



Seattle Public Schools The Office of Internal Audit

**Internal Audit Report
Employee Background Checks**

June 1, 2016 through Current

Issue Date: September 5, 2017



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Executive Summary

Background Information

Employee background checks are conducted as part of the hiring process to maintain high quality staff and ensure the safety and security of students that attend Seattle Public Schools (the “District”). All District employees must have a fingerprint-based background check. Students of Seattle Public Schools and minors under the age of 18 are exempt from the background check process.

Board Policy No. 5005, governs employee criminal background checks, in compliance with the Revised Code of Washington and Washington Administrative Code. This policy and internal procedures set forth the rules, regulations, and procedures related to employee background checks. State law requires school district employees who will have regularly scheduled unsupervised access to children to have a fingerprint background check, and when necessary, allows applicants to be employed on a conditional basis pending completion of the investigation. It is the District policy to require fingerprint background checks to be performed upon initial hiring of all new employees regardless of whether they will have regularly scheduled unsupervised access to children, and it is the District’s common practice to allow most new employees to be employed on a conditional basis pending completion of fingerprint background investigations. The submission of fingerprints initiates the background check process and allows employees to begin working as the criminal background investigation is still pending. In accordance with Federal Law, Head Start¹ employees must have their background checks completed and receive clearance before employment begins. It is the District’s practice to require all athletic coaches to have their background checks completed and receive clearance before employment begins.

The fingerprint background check consists of a check through the Washington State Patrol (WSP) and the Federal Bureau of Investigation (FBI). State law does not allow substitute versions of any fingerprint record checks. The WSP and FBI check for a criminal history, including evidence of a felony, gross misdemeanor, misdemeanor convictions and/or arrests. These agencies provide the Office of Superintendent and Instruction (OSPI) with investigation results which are entered into OSPI’s Education Data System (EDS) database. The records reside in the EDS database for two years. Investigation results are typically available within 24 hours to two or more months.

Fingerprint background check results are valid for two years from the FBI clearance date. If an employee changes school district employers and the record check is more than two years old, a new fingerprint background check is required. District employees that were previously terminated and are re-hired by the District are required to have a fingerprint background check if it has been more than 2 years since the last FBI clearance date. In general, current employees of the District moving from one position to another with no break in-service are not subject to another fingerprint background check.

¹ Head Start is a federally funded child development program for low-income children and their families. The District serves three-year and four-year-old children. As a recipient of Head Start funds, the District is required to adhere to overarching federal requirements including the Head Start Act which requires all prospective Head Start employees to have criminal background checks completed before employment begins. (U.S. Department of Health and Human Services, Document Number ACF-PI-HS-09-05)



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There are four main departments involved in the background check process, including Safety and Security, Human Resources (HR), and satellite HR functions located within the Facilities Department and Nutrition Services.

Safety and Security

The primary function of the Safety and Security Office is to ensure a safe and secure environment for all students, staff, and visitors. The Safety and Security Office staff performs electronic fingerprint scans for prospective employees.

Human Resources

The Human Resources Department collects all payments for electronic fingerprint scans performed by the District's Safety and Security Office. These payments are deposited into an account specifically for fingerprinting fees. A processing fee of \$43.00 per fingerprint is distributed to three agencies, split between the FBI, WSP, and OSPI. HR is responsible for staffing regular employees (permanent full-time and part-time employees), substitutes, and hourly site-based hires (schools, departments).

Satellite Hiring Locations

In addition to the central Human Resources Department, there are two satellite HR functions within the Facilities Department and Nutrition Services. These departments experience higher turnover rates compared to other departments, and have an increased need for a quick turnaround time when hiring new staff. Due to this urgency, Facilities and Nutrition Services have parallel human resource processes for recruitment, on-boarding, and staffing of employees in their respective departments.

Background Check Process

Once a prospective employee accepts a job offer, they must schedule to have their fingerprints electronically scanned by the Safety and Security Office. The fingerprints are electronically submitted immediately to WSP for further processing. Prior to inputting a new employee into the SAP system, and before the employee can start working, District procedures require that Human Resources and satellite hiring staff access the EDS database to verify that the employee's fingerprints have been submitted. New employees and re-hired District employees should not be input into the District's system unless their fingerprints are submitted and/or cleared depending on the employee's position. After an employee's fingerprints have been submitted, the Human Resources Department checks the investigation results through the EDS database to determine whether the employee should be considered for employment.

Investigation results that typically appear in the EDS database include: pending, cleared, re-submit, and RAP sheet.

- Pending: No results received by OSPI.
- Cleared: No arrest and conviction record.
- Re-Submit: Fingerprints rejected due to poor print quality.
- RAP Sheet: The individual has a Record of Arrest and Prosecution sheet on file.



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Re-submit results require employees to have their fingerprints taken with ink and card at an approved law enforcement agency or the WSP Criminal Records Division in Olympia. Human Resources requires two fingerprint cards to be completed. One is submitted for background check processing and one is retained at the District. If the first card submitted is rejected, the additional card may be sent to WSP for processing. Human Resources checks the status of the card fingerprint results in the EDS database. Once the investigation results clear the database, the employee's personnel record is updated in SAP to note the results, and the employee's additional fingerprint card is retained by HR.

Information received on RAP sheets are confidential and are only sent directly to a designated HR Labor and Employee Relations (LER) analyst for review. The LER analyst will make a recommendation of whether the prospective employee is suitable to work for the District or if they should be terminated. The Executive Director of Labor and Employee Relations reviews the recommendation from the LER analyst and makes a final determination on how to proceed. Prospective employees with certain convictions, such as crimes against children, are automatically excluded by statute. In other instances the LER analyst contacts the employee for an explanation of the conviction(s), reviews any disclosures related to criminal history provided in the completed job application, and makes the recommendation based on three criteria:

- The nature and gravity of the offense or conduct.
- The time passed since the offense or conduct, and/or completion of the sentence.
- The nature of the job held or sought.

Based on the RAP sheet review and recommendation from LER, an employee may or may not continue employment with the District. If it is determined an employee should not work for the District, he/she will not be hired for future employment or HR will terminate employment if the employee has started working for the District.

Roles and Responsibilities

This audit was completed as part of the *Annual Risk Assessment and Audit Plan* approved by the Audit and Finance Committee on September 13, 2016. District management has the primary responsibility to establish, implement, and monitor internal controls. Internal Audit's function is to assess and test those controls in order to provide reasonable assurance that the controls are adequate and operating effectively. We conducted the audit using due professional care, and we believe that the evidence obtained provides a reasonable basis for our findings and conclusions.

Audit Objectives and Scope

The objectives of this audit were to determine if:

- Employee fingerprints are submitted and/or cleared for criminal background investigations for all new and re-hire District employees prior to the employees beginning any work assignment for the District.



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- The District has implemented adequate internal controls over criminal background checks to ensure compliance with the District's policies and procedures and applicable State and Federal law.

Audit Approach and Methodology

To achieve the audit objectives, we performed the following procedures:

- Planned the audit in cooperation with staff from the Human Resources, Safety & Security, Facilities, and Nutrition Services Departments to ensure that we had a strong understanding of the District's criminal background check process.
- Interviewed staff knowledgeable of the fingerprint background check process. We focused specifically on processes related to background checks of District employees during the hire and re-hire employment process. We excluded temporary contracted workers which are related to vendor contracts and personal services contracts processes.
- Analyzed available data to corroborate the information obtained during our walkthroughs.
- Reviewed all applicable Revised Code of Washington, Washington Administrative Code, OSPI reference material for State compliance requirements, and the Code of Laws of the United States and administrative guidelines for federal compliance requirements.
- Reviewed applicable District policies and procedures for any additional compliance requirements.
- Performed tests and analysis of the objective areas to support our conclusions.
- Contacted outside school districts to evaluate aspects of the District's background check processes in relation to other districts.

Conclusion

Based on the results of the audit procedures performed, the District appears to have adequate internal controls, policies, and procedures over the criminal background check processes, except for the items noted in this report. This report identifies recommendations that are intended to improve the overall accountability and transparency of the employee background check process.

We extend our appreciation to the staff within Human Resources, Safety & Security, Facilities, and Nutrition Services for their assistance and cooperation during the course of the audit.

Andrew Medina

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Director, Office of Internal Audit



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Findings and Recommendations

1) Employee Background Checks

During our review of 126 employees hired between June 1, 2016 and July 21, 2017, we noted the following exceptions which indicate a weaknesses in the internal control process over employee background checks:

- Six percent of the employees tested started working for the District prior to submitting fingerprints for a background check.
- Twenty-four of the employees tested were Head Start employees or athletic coaches that are required to receive clearance before starting their employment; however three such employees (13%) started working for the District prior to receiving clearance.
- Six percent of the employees tested were re-hires who did not have a background check completed in the last two years and did not submit new fingerprints.
- Employee personnel records were not updated with the most current fingerprint information from the EDS database for 13% of the employees tested.
- Eleven of the employees tested had RAP sheets, but the results for two of the employees (18%) were not reviewed by the Human Resources Department in a timely manner. One new hire was not reviewed for 150 days, and another new hire was not reviewed for 271 days. The RAP sheets were eventually reviewed and the employees were cleared and recommended by Human Resources to continue employment.

In addition to the exceptions noted above, we found:

- Personnel records for one employee included fingerprint data for a different individual from another district. The date of birth, social security number, and fingerprint data for an individual with a similar name were copied and pasted into the employee's personnel records in SAP.
- Unnecessary fingerprint background checks were conducted for two employees who had prior FBI clearance within the last two years.

Although the results of our testing identified concerns related to the timelines of background checks, we are not aware of any employees that did not receive a background check.

We met with key personnel involved in the verification and monitoring of employee background checks and noted that:

- It is difficult for the Human Resources Department to ensure the start of employment occurs only after the employee's fingerprints are submitted because they rely on hiring managers and employees in schools, and other departments, including satellite hiring



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sites (Nutrition Services and Facilities) to adhere to District's policies and procedures related to the hiring of employees and ensuring that the background check process begins before employees start working in their assignments.

- Incorrect training and guidance may be provided by previous employees that held the position and do not align with the District's requirements.

Lack of oversight and monitoring of the background check process could put the safety and security of Seattle Public Schools' students at risk and expose the District to possible litigation and reputational damage.

Recommendation

We recommend that the District strengthen its internal controls over the employee background check process to ensure that:

- All new employees submit fingerprints for a background check before they begin employment.
- All Head Start and athletic coaches do not begin employment until they receive clearance to work after their investigation results are received from the WSP and FBI.
- All re-hires submit fingerprints prior to starting employment if they have not had a background check completed in the last two years.
- All employee personnel records are updated with current fingerprint information from the EDS database.
- All RAP sheets are reviewed on a timely basis.

We also recommend the District improve the employee background check training, guidance, and resources provided to schools, and other departments, including Human Resources and satellite hiring sites (Nutrition Services and Facilities) to ensure the safety and security of Seattle Public Schools' students.



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2) Safeguarding of Fingerprint Cards

If an employee's fingerprints cannot be submitted electronically then the employee needs to complete two manual fingerprint cards. In these situations one card is submitted for processing and the second card is retained by the District. The manual fingerprint cards include the employee's inked fingerprints, date of birth, social security number, and other personal information. If the first card is rejected for poor print quality, the second card may be submitted. If the first card is accepted and the investigation results are verified in the EDS database, then the second card is filed in a cabinet within the Human Resources Department that is unlocked during the day.

Recommendation

We recommend the District:

- Store completed manual fingerprint cards in a secure location and limit access to authorized personnel only.
- Shred completed manual fingerprint cards once an employee's first fingerprint card is processed and the investigation results are received.



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3) Receipting and Depositing of Fingerprinting Fees

During the course of the audit we identified the following concerns related to the receipting and depositing of fingerprint fees collected by the Human Resources Department:

- Checks are restrictively endorsed at the end of the day rather than immediately upon receipt as required by District policy and procedures.
- Deposits are prepared weekly, rather than daily. District policy and state law require that all funds be deposited within 24 hours of receipt.

The current procedures do not provide adequate safeguarding of district resources and increase the risk of theft, loss, and abuse.

Recommendation

In order to ensure accountability for public resources; reduce the risk of theft, loss, or abuse, and protect itself and its staff from unnecessary scrutiny, we recommend that the Human Resources Department:

- Restrictively endorse all checks as soon as they are received.
- Deposit all funds collected into a District bank account every 24 hours.



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Management Response

HR leadership has reviewed the audit related to Employee Background Checks and concurs with the findings. HR will begin work on a corrective action plan to address the findings and submit it in the next 30 days.