

## **Weekly HR News - Human Resources Audit**

### **Five Ws to Keep Your City in Compliance**

#### *Who needs to do an HR Audit?*

HR personnel as well as the executive authority for the city must be certain that HR audits are being done. Persons within these positions are on the frontlines of all the personnel action and must be a knowledgeable resource for the employees and management.

#### *Why do you need an HR audit?*

Federal, state and local employment laws can be very complex. Violations of these laws, even when unintentional, can lead to lawsuits, fines, bad publicity and even employee frustration. Issues also present themselves when you have in place rogue management, or those who do not have sufficient training to handle employment issues as they arise. Eliminating those risks is a significant responsibility of HR.

#### *When should the HR audit occur?*

Typically an HR audit should be done on a yearly basis; however, some cities find that several mini-audits throughout the year make this task less cumbersome. Changes in the law occur annually, so in order to maintain legal compliance the city's policies and procedures need to be updated at least that frequently. Making the time to do a complete HR audit not only ensures compliance with the laws, but it also provides opportunities to improve the effectiveness of the city's HR practices such as employee performance and engagement. In addition, if there is an issue with employees or management, discovering these problems in a timely manner can keep them from spiraling out of control.

#### *What should be audited?*

The first thing any city should do when completing an HR audit is to create and review a comprehensive checklist. At the very least, the city should review the following areas:

- Employment Law Updates (federal, state and local)
- Do you have I-9 Forms on all employees? Are you using the most current form dated 7/17/17?
- Discipline Procedures and Documentation
- Equal Opportunity
- Wage and Hour Administration
- Job Elimination/Separation Documentation
- Hiring Process
- Benefits Administration, ERISA and COBRA (or State Continuation Coverage if less than 20 employees)
- Personnel Files and Records
- Americans with Disabilities Act (ADA)
- Policies and Procedures

- Workplace Harassment and Sexual Harassment
- Discrimination
- Family Medical Leave Act (FMLA)
- Uniformed Services Act (USERRA) and Kentucky Military Law
- Background Investigations
- Drug and Alcohol Testing

However, it isn't enough to check these items off your list. Even if all of your policies are completely up-to-date and legally compliant, if city officials and supervisors do not practice what they preach, the liability risks increase significantly. For example, even if you have a legally compliant workplace harassment policy, it will not create a respectful workplace. If the executive authority or supervisors ignore or allow disrespectful behavior, the policy is not worth the paper on which it is written and can lead to costly litigation. As part of this process, you have to be certain that the policies are being followed as they are written. Do this by auditing employees for their feedback and reviewing any employee complaints that may have been filed to look for holes in the process.

*Where do you take the results?*

The results should not sit on the shelf. Once any potential issues have been identified, be certain that the executive authority in your city is aware of the issues. The executive authority must then make changes to city policies or HR processes to get your city into compliance. Do this by updating personnel policies and by providing training to employees, supervisors and management personnel. Especially target those in management who are not following procedures. Emphasize the fact that any employee or supervisor not following the policies and procedures will be subject to discipline, including termination from employment.

No matter what your HR audit looks like, it is important to engage in continual observation and improvement of the city's policies, procedures and practices. By doing this, you will ensure that your city never ceases to improve.

For a sample HR Audit Checklist or questions on this or other personnel matters, contact personnel services specialist, Andrea Shindlebower Main.