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December 28, 2018

Performance Audit  
Recommendations and  
Corrective Actions for Audit:  
17-03

State Employee Misconduct

Handling of Allegations by the  
Department of Human Resources  
and Selected Organizations  
Needs Improvement in  
Documentation and Timeliness

Dated: June 23, 2017

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# Overview

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The State Auditor's Office (SAO) makes recommendations designed to improve the operations of state government. For our work to produce benefits, auditees or the General Assembly must implement these recommendations, although we cannot require them to do so. Nevertheless, a measure of the quality and persuasiveness of our performance audits is the extent to which these recommendations are accepted and acted upon. The greater the number of recommendations that are implemented, the more benefit will be derived from our audit work.

In 2010, the SAO began to follow-up on the recommendations issued in our performance audits. Experience has shown that it takes time for some recommendations to be implemented. For this reason, we perform our follow-up activities one and three years after the calendar year in which the audit report is issued. Our annual performance reports summarize whether we are meeting our recommendation implementation targets.

<http://auditor.vermont.gov/about-us/strategic-plans-and-performance-reports>

This report addresses the requirements of Act 155 (2012) to post the results of our recommendation follow-up work on our website. The report does not include follow-up on recommendations issued as part of the state's financial statement audit and the federally mandated Single Audit, which are performed by a contractor. However, our current contract for this work requires the contractor to provide the results of its recommendation follow-up.

Audit Number & Name	Rec #	Recommendation	Follow-Up Date	Status	Review Comments
<a href="#">17-3 State Employee Misconduct - Handling of Allegations by the Department of Human Resources and Selected Organizations Needs Improvement in Documentation and Timeliness</a>	DHR-1	Department of Human Resources (DHR) - Modify the DHR Investigation Unit's (IU) SharePoint® system or develop a new system to be a repository of allegations, investigations, and resolutions of all employee misconduct decisions, and include edits to help ensure that records are complete and accurate.	2018	Partially Implemented	While DHR did not report that it made changes to the system it uses to track employee misconduct cases, the department's revised employee misconduct process requires that the system be used to record decisions on all allegations, including those in which a decision was made not to investigate.
			2020		The three-year recommendation follow-up for this audit will be conducted in 2020.
	DHR-2	DHR - Develop and implement a procedure for ensuring that extensions of employees' Temporary Relief From Duty (RFD) status beyond 30 workdays is approved, and ensure that the subject employee is notified in writing of such extensions.	2018	Not Implemented	DHR did not provide evidence that they had implemented this recommendation.
			2020		The three-year recommendation follow-up for this audit will be conducted in 2020.
	DHR-3	DHR - Develop a report to send to appointing authorities (AA) periodically with a list of all employees in RFD status and their duration in this status.	2018	Partially Implemented	DHR provided an example of a report that lists all employees in RFD status. However, DHR indicated that it distributes such reports only when requested and not on a scheduled basis.
			2020		The three-year recommendation follow-up for this audit will be conducted in 2020.
	DHR-4	DHR - Require that the assigned investigator, whether at the DHR IU, department, or DHR field operations unit, summarize the procedures conducted and information collected on all employee misconduct cases. This could be an investigation report, memorandum, or other summary documentation.	2018	Partially Implemented	DHR reported that summaries are prepared when warranted and provided evidence that supported why they did not prepare such summaries in eight cases. However, DHR's employee misconduct process does not explicitly require that investigation reports or summaries be prepared or provide criteria when they do not need to be prepared.
			2020		The three-year recommendation follow-up for this audit will be conducted in 2020.
	DHR-5	DHR - Require that AAs or designees document their rationale (e.g., analysis of the 12 factors) for the decision to impose a particular type of discipline.	2018	Not Implemented	DHR responded that they do not intend to implement this recommendation.
			2020		The three-year recommendation follow-up for this audit will be conducted in 2020.

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<a href="#">17-3 State Employee Misconduct - Handling of Allegations by the Department of Human Resources and Selected Organizations Needs Improvement in Documentation and Timeliness</a>	DHR-6	DHR - Develop a mechanism to maintain a comprehensive and easily accessible record of all discipline and stipulated agreements for all employees, and make this information available to appointing authorities and designees.	2018	Not Implemented	DHR responded that they do not intend to implement this recommendation.
			2020		The three-year recommendation follow-up for this audit will be conducted in 2020.
	DHR-7	DHR - Consider requiring DHR staff to provide a written summary of the subject employee's discipline history to staffing meeting attendees.	2018	Not Implemented	DHR responded that they do not intend to implement this recommendation.
			2020		The three-year recommendation follow-up for this audit will be conducted in 2020.
	DHR-8	DHR - Develop a user manual for the DHR IU SharePoint® system that includes descriptions of each field and expected values.	2018	Not Implemented	DHR responded that they do not intend to implement this recommendation.
			2020		The three-year recommendation follow-up for this audit will be conducted in 2020.
	DHR-9	DHR - Develop a target for when investigations are expected to be completed regardless of the organization of the investigator, and track the extent to which this target is being met.	2018	Partially Implemented	DHR responded that investigation completion targets are reported annually in results-based accountability documents. The reported targets are tracked for investigations conducted by the DHR IU or other DHR staff only and does not include investigations conducted by others.
			2020		The three-year recommendation follow-up for this audit will be conducted in 2020.
	DHR-10	DHR - Develop a target for when AAs or designees are expected to finalize the disposition of a case, and track the extent to which this target is being met. There could be separate targets depending on the type of expected outcome (e.g., unsubstantiated, suspensions, or stipulated agreements).	2018	Not Implemented	DHR responded that they do not intend to implement this recommendation.
			2020		The three-year recommendation follow-up for this audit will be conducted in 2020.
	AOT-1	Agency of Transportation (AOT) - Develop a process in conjunction with DHR to document the decisionmaker for each disposition of an employee misconduct case, when the decision was made, and confirmation that the disposition was carried out.	2018	Not Implemented	AOT has not implemented new or changed processes as a result of our recommendations. AOT reported that it follows DHR guidance, advice, policies and procedures with respect to employee discipline, and associated procedures/processes and DHR has advised that the recommendations in question not be implemented.
			2020		The three-year recommendation follow-up for this audit will be conducted in 2020.

Audit Number & Name	Rec #	Recommendation	Follow-Up Date	Status	Review Comments
<a href="#">17-3 State Employee Misconduct - Handling of Allegations by the Department of Human Resources and Selected Organizations Needs Improvement in Documentation and Timeliness</a>	AOT-2	AOT- When considering imposing discipline in an employee misconduct case and in conjunction with DHR, document the rationale used in the decision-making process, including how the 12 factors were applied.	2018	Not Implemented	AOT has not implemented new or changed processes as a result of our recommendations. AOT reported that it follows DHR guidance, advice, policies and procedures with respect to employee discipline, and associated procedures/processes and DHR has advised that the recommendations in question not be implemented.
			2020		The three-year recommendation follow-up for this audit will be conducted in 2020.
	AOT-3	AOT - Develop a process in conjunction with DHR to notify DHR of all employee misconduct allegations and resolutions.	2018	Not Implemented	AOT has not implemented new or changed processes as a result of our recommendations. AOT reported that it follows DHR guidance, advice, policies and procedures with respect to employee discipline, and associated procedures/processes and DHR has advised that the recommendations in question not be implemented.
			2020		The three-year recommendation follow-up for this audit will be conducted in 2020.
	BGS-1	Department of Buildings and General Services (BGS) - Develop a process in conjunction with DHR to document the decisionmaker for each disposition of an employee misconduct case, when the decision was made, and confirmation that the disposition was carried out.	2018	Not Implemented	BGS reported that it follows DHR guidance, advice, policies and procedures with respect to employee discipline, and associated procedures/processes and that DHR has advised that the recommendations not be implemented.
			2020		The three-year recommendation follow-up for this audit will be conducted in 2020.
	BGS-2	BGS - When considering imposing discipline in an employee misconduct case and in conjunction with DHR, document the rationale used in the decision-making process, including how the 12 factors were applied.	2018	Not Implemented	BGS reported that it follows DHR guidance, advice, policies and procedures with respect to employee discipline, and associated procedures/processes and that DHR has advised that the recommendations not be implemented.
			2020		The three-year recommendation follow-up for this audit will be conducted in 2020.
	BGS-3	BGS - Develop a process in conjunction with DHR to notify DHR of all employee misconduct allegations and resolutions.	2018	Not Implemented	BGS reported that it follows DHR guidance, advice, policies and procedures with respect to employee discipline, and associated procedures/processes and that DHR has advised that the recommendations not be implemented.
			2020		The three-year recommendation follow-up for this audit will be conducted in 2020.
	DOL-1	Department of Labor (DOL) - Develop a process in conjunction with DHR to document the decisionmaker for each disposition of an employee misconduct case, when the decision was made, and confirmation that the disposition was carried out.	2018	Not Implemented	DOL reported that it follows DHR guidance, advice, policies and procedures with respect to employee discipline, and associated procedures and processes and that DHR has advised that this recommendation not be implemented.
			2020		The three-year recommendation follow-up for this audit will be conducted in 2020.

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<a href="#">17-3 State Employee Misconduct - Handling of Allegations by the Department of Human Resources and Selected Organizations Needs Improvement in Documentation and Timeliness</a>	DOL-2	DOL - When considering imposing discipline in an employee misconduct case and in conjunction with DHR, document the rationale used in the decision-making process, including how the 12 factors were applied.	2018	Not Implemented	DOL reported that it follows DHR guidance, advice, policies and procedures with respect to employee discipline, and associated procedures and processes and that DHR has advised that this recommendation not be implemented.
			2020		The three-year recommendation follow-up for this audit will be conducted in 2020.
	DOL-3	DOL - Develop a process in conjunction with DHR to notify DHR of all employee misconduct allegations and resolutions.	2018	Not Implemented	DOL reported that they have not established a formal written process.
			2020		The three-year recommendation follow-up for this audit will be conducted in 2020.
	DPS-1	Department of Public Safety (DPS) - Develop a process in conjunction with DHR to document the decisionmaker for each disposition of an employee misconduct case, when the decision was made, and confirmation that the disposition was carried out.	2018	Not Implemented	DPS reported that it follows DHR guidance, advice, policies and procedures with respect to employee discipline, and associated procedures/processes and that DHR has advised that the recommendation not be implemented.
			2020		The three-year recommendation follow-up for this audit will be conducted in 2020.
	DPS-2	DPS - When considering imposing discipline in an employee misconduct case and in conjunction with DHR, document the rationale used in the decision-making process, including how the 12 factors were applied.	2018	Not Implemented	DPS reported that it follows DHR guidance, advice, policies and procedures with respect to employee discipline, and associated procedures/processes and that DHR has advised that the recommendation not be implemented.
			2020		The three-year recommendation follow-up for this audit will be conducted in 2020.
	DPS-3	DPS - Develop a process in conjunction with DHR to notify DHR of all employee misconduct allegations and resolutions.	2018	Not Implemented	DPS reported that it notifies DHR of all allegations only when 'warranted' and indicated that this was no change from the time of the audit.
			2020		The three-year recommendation follow-up for this audit will be conducted in 2020.
	VVH-1	Vermont Veterans Home (VVH) - Develop a process in conjunction with DHR to document the decisionmaker for each disposition of an employee misconduct case, when the decision was made, and confirmation that the disposition was carried out.	2018	Not Implemented	The Vermont Veterans' Home (VVH) reported that it follows DHR guidance, advice, policies and procedures with respect to employee discipline, and associated procedures/processes and that DHR has advised that the recommendation not be implemented.
			2020		The three-year recommendation follow-up for this audit will be conducted in 2020.

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<a href="#">17-3 State Employee Misconduct - Handling of Allegations by the Department of Human Resources and Selected Organizations Needs Improvement in Documentation and Timeliness</a>	VVH-2	VVH - When considering imposing discipline in an employee misconduct case and in conjunction with DHR, document the rationale used in the decision-making process, including how the 12 factors were applied.	2018	Not Implemented	VVH reported that it follows DHR guidance, advice, policies and procedures with respect to employee discipline, and associated procedures/processes and that DHR has advised that the recommendation not be implemented.
			2020		The three-year recommendation follow-up for this audit will be conducted in 2020.
	VVH-3	VVH - Develop a process in conjunction with DHR to notify DHR of all employee misconduct allegations and resolutions.	2018	Not Implemented	VVH reported that it follows DHR guidance, advice, policies and procedures with respect to employee discipline, and associated procedures/processes and that DHR has advised that the recommendation not be implemented.
			2020		The three-year recommendation follow-up for this audit will be conducted in 2020.