

SAVANNAH-CHATHAM COUNTY BOARD OF EDUCATION
Internal Audit Department



TO: Board of Education

THROUGH: M. Ann Levett, Ed.D. Superintendent
Ramon Ray, Chief Human Resources Officer
Aretha Rhone-Bush, Interim Chief Academic Officer

FROM: Marshall Withers, Senior Director, Internal Audit

DATE: April 26, 2018

SUBJECT: Report on Audit of Employee Onboarding

We have completed our Audit of Employee Onboarding. Our audit report is presented in the sections listed below:

- I. AUDIT OBJECTIVES**
- II. AUDIT SCOPE**
- III. BACKGROUND**
- IV. AUDIT CONDITION**

Management's response to our report is attached in its entirety. In addition, the specific action that management has agreed to take in response to each recommendation is included in the Management Action Plan, along with who is responsible for the action and when it will be completed.

I. AUDIT OBJECTIVES

Our audit was designed to meet specific objectives. Within those objectives, we focused on areas where we identified opportunities for improvement in employee onboarding. The objectives of our audit were as follows:

1. Document the onboarding process for the District. Compare the process to industry standards and identify strengths and weaknesses.
2. Determine if the District is meeting local, State, and Federal requirements for the training of staff on a yearly basis.

II. AUDIT SCOPE

The Audit of Employee Onboarding was conducted between September 2017 – January 2018. We reviewed the District’s employee intake process for classified/certified staff and costs related to the process. We conducted interviews and surveys of various staff members within the Human Resources Department (HR), Hiring Managers within various departments and employees hired between July 2017 - November 2017. We reviewed applicable Federal, State, and local policies for compliance. This included identifying training requirements for all staff levels.

For the criteria of our audit, we utilized various research conducted by companies in the area of employee onboarding such as Hanover Research (Onboarding for Administrators, February 2015), Aberdeen Group, Inc., a Harte-Hank Company (Onboarding 2012: the Business of First Impressions) and the Society for Human Resource Management’s (SHRM) resources for employee onboarding. To develop our recommendations, we reviewed industry best practices and discussed onboarding ideas with the Human Resources Department, Hiring Managers within the District, and other school districts.

Internal Audit conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that the audit be planned and performed to obtain sufficient, appropriate evidence to provide a reasonable basis for the findings and conclusions based on the audit objectives. Internal Audit believes that the evidence obtained provides a reasonable basis for the findings and conclusions based on the audit objectives.

Details of each area tested and recommendations for strengthening the internal controls in that area are listed below.

The Board’s District Accountability System (DAS) lists five goals:

- I. To ensure all students are college and career ready.
- II. To provide a supportive learning environment that is conducive to teaching and learning.
- III. To maximize family and community engagement that contributes to the advancement of student success.
- IV. To build professional capacity in order to achieve a premier student-focused workforce.
- V. To maximize resource stewardship and fiscal responsibility by ensuring District resources are used efficiently, effectively, economically, and equitably (4E’s).

At the end of each Condition statement, we have identified the DAS goals that are most likely affected by the findings identified in the Condition. Internal Audit has made recommendations to help support the achievement of these goals.

III. BACKGROUND

The Audit of Employee Onboarding was identified as an area of risk during the FY17 Internal Audit Risk Assessment. Five hundred and ninety-four employees were hired from July 2017 through November 2017. This includes positions held in charter schools.

IV. AUDIT CONDITION

Condition A. Undefined Onboarding Program for District Employees *(DAS Goals IV)*

Details of Condition A

Employee onboarding is the process of assimilating new hires into the organizational culture. The key goals of employee onboarding are to ensure the employee is self-efficient, has role clarity, is socially integrated, and has awareness or knowledge of the organization's culture. Research has also proven that a long-term strategy to meet these goals can improve retention rates by providing higher job satisfaction, organizational commitment, lowered stress, and higher performance levels.¹

The District does not have a defined onboarding program. Each department/site that plays a role in the intake and onboarding of a new employee functions as a stand-alone area and not as one component. The Human Resources Department, the Professional Learning Department, and Hiring Managers are key players in the onboarding of an employee. Currently, there is no specified department to oversee the program. However, it is vital that an organization establish an owner of the process in order to ensure the procedures are established and goals/objectives are being met.

Through interviews with hiring managers/departments and workflow analysis, we discovered that the three key components of the onboarding process do not function cohesively to move an employee through the process and do not provide a transparent line of communication between one another. Through interviews and surveys with new hires, we were informed the process at times was disorganized, confusing, and/or frustrating. These concerns were felt in both the processes at the Central Office level and at the school/site level.

¹ Bauer, Ph.D., Talya N. (2010). Onboarding New Employees: Maximizing Success. *SHRM Foundation's Effective Practice Guidelines Series*. pgs.4-6.

Although there are no defined steps in the District's onboarding process, we broke down the different areas as it relates to each department that plays a role in employee onboarding for clarity in the report. Within each section, we identified areas that require improvement to ensure compliance with Board Policy and State Laws, effectiveness and efficiency of procedures, and transparency of information. The sections are broken down in the following three areas:

- Intake – Human Resources Department
 - Security of Employee Information
 - Employee Badge Process
- Job Engagement– Hiring Managers
- Training – Professional Learning Department
 - Board Policy Requirements
 - Communication Between Departments
 - Funds
 - Certified vs. Classified.

Intake – Human Resources Department

The intake functions of employee onboarding are the administrative tasks that an employee must complete to meet the Federal, State, and local laws for employment. The documents are completed by the new hire and processed by the HR Department. The process of hiring an employee is initiated after the Hiring Manager has conducted two reference checks and enters a Position Control Action within a workflow. The electronic workflow documents the approvals during each step of the intake process. Below is a breakdown of the process:

- Hiring manager creates Position Control Action,
- Budget Department approves the position within 24 hours of creation,
- Human Resources Technicians contact employee for appointment within 24 hours of budget approval,
- Employee attends intake appointment (timing of appointment is contingent on the employee's availability),
- Background Check/Drug Screen (securities) process begins the same day of the appointment and can take up to 48 hours for approval,
- Once the background check and the drug screening test results are completed without any issues, an HR Technician enters the salary/step/grade of the potential employee, notifies employee of start date, and approves the employee to move to the next step,
- Within 24 hours of salary/step/grade entry, the HR Director enters the final HR approval.

We conducted internal control tests to identify the length of time it took for a new hire's paperwork to process through the HR Department. Between the dates of July 1, 2017 and November 2, 2017, the District hired 594 employees. We took a sample of 130 of these employees to determine the length of time from the creation of the Position Control Action by the Hiring Manager to the start date of

the employee. On average, the HR department took eight days to process a new hire for employment. Since there are no established benchmarks for this process, Internal Audit cannot conclude if this is within the department's goals. In addition, we found that 86 (66%) employees were processed and approved before their start date; 44 of the employees (33%) had an effective start date prior to the HR Director's approval.

We also found two other areas in need of improvement: security of employee information and creation of the employee badge process.

Security of Employee Information

The new hire paperwork contains personal information that the District must maintain and keep secure in order to adhere to Federal and State laws for employee records. The current process involves the transmission of these forms being moved from one sub-department to another in paper form. The Employee Services Technicians/Specialists and Benefit Technicians are both part of the HR Department. Employee Services conducts the initial intake of an employee's paperwork. Once Employee Services has completed the paperwork and the employee has been approved for hire, the employee's paperwork is transferred to the benefits area of HR. Benefits then creates an employee ID and processes other payroll/tax information within the AHRS (Human Resource Management System). From there, all paperwork except for the New Hire Sheet and Personnel Action Form is returned back to the Employee Services area of HR. Within an undefined time frame, the documents are sent to the District's Records Management Department to be scanned electronically and stored as required by State Retention Laws.

The District provides guidance through a Board regulation for administrative records. A section of Board Regulation CN-R, Administrative Records, states, "SCCPSS employees are encouraged, when possible and appropriate, to use all available electronic technologies that increase efficiency, reduce expenses or improve the methods to process, handle, retrieve, transmit and retain SCCPSS records and information. Electronic records are official records that include writing or other forms of recording that contain information related to the conduct of business in materials prepared, owned, used, or retained by SCCPSS regardless of form or characteristics." The District has a data management system that can store the information maintained by the HR Department. The use of paper to transmit information from one area of HR to another can be eliminated by using this system. In addition, scanning the documents can reduce the chances for paperwork to be mailed to the wrong person or to become lost. Discussions with the Records Management Department revealed the scanning process can be completed by the HR Department. If the documents are scanned by HR, each sub-department would be able to work off the same document (eliminate duplicate documents), be aware of any missing documents in a timely manner (eliminating potential time delay in processing paperwork), as well as, reducing the workflow of another department.

Employee Badges

Under the current process, new hires are required to conduct their new hire appointment at the District's Central Office. Once the appointment and the background check is completed, new hires are required to complete a drug screen offsite at the District's third party vendor. The new hire is instructed to return to Campus Police to receive their employee badge once all securities return clear and are approved for hire. They are not required to receive their badge prior to their start date; however, it is highly encouraged to ensure a smooth transition into their workplace. Otherwise, they will have to take time away from their new job position to return to the Central Office to have their picture taken.

In our discussion with Campus Police, we discovered that the current badge system has the capability to take the picture of the new hire at the same time of the background check. Campus Police can store the picture with the new hire information until they are informed to either delete the picture or create the badge. This would eliminate the employee having to return to the Central Office a second time for a process that can be completed during the initial visit.

Job Engagement – Hiring Managers

When an employee begins his/her first day on the job, the role of onboarding is transferred from HR to the Hiring Manager of the school/site. The manager's job in this process is to continue ensuring the employee is socially integrated into the school/site, gaining knowledge of the organization, and understanding his/her job expectations. We found that HR does not provide guidance to either the Professional Learning Department or Hiring Managers with the type of actions or length of time an employee must continue through the onboarding process. In our discussions with the Professional Learning Department, we discovered outside of THRIVE (District's new teacher program) and the Administrator Leadership program, no program exists for other levels/types of employees that provide ongoing support. Professional Learning has developed onboarding classes and support documents to enhance the new hire experience in the District. These services have been in place for a year and a half but are not utilized as a required class. More information about the role of training new employees will be discussed later in this report.

Because there is no formal guidance for Hiring Managers, we held discussions with Hiring Managers to determine if there was a consistent practice among them and to identify any concerns they had of the process. We took a judgmental sample of 30 principals/department managers. From the 29 that responded, we found all Hiring Managers had not received any guidelines from Human Resources about onboarding but had received information through THRIVE (Professional Learning). Overall, the employee onboarding experiences at the schools/sites were inconsistent among each other. Each manager had their own method of engaging the employee depending on the time of hire and the type of

employee. At the school site level, certified staff received more onboarding support than the classified staff. This is due to the additional support of THRIVE but also because of the way the Hiring Managers monitor their employees (certified vs. classified). In addition, we found most of the activities conducted by the Hiring Managers fell under the definition of orientation and not onboarding. Most would review the school's handbook with the employees, discuss the job description, conduct training for TKES (Teacher Keys Effectiveness System), complete a walkthrough of the site, and introduce the employee to key personnel for the new employee. They would then pair them up with a mentor/buddy. Most of the managers relied on the new hire's mentor/buddy to follow through with other onboarding activities, such as, where to find resources when needed, points of contact concerning a particular subject, how to handle situations, etc.

As part of our discussions, the managers were asked how they seek and provide feedback during the new hire's first year (prior to the first evaluation). We asked if they periodically checked into the following areas:

- Skill sets of new employees (education and ability) – Identification and feedback was based on TKES requirements or while on other walkthroughs.
- Job expectations (how to conduct oneself within the organization) – Identification and feedback was conducted through the employee's mentor or by exception (when it became a problem).
- Job concerns (occupational stress) - In almost all cases, the principals/managers believed the new employee would share any concern with them because they have an "open door policy." Many do not check in on the employee in this area unless there was an exception.

Most managers monitor the process through means of exception or through evaluation (reactionary and not preventative).

Another risk factor we discovered and was a major concern for all Hiring Managers was the level of support for employees that are hired after the school year begins. These employees are termed as "late hires." These employees do not receive the same orientation or support as the staff hired prior to the beginning of the school. We were informed from the Hiring Managers the biggest issue with late hires is the need to get them caught up with the orientation of the school, District, and on-the-job knowledge. Planning days provided for training in the beginning of the year is not available to the new hires during the year. Any scheduled planning days later in the year are often used for classroom planning and/or other instructional trainings.

Training- Professional Learning Department

Training new employees is another step within the process to introduce a new hire to an organization's culture as well as any key information required for their job position. We found that the District does not have a standardized training plan for classified employees. The District's Professional Learning Department

(a sub-department of Academic Affairs) offers a wide range of professional development classes for all staff. They are also responsible for managing and storing professional learning transcripts for all employees in the school district via the Electronic Registrar Online System (ERO). This includes classes provided by the department itself and any classes provided by other resources. Each school appoints a Professional Learning Liaison. This person is responsible to inform the Professional Learning Department when training sessions have occurred within their building. Any training of staff outside of the Liaison's school site is not captured. We discovered the Professional Learning Department does not have the information to manage each employee's record. Other departments within the District provide training but all do not follow protocol of informing Professional Learning of the training and who was in attendance. With no plan and no consistent correspondence to the Professional Learning Department, the training received or not received by new classified hires cannot be measured.

Board Policy Requirements

The District has multiple policies related to training that are required to meet State Board rules and other State laws. A single department does not monitor the assurance that the required trainings, as defined in these Board Policies, are completed by the required staff within a reasonable time from the start of employment. Professional Learning has the capability of maintaining this information; however, this information is not consistently sent to Professional Learning from all of the District's departments.

- Board Policy JGJA, Suicide Prevention, states, "Savannah-Chatham County Public School System shall provide to all certificated personnel annual training in suicide awareness and prevention in accordance with state law and rules established by the Georgia Department of Education." This policy was adopted in 2015; however, it has not been followed consistently. It was discovered by HR in SY18 that all certified staff were not trained as required by Board Policy to comply with House Bill 198: The Jason Flatt Act. Beginning this school year, all school nurses and counselors have been trained as trainers and it is the requirement of the principal to ensure that the staff is provided this training as required. All schools were required to ensure this training was conducted by January 12, 2018 and adhered to this requirement. This goal was completed. Beginning in February 2018, monthly trainings will be held to ensure any new certified staff receive the training.
- Board Policy Regulation JGI-R, Child Abuse/Neglect, states, "In accordance with state standards, all employees of the Savannah-Chatham School District who are new employees to a school will participate at the school in training provided by the school social worker and which emphasizes the legal responsibility of the employee as a mandated reporter, reporting policies and procedures, confidentiality and ways to identify child abuse, neglect and suicide awareness and prevention.

Records of this training will be kept at each school by the Principal or Principal's Designee. The entire school staff will be retrained annually by the school social worker. Support personnel who work directly with children and are not on school staffs, such as school bus drivers and central office personnel, will participate in the training on an every five year rotating basis. New support personnel must receive the training the first year of their employment. Records of this training will be kept at the office of Student Affairs.”

We found in our review that the District provides this training. However, in interviews with new employees, not all have taken the training. The interviews were conducted in November and December of 2017.

Funds

The Professional Learning Department has two main funding sources; Title II, Part A funds and General Funds. Title II, Part A funds have specific guidelines that restrict the Professional Learning Department from utilizing these funds for all staff in the District. They are directed to use these funds to improve teacher and administrator quality through researched based professional learning opportunities as well as ensuring all teachers and paraprofessionals that are teaching in core academic courses hold a required certification. They share this responsibility with the Human Resources Department. The Title II, Part A funds cannot be used to enhance the professional learning of classified employees (with the exception of paraprofessionals) in the District. Since 2015, Title II, Part A Fund allocations have decreased by over a half a million dollars. The allocation for FY18 was \$1,262,302.

To support the District's schools, the Professional Learning Department has allocated State Professional Learning set aside monies from their department budget to schools to use for training expenses. Over the past three years, the Professional Learning Department has reduced the amount of funds given to the schools because they found the schools were not spending all the money provided to them. In FY16, the schools were allocated \$1,500 each. In FY17, the schools were allocated \$1,100 each and in FY18, schools were allocated \$1,000 each. We found in our review that schools were not maximizing the funds provided to them. In FY16, a total of \$9,543 was not spent by the schools and in FY17, a total of \$5,793 was not expended.

In addition, we discovered budget transfers from these same accounts that were compliant with policy; however, they were transferred out of the account line for reasons not related to training. Some of these reasons include the following: to cover a negative balance in another account, to create an account not relative to training, to purchase common core books, or cover summer school costs.

The Professional Learning Department has limited funds to ensure the professional learning strategies of the District are maintained at the levels

needed to meet the professional development needs for all staff. It is important that these funds remain in their purpose to serve the District as intended. Stronger controls over these funds are needed to ensure they are serving the needs of the District as designed.

Certified vs. Classified

As discussed under job engagement, the onboarding of a certified employee is vastly different from a classified employee. From the staff support in HR to the treatment at the school level, the experience is different. For all new teachers (0-3 years in profession), the District provides THRIVE. THRIVE is an induction program that provides orientation and other learning opportunities from classroom management to instruction based learning. It also provides an opportunity for new teachers to build relationships with other new teachers that are in similar job situations. In addition, the Professional Learning Department provides other induction programs for new administrators as well. All certified staff that we interviewed including Hiring Managers praised the impact THRIVE and the Administrative Induction programs have had on their certified staff and their growth within the District.

The classified staff we spoke to as well as selected Hiring Managers indicated that the classified staff do not have the same level of support as the certified staff. Because classified staff have specific tasks that are varied in nature to each other, the District does not have specific training that can meet the needs of all new employees. It appears that each department has developed their own unique set of classes to meet those needs. For example, Custodians have their own set of classes for their training on cleaning tasks, Transportation has developed a learning environment from on the job skills to soft skills, Information Specialists have monthly meetings that serve as training opportunities, and secretaries have meetings twice a year for their training needs. We could not find in our discussion with Hiring Managers how these trainings along with the onboarding of a new employee were interconnected or serve to support an employee from the onset of working with the District. Improvements are needed so that all classified staff have a training plan like their certified counterparts that serves as a support structure their first year for both peer-to-peer networking but also for any job related trainings.

Employee onboarding is not a “one program fits all organizations” program. Research conducted for Best-in-Class onboarding programs determined, “Organizations need consistency in the development, implementation and evaluation of onboarding throughout the organization but should also consider tailoring this approach to different groups in the organization especially when considering engagement strategies.” The organizations that had a Best-in-Class program had the following features within their programs:

- A centralized onboarding process in order to foster greater visibility, analytics and collaboration around onboarding initiatives.
- An onboarding program with tactical and strategic elements necessary to

drive organization performance, accelerate productivity and improve engagement.

- A defined metrics that meets the needs of both HR and business (District) objectives.²

The moment an employee begins the intake process within the District, the recruitment of an employee ends and the retention of the employee begins. Employee onboarding plays a vital role in the retention of an employee. The following recommendations are based on strategies identified in research as well as best practices already in existence within the District.

Recommendations for Condition A

To Human Resources Department:

1. Develop and define a comprehensive onboarding program in collaboration with other departments within the District. This program should at a minimum include:
 - a) Establishing an owner of the process to ensure the designed program maintains integrity and is implemented throughout the District.
 - b) Developing a standard training program that includes adequate funding and is for all staff/all levels that ensures basic knowledge of the District, orientation of the District vision/goals and Board Policies. This training should be provided monthly to support late hires. All training programs should be documented through the District's ERO system.
 - c) Developing benchmarks for required components within the program to ensure the employee's growth can be documented in conjunction with employee performance.
2. Streamline the intake tasks within the Human Resources Department electronically and between sub departments that will reduce the intake time of a new hire and reduce paper waste.
3. Develop a transparent and open line of communication for all departments involved in the employee onboarding program to provide awareness of the status of the new hire, clarity of their role within the program and feedback of the program.

² Laurano, Madeline. (2012). Onboarding 2012 The Business of First Impressions. *Aberdeen Group A Harte-Hanks Company*. p.15.

MANAGEMENT ACTION PLAN				
Audit of Employee Onboarding				
Management's Response and Action Plan				
Comment or Condition Description	Recommendation	Responsible Area(s)	Action	Current Estimated Completion
To: Division of Human Resources				
A.1	Develop and define a comprehensive onboarding program in collaboration with other departments within the District. This program should at a minimum include:			
	a) Establishing an owner of the process to ensure the designed program maintains integrity and is implemented throughout the District.	Senior Director Professional Learning and HR Employment Directors for Certified & Classified Staffing	Using existing funding, HR/PL will contract with a company to provide a combined solution for Selection, Hiring, Onboarding, Professional Development and Employee Evaluations.	Jan-19
	b) Developing a standard training program that includes adequate funding and is for all staff/all levels that ensures basic knowledge of the District, orientation of the District vision/goals and Board Policies. This training should be provided monthly to support late hires. All training programs should be documented through the District's ERO system.	Senior Director Professional Learning and HR Employment Directors for Certified & Classified Staffing	HR/PL will develop a generic training module that employees must take before beginning employment. After working with Division heads, we will develop Job Category specific training.	Jun-19
	c) Developing benchmarks for required components within the program to ensure the employee's growth can be documented in conjunction with employee performance.	Senior Director Professional Learning and HR Employment Directors for Certified & Classified Staffing	Using a single software solution, HR/PL will establish benchmarks to ensure employee growth.	Feb-19
A.2	Streamline the intake tasks within the Human Resources Department electronically and between sub departments that will reduce the intake time of a new hire and reduce paper waste.	HR Employment Directors for Certified & Classified Staffing	A single software solution will enable HR to electronically monitor processes and to reduce paperwork with the goal of going 100% paperless.	Feb-19
A.3	Develop a transparent and open line of communication for all departments involved in the employee onboarding program to provide awareness of the status of the new hire, clarity of their role within the program and feedback of the program.	Senior Director Professional Learning and HR Employment Directors for Certified & Classified Staffing	HR/PL will develop electronic workflows that assist HR/PL and Department Heads with knowing the status of the employee after the employee has agreed to join the district through their first six months of employment.	Jan-19