



Internal Audit Report

LCCC Human Resources



Report Number: 2018.11
Date: August 14, 2018



Audit of LCCC Human Resources



Date: August 14, 2018

To: The Honorable Linda Doggett, Lee County Clerk of the Circuit Court & Comptroller

From: Tim Parks, Chief Internal Audit Officer/Inspector General

Re: Audit of LCCC Human Resources

Dear Ms. Doggett,

The Inspector General Department has completed an audit of LCCC Human Resources. David Rollman, CIA, Senior Internal Auditor completed this review.

This audit activity conforms to the Institute of Internal Auditor's (IIA) *International Standards for the Professional Practice of Internal Auditing (Red Book)* and the Association of Inspectors General (AIG) *Principles and Standards for Offices of Inspector General (Green Book)*.

The audit client's response is attached to this report. We wish to express our appreciation for the cooperation and assistance provided us by management and staff during this review.

This report will be posted to the Clerk of Courts website, www.leeclerk.org, under Inspector General Audit Reports. A link to this report has been sent to the appropriate parties.

Should you have any questions, please do not hesitate to contact me.

Sincerely,

A handwritten signature in blue ink that reads "Tim Parks".

Tim Parks, Chief Internal Audit Officer/Inspector General
Inspector General Department

TJP/GK



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Executive Summary

The audit of the Lee County Clerk of Court Comptroller's (LCCC) Human Relations Department (HR) was included in the LCCC 2018 Annual Audit Plan. A risk assessment project was completed for all LCCC business units prior to creating the audit plan.

The objective of the Human Resources audit was to determine if effective internal controls are in place, evaluate the effectiveness and efficiency of the department's processes, and to determine if the department is in compliance with applicable laws, regulations, policies and procedures.

Our conclusion is that the HR Department is performing its functions in a satisfactory manner. Its operations are functioning efficiently and effectively. The HR team is adequately trained to perform the work. Tests indicate that the Department is in compliance with applicable laws, regulations, policies and procedures.

Two observations and recommendations were noted during the audit, and they were promptly addressed by HR management. They are not included in this report. A third observation and recommendation is included in the report to add value, and we requested a management response.

Background

The Human Resources Department's primary functions are:

- To ensure that LCCC departments recruit and select employees who have the necessary skills to achieve the organization's objectives;
- To provide systems to help managers in their decision making by collecting and providing information for planning, implementation and evaluation of employees;
- To analyze, develop, implement, administer, and perform ongoing evaluation of the workplace relationship between employer and employee in order to balance the employer's needs with the employee's rights;
- Administer medical, dental, life and disability benefits, including retirement; and
- Conduct the monthly new hire orientation.

HR documents are scanned into the OnBase computer system. Paper personnel files were discontinued in 2017.



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Objective, Scope, and Methodology

The audit objective was to determine if effective internal controls are in place, evaluate the effectiveness and efficiency of the department's processes, and to determine if the department is in compliance with applicable laws, regulations, policies and procedures.

The scope of the audit included a review of all of the major duties performed by the Human Resources Department. The duties include:

- New hire processes
- Employee exit procedures
- Pay plans
- Employee benefits
- Performance appraisals
- Family Medical Leave Act (FMLA)
- Compliance with various employment related laws and regulations
- Training

The audit methodology was comprised of the following steps:

- Preliminary Risk Assessment - A meeting was held with management to discuss the audit objectives and scope and to solicit information regarding risks.
- Planning - Audit procedures were developed based upon research, audit objectives, scope, and the preliminary meeting.
- Field Work - Managers and employees were interviewed for insight on the operations. Evaluations and tests were conducted on operations and procedures to address and complete the audit fieldwork.
- Wrap-up - an Exit conference was held with management to discuss the audit results.

Observations and Recommendations

Deputy Clerk Oath

A sample of 25 Clerk employees was selected for review. The personnel file for each employee was reviewed to determine if all documentation was in the files.

The file documentation that was examined in the sample files included:

- Hiring packet
- I9 form
- Employee photo



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- Job description
- Deputy Clerk Oath
- Report of Personnel Action (RPA)
- Policy acknowledgement form

Four of the files did not contain a Deputy Clerk Oath. The oath is not required of all employees, but there was no authoritative guidance to determine which employees are considered Deputy Clerks and must sign an oath.

Recommendation

It is recommended that guidelines be written to aid supervisors and the HR Department in determining which employees are considered Deputy Clerks and need to sign the Deputy Clerk Oath of Office form. Once implemented, make the form a required document within the applicable employee folders.



LINDA DOGGETT: CLERK OF COURT

To: Tim Parks, Chief Internal Audit Officer/Inspector General
From: Karen Jaye, Chief Human Resources Officer
Date: August 14, 2018
Subject: Audit of LCCC Human Resources

Thank you for conducting the audit of LCCC Human Resources.

In response to the recommendation regarding written guidelines for the determination of Deputy Clerk Oath documentation, we will work with the LCCC Attorney to develop guidance for the LCCC Office and once implemented, obtain the required documentation from employees who are required to have a signed copy of the Deputy Clerk Oath form.