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Missouri State Auditor

City of St. Louis

Department of Personnel

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CITIZENS SUMMARY

Findings in the audit of City of St. Louis - Department of Personnel

Background	The City of St. Louis Department of Personnel is responsible for providing all human resource management functions for the city's civil service employees. The City of St. Louis employs approximately 5,600 full-time employees and 300 part-time and per performance employees.
Findings	The audit identified no significant deficiencies in internal controls, no significant noncompliance with legal provisions, and no significant deficiencies in management practices and procedures. No findings resulted from this audit.

In the areas audited, the overall performance of this entity was **Excellent**.*

*The rating(s) cover only audited areas and do not reflect an opinion on the overall operation of the entity. Within that context, the rating scale indicates the following:

- Excellent:** The audit results indicate this entity is very well managed. The report contains no findings. In addition, if applicable, prior recommendations have been implemented.
- Good:** The audit results indicate this entity is well managed. The report contains few findings, and the entity has indicated most or all recommendations have already been, or will be, implemented. In addition, if applicable, many of the prior recommendations have been implemented.
- Fair:** The audit results indicate this entity needs to improve operations in several areas. The report contains several findings, or one or more findings that require management's immediate attention, and/or the entity has indicated several recommendations will not be implemented. In addition, if applicable, several prior recommendations have not been implemented.
- Poor:** The audit results indicate this entity needs to significantly improve operations. The report contains numerous findings that require management's immediate attention, and/or the entity has indicated most recommendations will not be implemented. In addition, if applicable, most prior recommendations have not been implemented.

City of St. Louis - Department of Personnel

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NICOLE GALLOWAY, CPA

Missouri State Auditor

To the Honorable Mayor
and
Director of Personnel
City of St. Louis, Missouri

We have audited certain operations of the City of St. Louis Department of Personnel in fulfillment of our duties under Section 29.200.3, RSMo. The State Auditor initiated audits of the City of St. Louis in response to a formal request from the Board of Aldermen. The city engaged KPMG LLP, Certified Public Accountants (CPAs), to audit the city's financial statements for the year ended June 30, 2018. To minimize duplication of effort, we reviewed the CPA firm's report. The scope of our audit included, but was not necessarily limited to, the year ended June 30, 2018. The objectives of our audit were to:

1. Evaluate the department's internal controls over significant management and financial functions.
2. Evaluate the department's compliance with certain legal provisions.
3. Evaluate the economy and efficiency of certain management practices and procedures, including certain financial transactions.

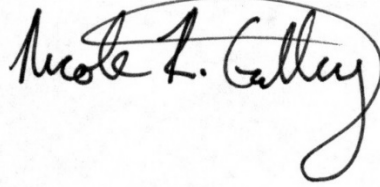
Our methodology included reviewing written policies and procedures, financial records, and other pertinent documents; interviewing various personnel of the department, as well as certain external parties; and testing selected transactions. We obtained an understanding of internal controls that are significant within the context of the audit objectives and assessed whether such controls have been properly designed and placed in operation. We tested certain of those controls to obtain evidence regarding the effectiveness of their design and operation. We also obtained an understanding of legal provisions that are significant within the context of the audit objectives, and we assessed the risk that illegal acts, including fraud, and violations of applicable contract, grant agreement, or other legal provisions could occur. Based on that risk assessment, we designed and performed procedures to provide reasonable assurance of detecting instances of noncompliance significant to those provisions.

We conducted our audit in accordance with the standards applicable to performance audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform our audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides such a basis.

The accompanying Organization and Statistical Information is presented for informational purposes. This information was obtained from the department's management and was not subjected to the procedures applied in our audit of the department.

For the areas audited, we identified (1) no significant deficiencies in internal controls, (2) no significant noncompliance with legal provisions, and (3) no significant deficiencies in management practices and procedures. No findings resulted from our audit of the City of St. Louis Department of Personnel.

Additional audits of various officials and departments of the City of St. Louis are still in process, and any additional findings and recommendations will be included in subsequent reports.

A handwritten signature in black ink that reads "Nicole R. Galloway". The signature is written in a cursive style with a large, looping flourish at the end of the name.

Nicole R. Galloway, CPA
State Auditor

The following auditors participated in the preparation of this report:

Senior Director:	Douglas J. Porting, CPA, CFE
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City of St. Louis - Department of Personnel

Organization and Statistical Information

The City of St. Louis Department of Personnel is responsible for providing all human resource management functions for the city's civil service employees. The City of St. Louis employs approximately 5,600 full-time employees and 300 part-time and per performance employees. The Director of Personnel is Richard Frank. The director's office coordinates the work of the following nine sections:

1. Classification and Compensation

This section has two primary responsibilities - the classification of approximately 5,600 civil service positions in the city and the preparation and administration of the city's compensation ordinance.

2. Training and Organizational Development

This section offers training programs on general supervision, ethics, code of conduct, new employee training, safety, etc. In addition, the section oversees any outside training needed for city employees.

3. Employee Relations

This section coordinates and conducts hearings for employee and management service rating appeals, investigates internal Equal Employment Opportunity complaints, and is responsible for the review of employee grievances. The section oversees the Drug and Alcohol Testing Program, Employee Assistance Program, and the Family and Medical Leave Act (FMLA) program. These responsibilities include issuing and enforcing administrative regulations, providing supervisory and management training, bidding and administering service contracts, day-to-day operation and oversight of substance abuse testing, and final review of all FMLA leave requests.

4. Police

This section provides support to the Police Division of the Department of Public Safety including handling examinations for the division and the preparing and processing of documentation pertaining to payroll and personnel changes. The section is also responsible for maintaining the internal personnel files for employees of the Police Division and for posting internal transfer requests for commissioned officer positions.



City of St. Louis - Department of Personnel
Organization and Statistical Information

5. Recruitment and Examination

This section fulfills a variety of staffing functions for all departments and agencies regarding the city's merit system. These functions include a broad range of recruitment activities, examination development and administration, and creation of eligible candidate lists. The department by charter is required to follow traditional merit system procedures for filling positions.

6. Personnel Services

This section maintains the official personnel records of all civil service city workers, oversees and processes payroll forms and records all personnel transactions. The section receives personnel requisitions from city departments when they need to fill a vacant position. The section maintains lists of eligible candidates for city jobs and certifies those eligible to appointing authorities for selection. In addition, the section insures that service ratings are completed and recorded for each city worker.

7. Employee Benefits

This section administers the city's health care insurance plans and other optional benefits including insurance (life, dental, and accidental death) and pre-paid legal services for all civil service and non-merit offices.

8. Employee Retirement System

This section administers the city's retirement plan for all civil service and non-merit offices.

9. Firemen's Retirement Plan

This section administers the city's Firemen's Retirement System for fire department personnel.