

MARYLAND-NATIONAL CAPITAL PARK & PLANNING COMMISSION

**Department of Human Resources and Management
DHRM Recruitment and Selection Services**

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DHRM Recruitment and Selection Services

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I. EXECUTIVE SUMMARY

A. Background

The Department of Human Resources and Management (DHRM) provides executive and operational guidance to the Maryland-National Capital Park and Planning Commission (M-NCPPC or Commission). Under the leadership of the Executive Director, DHRM leads the agency through a set of best management practices, recommends and implements policy, and establishes administrative standards for efficient and effective operations. DHRM is also responsible for the systems and programs that meet regulatory requirements and support the agency.

The Human Resources (HR) Division is one of three¹ divisions within DHRM. The HR Division is comprised of five departments: Classification and Compensation, Employee Records/HRIS, Employee Health and Benefits, Employee and Labor Relations, and Recruitment and Selection Services. The audit focused primarily on Recruitment and Selection Services (RSS).

RSS staff provide whole-cycle recruitment activities to the agency, including employment advertising, application processing, Park Police entry and advancement testing, the administration of background checks, employment and promotion offers and new hire orientation. The team also manages NEOGOV, an outsourced online job application tracking system.

Although RSS is responsible for the recruitment and selection processes within the Commission, Department² HR personnel provide critical recruitment and selection services to their specific departments. Services may include, but are not limited to, answering questions and providing guidance to hiring managers; creating job requisitions in NEOGOV; preliminary review of job interview questions; assisting with telephone pre-screenings of applicants; assessing interview panel composition; participating on interview panels; reviewing hiring package contents before they are forwarded to RSS recruiters; help coordinate employee training; and preparing and updating policies and procedures.

¹ Human Resources Division, Budget Office, Corporate Policy & Management Operations Division

² Prince George's County Department of Parks and Recreation, Prince George's County Planning Department, Montgomery County Department of Parks, and Montgomery County Planning Department

B. Objective, Scope and Methodology of the Audit

Objective

The purpose of the audit was to identify opportunities to strengthen internal controls, improve operational efficiencies and help ensure compliance with Commission policies and procedures.

In addition, the audit scope was designed to identify possible fraud, waste or abuse within the process(es) being audited.

Scope

The scope of the audit included, but was not limited to, the following audit procedures:

- Interviewed management and staff (RSS & Commission Departments) to obtain an understanding of operations and administration.
- Reviewed processes for compliance with applicable federal, state and local laws and regulations.
- Reviewed processes for compliance with Commission practices and procedures.
- Selected a sample of employee hiring packages and tested them for completeness (i.e., verifying all required documents were included to support personnel decisions).
- Selected a sample of Merit employees who received job offers and tested to verify completion of required background checks.
- For the sample of Merit System employees' background check results, verified that any checks that did not indicate clear results were forwarded to in-house Legal Counsel for hiring decisions.
- Reviewed RSS statistical data for timing required to fill job positions (i.e., number of days), using the following criteria: 1) from the date of the first job posting advertisement through the date RSS receives hiring package documents for job offerees, and 2) from the date of the first job posting advertisement through date of new hire orientation.

The audit covered the period from May 1, 2018 – April 30, 2019.

Scope Limitation: The audit scope was limited to the recruitment and selection processes for Merit System employees only.

Methodology of the Audit

Inquiry, observation, data analysis, and tests of transactions were performed to complete the audit objectives.

The audit was conducted in accordance with the *U.S. Generally Accepted Government Auditing Standards*. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for the findings and conclusions based on the established audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

C. Major Audit Concerns

The results of our evaluation and testing procedures indicated no major audit concerns.

Overall Conclusions

The results of our evaluation and testing procedures indicate deficiencies in the design or operation of internal controls for administering the recruitment and selection processes for Merit System employees.

We believe all weaknesses identified and communicated are correctable and that management's responses to all recommendations satisfactorily address the concerns. It is the responsibility of management to weigh possible additional costs of implementing our recommendations in terms of benefits to be derived and the relative risks involved.

We wish to express our appreciation to DHRM Recruitment and Selection Services and Departmental Human Resources management and staff, for their cooperation and courtesies extended during the course of our review.



Wanda King, MBA
Assistant Inspector General



Renee M. Kenney, CIG, CPA, CIA, CISA
Inspector General

December 23, 2019

Conclusion Definitions

Satisfactory	No major weaknesses were identified in the design or operation of internal control procedures.
Deficiency	A deficiency in the design or operation of an internal control procedure(s) that could adversely affect an operating unit's ability to safeguard assets, comply with laws and regulations, and ensure transactions are properly executed and recorded on a timely basis.
Significant Deficiency	A deficiency in the design or operation of an internal control procedure(s) which adversely affects an operating unit's ability to safeguard assets, comply with laws and regulations, and ensure transactions are properly executed and reported. This deficiency is less severe than a material weakness, yet important enough to merit attention by management.
Material Weakness	A deficiency in the design or operation of an internal control procedure(s) which may result in a material misstatement of the Commission's financial statements or material impact to the Commission.

II. DETAILED COMMENTARY AND RECOMMENDATIONS

1. Strengthen the Review and Selection Process

Issue: During our review of selection and recruitment documentation, we identified the following deficiencies:

- Documentation supporting referrals to the hiring manager is not adequate. Not all applicants that meet minimum qualifications (MQ) are referred to the hiring manager for subsequent review. The recruiter may use professional judgement to determine who will be referred. However, there is not consistent documentation that evidences why an applicant, that meets MQ, wasn't referred.
- Recruiters do not always assign a final disposition status in NEOGOV to applicants who do not meet the required MQs. The applicants remain erroneously classified as "Reviewing for MQs."
- RSS has no standard operating procedures (SOP's) for processing applications in NEOGOV.
- There is insufficient managerial oversight of the selection process within RSS.

Commission procedures require the assessment of MQs for all³ applicants. When an application is received, it is automatically assigned a status of "Application Received" in NEOGOV. If, after the recruiter's review, the applicant meets minimum qualifications, the application is typically marked as "Referred to the Hiring Manager". The hiring manager only receives applications that have been referred.

During audit testing, the OIG reviewed 12 judgmentally selected closed job postings. Within the sample, there were 991 aggregate applications. The applicants were assigned the following status within NEOGOV:

Status within NEOGOV	No.	% of Total
Referred to Hiring Manager	613	61.9%
Did not meet Minimum Qualifications	258	26.0%
Reviewing for Minimum Qualifications	120	12.1%
TOTAL	991	100%

For 120 applicants, or 12.1%, it appears they may not have been thoroughly reviewed, as the status implies, they are still under review (i.e., Reviewing for

³ Some applicants may be excluded from review if the application is incomplete. Examples of incomplete applications include individuals who attach a resume without completing the M-NCPPC on-line application or individuals who fail to answer the required supplemental questions.

and testing by the OIG, it does not appear that the recruiter is actually using this feature within NEOGOV.

Criteria/Risk: Per Commission Administrative Practice No 03-03, *Recruitment and Selection*, “All applications received by the Recruitment and Selection Services Office will be screened against the required qualifications as identified in the Commission’s classification specification.”

In addition, all open Merit System Career opportunities must be posted for a minimum of ten (10) days.

Failure to review all applicants for minimum qualifications may:

- Prevent a highly qualified applicant from being considered;
- Result in a discrimination claim; and
- Impact the Commission’s reputation.

Recommendation: RSS personnel should review and assess all timely applications to determine if the candidate meets the documented minimum qualifications. If the hiring manager only wishes to see x number of candidates, the recruiters should utilize a pre-defined selection process. Examples of a predefined selection process may include a graded screening questionnaire, assignment of points for preferred qualifications, etc. The selection criteria for review cannot be applications received before a specific date. The selection for referral cannot be arbitrary. The selection criteria should be documented.

RSS should document their internal procedures for the selection and review of candidates. Although the use of professional judgement is required and expected of the recruiters, guidelines should be available to mitigate the risk of arbitrary selections.

Management should ensure that all recruiters assign a final disposition status in NEOGOV to the applicants who did not meet the required MQs for referral to hiring managers. The final disposition status for all applicants should be one of the following:

- Referred to hiring manager;
- Did not meet minimum qualifications; or
- Met minimum qualifications, but not the most qualified.

The [REDACTED] should take a more active role in recruitment activities. Examples include obtaining periodic reports for closed job positions that identify any applications with “Application Received” or “Reviewing for Minimum Qualification” status within NEOGOV.

If possible, features (i.e., filters) within NEOGOV that allow recruiters to only select applications received before a specific date or select every x number (e.g. 10th) application should be disabled. If they cannot be disabled, the use of these features should be disallowed and strictly enforced.

Issue Risk: High

Management Response: The RSS Office will ensure that all candidates for Commission Merit vacancies are appropriately reviewed by Recruitment staff. All candidates meeting the stated Minimum Qualifications will be forwarded to the Hiring Organizations for further consideration.

Candidates applying for Commission Merit vacancies who do not meet the stated Minimum Qualifications and are not forwarded to Hiring Organizations for further consideration will be documented as “not qualified” using existing NEOGOV functionality and the final disposition noted.

Any NEOGOV features which might permit a Recruiter to not review candidates applying in a timely fashion to Commission Merit vacancies is immediately prohibited from use by RSS Office staff.

RSS will document their internal procedures for the selection and review of candidates and develop guidelines to mitigate the risk of arbitrary selections.

Expected Completion Date: April 2020

Follow Up Date: July 2020

2. Define Benchmarks to Expedite Recruitment Cycle

Issue: The general consensus among department management and RSS is the dissatisfaction with the number of days it takes to fill a position within the Commission. However, not all managers appear to have a clear understanding of where the process stalled for each recruitment.

Although RSS tracks and reports on internal hiring statistics (**see Exhibit A**), there are no defined benchmarks or performance indicators to assist management in identifying bottlenecks and providing solutions to expedite the recruitment cycle.

OIG reviewed internal statistics prepared by RSS that document the number of days required to fill job positions for each recruitment. OIG reviewed the data for 12 recruitments selected for testing. Seven of 12, or 58.3 % (**see Exhibit A**), of the recruitments required 120 through 203 days to fill job positions. RSS calculated the number of days starting from the initial date of job posting advertisement, until the new hire orientation date.

Criteria/Risk: According to research conducted by RSS management, the Society for Human Resource Management (SHRM), a premier global human resource organization, the average time it takes to fill a given position is 42 days. Given the decentralized governance structure within the Commission, recruitment and selection is subject to impediments that may increase the time (i.e. more than 42 days) to successfully complete quality recruitments, however a benchmark or goal has not been defined.

Failure to identify and manage bottlenecks that occur during the recruitment and selection cycle may lead to missed opportunities to attract and hire the best job candidates in a competitive marketplace, due to hiring delays.

Recommendation: We recommend RSS and Human Resource personnel responsible for recruitment and selection perform the following:

- Actively collaborate to identify and document key performance indicators (KPI's) or benchmarks for each major step in the recruitment and selection cycle.
- Periodically review and analyze recruitment data, comparing results against defined KPI's to measure progress made toward reducing the number of days to fill job positions, while maintaining the quality of recruitment and selection.

- Develop escalation procedures and periodically communicate progress made toward achieving goals, or any significant challenges, to Commission senior management.

Issue Risk: High

Management Response: Under the direction of the Executive Director, the HR Director and Recruitment staff will implement a pilot program within CAS to identify and address obstacles which prolong “Time to Fill” rates. This will consist of the following:

- a comprehensive review/analysis of Key Performance Indicators within Legal, DHRM and Finance;
- Developing a detailed flow chart of the selection process within CAS;
- Identifying obstacles that hinder timeliness and efficiency and their resolution.
- Embedding milestones within the process with timelines which confirms timelines at each process stage for Selection Services and the Hiring Departments to promote optimum efficiency of throughput and accountability.
- Ensure escalation procedures are in place to communicate progress concerns to senior management.
- Weekly assessment pilot’s progress and areas needing attention/modification.
- Final overall assessment of pilot’s success.

Based on the success of the pilot, the model will subsequently be implemented one department at a time in across the Commission to ensure each department’s uniqueness and needs are addressed.

Expected Completion Date: March 2020

Follow-Up Date: July 2020

3. Notify Applicants of Final Hiring Decisions

Issue: Applicants selected for interviews are not always notified of final hiring decisions. According to RSS personnel, once the position has been filled (i.e., the new hire has officially started employment), email notifications are sent to all interviewees who were not selected for the position, updating them on their application status. Applicants receive a standardized email message that RSS manually generates in NEOGOV.

The OIG selected 12 recruitments for audit testing. For these recruitments, the hiring departments interviewed a total of 55 applicants. The 12 successful interviewees received official offer letters, therefore, 43 interviewees (55 minus 12), should have received notification that they were not selected. RSS only sent notification to 36 of 43 interviewees, or 83.7 %.

Criteria/Risk: Failure to notify interviewees of their application status is the equivalent to inadequate customer service, as this does not promote a positive, employee centric, culture to job applicants.

Recommendation: RSS management should ensure, at minimum, that notification emails are sent to all interviewees.

Although the current practice of waiting until the new hire starts employment reduces the risk of “false” notification, an expedited notification would enhance a job seeker’s experience with the Commission. Management may want to consider generating the communications, once a signed offer letter is received from the offeree, rather than waiting for the new hire’s start date.

Management should also research the feasibility of automating NEOGOV to notify all applicants of their status.

Issue Risk: Medium

Management Response: Interviewed applicants receive a standardized email message that RSS manually generates in NEOGOV; the OIG’ s sample indicated 83.7% of the interviewed applicants received a response. Human error resulted in a packet being overlooked accounting for the remaining 16.3%.

The RSS Office is currently soliciting input from the stakeholders to ascertain whether the timing of notifications of final hiring decisions sent to interviewees should be changed from the current practice, which is at the time of New Hire Orientation (start date).

Management will concurrently explore the feasibility of automating notifications for those who were interviewed and those not interviewed (and associated funding).

If it does not, functionality exists within NEOGOV for Commission departments to update applicant status when decisions concerning interviews are made.

- Such status changes would only be visible to applicants viewing their updated NEOGOV profiles with regard to positions applied for.
- Alternatively, Commission departments can generate e-mail notifications from templates within NEOGOV informing applicants who have not been selected to interview.

Currently, both practices are not commonly utilized by Commission departments.

During the pilot program, we will analyze whether the current functionality within NEOGOV is sufficient to meet the need before exploring system customization for applicant notification.

Expected Completion Date: March 2020

Follow-Up Date: July 2020

4. Document Criteria Used for Interview Selections

Issue: Department hiring managers have the prerogative to use their professional judgement in selecting applicants who they deem most qualified to invite for interviews. However, hiring managers are not required to formally document the criteria used to select applicants for interviews referred to them by RSS.

Criteria/Risk: The United States federal government has created and enforced numerous laws for hiring individuals. Some of the more prominent regulations include the Civil Rights Act of 1964, Age Discrimination Act in Employment of 1967 and the American Disabilities Act of 1990. State and local government rules and regulations also apply. Failure to document selection criteria may result in violations of the hiring laws.

Recommendation: For each recruitment, roles and responsibilities for identifying interviewees that have met the established MQ should be clarified. Given the current decentralized structure within the Commission, these activities can be successfully completed by RSS and/or Department HR personnel.

- As stated in recommendation #1 (page 6), RSS personnel should document why candidates, that met the MQ's, were not referred to management for possible interviews.
- Hiring managers should document the criteria used for selecting interviewees from candidate referrals forwarded by RSS. This may include criteria such as assigning points for preferred qualifications, the completion of telephone screenings, the assessment of supplemental questionnaires and/or, the significance of submitted cover letters.
- Hiring managers should document selection criteria in NEOGOV, if feasible. However, if there is no available space to document the criteria in NEOGOV, hiring managers should include the documentation in the hiring packages sent to RSS.

Issue Risk: Medium

Management Response: As stated in Management Response to Recommendation #1, the RSS Office will ensure that all candidates for Commission Merit vacancies are appropriately reviewed by Recruitment staff. All candidates applying for Commission Merit vacancies who do not meet the stated Minimum Qualifications and are not forwarded to Hiring Organizations for further consideration will be classified as "not qualified" using existing NEOGOV functionality.

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Whether or not there is sufficient functionality for use by other Commission departments will be explored during the pilot program.

Expected Completion Date: March 2020

Follow-Up Date: July 2020

Additional Auditor Comment: If NEOGOV cannot be used to document interview selection criteria, other mitigating controls should be implemented to reduce the identified risk.

5. Formalize Procedures for Updating NEOGOV Access

Issue: RSS does not have a formal process for updating employee user access within the NEOGOV job posting and tracking application. Access to NEOGOV is determined for each unique posting at the department level. Employees who typically obtain access to NEOGOV include Human Resource field personnel with recruitment responsibilities.

User access to NEOGOV should be periodically reviewed and updated to reflect internal employee transfers and terminations. In addition, user access should be updated for employees whose job responsibilities no longer require user access.

During the audit review, the RSS Manager advised OIG that the Human Resources Information Systems Manager has agreed to forward the names of employee transfers and terminations, as supported by approved Interim Personnel Action Form (IPAF), to assist with user access updates.

However, OIG notes that the IPAF will not necessarily capture those employees who remain in the same departments, but whose job responsibilities no longer require user access to NEOGOV. RSS management asserted that this group of employees does not have department wide user access to review all recruitment data. They can only see those recruitments to which they are specifically assigned.

Criteria/Risk: Industry best practices encourage periodic review of employee user access to data for employee transfers, terminations and also for employees whose job responsibilities no longer require access to various organizational data. However, for NEOGOV, the risk related to employees whose job responsibilities no longer require user access is mitigated, because they can only see recruitments if they were assigned to them.

Recommendation: Recruitment and Selection management should perform the following:

- Ensure user access is granted to employees based on the principle of least privilege; and
- Formally document the new agreed upon procedures between RSS and Human Resources Information Systems to ensure NEOGOV user access is revoked timely for employee transfers and terminations.

Risk: Low

Management Response: Procedures regarding access and revocation will be developed between RSS and HRIS.

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Expected Completion Date: May 2020

Follow-Up Date: July 2020

Exhibit A

**Recruitment and Selection Services
Application Tracking (Excerpt)**

Position #	Position Title		Dept	Division	First Advertisement Date	New Hire Orientation Date	# of Days to Fill
█	Senior Mechanic	█	MC Parks	Facilities Management	10/16/17	5/7/18	146
█	Principal Human Resources Specialist (Principal Employee/Labor Relations Specialist)	█	CAS	DHRM	2/22/18	6/18/18	83
█	Accountant I	█	Finance	Accounting Division	4/13/18	7/16/18	67
█	Deputy Planning Director	█	MC Planning	Director's Office	1/10/18	8/27/18	164
█	Regional Operations Manager	█	MC Parks	Southern Parks	3/27/18	9/10/18	120
█	Senior Administrative Specialist (Construction Procurement Specialist)	█	PG Parks and Recreation	Park Planning and Development Division	1/31/18	10/8/18	179
█	Administrative Assistant III	█	PG Parks and Recreation	Sports, Health and Wellness Division	7/16/18	11/5/18	81
█	Senior Planning Technician	█	PG Planning	Countywide Planning Division	4/5/18	12/3/18	173
█	Systems Analyst (Technology Program Coordinator)	█	PG Planning	Information Management	9/5/18	1/14/19	94
█	Planner Coordinator (Historic Preservation Specialist)	█	MC Planning	Functional Planning and Policy	10/11/18	2/25/19	98

Exhibit A

██████	Therapeutic Recreation Specialist III (Training and Community Outreach Coordinator)	██████ ██████	PG Parks and Recreation	Special Programs	5/31/18	3/11/19	203
██████	Senior Welder	██████ ██████	PG Parks and Recreation	Southern Area Maintenance	9/18/18	4/22/19	155