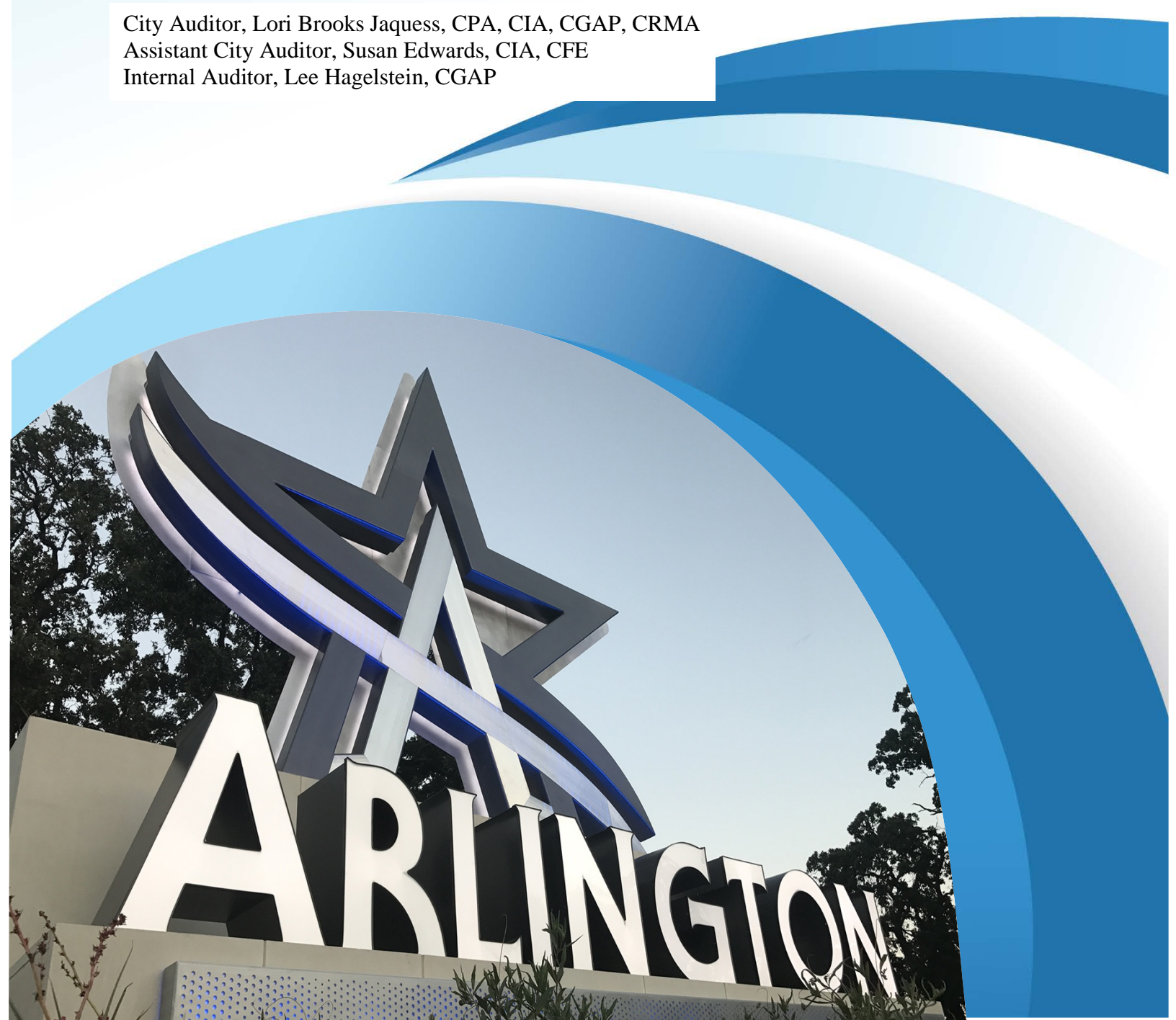


City Auditor's Office
Employee Onboarding/Termination
Process Follow-Up



August 2020

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City Auditor's Office

August 5, 2020

Honorable Mayor and Members of the City Council:

The City Auditor's Office has completed a follow-up to the Employee Onboarding/Termination Process Audit completed in June 2019. The objective was to determine the implementation status of the audit recommendations presented in the original audit report.

Management concurred with all seventeen recommendations in the original report. Follow-up procedures indicate that management has satisfactorily implemented 12 of those recommendations. The remaining 5 recommendations are in the process of being implemented.

We would like to thank staff from the Human Resources and Information Technology Departments, as well as the City Manager's Office, for their assistance and cooperation in completing this follow-up project.

Lori Brooks Jaquess

Lori Brooks Jaquess, CPA, CIA, CGAP, CRMA
City Auditor

c: Trey Yelverton, City Manager
Jim Parajon, Deputy City Manager
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Enrique Martinez, Chief Technology Officer

Employee Onboarding/Termination Process Follow-Up

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Background

The City Auditor's Office completed the Employee Onboarding/Termination Process Audit in June 2019. The purpose of the audit was to review and evaluate the current onboarding and termination process and procedures. The objective of this follow-up project is to determine the implementation status of the audit recommendations included in the original audit report.

Scope and Methodology

The scope of the project was limited to following up on management's implementation of the previous audit recommendations. Our methodology included obtaining updated status reports from management regarding the implementation of the audit recommendations and reviewing relevant supporting documentation.

The matrix on the following pages illustrate the results of the follow-up procedures.

Status of Prior Audit Recommendations

PRIOR AUDIT RECOMMENDATION	CONCUR/DO NOT CONCUR	PRIOR MANAGEMENT RESPONSE	RESPONSIBLE PARTY	DUE DATE	CURRENT MANAGEMENT RESPONSE/IMPLEMENTATION STATUS	AUDIT CONCLUSION
<i>1. The City Auditor's Office recommends that the Human Resources Department consider extending the time frame for new employee orientation and including more team-building activities to build upon the new employee's enthusiasm.</i>	Concur	HR Organizational Development team will review the current New Employee Orientation as it relates to time frame of orientation and team-building activities.	Human Resources	10/1/2019	The HR Team has incorporated a new schedule and revised the presentation itself to facilitate engaging dialogue about the City, its culture and the community. There are discussion point breaks, engagement activities, in-depth ethics discussions and a focus on community both in our community and our citizens. The training was extended an additional hour to include team-building activities.	Implemented
<i>2. The City Auditor's Office recommends that the Human Resources Department consider implementing a survey or other mechanism for gauging new employees' impression and satisfaction with the orientation process and adjust accordingly.</i>	Concur	HR Organizational Development team created and began implementation of a satisfaction survey for the New Employee Orientation.	Human Resources	Complete 2/1/2019	Employees receive an e-mail from their HR Consultant as a follow-up to the New Employee Orientation and their assimilation into the City and their work environment. The employee may also choose to complete a survey within Cornerstone LMS to give feedback on the class itself.	Implemented
<i>3. The City Auditor's office recommends that the Human Resources Department include a discussion of the Fraud, Waste and Abuse Hotline during New Employee Orientation presentation.</i>	Concur	HR Organizational Development team will incorporate a discussion of Fraud, Waste and Abuse Hotline in the NEO presentation.	Human Resources	10/1/2019	During New Employee Orientation, HR presents a slide dedicated to the hotline, along with a discussion about how to properly use the hotline.	Implemented

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4. <i>The City Auditor's Office recommends that the Deputy City Managers and the Assistant City Manager ensure that all departments develop and utilize a written or otherwise documented onboarding program.</i>	Concur	DCMs and ACM will review existing onboarding processes with their service team members and work with them to enhance onboarding programs where needed to meet this recommendation.	CMO	11/1/2019	The City Manager's Office reviewed the need for written or otherwise documented on-boarding programs with all departments and worked with those that lacked such programs to develop them. Police (civilian), Finance, IT, City Attorney's Office and Code Compliance have developed and implemented an employee onboarding process. The Convention Center and Fire (civilian) have developed or are in the process of developing an employee onboarding program; however, they have not yet approved or implemented the programs. All other City departments had previously developed a written employee onboarding process prior to the audit.	In-Progress
5. <i>The City Auditor's Office recommends that the Director of Human Resources include in the hiring process an automated notification to the IT Department for establishment of a new employee's Active Directory access to assure that the account is set-up prior to an employee's first day at orientation.</i>	Concur	HR and IT will partner to create a process to initiate the creation of an Active Directory account as employees are processed for new hire. In part, this will include the use of an automated form within the Service Management system. IT has requested an FY2020 budget item for consulting services to help IT with this implementation and other improvements to the Service Management system.	Human Resources/ Information Technology	10/1/2019	A new automated Remedyforce Self Service ticket can now be entered by hiring supervisors during the hiring process. The IT Department has also created a New Hire automated process for full-time employees. The process includes a verification between Lawson and IT Active Directory (AD) account. If the verification process identifies that an AD account has not been created for a new employee, this process would generate a Remedyforce Service Request for the creation of the AD account.	Implemented

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6. <i>The City Auditor's Office recommends that the Chief Information Officer remind department supervisors, on a recurring basis, of the necessity of providing the IT Access Request Form for new and transferring employees to the IT Department prior to the 7-day lead time required to set up access to systems.</i>	Concur	In a coordinated effort between HR and IT, the HR Director will direct HR consultants to remind hiring managers of the access request requirements during the hiring process. The CIO will include requirements for access requests for both new hires and transferring employees as a recurring item on the TRC Agenda.	Information Technology	6/13/2019	IT Access for new employees was discussed during the regular TRC meetings on 6/13/19 and 12/12/19 and is planned to be a regular agenda item for subsequent TRC meetings.	Implemented
7. <i>The City Auditor's Office recommends that the Chief Information Officer assure that access to systems is set up as soon as possible after notification is received.</i>	Concur	In May of 2018 the IT Security team implemented a new account creation process that included the use of automation tools. This has greatly reduced the time between the initial receipt of the employee's IT Access Request Form and the user's Active Directory account being created. This process helps ensure user accounts are available in advance of New Hire Orientation.	Information Technology	Complete	See Implementation Status #5 above.	Implemented

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8. <i>The City Auditor's Office recommends that the Chief Information Officer establish a standard time frame for disabling access to systems.</i>	Concur	The IT Department will ensure that staff will monitor employee terminations daily and disable accounts upon notification based on the employee's termination date.	Information Technology	Complete	The IT Department has a dedicated resource that reviews all Active Directory Moves, Adds, Changes, and Terminations. Within 24 hours of a ticket hitting the queue, the ticket has been reviewed and the appropriate action scheduled. If it is a termination, the termination is scheduled for EOB on the day of termination.	Implemented
9. <i>The City Auditor's Office recommends that the Municipal Court System Administrator implement a system to track the disposition of access cards for terminated employees and contractors.</i>	Concur	The IT Department will, in collaboration with the Municipal Court and other departments utilizing the Gallagher Access system, implement a process for tracking disposition of access cards used with the Gallagher Access Control system. In addition, an integration between the access control system and Active Directory (AD) will be implemented so that when a user's AD account is disabled, physical access is also disabled regardless if the card is returned or not.	Information Technology	AD Integration: 7/1/2019 Card Tracking Disposition: 4/1/2010	The integration between the Active Directory and the Gallagher Access Control system was implemented. However, there is another software system used in this process (TruCredentials) which provides the employee information on the access card. There are exceptions, such as employee retirements, that may conflict with the integration process and re-activate access in TruCredentials. The corrective action will require the re-engineering of the current system. The new Termination Process provides guidance on access control management for non-Active Directory employees. See Implementation Status #16 and #17.	In-Progress

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<p><i>10. The City Auditor's Office recommends that the Deputy City Managers and the Assistant City Manager ensure departments, that are responsible for web-based systems or use hosted systems, develop policies and procedures to control access to those systems.</i></p>	Concur	ACM and DCMs will verify that their service team members have procedures and policies on web-based systems or use hosted systems where appropriate.	CMO	11/1/2019	The City Manager's Office worked with departments identified in the audit to ensure that they had the needed systems in place. Additionally, the IT Department is working on added governance processes that will recommend basic controls for department purchases of software solutions that do not meet the financial threshold requiring IT review. The IT Department is also working to develop general guidance for all departments to utilize with existing department web-based or hosted systems.	Implemented & In-Progress
<p><i>11. The City Auditor's Office recommends that the City Manager's Office ensure that all departments coordinate with the Chief Information Officer when implementing department supported software (SAAS, vendor hosted, etc.).</i></p>	Concur	ACM & DCMs will clarify with their service team members that the IT Department should be consulted when purchasing software.	CMO	11/1/2019	<p>This recommendation was implemented by the City Manager's Office in regular meetings with department and division directors.</p> <p>In addition, through the IT Department, expectations will be established with directors and managers individually and the CIO will recommend potential solutions that will make consultation with IT a routine part of software purchases.</p>	Implemented & In-Progress

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<p><i>12. The City Auditor's Office recommends that the IT Applications Supervisor perform a complete city-wide inventory of department supported web-based systems and vendor hosted systems. Once completed, the inventory should be maintained and updated, as necessary.</i></p>	Concur	<p>The IT Manger Software Services will work with departments to perform a complete city-wide inventory of vendor hosted and web-based systems supported by the departments. An FY2020 budget request to make improvements to our service management solution (if approved) will help with maintaining this inventory once collected.</p>	Information Technology	4/1/2020	<p>The IT Department has completed a city-wide inventory of vendor hosted and web-based systems supported by the departments. Also, the IT Department will establish business reviews to be shared with departments to maintain the accuracy and establish a change management process.</p> <p>The budget request (FY20-IT-NP04) was not funded.</p>	Implemented
<p><i>13. The City Auditor's Office recommends that the IT Department develop a standardized data entry model to document all system activity within the Remedyforce system (i.e. IT Access Request Forms and Incident #s).</i></p>	Concur	<p>The IT Department is working to standardize data entry and automate the current paper-based Access Request Forms within the Service Management System. We have an FY2020 budget proposal for consulting services to help us with this and other improvements to our Service Management system.</p>	Information Technology	4/1/2020	<p>The IT Department has implemented an Access Request Form as part of the Remedyforce Service Management System. This form is maintained digitally within Remedyforce and eliminates the paper archives. The automated process improves reporting capabilities.</p> <p>The budget request (FY20-IT-NP04) was not funded.</p>	Implemented

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<p><i>14. The City Auditor's Office recommends that the Chief Information Officer require departments to review employee access to systems, directories, drives, folders, etc. for appropriateness and remove unnecessary access. Additionally, the IT Department should work with departments to establish role-based access.</i></p>	Concur	<p>The Chief Information Officer will distribute an annual employee access report for review by departments to verify appropriateness of access. Also, the IT department will work to establish role-based security during FY2021. We have an FY2020 budget proposal for additional Active Directory Management Tools that will provide the ability to audit system access.</p>	Information Technology	<p>Tool: FY2020</p> <p>Audit: FY2021</p>	<p>The IT team continues to evaluate options to address this audit finding with current funding capacities. The FY20-IT-NP05 Active Directory Management Tools (\$120,000) investment request to help provide reports that showed specific file and system access levels was not funded. Our existing IT architecture does not provide the ability to implement role-based security access.</p>	In-Progress
<p><i>15. The City Auditor's Office recommends that the IT Department disable all prior access for transferring employees prior to setting up access for the employee's new role, as applicable.</i></p>	Concur	<p>The IT Department will modify the account management process to ensure employees transferred to new areas have the appropriate access based on their new role. In Part, this will include the use of an automated form within the Service Management System. We have an FY2020 budget proposal for consulting services to help us with this and other improvements to our Service Management System.</p>	Information Technology	4/1/2020	<p>The IT Department has implemented an Employee Transfer Service Request Form as part of our Remedyforce Service Management System. The form process improves their visibility for disabling access from departing roles and enabling access to new roles. The effectiveness of the Employee Transfer Form requires departmental support with identifying access to systems and advance planning that includes accurate transfer dates.</p>	Implemented

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<i>16. The City Auditor's Office recommends that the Deputy City Managers and Assistant City Manager work with their service team members to implement steps to ensure that documentation regarding terminated employees is in compliance with Personnel Policies.</i>	Concur	ACM & DCMs will ask the appropriate resource to bring training related to this issue to an executive team meeting.	CMO	11/1/2019	The HR Department has developed and is currently providing training for a new Termination Process which will involve supervisors, HR, IT and Finance. This new process will better ensure that the required termination documentation is obtained.	Implemented
<i>17. The City Auditor's Office recommends that the Human Resources Department consider developing a comprehensive termination form/checklist to be used by all departments, to document the return of all property and other reimbursements due to the City. The completed form should be sent to HR and kept in the employee's termination file.</i>	Concur	HR will create and implement a termination checklist regarding returned property/reimbursements.	Human Resources	10/1/2019	See Implementation Status #16 above. The new termination process will also include an Asset Tracking form. Supervisors will be required to track all City property and non-Active Directory system access provided to employees. Upon termination, all City property can be accounted for and all non-AD access disabled.	Implemented