



OFFICE OF THE INSPECTOR GENERAL
LAUREL, MARYLAND

BACKGROUND CHECKS AUDIT
HUMAN RESOURCES OFFICE
AND
WSSC POLICE DEPARTMENT DEPARTMENT



OakTree Law

OIG PROJECT NUMBER 24-BIA-01

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FROM: JAMES A. WALL, JR., SUPERVISORY AUDITOR
SUGANDHA SINGH, AUDITOR
SYDNEY BROWN, INTERN¹
OFFICE OF THE INSPECTOR GENERAL

DATE: NOVEMBER 21, 2024

SUBJECT: BACKGROUND CHECKS AUDIT

We have performed an audit of Background Checks. The detailed report is attached for your review. The OIG conducted the audit in accordance with the U.S. Government Accountability Office's Generally Accepted Government Auditing Standards (GAGAS).

We have already discussed with management issues of concern and their action plans are included in this report. We appreciate the assistance provided by management and other personnel. We hope the information and recommendations presented in our report are helpful.

Attachment

cc: Corporate Secretary, (J. Montes De Oca)
Chief of Staff, (N. Hickson)
Performance and Accountability Director, (R. Maloney)
Chief Human Resource Officer (Acting), (L. Watts)
Deputy General Manager Mission Support, (D. McDonough)
Police and Homeland Security, Director (Acting) (Chief J. Bergstrom)
Talent Acquisition, Division Manager, (C. Robinson)
Performance and Accountability, Division, Manager, (H. Hagos)
Background Investigation Specialist, (D. Kuriny)

¹ Sydney Brown was an intern with the OIG and was not available to sign the report.

EXECUTIVE SUMMARY



Why The OIG Did This Audit

In accordance with the Washington Suburban Sanitary Commission (WSSC) Office of the Inspector General's (OIG) Fiscal Year (FY) 2024 Risk-Based Work Plan, and the authority granted to the OIG pursuant to Public Utilities Article, § 17-605 (a)(6) of the Annotated Code of Maryland, the OIG conducted an audit of WSSC's background checks. The OIG conducted the audit in accordance with the U.S. Government Accountability Office's *Generally Accepted Government Auditing Standards*.

The Human Resources Office (HR) and WSSC's Police Department are the two entities responsible for background checks at WSSC. HR performs background checks for employees who are not affiliated with law enforcement. In fiscal year (FY) 2023, HR processed 520 background checks. The Police Department performs background checks for law enforcement personnel and WSSC independent contractors. The Police Department processed 2,667 background checks in FY 2023.

HR and the Police Department use a service provider to gather the background information and, management bases its decisions on whether to pass or fail an individual on WSSC's Code of Regulations covering background investigations.

Strategic Alignment

This report addresses WSSC Strategic Priority: Protect Our Resources.

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Social Media Reviews are required by WSSC's Code

What the OIG Found

The OIG determined if the Washington Suburban Sanitary Commission (WSSC) staff were conducting background checks in accordance with applicable Maryland law, WSSC Code of Regulations and Manual of Standard Procedures, and whether the procedures are meeting Commission expectations. The OIG examined new hires, contractors, and vendors requesting access to Commission facilities and/or infrastructure, WSSC engineering plans, drawings, records, or other information the Commission deems sensitive from January 1, 2022, through June 30, 2023.

The evidence disclosed that the Police Department followed WSSC's Code of Regulations for Background Investigations. However, the HR office did not follow all of the background investigation procedures. As a result, the OIG noted the following:

- HR's current background check procedures do not include conducting newspaper and social media scans on candidates for executive-level employment.

The OIG presented the following recommendations to the Department's management to enhance its policies and procedures:

- Follow WSSC policies and procedures for media scans.

WSSC management has addressed each of the OIG's recommendations, and where applicable, presented operational improvements or provided corrective action plans with anticipated due dates.

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BACKGROUND

In accordance with the Washington Suburban Sanitary Commission's (WSSC) Office of the Inspector General's (OIG) Fiscal Year (FY) 2024 Risk-Based Work Plan, and the authority granted to the OIG pursuant to Public Utilities Article (PUA), § 17-605 (a)(6) of the Annotated Code of Maryland, the OIG conducted an audit of WSSC's background checks process. The OIG conducted the audit in accordance with the U.S. Government Accountability Office's *Generally Accepted Government Auditing Standards (GAGAS)*.

Under the PUA, § 17-403, WSSC has the authority to create rules and regulations for its administration and operations. Additionally, PUA, § 18-105 grants WSSC the specific power to establish regulations in line with Title 18, Personnel, Subtitle 1, Personnel Management.

WSSC's Code of Regulations (Code) governs how background checks are processed; and, the procedures are detailed in Chapters 9.170 (Background Investigations) and 9.180 (Employment Procedures). WSSC's Human Resources Office (HR) and the Police and Homeland Security Division (Police Division) perform background checks.

HR conducts background checks on all employees, except high school students, to ensure that new hires possess characteristics that align with WSSC's reputation and vision. Further, depending on the position, WSSC may conduct a new background check on current employees seeking a promotion within WSSC.

The Chief of Police or their designee is solely responsible for performing background checks for all patrol officers, police staff, and independent contractors doing work for WSSC who may have access to WSSC's sensitive information or its critical facilities. Based on the level of the position, the Police Division may conduct a new background check for current employees seeking a promotion within WSSC. Background checks for independent contractors expire after one year and must be renewed if they are working on a WSSC long-term project.

OBJECTIVE

The objective of this audit was to determine if WSSC was conducting background checks in accordance with applicable Maryland law and the Code.

SCOPE AND METHODOLOGY

The OIG examined new hires, contractors, and vendors requesting access to Commission facilities and/or infrastructure, WSSC engineering plans, drawings, records, or other information the Commission deems sensitive from January 1, 2022, through June 30, 2023.

To accomplish the audit's objective, the OIG performed the following:

- Reviewed Chapters 9.170 and 9.180 of the Code to understand the background check processes;
- Interviewed HR and Police Division staff responsible for conducting background checks to gain further insight into the process;
- Reviewed HR's contract and the Police Division contract with service providers performing investigations to understand the level of background check services provided to WSSC;

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- Analyzed WSSC's Oracle database to obtain the total number of HRO's new hires (520) during the audit period;
- Analyzed the Police Division's Screen ID database to obtain the total number of background checks processed (2,666) during the audit period;
- Examined the validity of background check documentation to determine if HR and the Police Division complied with the background check procedures in the Code;
- Sampled and examined 75 background check cases processed by HR, which consisted of 6 executives, 11 managers, 33 staff employees, 19 interns, and 6 temporary employees; and,
- Sampled and examined 53 background checks processed by the Police Division, including 50 independent contractors and three police officers.

GAGAS requires the OIG to plan and perform the audit to obtain sufficient, appropriate evidence that will provide a reasonable basis for our findings and conclusions based on our audit objectives. Accordingly, based on the audit's scope and objectives, the evidence obtained during this audit provides a reasonable basis for our findings and conclusions stated herein.

CONCLUSION

The audit disclosed that HR and the Police Division generally complied with applicable Maryland laws, the Code, and industry best practices during the audit period. The majority of background checks for the selected audit samples were processed correctly. The OIG determined, however, that HR's current background check procedures do not include conducting newspaper and social media scans on candidates for executive-level employment as prescribed in WSSC 9.170.050 (a)(2)(iv). The OIG did not have any findings or issues with the Police Division's background check procedures.

We thank the Human Resources Office and the Police and Homeland Security Division for all their efforts and appreciate their timely responses and cooperative support.

FINDING, MANAGEMENT RESPONSE, AND ACTION PLAN

Finding: Media scans are not performed

Risk Rating: MEDIUM

According to WSSC Chapter 9.170 (a)(2)(iv), Background Investigations, background checks for executives "include all elements examined in an advanced investigation as well as a review of civil court cases and a newspaper scan and social media scan (including but not limited to Internet search and Linked-In search); applies to all Team Chiefs, Office Directors, and equivalent or higher-level managers."

The audit results disclosed that newspaper or social media scans were not performed for the six executives hired during the audit period. The background checks service provider offers newspaper and social media scans as a service, but these services were not included in the current contract with WSSC. The service provider offers media scans at an additional cost when requested.

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Management stated that before the fiscal year 2023, newspaper and social media scans were canceled because the assessment of any information obtained could be considered too subjective and/or inconclusive to disqualify an applicant. In addition, management stated that WSSC has no social media policy to provide the appropriate direction for evaluating and processing results from media scans. HR will not have access to critical information about a potential executive hire when a newspaper or media scan is not performed.

Recommendation 1: Follow WSSC policies and procedures for media scans

The OIG recommends that management follow WSSC Chapter 9.170 (a)(2)(iv), and perform newspaper and social media scans. In addition, management should assess the overall benefits of performing newspaper and social media scans used in WSSC's hiring practices and revise current policy accordingly. An assessment will provide management with the information needed to determine if WSSC's current practices are effective and comparable to its peers.

Management Response and Action Plan (including anticipated due dates):

Management agrees with the OIG's assessment that the HR Office has not fully complied with WSSC Water regulation 9.170 (a)(2)(iv) as it relates to social media and newspaper scans. Management learned that these processes were halted, without authority, by a past HR Director, out of concern that WSSC Water has no social media policy to serve as a framework for decision-making. However, Management is committed to restoring these processes immediately.

Management directed the Talent Acquisition Division to work with our background checks vendor, Hire Right, to add these options to our current contract. We have asked our vendor to expedite this request which was made on September 17, 2024.

As an update, the signed contract augmentation document was received from the vendor on November 19, 2024. The vendor has advised it will need 2-4 weeks to code and implement the system upgrades. We anticipate the system to be updated by December 31, 2024. During the technical upgrade process, the vendor has provided a manual solution to request social media and print media scans. This manual process will be utilized, as needed, until the system upgrades are complete.