Action: DHR has provided training to all departmental hiring stakeholders and will distribute reference documents in coordination with implementation of an ongoing and recurring training program. **Agree**

Timeframe: September 2020

Recommendation #4: To reduce hiring delays and improve accuracy, we recommend that Information Systems add a control in Taleo for hiring managers to confirm that they have all the necessary paperwork prior to submitting for approval.

Response & Proposed Action: Functionality of the configuration is currently being tested by HRIS. **Agree**

Timeframe: August 2020

Recommendation #5:	We recommend that Information Systems document policies for hiring bonuses and update controls in Taleo consistent with this guidance to ensure compliance.	
Response & Proposed Action:	DHR will evaluate and assess the feasibility of the recommendation in alignment with current system capability and codified guidelines for bonus distributions.	Agree
Timeframe:	December 2020	
Recommendation #6:	To ensure clarity and system functionality, we recommend that Information Systems clearly indicate when candidates should submit the physical task during onboarding.	
Response & Proposed Action:	DHR has evaluated this recommendation and determined that the system is configured appropriately for applicant notification and vendor confirmation of results. DHR will continue to assess opportunities for clarity of messaging.	Disagree
Timeframe:	N/A	
Recommendation #7:	To increase accountability and accuracy, Human Resources should establish performance expectations for staff in recruiting positions and provide training.	
Response & Proposed Action:	DHR will continue to appropriately evaluate performance expectations of staff to ensure accountability and competency relative to assigned job responsibilities.	Agree
Timeframe:	December 2020	
Recommendation #8:	We recommend that Human Resources separate duties for requisition editing and approval to reduce the risk of errors.	
Response & Proposed Action:	DHR has evaluated this recommendation and determined that the current assignment of duties is appropriately aligned with current staffing availability and control oversight designed to mitigate any risks identified for a segregation of duties as part of this recommendation. DHR will continue to assess opportunities for additional control measures.	Disagree
Timeframe:	N/A	
Recommendation #9:	We recommend that Information Systems require that candidates' eSignatures match their last name on their application to ensure accountability.	
Response & Proposed Action:	DHR has previously completed and implemented this recommendation.	Agree
Timeframe:	January 2019	

Recommendation #10:	We recommend that Talent Acquisition and Information Systems work together to develop a standardized posting template for classified positions in Taleo to ensure that Human Resources follows city code regarding vacant position announcements.	
Response & Proposed Action:	DHR will develop and implement defined templates for classified and unclassified employees to accommodate job postings in Taleo. DHR will continue to evaluate and assess system capability to establish feasibility of functional interfaces for positions postings.	Agree
Timeframe:	June 2021	
Recommendation #11:	We recommend that Information Systems remove the benefits summary page for new hires to improve clarity, based on the recent update.	
Response & Proposed Action:	DHR has evaluated this recommendation and determined that the information provided to applicants is appropriately aligned with the City's communication strategy for availability of benefits. DHR will continue to assess opportunities for clarity of messaging.	Disagree
Timeframe:	N/A	
Recommendation #12:	To create a reliable and consistent metric, we recommend that Human Resources use the Society for Human Resource Managers' methodology for measuring time to fill positions.	
Response & Proposed Action:	DHR will adopt a time to fill metric which measures the time from posting a requisition until time of offer acceptance by an applicant.	Agree
Timeframe:	October 2020	
Recommendation #13:	To reduce the risk of the Vacancy Review Board approving unauthorized and/or unfunded positions, we recommend Human Resources and AIM work together to automate the request to fill form moving forward for Vacancy Review Board review and approval.	
Response & Proposed Action:	DHR is currently working with AIM to implement this recommendation.	Agree
Timeframe:	December 2020	
Recommendation #14:	We recommend that Information Systems make the street address a required field in the candidate application to improve efficiency and reduce hiring delays.	
Response & Proposed Action:	DHR is currently implementing this recommendation.	Agree
Timeframe:	August 2020	

Recommendation #15:	To ensure that request to fill submittals reflect up-to-date budget analysis, we recommend Human Resources have the Department of Finance budget analysts perform the budget validations to fill all vacant positions.	
Response & Proposed Action:	DHR will develop a process to ensure that the Department of Finance is involved in validating the availability of funding for request to fill submittals.	Agree
Timeframe:	October 2020	
Recommendation #16:	We recommend that Human Resources use the existing automated request to extend offer form and offer letter functionalities within Taleo to improve efficiency and reduce errors.	
Response & Proposed Action:	DHR is currently in the process of implementing this recommendation.	Agree
Timeframe:	September 2020	
Recommendation #17:	We recommend that recruiters check for duplicate profiles and merge them before extending an offer to improve data integrity.	
Response & Proposed Action:	DHR is currently in the process of implementing this recommendation.	Agree
Timeframe:	December 2020	
Recommendation #18:	To improve robustness of reporting and ensure that controls are functioning, we recommend that Human Resources work with departments to capture all candidate transactions within Taleo.	
Response & Proposed Action:	DHR will collaborate with operating departments to ensure policy adherence regarding hiring practices.	Agree
Timeframe:	September 2020	
Recommendation #19:	To increase accuracy, we recommend that recruiters create new requisitions rather than adding new position numbers to existing requisitions.	
Response & Proposed Action:	DHR will evaluate the current requisition process to accomplish the intent of this recommendation, subject to identification and exceptions for specific sub-groups (i.e. seasonal positions).	Agree
Timeframe:	December 2020	
Recommendation #20:	We recommend that Human Resources Information Systems and Talent Acquisition determine how to prevent, detect, and monitor bypassing and offer changes to reduce the potential system for system access abuse and errors.	
Response & Proposed Action:	DHR will continue to mitigate risks for system access abuse and errors. HRIS will evaluate, assess and mitigate any functional and configurable deficiencies associated with bypassing mandatory functions.	Agree
Timeframe:	December 2020	



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AUDIT COMMITTEE
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August 21, 2020

Honorable Mayor and Members of the City Council:

We conducted this audit to review the Department of Human Resources recently implemented hiring process intended to address departments' concerns with the slow pace of hiring. This audit reviews city hiring processes both before and after the pilot program for clarity, compliance, and efficiency.

The Audit Committee has reviewed this report and is releasing it in accordance with Article 2, Chapter 6 of the City Charter. We sent the draft report to management June 25, 2020 and received the response August 17, 2020. Their responses are appended. We appreciate the courtesy and cooperation of city staff throughout the audit. The team for this project was Nia Young, Myra Hagley, and Lindsay Kuhn.

Amanda Noble
City Auditor

Marion Cameron
Chair, Audit Committee

Report Title

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Introduction

We undertook this audit because managers in operating departments, City Council members, and human resources staff have expressed frustration with the city's hiring process. Leadership from the Department of Human Resources worked with staff from the Mayor's Office of Innovation Delivery and Performance to develop a plan to improve the hiring process. During this audit, the Department of Human Resources conducted a pilot program to reduce the time that it takes to hire employees and identify opportunities to strengthen the process. This audit reviews hiring processes both before and after the pilot program and focuses on process and system controls and risks to assess whether resources (people, processes, and technology) are in place to ensure the hiring process is implemented consistently and efficiently. The audit also assesses how the city complies with federal, state and city requirements for hiring and recordkeeping.

Background

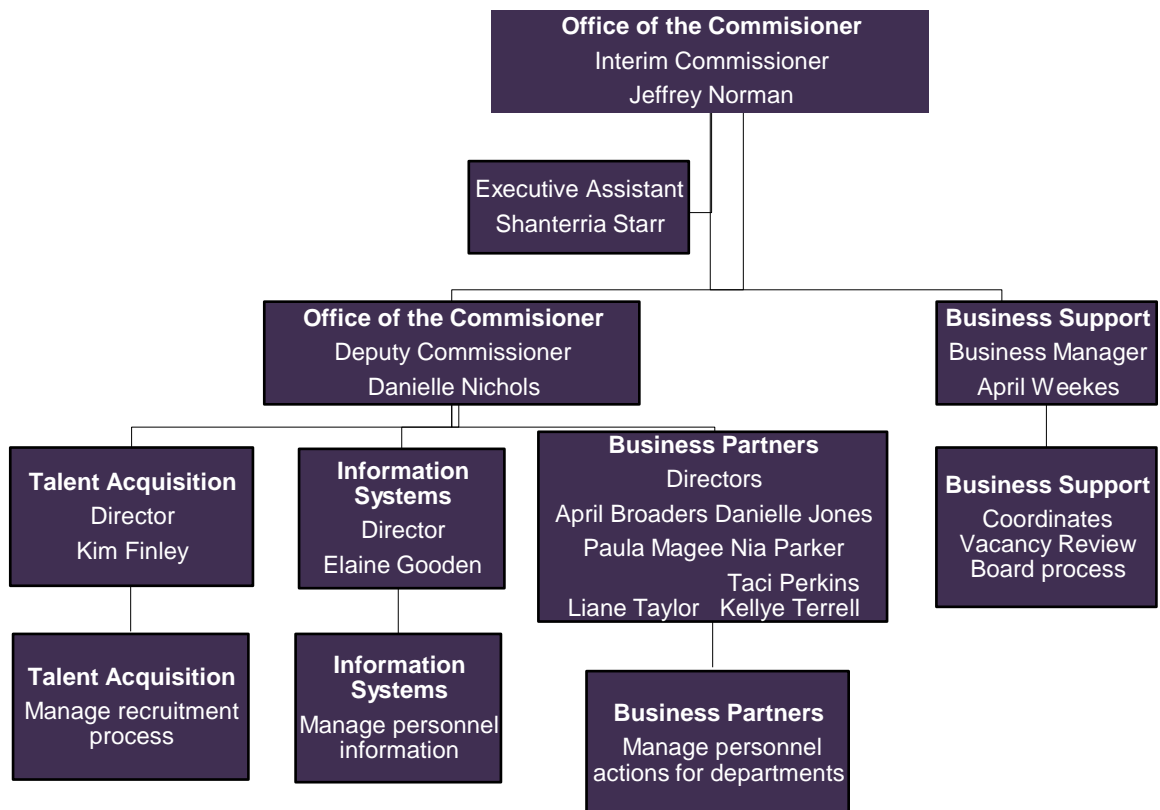
The Department of Human Resources manages over 8,000 city employees and is responsible for attracting, retaining, and developing the city's workforce to support city agencies' efforts to meet business needs. Five Human Resources offices directly assist departments to fill vacant positions by coordinating and approving various tasks in the hiring process (see Exhibit 1).

Human Resources offices responsible for the hiring process are:

1. **Office of the Commissioner** - The commissioner provides oversight of the hiring process as department head and member of the Vacancy Review Board, which is a group of city leadership responsible for approving requests to fill vacant positions and ensuring the requests will be processed based on business needs and financial viability. The commissioner provides approvals at different stages of the hiring process, from the initial request to fill a vacant position, request to extend offer, official offer letter, through the transition from pending worker to official city employee. The deputy commissioner works with the commissioner to streamline the hiring process and ensures that that human resources employees understand city code and policies.

2. **Human Resources Business Partners (HRBP)** - Human Resources directors, managers, and specialist staff are often physically located within the departments they support. These staff assist hiring departments with preparing position requisitions, requests to extend offers and coordinating onboarding tasks. The directors provide approval at the end of the hiring process to update a pending worker to an official city employee.
3. **Human Resources Business Support** - The Human Resources business manager and assistant facilitate the Vacancy Review Board's approval process by reviewing requests to fill positions provided by hiring departments, performing department budget analysis, and notifying the hiring department of approval or rejection of these requests.

Exhibit 1: Five Human Resources Offices Manage the Hiring Process



Source: Prepared by Audit staff from the Department of Human Resources' website and internal organization charts.

4. **Talent Acquisition** - Two key positions of talent acquisition include recruiters and recruiting coordinators. Recruiters are responsible for approving position requisitions, sourcing, job posting, vetting candidates, and communicating with hiring

departments. Recruiting coordinators are responsible for communicating with selected candidates and ensuring new hire paperwork is complete to facilitate the post-offer onboarding process.

5. **Information Systems (HRIS)** - This division is the office of record for open records requests and is responsible for reviewing paper and Taleo system new hire files at the end of the hiring process. This group also facilitates system access to Taleo and the human resources module of Oracle. The human resources information systems team is responsible for auditing the new hire's Taleo information and approving the final record to be added to Oracle.

The City Currently Uses Both Electronic and Manual Processes to Hire Employees

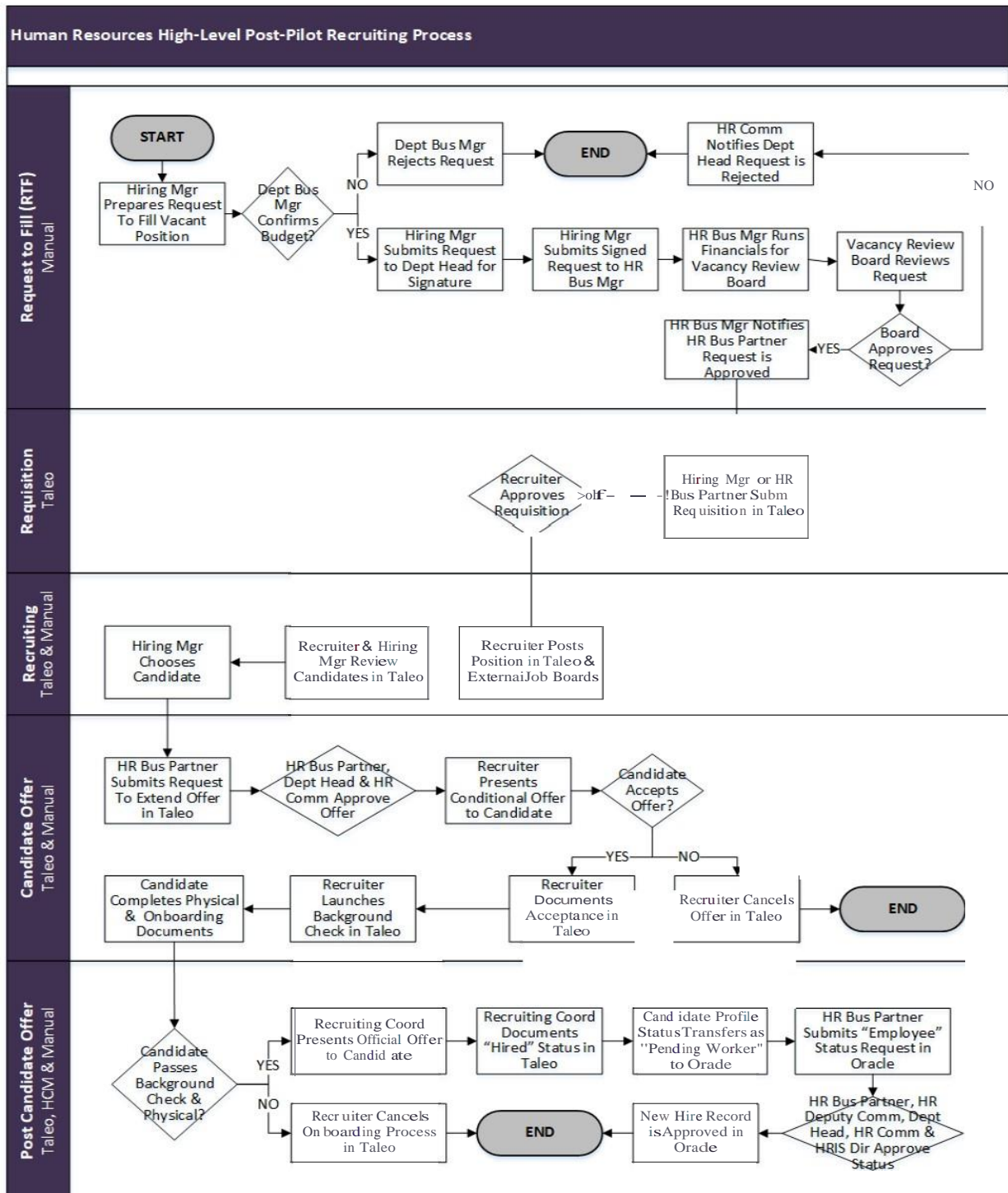
The current hiring process encompasses five stages—request to fill, requisition, recruiting, candidate offer, and post-candidate offer, as shown in Exhibit 2. The request to fill is a manual process initiated by city departments. Requisitions occur in Taleo, the city's applicant tracking system. The recruiting process, candidate offer, and post-candidate offer are a combination of both manual and electronic system processes. The processes are as follows:

- **Request to fill** - Department hiring managers initiate the hiring process by completing a paper Request to Fill form to fill vacant positions. The hiring manager requests a budget analysis to verify that the department can support the cost of filling the position and the request form is approved by the department head. The hiring manager submits the signed request to the human resources business manager, who also reviews the department's budget. The business manager compiles requests for review by the Vacancy Review Board, which is comprised of the human resources commissioner, chief operating officer, deputy chief operating officers, chief of staff, and the innovation delivery and performance team. The Human Resources business manager notifies departments whether their requests have been approved or rejected by the Vacancy Review Board.
- **Requisition** - After receiving the approved request to fill, hiring managers or human resources business partners create a position requisition in Taleo, the city's recruitment platform. The requisition should include the uploaded approved request, as well as pre-screening questions and specific job site posting requests. Either hiring managers or human resources business partners assign

the requisition to their designated human resources recruiter for approval.

- **Recruiting** - The human resources recruiter reviews the position information for accuracy and approves the requisition. The recruiter posts positions on internal and external job boards. After the posting period ends, the human resources recruiter screens applicants and provides hiring managers or human resources business partners access to view eligible candidate applications. After reviewing and approving applications, the hiring manager will interview candidates and select a candidate to hire. Some requisitions are described as “evergreen” and do not have a posting end date because these are used for positions with high turnover.
- **Candidate offer** - Once the candidate is selected, the human resources business partner completes the Request to Extend Offer form and uploads the offer into Taleo. The hiring manager, department head and the human resources commissioner approve the offer. The human resources recruiter then extends a conditional offer to the candidate. If the candidate accepts the conditional offer, the human resources recruiter begins the background check and onboarding process. The candidate receives electronic notification to complete new hire paperwork and instructions to set up a pre-employment physical. The human resources recruiting coordinator prepares the official offer letter and routes it to the human resources commissioner for signature approval within the system. The human resources recruiting coordinator emails the signed offer letter to the candidate.
- **Post-candidate offer** - After the candidate completes pre-employment tasks, the human resources recruiting coordinator places the candidate into “hired” status in Taleo, which triggers the system to transfer data from Taleo into Oracle. The human resources business partner verifies that the new hire’s profile has transferred to Oracle and places the candidate in “pending worker” status. The human resources business partner submits an Oracle request to approve the change in status from “pending worker” to “employee.” The human resources business partner, human resources deputy commissioner, department head, human resources commissioner and the human resources information systems director approve the request.

Exhibit 2: The Hiring Process Encompasses Five stages



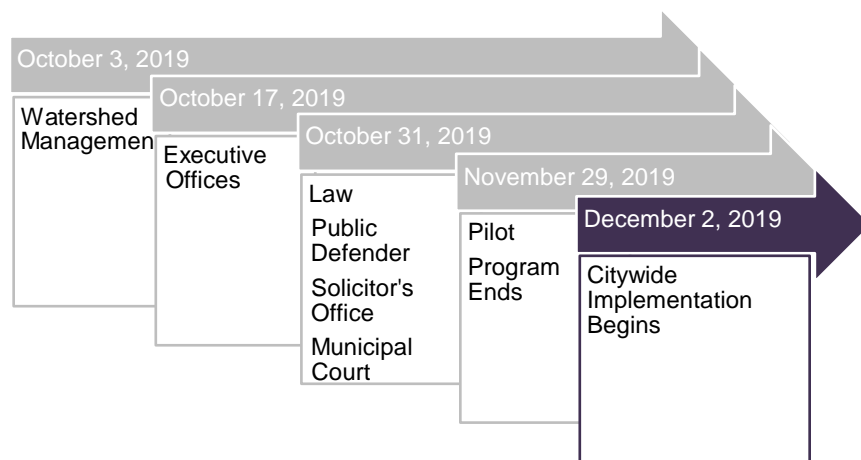
Source: Prepared by Audit staff with information from Human Resources' new hiring process reference documents

In January 2019, the city migrated from its Oracle server-based system to the Oracle cloud to improve its finance, procurement, and human resources operations. The city uses Oracle HCM (Oracle Human Capital Management) and its interface, Taleo, to manage the city's personnel data and talent acquisition needs. Because employee data and resources are housed in Oracle HCM, the system allows for employees to perform some self-service of human resource-related tasks. The Taleo system includes the Applicant Tracking System, which allows human resources recruiters to post positions using the city's job portal and external job boards and rate applicant qualifications. Taleo also provides post-offer onboarding capabilities such as launching background checks within the system. New hire information flows from Taleo's interface to Oracle HCM to create the employee's personnel record.

Human Resources Recently Piloted a New Hiring Process Geared Toward Increasing Efficiency

In summer 2019, Human Resources worked with the Mayor's Office of Innovation and Performance to review its hiring practices. From October 3, 2019, to November 29, 2019, Human Resources conducted a pilot program of two city departments, aimed primarily at reducing the length of its hiring process (see Exhibit 3). The pilot began with the Department of Watershed Management on October 3, 2019, and the Executive Offices on October 17, 2019. Human Resources initiated the pilot with Watershed Management because it represented a large department with a high volume of hiring needs and chose the Executive Offices as a model of small departments.

Exhibit 3: Pilot Took Place Over Two Months Before City Implementation



Source: Prepared by Audit staff with information from Human Resources staff

In addition to reducing the hiring period, Human Resources also intended to identify defects and opportunities to strengthen the recruiting process. Human Resources expanded the pilot on October 31, 2019, to four additional departments— the Department of Law, Public Defender’s Office, Solicitor’s Office, and Municipal Court and the program concluded on November 29, 2019. Human Resources implemented hiring process changes citywide on December 2, 2019.

The City’s Hiring Practices Must Comply with Federal and State Regulations and City Code

Federal and state governing bodies put equal employment laws in place to ensure against discriminatory hiring practices. The city’s code mirrors those laws by defining recruitment, requirements for employment and rejection, and affirms that the city is an equal opportunity employer.

According to Title VII of the Civil Rights Act - 42 U.S. Code Section 2000e-2(a), it is unlawful for an employer to refuse to hire an individual due to their race, color, religion, sex, or national origin. The Americans with Disabilities Act - 42 U.S. Code Section 12112(a) states that no employer shall discriminate against a qualified individual on the basis of disability in regard to job application procedures. To ensure against discrimination, City Code Sections 114-181 through 114-189 also include provisions that require recruiters to post positions to reach minority groups to ensure wide segments of the public can apply for positions and affirm that everyone has the right to apply. The code also includes requirements for pre-employment physical examinations and requires recruiters to document the reasons why an application was rejected.

Audit Objectives

This report addresses the following objectives:

- Is the hiring process clear to all stakeholders?
- Are controls in place to ensure that hiring practices comply with federal, state regulations and city code?
- Are resources in place to ensure the process is implemented efficiently and consistently?

Scope and Methodology

We conducted this audit in accordance with generally accepted government auditing standards. The scope of this audit focused on employees hired between January 7, 2019, and April 20, 2020, except public safety and City Council employees. We excluded these employees because Human Resources uses a different hiring process.

Our audit methods included:

- assessing the Atlanta City Code, Official Code of Georgia, the Civil Rights Act of 1964, the Americans with Disabilities Act of 1990, and applicable federal laws and regulations
- reviewing Human Resources' internal hiring policies and procedures
- reviewing other audits related to local government hiring
- interviewing staff from Human Resources, departments affected by the hiring process, and council staff and members
- creating process maps of the pre-pilot and post-pilot hiring steps
- assessing completeness of a sample of 75 employee hiring files from January 7, 2019, to February 6, 2020, across all city departments
- conducting a complete walkthrough of Taleo, the city's hiring system
- reviewing approvals of Department Head, Managers, and Vacancy Review Board for Request to Fill vacancies from December 2, 2019, to January 20, 2020, against City policies and procedures
- comparing the city's ratio of Human Resources staff to total city employees to industry benchmarks for government entities based on Oracle data from December 31, 2019
- selecting and examining a sample of vacancy announcements posted in the city's career portal
- examining length of time to fill a position using Taleo requisition information between January 7, 2019, and April 2, 2020

Generally accepted government auditing 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.

Findings and Analysis

City Improved Time to Fill Positions After Pilot Program but Fell Short of Targets

Preliminary results show that streamlined processes reduced the city's median "time to fill" by 35 percent, but data are not available to measure results for all vacant positions. As of early April, the city's median post-pilot time to fill was 32 days, which is slightly higher than the industry benchmark of 30 days. However, the post-pilot time period is too short to be conclusive and the city had 115 positions that were opened but not filled during the period, compared to 87 positions opened and filled.

"Time to fill" is defined by industry expert SHRM as the date that the position is created to the date that the candidate accepts the offer.

The post pilot results also fell short of the city's goal of filling a position from approval to hire date within 35 business days. Although the period is longer than the industry benchmark of 30 calendar days, it includes more steps, and many are outside the Department of Human Resources' control.

Data are not available to measure results for all vacant positions because Human Resources does not always create a new requisition for each new position vacancy, which prevents complete and accurate measurement of the time to fill.

Human Resources streamlined the hiring process by updating hiring policies and procedures, providing more direction to hiring departments, and reducing the number of manual signatures and the number of approvers required for some forms.

However, Human Resources has not consistently documented all processes and procedures or provided regular updates as procedures change. Between May 2008 and October 2019, the department had not provided any written updates of recruiting and selection policies and procedures to its staff or to the departments it supports. As a result, Human Resources and hiring department staff did not always follow the same steps to fill positions. Hiring department staff told us that before the pilot program, the hiring process was not transparent or consistent. Regular and timely communication is critical as many of Human Resources staff are physically located within the departments that they

support. Human Resources has created multiple guides that formulate its policies and procedures, but the guides do not explain all hiring-related processes and contain some inconsistencies.

Opportunities remain for Human Resources to improve its processes by incorporating additional tasks into the recruiting/hiring system. Several manual steps are completed outside of Taleo, including processing the request to fill form, request to extend an offer form, offer letter, and some candidate hiring. Manual steps can pose risks for compliance with hiring regulations, reduce efficiency, and increase the potential for errors.

We recommend that Human Resources provide one comprehensive document, describing all roles and clearer instructions for hiring new employees to reduce the risk of hiring delays, inconsistencies, and errors. To create a reliable and consistent hiring goal, we recommend that Human Resources use the industry methodology for measuring time to fill positions. We also recommend that recruiters create new requisitions rather than adding new position numbers to existing requisitions to increase accuracy.

We recommend that Human Resources work with departments to capture all candidate transactions within Taleo. We also recommend that Human Resources use the existing automated request to extend offer form and offer letter functionalities within Taleo to improve efficiency and reduce errors.

Pre-Pilot Hiring Process Was Not Standardized or Transparent to City Departments; Comprehensive Procedures Still Needed

Before the Department of Human Resources launched the pilot program and implemented process changes, department staff felt the hiring process was unclear and was not transparent. The process may have been unclear in part due to the lack of complete and up-to-date policies and procedures. We found that Human Resources' recruitment and selection policies and procedures were last revised between June 2003 and May 2008. Those procedures were not comprehensive and did not define roles, approval requirements, or expected completion timeframes. Changes in personnel, required documents, and technology may have also affected departments' understanding and relevance of the original policies. In the absence of detailed written policies, Human Resources staff and departments developed their own variations of internal processes and procedures for hiring employees, which created inconsistencies in the hiring process.

Although Human Resources created reference guides during the pilot program to document the new hiring processes, the procedures were not comprehensive. We recommend that Human Resources provide one comprehensive document and clear instructions for hiring new employees to reduce the risk of hiring delays, inconsistencies, and errors.

Prior to the process changes, city department staff told us the hiring process was unclear and inconsistent. During our interviews with city department hiring staff, employees told us they were unaware of some hiring-related written procedures. Staff also expressed confusion about roles and responsibilities in the hiring process. For example, City Code requires only classified positions to be advertised; however, according to Human Resources policies and procedures, Human Resources must approve the qualifications of prospective candidates to ensure they are qualified. This could create confusion regarding which positions Human Resources must approve and possibly lead to employees hired without Human Resources' approval because they do not have a separate tool to qualify candidates brought in outside of the Taleo system and the advertisement process.

Confusion related to the hiring process may be in part because of the lack of comprehensive policies and procedures. Human Resources' recruiting-related policies and procedures were last revised between June 2003 and May 2008. Both Human Resources and the hiring departments are responsible for different parts of the hiring process; however, tasks are written without defined roles, approval requirements, or expected completion timeframes. Other than posting period requirements for classified positions, Human Resources provided no guidelines for how long the hiring process should take. Changes in personnel, required documents, and technology may have also affected departments' understanding of, and relevance of, the policies. Outdated and incomplete policies resulted in the creation of undocumented, inconsistent practices, which can cause confusion when turnover occurs, or staff changes positions. Many Human Resources staff are physically located within the departments they support, which may also contribute to inconsistent practices.

Before the pilot, not all requirements for requesting to fill vacant positions were documented in policies and procedures. For example, Human Resources' procedures for requesting extra-help positions required departments to verify funds available and receive approval from the Department of Finance. Policies covering requests to fill other positions did not list these same requirements. The personnel transaction authorization form used in practice, however, required

signature by budget personnel, who may be the hiring department's internal budget staff or Department of Finance staff.

We also found that Human Resources does not have documented policies regarding hiring bonuses. During our walkthroughs of systems used for recruiting and hiring, we confirmed that Human Resources staff are able to add a hiring bonus for all positions in Taleo. Providing bonuses for positions that are not allowable could result in the risk of unauthorized bonuses and unfair hiring practices.

We found inconsistencies among the six reference documents Human Resources created during the pilot program to describe the hiring process. We identified the following:

- some policies or procedures were referenced in just one of the documents
- some documents conflicted with policies and procedures
- some policies with budgetary impact were not referenced at all, such as providing hiring bonuses for general positions
- not all roles and tasks were described, or some tasks may be handled by either the hiring department or human resources staff, which may affect consistency

According to Human Resources, the multiple documents were intentionally created to provide guidance to each process owner until the update is complete, but staff told us that the Taleo application depends on employees knowing what is required in individual roles. As a result, some employees created their own procedures or checklists to assist in their work. Human Resources staff told us they discovered errors in their daily audit reports that indicated staff entered information incorrectly into the system. After our initial review of Human Resources' post-pilot documents in December 2019, Human Resources staff provided an updated copy of its procedures and process map. The updated procedures contain the requirement that departments must ensure they have funds available to fill a vacant position. However, there still appear to be conflicts in the order of steps in these updated documents. Human Resources also has not yet documented hiring bonus procedures.

We recommend Human Resources develop one comprehensive policy and procedure manual that clarifies roles and responsibilities for the hiring process to reduce the risk of hiring delays, inconsistencies, and errors. We also recommend that Human Resources document policies for hiring bonuses and update controls in Taleo, consistent with the procedure.

Process Changes Shortened Median Hiring Time By 35%, But Reliable Data Are Unavailable

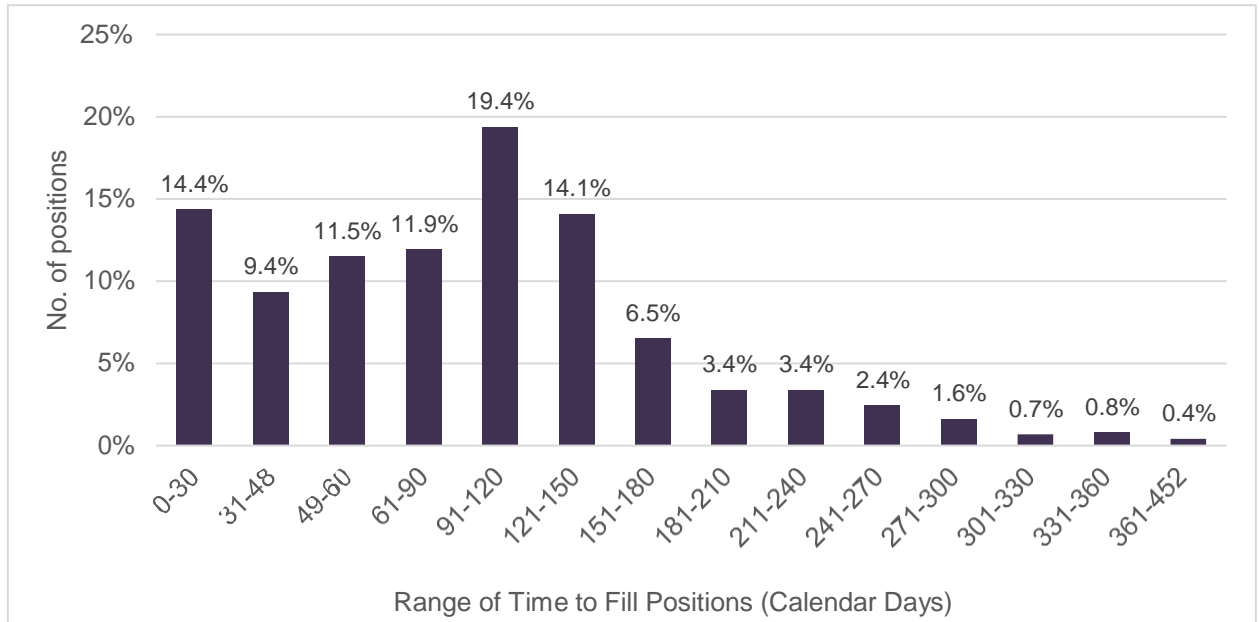
The city's median time to fill most positions in 2019 was more than triple the industry benchmark of 30 days. A lengthy time to fill can lead to issues such as the city losing a potential candidate to other job offers. Preliminary results show that streamlined processes reduced the city's median time to fill by 35%, but data are not available to measure results for all vacant positions. As of early April 2020, the median time to fill position after process changes was consistent with the industry benchmark of 30 days, but the time frame is too short to be conclusive. The city had fewer filled positions (85) than not filled (198) after the pilot; as these positions are filled, the median time will likely increase.

The pilot and post-pilot results fell short of the city's goal of filling a position from the time a vacancy is identified to the hire date within 35 business days. The city's target is longer but encompasses more steps than the industry benchmark. Only about one-third of pilot and post-pilot hires were accomplished within 35 business days after the job requisition was created. The system does not currently capture the date when a hiring department identifies a vacancy.

Data are not available to measure results for all vacant positions because Human Resources does not always create a new requisition for each new position vacancy, which prevents accurate measurement of the time to fill. To create a reliable and consistent hiring goal, we recommend that Human Resources use the industry benchmark methodology for measuring time to fill positions. We also recommend that recruiters create new requisitions rather than adding new position numbers to existing requisitions to allow accurate measurement.

Before the pilot, the city's time to fill was higher than the industry benchmark. The median time to fill for the city's pre-pilot positions was 98 calendar days in 2019, more than triple the Society for Human Resource Managers' reported median of 30 days for government. Human Resources hired 107 (14%) of the 737 candidates within the industry benchmark (see Exhibit 4). In some instances, the city took over a year to fill positions. Our analysis excludes public safety and city council positions, as well as requisitions without an end date, that were filled during this period.

Exhibit 4: Pre-Pilot, 14% of Filled Positions Met Industry Benchmark



Source: Oracle Report of Candidate Details from January 7, 2019 to Apr. 2, 2020.

The city's longer time to fill can be partially attributed to outdated policies and procedures and inconsistent guidance. Additionally, the city used several forms requiring up to four manual signatures, which created delays in the hiring process.

Preliminarily, the city reduced the median time to fill by 35 percent. After the city's pilot, median time to fill dropped to 32 days. Although the time to fill positions decreased after process changes, the time period that we analyzed was much shorter and included fewer positions. As a result, the shortened time to fill positions may not continue as additional data is available and more positions are filled. To compare similar timeframes, we analyzed hires from September through December 2019 for requisitions created between August 25, 2019, and December 2, 2019. The median time to fill for this sample was 44 calendar days (see Exhibit 5).

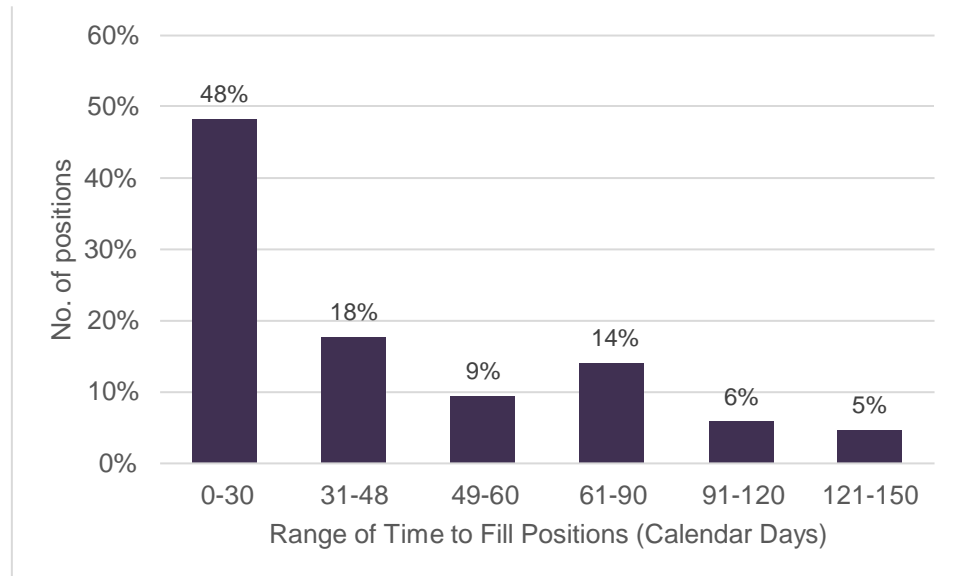
Exhibit 5: Comparing Similar Timeframes, Total Median Time to Fill Dropped from 44 to 32 Calendar Days

Period	No. of Offers Accepted	Max. Time to Fill	Median Time to Fill
Pre-Pilot (4 Month Comparison)	88	115 days	44 days
Post-Pilot	85	134 days	32 days

Source: Oracle Report of Candidate Details from January 7, 2019, to April 2, 2020.

The city hired 41 (48%) of 85 filled positions post-pilot within the industry benchmark. The longest position took four and a half months to fill. Exhibit 6 below shows the number of post-pilot positions filled within certain time ranges. Additionally, as of February 28, 2020, the city had 198 unfilled post-pilot positions. Our analysis ended before March 2020 to exclude hires that may have been delayed by the impact of COVID-19.

Exhibit 6: Post-Pilot, 48% of Filled Positions Met the Industry Benchmark



Source: Oracle Report of Candidate Details from January 7, 2019, to April 2, 2020.

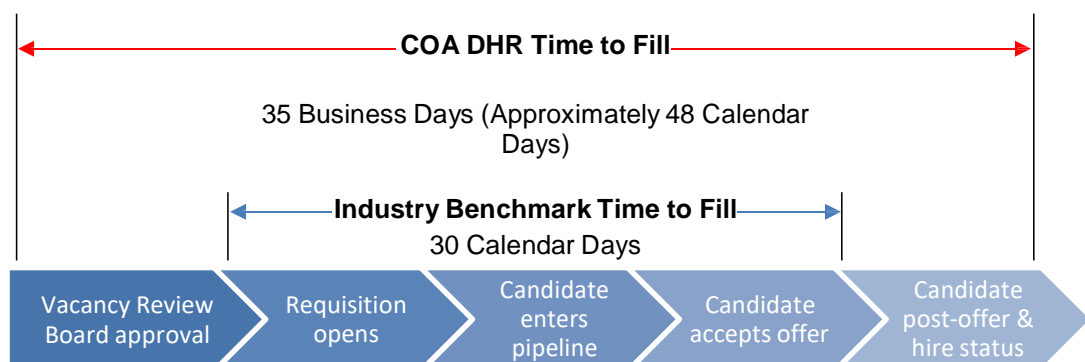
Data are not available to measure time to fill for all vacant positions. Requisitions that do not close, called evergreen requisitions, are used for positions with a high turnover rate, such as call center representatives. These requisitions can skew time to fill results because new requisitions are not created, and the time to fill metric uses the requisition creation date. We excluded evergreen requisitions from our analysis. According to staff, the city plans to phase out evergreen requisitions.

Similarly, recruiters can add newly approved positions to existing requisitions. As a result, the actual time to fill will be skewed because these newly added positions do not receive a new start date. Staff told us that Taleo does not capture the start date for these additions and that recruiters do not track the positions that they add, so we were not able to remove these positions from our analysis.

To allow for more accurate time to fill measurement, we recommend that recruiters create new requisitions rather than adding new position numbers to existing requisitions.

The city target measures time to fill differently than the industry benchmark. During the pilot, the city established a target of 35 business days to fill positions from the time a vacancy is identified until a candidate is hired. As shown in Exhibit 7, the city's metric begins before and ends after the industry measurement. Although included in the city's target, the city does not measure the time to complete the Vacancy Review Board's approval. This step is manual and happens outside of the system. In practice, Human Resources begins measuring time to fill when the department creates the requisition, as this is the first part of the process that happens in the system.

Exhibit 7: City's Time to Fill Measurement Is Longer Than Industry Benchmark



Source: Prepared by Audit staff based on Society for Human Resource Managers' industry benchmark and the Department of Human Resources.

Using the city's methodology, the post-pilot median time to fill was six days longer than the 35-business day target. The city filled 28 (33%) of the 85 positions post-pilot within the target.

The city's method of measuring time to fill has some other disadvantages, such as including steps that are influenced by the responsiveness of the hiring department and/or the candidate. For example, the amount of time it takes to process a position request relies mainly on the department and the Vacancy Review Board, while the amount of time it takes to complete onboarding forms is largely based on the candidate.

To create a reliable and consistent hiring goal, we recommend that Human Resources use the industry benchmark methodology for measuring time to fill positions.

Human Resources' staffing level appears sufficient to handle workload; however, the city's hiring target may not be feasible. We analyzed Human Resources' staffing levels to determine whether there might have been a potential relationship between the time to fill and staffing. Compared to Bloomberg Law's recommended ratio of 1.3 staff per 100 employees, we found that the city's ratio was 1.4, which is slightly higher than the benchmark. Bloomberg publishes Human Resources benchmarking and analysis reports annually. Its staffing ratio compares Human Resources' staff to the total number of part-time and full-time employees because part-time staff take the same amount of time to hire as full-time staff.

Human Resources streamlined oversight of the hiring approvals as a result of the pilot program. The city replaced the Personnel Transaction Authorization form with the Request to Fill form. The previous personnel form required five hard signatures within the hiring department and Human Resources. In the new form, Human Resources streamlined the approval workflow by reducing required signoffs to the hiring department's commissioner and the Vacancy Review Board. By implementing this workflow, the city now provides a three-day turnaround time from submission to approval or rejection. According to Human Resources, the request to fill cannot be automated in Taleo. Human Resources is currently working to automate the workflow outside of Taleo and explore opportunities for this data to interface with Taleo. In both pre-pilot and post-pilot processes, the department attaches the personnel transaction authorization form or the request to fill form to the submitted requisition. However, we noted that Taleo does not have a control requiring the hiring manager to attach the request to fill form and budget analysis to submit the requisition. Human Resources staff stated that the system cannot require an attachment to the requisition, but that staff are looking into adding a button for hiring managers to confirm that they have attached the required documents.

Since the city implemented the new process, we found that the majority (90%) of the requests to fill submitted to the Vacancy Review Board between December 2, 2019, and January 20, 2020, followed Human Resources' post-pilot process and contained the required:

- funding/budget analyses
- department head signature
- Board approval signature

In 97% (146 of 151) of the requests to fill, the funding and budget analysis was included. In 95% (143 of 151) of the requests, the requesting department head signature was captured.

To reduce the risk that the Vacancy Review Board could approve unauthorized and/or unfunded positions, we recommend Human Resources and AIM continue to work together to automate requests to fill for Board review and approval. Automating the initial vacant position approval would allow Human Resources to better track the progress of the vacant position from initial request to the requisition closing and completion of the new hire record. Automating this process would provide Human Resources with data to be able to analyze the request to fill portion of the hiring workflow and better track compliance with its performance standard.

Additionally, we recommend that AIM add a control in Taleo for hiring managers to confirm that they have all the necessary paperwork prior to submitting for approval.

Human Resources is working to improve budget validations. When filling a vacant position, the department filling the position performs a budget analysis to confirm that funding is available before submitting a request. The hiring department's budget staff or the Department of Finance's budget manager and the hiring department's commissioner performs budget validations to fill vacant positions.

Before the pilot, only a few departments used Finance's analysts to review funding for position requests. The majority used their internal staff to perform the budget validations. Human Resources only requires budget validation sign-off by Finance for extra-help positions, and Finance's input is not required for regular classified or unclassified positions. Without review by Finance's budget staff, the risk exists that some regular positions may be filled without being fully funded. The request to fill is prepared manually and does not automatically incorporate real-time budget data from Oracle, which may lead to budget overruns. According to Human Resources staff, some hiring departments have not had funding available for positions. During the pilot, the city created a Vacancy Review Board, consisting of executive leadership staff. The Board's purpose is to review all requests to fill positions and ensure the requests will be processed based on business needs and financial viability.

To ensure that requests to fill reflect current and accurate budget information, we recommend Human Resources require the Department of Finance's budget analysts perform the budget validations to fill all vacant positions. Finance should define which budget reports and documents are required to confirm that budget validations are performed completely and consistently. Human Resources and Finance should work together to develop a service level agreement (SLA) to assure that the analysis is performed within the Vacancy Review Board's

timelines. If a Finance budget employee completes the budget analysis, Human Resources staff would no longer be required to perform the analysis, removing redundancy in the process.

Improved System Controls Could Decrease Risks

Most of the city's hiring process takes place within Taleo's modules for recruiting and onboarding. The system contains input controls to ensure candidate and Human Resources staff accountability and transparency. However, there are no controls in place to ensure that manual steps, which are completed outside of Taleo, comply with hiring requirements. These manual steps include the processing of the request to fill form, request to extend an offer form, offer letter, and some candidate hiring. Manual steps can pose risks for compliance with hiring regulations, reduce efficiency, and increase the potential for errors.

We also identified a Human Resources role who functions as the sole editor of parts of the requisition and the only requisition approver, which are incompatible duties that should not be performed by the same person. This creates an increased risk of errors and irregularities occurring in the requisition without being detected. Another area of improvement is ensuring that the same person is not completing a task and approving that task in Taleo, which reduces the risk of errors and inappropriate access.

Some tasks in Taleo have an unclear chain of approval. Information that is needed for the offer letter is not required in the candidate application, and Human Resources could improve candidate accountability by requiring a matching application signature. Some of the candidate onboarding forms are also unclear.

We recommend that Human Resources work with departments to capture all candidate transactions within Taleo. We also recommend that Human Resources use the existing automated request to extend offer form and offer letter functionalities within Taleo to improve efficiency and reduce errors. Further, we recommend that recruiters check for duplicate profiles and merge them before extending an offer to improve data integrity.

To increase accountability and accuracy, we recommend that Human Resources establish performance expectations for staff in recruiting positions and provide training. We further recommend that Human Resources separate duties for requisition editing and approval to reduce the risk of errors. To reduce the potential for system access abuse and errors, we also recommend that Human Resources Information Systems

and Talent Acquisition determine how to prevent, detect, and monitor bypassing and offer changes.

Manual steps outside of Taleo increase risk and could allow for errors. Taleo is the city's system designed to capture candidate hiring from the initiation of the requisition through candidate verifications post-offer; however, in some instances, departments manually hire candidates outside of the system. Hiring candidates outside of the system exposes the city to a failure to comply with federal Equal Employment Opportunity and Americans with Disabilities Act legislation. These two laws outline unlawful discrimination in hiring related to race, color, religion, sex, national origin, and disability status. Additionally, hiring outside of the system creates issues of data integrity—particularly for performance metrics such as the time to fill—because the candidate information is not captured in the system. Hires performed outside the system during the pre-pilot phase may have been due to lack of consistency in the process.

We also found that data integrity problems can occur when Human Resources recruiters do not merge candidate profiles. Duplicate profiles happen when candidates who are part of the city's system—internal applicants, emergency contacts, etc.—apply for a position using a different email than the one in the system. Once the recruiter extends an offer, recruiters can no longer merge profiles. As a result, the system sometimes codes internal candidates as external hires, which limits the city's ability to analyze data by internal versus external hires for metrics such as time to fill or transfer rates.

Additionally, the request to extend offer form is a manual hiring form, which is uploaded into the offer created in Taleo to allow for counteroffer negotiations. The information in the paper version of the request to extend offer form duplicates the information in the system and creates the opportunity for errors. Once a department has decided to hire a candidate, Human Resources extends a verbal offer. If the candidate accepts, Human Resources creates an offer letter for the candidate. We found that Human Resources is currently not using the automatic system features in Taleo for this task. Staff told us they previously used this feature but developed an alternative procedure after a former staff member abused the function. Human Resources staff told us the department is currently working to establish a process control so that staff can use Taleo's automated offer letter function.

To improve robustness of reporting and ensure that controls are functioning, we recommend that Human Resources work with departments to capture all candidate transactions within Taleo. We also recommend that Human Resources use the existing automated

request to extend offer form and offer letter functionalities within Taleo to improve efficiency and reduce errors. Further, we recommend that recruiters check for duplicate profiles and merge them before extending an offer to improve data integrity.

Lack of segregation of duties exist for the recruiter role. Segregation of duties is dividing responsibilities among different employees to reduce risk of improper functions. After the Vacancy Review Board approves the request to fill, the hiring manager or Human Resources business partner creates a job requisition in Taleo and submits it for approval. To streamline the process post-pilot, Human Resources reduced the number of requisition approvers from five to one; currently, the only requisition approver is the recruiter. The recruiter is also the only Taleo user who can edit certain fields in the requisition. Being the sole editor of parts of the requisition and the only requisition approver are incompatible duties that should not be performed by the same person. The current structure increases risk of errors and irregularities occurring in the requisition without being detected. Although we did not identify specific errors, Human Resources staff reported that reducing the number of approvers to one person led to increased errors. One staff member stated that requisition approval delays were due to a lack of accountability rather than the number of approvers.

In Taleo, we found that recruiters also have other abilities that do not require approval. Recruiters can skip over legally-required new hire tasks (such as the background and physical checks) and rescind or renege a candidate's offer without oversight or approval. Human Resources Information Systems runs a daily audit report of employees for missing data fields, which includes employees missing physical check clearance. This report can aid Human Resources in catching any bypassing errors, but it does not catch bypassing the candidate's background check or certain other steps. While these powers can reduce hiring delays in some instances—such as a department requesting that the recruiter rescind a candidate's offer—the lack of segregation of duties increases the risk that the recruiter may have access to change or input data inappropriately. The system does not support approving individual steps that are bypassed, but other options may be available to increase oversight.

To increase accountability and accuracy, Human Resources should establish performance expectations for staff in recruiting positions and provide training. We further recommend that Human Resources separate duties for requisition editing and approval to reduce the risk of errors. To reduce the potential for system access abuse and errors, we also recommend that Human Resources Information Systems and Talent

Acquisition determine how to prevent, detect and monitor bypassing and offer changes.

System controls in Taleo can be strengthened. Taleo does not require candidates to provide all the information needed for the offer letter on their application. Human Resources staff noted that this caused delays in obtaining the needed information. AIM could also assist to improve accountability by requiring that the candidate's application eSignature to match that candidate's name in Taleo. Additionally, staff training does not always provide clear instructions to the hiring department and recruiters. Staff does not always include certain details in the requisition that are needed for candidate information to transfer properly to Oracle, the employee management system. For example, staff must select the "department level" location in the requisition for the data to transfer. Lack of clarity can cause hiring delays, errors, and inefficiency.

Once a candidate has accepted an offer letter, the candidate fills out several onboarding tasks and forms in Taleo. However, Taleo is not always clear on when or where to submit tasks, such as the physical and benefits form. Additionally, the benefits task requires candidates to fill out several benefits, forms but does not provide a way for candidates to upload the forms into Taleo. During our audit, the city changed its benefits policy, and Human Resources told us they are now sending candidates a separate email with benefits forms details. Human Resources could clarify the order of steps for the employee physical and remove the benefits page in Taleo to reduce potential confusion and hiring delays.

To improve clarity, efficiency, and transparency in Taleo, we recommend that Human Resources work with AIM to:

- make the street address a required field in the candidate application
- remove the benefits summary page for new hires to improve clarity, based on the recent update
- require that candidates' eSignatures match their last name on their application
- clearly indicate when candidates should submit the physical task during onboarding
- provide clearer instructions for required information to stakeholders.

Human Resources is using some Taleo controls to increase efficiency, accuracy, and accountability. Taleo uses the position code selected by the hiring department to pre-populate fields in the requisition, offers hiring departments and recruiters the option to receive email alerts for qualified candidate applications, and enables hiring departments to handle much of the interview process within the system. These efficiency controls help Human Resources and hiring departments to recruit candidates more quickly. Human Resources established some Taleo controls requiring that tasks be completed in the same order as stated in their updated policies and procedures. This includes the order of steps for posting the requisition, conducting reference checks, and initiating post-offer tasks for the candidate. Ensuring proper order of steps improves clarity and reduces potential hiring delays.

Taleo limits which users can change certain information in the requisition. This control clarifies roles and responsibilities and reduces the risk of errors. Finally, Taleo provides several controls which enhance accountability. Any system changes to a form or completed tasks are automatically tracked with a date and time-stamp that cannot be edited. Recruiters must also note the reason why a candidate declined an offer or why the hiring department rejected the candidate. Candidates must agree to the city's privacy statement before applying, and Taleo requires that candidates' eSignature on their offer letter matches their name in the system exactly. These accountability controls ensure a more transparent process.

City Is Inconsistently Complying with Requirements for Record Retention and Vacancy Announcements

Federal and state Equal Employment Opportunity laws (EEO) and the Americans with Disabilities Act (ADA) place requirements on employers to prevent discrimination in hiring. Overall, we found that the city has controls in place to mitigate the risk of discriminatory hiring practices.

We found inconsistencies in Human Resources' application of federal guidance and city record retention policy. I-9 forms must be kept separate from the personnel records in the event that the city is chosen for an audit to ensure that employees are both authorized and eligible to work in the United States. We found in some instances that Human Resources kept these forms with personnel files. Lastly, city code requires that classified position postings include certain elements such as pay grade and the receipt for applications. The city uses a career portal to post open positions for public advertisement. We found in our random sample of posted classified positions that these elements are

not always included, which may impact potential applicants' ability and willingness to apply for a position with the city.

To enhance file retention compliance, we recommend that Human Resources' creates a quality assurance process for creating and maintaining personnel files, including a list of which documents are legally required, which need to be maintained separately from the personnel file, and the location of files.

We also recommend that the talent acquisition and information systems groups within Human Resources work together to develop a standardized posting template in Taleo for classified positions to ensure that the city follows city code requirements regarding vacant position announcements.

Controls Are in Place to Monitor Hiring-Related Legal Compliance

Federal and state Equal Employment Opportunity law (EEO) and the Americans with Disabilities Act (ADA) place requirements on employers to prevent hiring discrimination. The city's career site contains statements that it does not unlawfully discriminate with preference or limitations based on race, color, religion, sex, national origin, age, disability, sexual orientation, gender identity, marital status, and veteran's status and that it will make reasonable accommodations for a qualified individual with a disability.

The Taleo system contains controls to minimize discriminatory or unfair hiring practices. For example, Human Resources' electronic controls include the retention of applicant files electronically through Taleo and Oracle. Taleo contains controls to prevent access to confidential information. For example, the system prevents recruiters and hiring managers from being able to view responses to voluntary EEO questions on applications. Also, only the recruiter and recruiting coordinator can view candidate onboarding forms, which protects sensitive EEO related information about potential candidates. Taleo controls also function to ensure that recruiters follow ADA regulations for physical checks.

Human Resources maintains control of hard copy and electronic files across its divisions—Information Systems, Talent Acquisition, Employee & Labor Relations and Benefits offices, depending on the type of file. According to the Society for Human Resource Management (SHRM) , it is best practice to retain certain employee documents separate from the official personnel files based on legal requirements and to limit access to records based on need to maintain confidentiality of information. In addition to the personnel file, best practices suggest that separate files must be maintained for records related to payroll,

medical and benefits, and the I-9 form. The I-9 forms must be kept separate from the personnel records in the event that the city is selected for audit to ensure that employees are both authorized and eligible to work in the United States.

Human Resources' practice to store specific documents separately is prescribed by federal Equal Employment Opportunity law (EEO), Americans with Disabilities Act (ADA), and Georgia Code to prevent discrimination in hiring. We reviewed employee files in Taleo and Oracle, personnel files, and EEO records and reports for completeness and compliance with legal hiring and recordkeeping requirements. Candidates must fill out most of the legally required forms online as part of post-offer checks, complying with federal (EEO and ADA), state (SAVE) and local (city) regulations. SAVE is an intergovernmental initiative designed to help federal, state, tribal, and local government agencies check immigration status for granting benefits, licenses, and other lawful purposes. Based on our review of Taleo and practices, the city has controls to follow EEO, ADA, Georgia Code requirements to prevent discriminatory hiring practices.

Risks Exist in Records Retention and Vacancy Announcements

We reviewed a sample of employee personnel files and found that Human Resources does not consistently maintain all legally required documents. About 30 percent of the 75 hardcopy files we reviewed were missing. We also found that vacancy announcements for classified positions did not consistently contain all city code requirements, such as salary, opening date and closing date for positions in half of the ten announcements that we reviewed. We recommend that Human Resources' information systems group create a quality assurance process for creating and maintaining personnel files (hard and electronic copies) and develop a document that lists where files are located. We also recommend that Human Resources' Talent Acquisition and Information Systems groups work together to develop a standardized posting template for classified positions in Taleo to ensure that Human Resources follows city code regarding vacant position announcements.

Personnel files did not consistently contain all required documents. We reviewed a sample of 75 active and inactive personnel files to check for the presence of legally required documents. These files were within the city's retention period. About 30% (22 out of 75) of the hard copy files were missing when we conducted the first review. Human Resources staff told us they did not create some hard copy files because leadership directed them to shift from paper files to digital storage. Then staff were asked to move back to paper files, and a backlog exists for some files. As a result, we could not confirm that our sample of

Human Resources' files (hard copy or electronic) contained all legally required documents in compliance with federal guidelines.

Human Resources provided a copy of its New Hire Employment Package Checklist, which is a comprehensive checklist describing nearly all of the documents that new hires must complete. However, the checklist does not outline the specific documents that each department must maintain. Some files need to be kept separately from the personnel file for ADA and federal audit purposes. We developed a comprehensive list of new hire tasks and forms using several existing checklists. We identified eight legally required forms (one of which is required only for sworn hires) and 15 other tasks or forms (three of which are required only for the Department of Aviation) that should be completed for a new hire. While Human Resources staff stated that I-9 forms were stored separately from the personnel files, we found some I-9 files in the same file as personnel records.

According to the Federal Equal Employment Opportunity Commission, employers must keep all personnel or employment records for one year, unless an employee is involuntarily terminated, then his/her personnel records must be retained for one year from the date of termination. The city retention policy requires that Human Resources retain employee personnel files for seven years. Federal equal employment opportunity laws and the Americans with Disabilities Act require certain documents to be stored separately from the personnel records to protect employee confidentiality. For example, the U.S. Citizenship and Immigration Services recommends that employers should maintain the I-9 form separately from the employee's personnel file to facilitate a federal inspection request. Human Resources staff provided checklists for required documents and confirmed that documents and files may be stored as hard copies or electronically across different divisions of the department.

The city's current retention policy requires that human resources retain personnel files for seven years; however, the policy related to Human Resources documents does not outline how (hard copy or electronic) files should be contained. Due to access limitations caused by COVID-19, we were unable to confirm whether hardcopy or electronic files existed for several items in our sample. If hiring process steps are not followed and tasks are not completed before a new hire comes on board, this can lead to a slow and/or bottlenecked process to onboard new hires.

To enhance file retention compliance, we recommend that Human Resources' creates a quality assurance process for creating and maintaining personnel files, including a list of which documents are

legally required, which need to be maintained separately from the personnel file, and the location of files.

Classified vacancy announcements do not consistently contain all city code requirements. According to city Code Sec. 114-182, the announcement for classified service must include the job title, salary, qualifications requirements, manner of making an application, opening and closing dates for receipt of applications, and notifications of examination(s) if required. Unclassified positions are not required to be posted. Human Resources provided us with a walkthrough of the Taleo system to confirm that these elements were captured in the position requisition for the job posting.

Potential candidates submit their applications online via the city of Atlanta's Career Portal. In our review of the Taleo requisition creation, we found that staff documented required information for a job posting. We reviewed ten active postings of classified positions posted to the portal. While Taleo provides fields to capture the vacant position's salary, opening date and closing date, five out of the ten postings did not include these elements. Taleo does not automatically populate the job posting with salary and the opening and closing dates. This may affect potential applicants' understanding of application deadlines and salary expectations for the vacant position.

We recommend that Human Resources Talent Acquisition and Information Systems work together to develop a standardized posting template for classified positions in Taleo to ensure that Human Resources follows city code regarding vacant position announcements.

Recommendations

In order to reduce the risk of hiring delays, errors, and inconsistencies, the Human Resources Commissioner should

1. continue to work with the consultant to provide one streamlined document and clearer instructions to stakeholders for hiring new employees.
2. work together with AIM to automate request to fill forms moving forward for Vacancy Review Board review and approval.
3. have the Department of Finance budget analysts perform the budget validations to fill all vacant positions.
4. use the existing automated request to extend offer form and offer letter functionalities within Taleo.

To ensure compliance with federal, state, and city regulations, as well as ensure data integrity and good record-keeping, the Human Resources Commissioner should

5. create a quality assurance process for making and maintaining personnel files, including a list of which documents are legally required, which need to be maintained separately from the personnel file, and the location of files.
6. have Talent Acquisition and Information Systems work together to develop a standardized posting template for classified positions in Taleo to ensure that Human Resources follows city code regarding vacant position announcements.
7. work with departments to capture all candidate transactions within Taleo.

To increase accountability, accuracy and consistency, the Human Resources Commissioner should

8. establish performance expectations for staff in recruiting positions and provide training.
9. use the Society for Human Resources' methodology for measuring time to fill positions.
10. have recruiters create new requisitions rather than adding new position numbers to existing requisitions.

To increase efficiency, decrease errors, reduce potential access abuse, ensure data integrity, and improve clarity within Taleo, the Commissioner of Human Resources and Director of Human Resources Information Systems should

11. provide clearer instructions for required information to stakeholders.
12. add a control in Taleo for hiring managers to confirm that they have all the necessary paperwork prior to submitting for approval.
13. document policies for hiring bonuses and update controls in Taleo consistent with this guidance.
14. clearly indicate when candidates should submit the physical task during onboarding.
15. separate duties for requisition editing and approval.
16. require that candidates' eSignatures match their last name on their application.
17. remove the benefits summary page for new hires.
18. make street address a required field in the candidate application.
19. ensure that recruiters check for duplicate profiles and merge them before extending an offer.
20. determine how to prevent, detect, and monitor bypassing and offer changes.

Appendices

Appendix A: Management Review and Response to Audit Recommendations

Report # 20.01	Report Title: Hiring Atlanta	Date: September 2020
Recommendation 1: We recommend that Talent Acquisition continue to work with the consultant to provide one streamlined document and clearer instructions to stakeholders for hiring new employees to reduce the risk of hiring delays, inconsistencies and errors.		
Proposed Action: The Department of Human Resources (DHR) has developed comprehensive written guidance to inform departments on the process for hiring new employees.		Response: Agreed
Person Responsible: DHR Talent Acquisition and HRIS divisions		Implementation Date: July 2020
Recommendation 2: We recommend that Human Resources create a quality assurance process for creating and maintaining personnel files, including a list of which documents are legally required, which need to be maintained separately from the personnel file, and the location of files.		
Proposed Action: DHR will reevaluate its current process for ongoing maintenance of personnel files to ensure that all files are in compliance with federal, state, and local record retention mandates, including recommended filing structures.		Response: Agree
Person Responsible: DHR HRIS division		Implementation Date: December 2020
Recommendation 3: To reduce hiring delays, errors and inconsistencies, we recommend that Information Systems provide clearer instructions for required information to stakeholders.		
Proposed Action: DHR has provided training to all departmental hiring stakeholders and will distribute reference documents in coordination with implementation of an ongoing and recurring training program.		Response: Agree
Person Responsible: DHR HRIS division		Implementation Date: September 2020

Recommendation 4:

To reduce hiring delays and improve accuracy, we recommend that Information Systems add a control in Taleo for hiring managers to confirm that they have all the necessary paperwork prior to submitting for approval.

Proposed Action:

Functionality of the configuration is currently being tested by HRIS.

Response:

Agree

Person Responsible:

DHR HRIS division

Implementation Date:

August 2020

Recommendation 5:

We recommend that Information Systems document policies for hiring bonuses and update controls in Taleo consistent with this guidance to ensure compliance.

Proposed Action:

DHR will evaluate and assess the feasibility of the recommendation in alignment with current system capability and codified guidelines for bonus distributions.

Response:

Agree

Person Responsible:

DHR HRIS division and HRBP Directors

Implementation Date:

December 2020

Recommendation 6:

To ensure clarity and system functionality, we recommend that Information Systems clearly indicate when candidates should submit the physical task during onboarding.

Proposed Action:

DHR has evaluated this recommendation and determined that the system is configured appropriately for applicant notification and vendor confirmation of results. DHR will continue to assess opportunities for clarity of messaging.

Response:

Disagree

Person Responsible: N/A**Implementation Date:**

N/A

Recommendation 7:

To increase accountability and competency, we recommend that Human Resources establish performance expectations for staff in recruiting positions and provide training.

Proposed Action:

DHR will continue to appropriately evaluate performance expectations of staff to ensure accountability and competency relative to assigned job responsibilities.

Response:

Agree

Person Responsible:

DHR Commissioner

Implementation Date:

December 2020

Recommendation 8:

We recommend that Human Resources separate duties for requisition editing and approval to reduce the risk of errors.

Proposed Action:

DHR has evaluated this recommendation and determined that the current assignment of duties is appropriately aligned with current staffing availability and control oversight designed to mitigate any risks identified for a segregation of duties as part of this recommendation. DHR will continue to assess opportunities for additional control measures.

Response:

Disagree

Person Responsible:

N/A

Implementation Date:

N/A

Recommendation 9:

We recommend that Information systems require that candidates' eSignatures match their last name on their application to ensure accountability.

Proposed Action:

DHR has previously completed and implemented this recommendation.

Response:

Agree

Person Responsible:

DHR HRIS division

Implementation Date:

January 2019

Recommendation 10:

We recommend that Talent Acquisition and Information Systems work together to develop a standardized posting template for classified positions in Taleo to ensure that Human Resources follows city code regarding vacant position announcements.

Proposed Action:

DHR will develop and implement defined templates for classified and unclassified employees to accommodate job postings in Taleo. DHR will continue to evaluate and assess system capability to establish feasibility of functional interfaces for positions postings.

Response:

Agree

Person Responsible:

DHR HRIS division

Implementation Date:

June 2021

Recommendation 11:

We recommend that Information Systems remove the benefits summary page for new hires to improve clarity, based on the recent update.

Proposed Action:

DHR has evaluated this recommendation and determined that the information provided to applicants is appropriately aligned with the City's communication strategy for availability of benefits. DHR will continue to assess opportunities for clarity of messaging.

Response:

Agree

Person Responsible:

N/A

Implementation Date:

N/A

Recommendation 12:

To create a reliable and consistent metric, we recommend that Human Resources use the Society for Human Resource Managers' methodology for measuring time to fill positions.

Proposed Action:

DHR will adopt a time to fill metric which measures the time from posting a requisition until time of offer acceptance by an applicant.

Response:

Agree

Person Responsible:

DHR Talent Acquisition and HRIS divisions

Implementation Date:

October 2020

Recommendation 13:

To reduce the risk of the Vacancy Review Board approving unauthorized and/or unfunded positions, we recommend Human Resources and AIM work together to automate the request to fill form moving forward for Vacancy Review Board review and approval.

Proposed Action:

DHR is currently working with AIM to implement this recommendation.

Response:

Agree

Person Responsible:

DHR Business Manager

Implementation Date:

December 2020

Recommendation 14:

We recommend that Information Systems make the street address a required field in the candidate application to improve efficiency and reduce hiring delays.

Proposed Action:

DHR is currently implementing this recommendation.

Response:

Agree

Person Responsible:

DHR HRIS division

Implementation Date:

August 2020

Recommendation 15:

To ensure that request to fill submittals reflect up to date budgets analysis, we recommend Human Resources have the Department of Finance budget analysts perform the budget validations to fill all vacant positions.

Proposed Action:

DHR will develop a process to ensure that the Department of Finance is involved in validating the availability of funding for request to fill submittals.

Response:

Agree

Person Responsible:

DHR Business Manager

Implementation Date:

October 2020

Recommendation 16:

We recommend that Human Resources use the existing automated request to extend offer form and offer letter functionalities within Taleo to improve efficiency and reduce errors.

Proposed Action:

DHR is currently in the process of implementing this recommendation.

Response:

Agree

Person Responsible:

DHR HRIS division

Implementation Date:

September 2020

Recommendation 17:

We recommend that recruiters check for duplicate profiles and merge them before extending an offer to improve data integrity.

Proposed Action:

DHR is currently in the process of implementing this recommendation.

Response:

Agree

Person Responsible:

DHR Talent Acquisition division

Implementation Date:

December 2020

Recommendation 18:

To improve robustness of reporting and ensure that controls are functioning, we recommend that Human Resources work with departments to capture all candidate transactions within Taleo.

Proposed Action:

DHR will collaborate with operating departments to ensure policy adherence regarding hiring practices.

Response:

Agree

Person Responsible:

DHR Commissioner

Implementation Date:

September 2020

Recommendation 19:

To increase accuracy, we recommend that recruiters create new requisitions rather than adding new position numbers to existing requisitions.

Proposed Action:

DHR will evaluate the current requisition process to accomplish the intent of this recommendation, subject to identification and exceptions for specific sub-groups (i.e. seasonal positions).

Response:

Agree

Person Responsible:

DHR Talent Acquisition division

Implementation Date:

December 2020

Recommendation 20:

We recommend that Human Resources Information Systems and Talent Acquisition determine how to prevent, detect, and monitor bypassing and offer changes to reduce the potential for system access abuse and errors.

Proposed Action:

DHR will continue to mitigate risks for system access abuse and errors. HRIS will evaluate, assess and mitigate any functional and configurable deficiencies associated with bypassing mandatory functions.

Response:

Agree

Person Responsible:

DHR Talent Acquisition and HRIS divisions

Implementation Date:

December 2020

Appendix B: Taleo Controls

Stage	Condition	Policy or Provision	Control Gap Identified?	Recommendation
All	<ul style="list-style-type: none"> For most transactions in Taleo, there is an automatic date and time stamp that cannot be edited 	None	None	N/A
Request to Fill, Offer	<ul style="list-style-type: none"> The department and Human Resources fill out the request to fill form, request to extend offer form, and the offer letter manually and outside of Taleo. However, Taleo has automated functions for the request to extend offer and the offer letter. Allegedly, HR stopped using the automated request to extend offer and offer letter after a former staff member abused their access. HR is currently working to automate the department commissioner's signature for the offer letter. 	None	Yes	<ul style="list-style-type: none"> Human Resources and AIM should work together to automate the request to fill form moving forward for Vacancy Review Board review and approval to reduce the risk of the board approving unfunded and/or unauthorized positions. Human Resources should use the existing automated request to extend offer form and offer letter functionalities within Taleo to improve efficiency and reduce errors.
Requisition	<ul style="list-style-type: none"> When the department is creating the job requisition, they select the job code. From this, Taleo pre-populates the position's job description and qualifications. The department cannot edit the job description and qualifications, although they can request that the recruiter edit the description and qualifications. 	None	None	N/A
	<ul style="list-style-type: none"> The pre-populated job description and qualifications can be posted on internal and external job boards without including the salary or opening and closing dates, even though this information is documented in the requisition. 	None	Yes	Talent Acquisition and Information Systems work together to develop a standardized posting template for classified positions in Taleo to ensure that Human Resources follows city code regarding vacant position announcements.
	<ul style="list-style-type: none"> The department can submit the requisition without attaching the request to fill packet 	HR policies & procedures (post-pilot)	Yes	Information Systems should add a control in Taleo for hiring managers to confirm that they have all the necessary paperwork prior to submitting for approval to reduce hiring delays and improve accuracy.
	<ul style="list-style-type: none"> Taleo does not require or notify hiring departments that they must select the "department level" under "Organization." Otherwise, the candidate data will not transfer from Taleo to Oracle HCM, and Human Resources staff will have to manually input the data. 	None	Yes	Human Resources should provide clearer instructions for required information to stakeholders to reduce hiring delays, errors, and inconsistencies.
	<ul style="list-style-type: none"> Taleo does not tell the department to assign requisition approval to the recruiter. The department manually assigns the recruiter and other HR staff in Taleo. However, the recruiter can correct any approval path errors 	HR policies & procedures (post-pilot)	Yes	

Stage	Condition	Policy or Provision	Control Gap Identified?	Recommendation
	<ul style="list-style-type: none"> The recruiter can edit more parts of the requisition than the department. Decreasing the number of approvers to just the recruiter has allegedly caused an increase in errors 	None	Yes	<ul style="list-style-type: none"> Human Resources should tie training, service level agreements, and performance metrics to positions to increase accountability and competency. Human Resources should separate duties for requisition editing and approval to reduce the risk of errors.
	<ul style="list-style-type: none"> The recruiter can prevent the job posting without requiring additional approval. 	None	Yes	Human Resources Information Systems and Talent Acquisition should determine how to prevent, detect and monitor bypassing and offer changes to reduce the potential for system access abuse and errors.
	<ul style="list-style-type: none"> Taleo notifies approvers that they have a pending task in the system once the requisition has been submitted for approval 	None	None	N/A
	<ul style="list-style-type: none"> HR cannot post the requisition prior to approving it 	HR policies & procedures (post-pilot)	None	N/A
	<ul style="list-style-type: none"> When filling out the application, the candidate does not have to write his or her street address. However, HR needs the candidate's street address for the offer letter. 	None	Yes	Information Systems should make street address a required field in the candidate application to increase efficiency.
	<ul style="list-style-type: none"> There is no verification to make sure the candidate's name matches when signing the application 	None	Yes	Information Systems should require that candidates' eSignatures match their last name on their application to ensure accountability.
	<ul style="list-style-type: none"> The recruiter can bypass the department's review and interview of a candidate, moving straight to creating an offer after receiving a candidate's application 	HR policies & procedures (post-pilot)	Yes	Human Resources Information Systems and Talent Acquisition should determine how to prevent, detect and monitor bypassing and offer changes to reduce the potential for system access abuse and errors.
	<ul style="list-style-type: none"> The recruiter is automatically assigned to tasks in Taleo after the requisition has been approved 	None	None	N/A
	<ul style="list-style-type: none"> The candidate must agree to the city's privacy statement to apply for a position 	None	None	N/A
	<ul style="list-style-type: none"> The department can set up automatic alert emails when candidates meet a certain number of position criteria. The recruiter can set Taleo to automatically request more info from a candidate when the candidate meets a certain criteria threshold. 	None	None	N/A
	<ul style="list-style-type: none"> The department can schedule interviews with candidates, add interview panel members, and write up the results of interviews within Taleo. 	None	None	N/A
	<ul style="list-style-type: none"> The department has to mark the candidate as "selected" before initiating reference checks 	None	None	N/A

Stage	Condition	Policy or Provision	Control Gap Identified?	Recommendation
	<ul style="list-style-type: none"> Candidates can choose to opt out of answering EEO information during the application EEO information is not visible to department or HR staff during application 	Civil Rights Act of 1964, Title VII, Sec. 2000e-2	None	N/A
	<ul style="list-style-type: none"> All applicants must answer standard questions that include whether they have any relatives working for the city. The department and HR cannot change the standard questionnaire. 	City Ord. No. 2007-22(06-O-2700), § 1, 3-27-07	None	N/A
	<ul style="list-style-type: none"> The recruiter can generate a new password for the applicant if needed. 	None	None	N/A
Requisition, Offer	<ul style="list-style-type: none"> The department and HR can add a hiring bonus for a general position in the requisition and the offer letter. 	HR practice (not documented)	Yes	Human Resources should document policies for hiring bonuses and update controls in Taleo for general requisitions consistent with this guidance.
Offer	<ul style="list-style-type: none"> The recruiter can rescind or renege on an offer to a candidate without selecting a reason or any other approvals. 	None	Yes	Human Resources Information Systems and Talent Acquisition should determine how to prevent, detect and monitor bypassing and offer changes to reduce the potential for system access abuse and errors.
	<ul style="list-style-type: none"> If the candidate declines an offer, the recruiter must select a reason in Taleo for why the candidate declined. If the department rejects the candidate at the offer stage, the recruiter must select a reason in Taleo for why the department rejected the candidate. 	None	None	N/A
	<ul style="list-style-type: none"> The candidate's last name must match the name in the system when accepting the offer letter in Taleo by typing last name as eSignature 	None	None	N/A
Post-Offer Checks	<ul style="list-style-type: none"> It is unclear in Taleo when a candidate is supposed to submit their physical task. 	None	Yes	Information Systems should clearly indicate when candidates should submit the physical task during onboarding to ensure clarity and system functionality.
	<ul style="list-style-type: none"> While filling out the onboarding tasks, the candidate must fill out a beneficiary form and email it to HR; there is no way to upload the form within Taleo. HR has recently changed its benefits policy and is emailing out the benefits forms separately. 	None	Yes	Information Systems should remove the benefits summary page for new hires to improve clarity.
	<ul style="list-style-type: none"> The recruiter can bypass the candidate's background, physical, and other post-offer checks 	<ul style="list-style-type: none"> City Ord. No. 2007-22(06-O-2700), § 1, 3-27-07 Sec. 114-184 & 114-185 	Yes	Human Resources Information Systems and Talent Acquisition should determine how to prevent, detect and monitor bypassing and offer changes to reduce the potential for system access abuse and errors.

Stage	Condition	Policy or Provision	Control Gap Identified?	Recommendation
		<ul style="list-style-type: none"> HR policies & procedures (post-pilot) 		
	<ul style="list-style-type: none"> Candidates must fill out EEO information during post-offer checks 	CFR Title 29, Chapter XIV, Subpart I.1	None	N/A
	<ul style="list-style-type: none"> Only the recruiter and recruiting coordinator can view EEO forms during onboarding. 	Civil Rights Act of 1964, Title VII, Sec. 2000e-2	None	N/A
	<ul style="list-style-type: none"> HR cannot start the physical check until after the candidate has accepted the conditional offer 	Enforcement Guidance: Preemployment Disability-Related Questions and Medical Examination	None	N/A
	<ul style="list-style-type: none"> The department and HR can choose to have Taleo automatically send a rejection email to job applicants if the position is filled or canceled. There is also an option to change the hired candidate's status to "declined" for any other positions that the candidate applied to. 	None	None	N/A
	<ul style="list-style-type: none"> The candidate must electronically fill out and eSign several required onboarding forms. 	<ul style="list-style-type: none"> City Ord. No. 2007-22(06-O-2700), § 1, 3-27-07 Sec. 114-437 Section 419(c) of Public Law 108-203 O.C.G.A. § 50-36-1(f)(1)(B) 	None	N/A

