

## **Executive Summary**

The Human Resources Department (HR) saw many changes during the stated audit period. One retirement and one termination. Ms. Gloria Roark started as HR Director April 23, 2007. Ms. Roark brings 22 years HR experience to the position. She is assisted by HR Technicians Patsy Bishop and Rebekah Roddy. Ms. Bishop has approximately 7 years experience in HR, while Ms. Roddy recently transferred from the Finance Department where she was the accounting technician. All three ladies are capable and are able to run the department in an efficient and prudent manner.

Regulatory compliance is a key component of efficient HR direction. Compliance is either a state of being in accordance with established guidelines, specifications, or legislation or the process of becoming so. The audit encompassed a general basic compliance review of the following major regulations vital to HR. Additionally the Employee Handbook was examined for basic compliance.

- HIPAA – Health Insurance Portability and Accountability Act
- FLSA – Fair Labor Standards Act
- EEO- Equal Employment Opportunity
- I-9's Forms – Immigration Reform and Control Act of 1986
- Labor Posters – Federal and State mandates

The items identified for recommendation require attention for correction purposes to prevent a further deterioration. Which could adversely affect management's ability to stay in compliance during hiring, firing, recruitment etc.

## **Purpose and Scope**

This audit was performed as part of the 2006 Long-Range Audit Plan. Audit Objectives were to provide staff with an opinion on the general administration polices on the following procedures:

- Policy and Supervision Review
- Regulatory Compliance
- Employment Practices Review
- Health and Safety
- Control Environment
- Monitoring

The scope of the audit included a review of policies, regulatory compliance, information reporting capabilities, procedures, hiring, termination, grievances, and payroll changes. The audit period covers July 1, 2006 through June 30, 2007.

## **Recommendations**

**Number 1**

**High Priority**

**All payroll changes MUST go through HR and changes need verification by separate individual than those who entered information.**

**Number 2**

**High Priority**

**Formal training and reporting for positive absence management, plans for reduction of absenteeism per Department and targets set for monitoring.**

**Number 3**

**High Priority**

**Continue to work with Springbrook to correct standard reports, however, if difficulty continues look for outside software with “canned” HR reports.**

**Number 4**

**High Priority**

**Development of safety and security policy, procedures coupled with training and implementation is needed.**

**Number 5**

**High Priority**

**A re-training of staff and a checks and balances system to verify all required information is obtain needs implemented.**

**Number 6**

**Medium Priority**

**HR should purchase annually or as needed current poster requirements and bill cost to each department. Each department head is solely responsible to ensure posters are placed properly.**

**Number 7**

**High Priority**

**Policy versus current procedures need reconciled. A formal systematic training and annual evaluations should be implemented starting with the 2008 calendar year.**