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**Volunteer and Intern
Recruitment Audit**

September 30, 2021



**City of Fort Worth
Department of Internal Audit**

200 Texas Street
Fort Worth, Texas 76102

Audit Staff

Patrice Randle, City Auditor
Brian Burkland, Assistant City Auditor
Vincent Leal, Senior Auditor





The Volunteer and Intern Recruitment Audit was conducted as part of the Department of Internal Audit's Fiscal Year 2021 Annual Audit Plan.

Audit Objective

The objective of this audit was to evaluate the effectiveness by which the City recruits and utilizes volunteers; and recruits, utilizes and compensates interns.

Audit Scope

Our audit included a review of volunteer and intern activity for the period October 1, 2019 through December 31, 2020. Activity beyond this period was reviewed as deemed necessary.

Opportunities for Improvement

Better utilization of volunteer management software

Consistent policies

Finalized policies and procedures

Executive Summary

As part of the Fiscal Year 2021 Annual Audit Plan, the Department of Internal Audit conducted an audit of volunteer and intern recruitment. Based on our audit results, we concluded that the Human Resources Department effectively managed the recruitment and compensation of paid interns. For example, supporting documentation for paid intern recruiting was available, with no exceptions noted. Also, paid interns were compensated above minimum wage requirements.

In FY2020, the City initiated a non-paid internship program referred to as the Rising Stars Program. Based on input provided by City departments, unpaid interns were only used within the Office of the Police Oversight Monitor during our audit period.

In reference to volunteers, the City of Fort Worth purchased Better Impact volunteer management software (in FY2018) to track and manage volunteers. However, the software was not used by all City departments with volunteers. As a result, volunteer data (e.g., number of volunteers and total volunteer hours) within the volunteer management software did not provide a complete representation of volunteer levels at the City of Fort Worth. Internal Audit, therefore, could not rely upon volunteer data generated from the Better Impact software. Additionally, there were no written, standard operating procedures governing the use of the software.

Internal Audit concluded that volunteer program guidelines, made available to the public, contradicted guidelines noted within the City's Personnel Rules and Regulations. For example, guidelines made available to the public allowed exceptions to criminal record screening requirements if volunteering at one-time public events. However, the City's Personnel Rules and Regulations noted that all volunteers must have a background check, unless a contract or other agreement indicated otherwise.

Standard operating procedures (governing the City's internship program) had been drafted, but not finalized as of this audit.

Our audit findings are discussed in further detail within the [Detailed Audit Findings](#) section of this report.

Table of Contents

Background 1

Objective 3

Scope..... 3

Methodology 3

Audit Results..... 5

Overall Risk Evaluation 7

Detailed Audit Findings 8

Acknowledgements..... 12



Background

The City of Fort Worth (CFW) allows residents/the public an opportunity to volunteer and intern with the City. The Communications and Public Engagement Department administers the City's volunteer program, while the Human Resources Department administers the City's internship program.

Volunteer Program

CFW Volunteer Program Guidelines define a volunteer as anyone who, without compensation or expectation of compensation, performs a task at the direction of and on behalf of the City. The City's Volunteer Program Guidelines state that volunteers may be utilized in all programs of the City, and serve at all levels of skill and decision-making, as appropriate. Those guidelines further state that volunteers should not be utilized to displace any paid employees from their positions, and that a volunteer activity description must be developed for each activity prior to any volunteer assignment or recruitment efforts.

In FY2018, the City purchased Better Impact, a volunteer management software designed to track and manage volunteers. Better Impact's website indicates that the software streamlines on-going communications, scheduling, and reporting within the volunteering activity. Volunteers may access Better Impact to edit profiles, signify interests, acknowledge their understanding of the City's waiver of liability, and log the number of volunteer hours worked. City departmental volunteer coordinators may access Better Impact to accept volunteers, edit volunteer profiles, set up events, send notifications, etc.

The City's website indicates that volunteer data, stored within Better Impact, is secure. Examples include password encryption, 24x7x365 monitoring of servers for intrusion attempts and prevention, and data being housed in a certified environment with an eight-year up-time of 99.987% (99.997% over the past three years).

Better Impact invoices the City annually, based on the number of volunteers subscribed. The City paid Better Impact \$3,980.00 in FY2019 and \$4,185.00 in FY2020. Since Better Impact data is real-time, we could not determine the number of volunteers (within Better Impact) during our audit period. However, based on Better Impact's pay schedule, the City's FY2019 and FY2020 payments were the equivalent of up to 8,000 and 9,000 volunteers, respectively. On July 30, 2021, a total of 9,263 vendor profiles were stored within Better Impact.

Internal Audit was informed that, in October 2017, a Park and Recreation Department employee was initially tasked with coordinating/overseeing 35 CFW volunteer programs. Duties assigned to that employee included coordinating volunteer-related communications, and maintaining volunteer records/data. In March 2020, the volunteer coordinator role was assigned to an employee within the Communications and Public Engagement Department. The Communications and Public Engagement Department has since served as the coordinating department for City volunteers. However, due to COVID, no major emphasis has been placed on coordinating the City's volunteer program.

Internship Program

Currently, the two types of internships available at the CFW are paid and unpaid. Paid intern positions are filled as requested by user departments, and through traditional hiring processes. Since paid interns are compensated, paid interns are included within the City's payroll system.

The City's Rising Stars unpaid internship program was piloted in August 2020. As a part of the pilot program, participating departments were required to complete project proposals that detailed the purpose



for the interns, as well as the interns' duties. Project proposals were to be submitted to the Human Resources Department. Based on feedback obtained from City departments, unpaid interns were utilized to accommodate departmental budgetary constraints. Unpaid interns were not hired to displace the work of paid employees, worked less than 19 hours per workweek, were not compensated and were, therefore, not included within the City's payroll system. The City's Office of the Police Oversight Monitor was the only department that sponsored unpaid internships during our audit period. Those unpaid internships had a September 2020 start date.

Although the City had both paid and unpaid interns during our audit period, formalization of the overall internship program was temporarily put on hold due to the COVID-19 pandemic.



Objective

The objective of this audit was to evaluate the effectiveness by which the City recruits and utilizes volunteers; and recruits, utilizes and compensates interns.

Scope

Our audit included a review of volunteer and intern activity for the period October 1, 2019 through December 31, 2020. Activity beyond this period was reviewed as deemed necessary.

Methodology

To achieve the audit objective, the Department of Internal Audit performed the following:

- reviewed written guidelines and procedures related to the City's volunteer and internship programs;
- reviewed City Personnel Rules and Regulations;
- researched state and federal statutes applicable to employment records and retention schedules;
- surveyed City departments to determine their utilization of volunteers and interns;
- interviewed staff within the Code Compliance, Communications and Public Engagement, and Human Resources Departments;
- reviewed intern hiring documents;
- verified compensation rates paid to interns;
- compared volunteer data (within Better Impact) to volunteer data reported by departments; and,
- evaluated internal controls related to intern and volunteer recruitment.

We conducted this performance audit in accordance with 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 our findings and conclusions based on our audit objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.

Chapter XXVIII of the Fort Worth City Charter established the City of Fort Worth's Department of Internal Audit. Our department was established independent of management, reporting directly to the Fort Worth City Council. We utilized the Committee of Sponsoring Organizations of the Treadway Commission (COSO) framework when evaluating internal controls. The following internal control components and corresponding principles were considered significant to the audit objective.



Internal Control Component	Principles
Control Environment	Managerial oversight, integrity, ethics and responsibility; staff recruitment, development, retention, performance and accountability
Risk Assessment	Clearly-defined objectives to identify risks, define risk tolerances, and implement necessary controls (e.g., written policies and procedures)
Control Activities	Policies, procedures and systems
Information and Communication	Communicate the necessary quality information
Monitoring	Monitor and evaluate the effectiveness of internal controls



Audit Results

Based on responses to an Internal Audit survey, City departments considered the City of Fort Worth's volunteer and internship programs effective. Seven of 23 departments responded to our survey. Of the seven departments that responded:

- three departments indicated they used volunteers;
- five departments indicated they would use volunteers in the future; and,
- all seven departments indicated they used interns, and would offer internships in the future.

Volunteer Program: Since the City's volunteer program is decentralized, departmental volunteer coordinators manage their volunteer processes. CFW Personnel Rules and Regulations (PRRs) require a criminal records check on all potential new hires, temporary workers, volunteer workers, and interns. The PRRs also require volunteer background checks for all volunteers, unless a contract or agreement states otherwise. However, the Volunteer Background Screening Policy (posted on the City's website) allows for criminal screening exceptions, such as one-time public events where volunteers would not be working with vulnerable populations, or one-time public events where volunteers could be working around vulnerable populations in a supervised, public and non-relational role.

Although Better Impact was purchased to help manage the City's volunteer program, not all CFW departments utilize the software. As a result, Internal Audit was unable to determine: the population of individuals who volunteered at the CFW; the total number of volunteer hours; and/or whether each volunteer applicant was screened as required by the City's PRRs. The City's Volunteer Coordinator provided Internal Audit with a list of background screenings for 770 volunteers. However, only 337 of those 770 volunteers were noted within Better Impact.

Internal Audit reviewed the PeopleSoft payroll system to determine whether any volunteers or unpaid interns were included. Based on our test results, Police Reserve volunteer positions were included in PeopleSoft Human Capital Management (HCM) as non-paid positions. Although Police Reserve volunteers were not paid, payroll-related funding identifiers (e.g., fund/department/payroll account/program/project/activity) were noted, within PeopleSoft HCM, for the positions. City management indicated that Police Reserve positions are included in PeopleSoft HCM because an employee number is needed to track radios, equipment, etc. City management noted that internal controls (such as the requirement of a properly approved personnel action request, compensation rates, timesheet, etc.) would be required and thus prevent a Police Reserve from being paid.

Internship Program: The CFW provided paid and non-paid internships to residents/the public. City departments with paid interns included the City Manager's Office, as well as the Human Resources, Information Technology Solutions, Planning and Data Analytics, Transportation and Public Works, and Water Departments.

As previously stated, the Office of the Police Oversight Monitor was the only department indicating they utilized the City's unpaid internship program during our audit period. Internal Audit noted that while the Human Resources Department is responsible for administering a city-wide internship program, oversight of the City's unpaid internship is not centralized. For example, the Human Resources Department indicated that departments could utilize unpaid interns without the Human Resources Department's knowledge.

During our audit period, PeopleSoft HCM contained records for 11 paid interns. Internal Audit observed background checks, education verification, and formal offer letters for each of the 11 paid interns. Overall,



the employment offer letters were uniform, and provided the interns with pay rates and at-will employment terms. Intern compensation varied; however, the interns were compensated above the minimum wage.

The Human Resources Department maintained records (e.g., acknowledgements of employment conditions, relevant federal forms such as the W-4, etc.) of paid interns. The Human Resources Department also surveyed local colleges and universities in the summer and fall of 2019, and determined that a competitive wage for interns ranged from \$15.00 to \$18.00 per hour, in the business, information technology, science, engineering, communication/journalism, and public administration fields of study. Based on PeopleSoft HCM, paid interns were compensated at pay rates ranging from \$15.00 to \$19.24 per hour.

Better Impact Software: Better Impact pricing is based on the number of active volunteers in the software. The City's 2020 subscription totaled \$4,185.00 and was for 9,000 volunteers. At the end of July 2021, there were 9,263 active volunteers in Better Impact. As of audit fieldwork, the City had not submitted payment for 2021, as payment for 2021 was not yet due.

Better Impact does not limit the number of active volunteer profiles that can exist within the software. Furthermore, CFW volunteers remain active in Better Impact until volunteer profiles are moved to archives. Currently, there is no established timeframe by which a CFW volunteer is deemed inactive.



Overall Risk Evaluation

High	Medium	Low
	<u>Underutilization of volunteer management software</u>	
	<u>Contradictory volunteer program guidelines</u>	
	<u>Written policies and procedures not finalized</u>	



Detailed Audit Findings

1. City volunteer records, within Better Impact, were incomplete, and thus unreliable.

Volunteer activity obtained from Better Impact differed substantially from volunteer activity provided by the Communications and Public Engagement Department. Since not all volunteer data was input within Better Impact, system-generated volunteer data was not considered reliable, as it resulted in incomplete and thus inaccurate reporting of volunteer activity.

Internal Audit analyzed four different sources of data (e.g., Better Impact, background checks, departmental volunteer reports and the CFW's badge listing) in an attempt to obtain accurate volunteer counts. Based on our comparison of CY2020 totals, the number of volunteers and volunteer hours in Better Impact were 1,626 and 552,309 less, respectively, than what was provided by the Communications and Public Engagement Department. On July 30, 2021, a total of 9,263 vendor profiles were stored within Better Impact.

Better Impact records included volunteer activity related to programs such as animal fostering, citizens on patrol, golf volunteers, the animal shelter and Keep Forth Worth Beautiful. Internal Audit was only able to verify 337 background screenings (within Better Impact) from the 770 that were included in a list provided by the Communications and Public Engagement Department.

CFW volunteer program guidelines state that volunteers and designated staff shall be responsible for accurately updating all appropriate records and information in a timely manner. Complete and accurate volunteer records, within Better Impact, would result in accurate results obtained when searching, tracking and/or reporting volunteer information.

The United States Government Accountability Office standards indicate that assessing the sufficiency and appropriateness of computer-processed information includes considering the completeness and accuracy of data for the intended purposes.

Recommendation 1A: *The City Manager should require that the Better Impact software be used by all departments with volunteer activity that can be reasonably tracked.*

Auditee's Response: Concur.

Target Implementation Date: Issue an Administrative Regulation (AR) on volunteers and interns by April 1, 2022, after discussion of a draft AR at the February 2022 department heads meeting.

Responsibility: Christine Hernandez, Human Resources (Draft AR)
Tabitha Butler, Communications and Public Engagement (Draft AR)

Applicable Department Heads: Dianna Giordano, Human Resources Director
Michelle Gutt, Communications and Public Engagement Director

Applicable Assistant City Managers: Jay Chapa and Fernando Costa



Recommendation 1B: *The Communications and Public Engagement Director should require that Better Impact volunteer data is reviewed at least annually, and that inactive volunteers (based on management's determination of what is considered inactive) are routinely removed.*

Auditee's Response: Concur.

Target Implementation Date: Include this requirement in the AR to be issued by April 1, 2022.

Responsibility: Michelle Gutt, Communications and Public Engagement Director

Applicable Department Head: Michelle Gutt, Communications and Public Engagement
Department Director

Applicable Assistant City Manager: Fernando Costa

2. Background screening requirements within the City's Volunteer Program Guidelines contradicted those within the City's Personnel Rules and Regulations.

CFW guidelines are intended to provide overall guidance and direction to City staff and volunteers. However, we noted conflicting requirements between the City's Volunteer Background Screening Policy and the City's Personnel Rules and Regulations (PRRs).

- The Volunteer Background Screening Policy (posted on the City's website) allows for criminal screening exceptions. Those exceptions include one-time public events where volunteers would not be working with vulnerable populations, or one-time public events where volunteers could be working around vulnerable populations in a supervised, public and non-relational role.
- The CFW's PRRs require a criminal records check on all potential new hires, temporary workers, volunteer workers and interns. If an outside agency has already conducted a criminal records check for volunteers and temporary workers, the PRRs state that a criminal records check will not be conducted by the Human Resources Department. The PRRs also state that unless a contract or agreement states otherwise, the City's Volunteer Coordinator or designee shall conduct volunteer background checks.

Contradictory policies can create confusion for City staff and volunteers. The Government Finance Officers Association's (GFOA) Best Practices indicate that financial policies are central to a strategic, long-term approach to financial management. GFOA also recommends systemic financial policy monitoring, review, and updates, as needed.

Recommendation 2A: *The City Manager, in conjunction with Human Resources Director and the City Attorney's Office, should determine when background checks are required.*

Auditee's Response: Concur.

Target Implementation Date: Include this requirement in Community and Public Engagement's AR to be issued by April 1, 2022

Responsibility: Jay Chapa, Deputy City Manager

Applicable Department Head: Dianna Giordano, Human Resources Department Director



Applicable Assistant City Manager: Jay Chapa

Recommendation 2B: *The Communications and Public Engagement Department Director, in conjunction with the Human Resources Department Director, should ensure compliance with guidelines established as a result of management’s implementation of Recommendation 2A.*

Auditee’s Response: Concur.

Target Implementation Date (HR): Submit first annual report, regarding the Community and Public Engagement’s AR to City Manager by April 1, 2023

Target Implementation Date (CMO): Submit the first annual report to the City Manager by April 1, 2023. We will rely upon the background check vendor for pertinent information.

Responsibility: Michelle Gutt, Communications and Public Engagement Director

Applicable Department Heads: Dianna Giordano, Human Resources Director
Michelle Gutt, Communications and Public Engagement Director

Applicable Assistant City Managers: Jay Chapa and Fernando Costa

3. Guidelines for the City’s internship program were not finalized, and procedures governing consistent use of the volunteer management software did not exist.

On August 30, 2019, the Human Resources Department drafted policies and procedures to govern the City’s internship program. The draft policies defined “internship”, and included information related to the experience of an internship (e.g., extension of a classroom learning experience, posting unpaid internships on job boards, and academic credit). However, those policies and procedures had not been finalized as of our audit.

In addition, procedures governing the City’s volunteer program did not provide the system end-user with instruction necessary to ensure a uniform volunteer data management process. The Communications and Public Engagement Department indicated that they were in the process of updating the Volunteer Program Guidelines when we initiated the audit.

One of the 17 principles within the COSO framework of effective internal controls is to deploy control activities through policies and procedures. The lack of and/or outdated policies and procedures increases the risk of non-uniform processes, and fails to offer proper guidance to staff.

Recommendation 3A: *The Human Resources Director should require that staff finalize internship program guidelines, and then communicate and make those guidelines available to all City departments.*

Auditee’s Response: Concur.

Target Implementation Date (CMO): Issue the finalized Internship Program Guidelines by December 1, 2021, after discussion at the November 2021 department heads meeting.



Target Implementation Date (HR): Issue finalized Internship Program Guideline by December 1, 2021

Responsibility: Dianna Giordano, Human Resources Director

Applicable Department Head: Dianna Giordano, Human Resources Department Director

Applicable Assistant City Manager: Jay Chapa

Recommendation 3B: *The Communications and Public Engagement Director should require that staff develop policies and procedures that provide necessary guidance regarding proper use of the Better Impact software.*

Auditee's Response: Concur.

Target Implementation Date: Issue a memo to department heads by April 1, 2022, after discussion at the February 2022 department heads meeting.

Responsibility: Michelle Gutt, Communications and Public Engagement Director

Applicable Department Head: Michelle Gutt, Communications and Public Engagement Director

Applicable Assistant City Manager: Fernando Costa



Acknowledgements

The Department of Internal Audit would like to thank the Communications and Public Engagement Department, the Human Resources Department and all user departments for their cooperation and assistance during this audit.