



ENGAGE • EMPOWER • ENRICH

AUDIT OF  
EMPLOYMENT  
ELIGIBILITY  
VERIFICATION

FORM I-9

Report No. 23-01

Performed by  
Office of the Auditor General

**Stakeholder Distribution**

Lisa Boland, Chief Human Resources Officer  
Aaron Smith, Chief Technology Officer

**Standard Distribution**

Dr. Aaron Spence, Superintendent  
Ian Serotkin, Chair, Loudoun County School Board  
Harris Mahedavi, Chair, Audit Select Committee  
Loudoun County School Board

**Audit Fieldwork Performed**

May 12, 2023 – August 22, 2023

*Ahmad Woods*

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**Ahmad Woods, Auditor General**

9/27/2023

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**Date**

**Opinion**

Our audit opinion of **Controls Should Be Enhanced** is based on the scope and observations contained in this report.

There are no critical risk findings included in this report. The audit opinion cited above applies only to the scope of this audit engagement.

**SUMMARY RECOMMENDATION**

Controls over Employment Eligibility Verification Form I-9 (Form I-9) should be enhanced. While the implementation of EMP Trust software effectively processes and maintains Form I-9, further improvements are recommended through:

- Establishing a written Standard Operating Procedure (SOP) that is periodically reviewed and updated; and
- A peer review of the completed Form I-9 to ensure accuracy and completeness.

**BACKGROUND**

The Immigration Reform and Control Act of 1986 (IRCA) was established to prevent individuals who are not eligible to work in the United States from performing work. The act requires employers to complete an Employment Eligibility Verification Form I-9 for each employee within three days of hire. All employers must complete Form I-9 for all employees hired on or after November 6, 1986, who are working in the U.S. This act also established prohibitions against national origin and citizenship or immigration status discrimination with respect to hiring, firing, and recruitment or referral for a fee. IRCA prohibits employers from hiring and employing an individual for employment in the U.S., knowing that the individual is not authorized with respect to such employment. Employers are also prohibited from continuing to employ an individual, knowing they are unauthorized. This law also prohibits employers from hiring any individual, including a U.S. citizen, for employment in the U.S. without verifying their identity and employment authorization on Form I-9.

In March 2020, Human Resources and Talent Development (HRTD) implemented EMP Trust to automate and streamline the new hire onboarding process. EMP Trust is an employee onboarding software that allows HRTD to perform many of the new hire onboarding tasks, including parts of Form I-9, electronically. From July 1, 2020 – June 30, 2022, HRTD processed 4,556 new hires, each individually requiring a Form I-9 to be completed within three days of hiring. The hire date means the first day of work for pay.

In July 2022, HRTD and the Department of Digital Innovation (DDI) had a reorganization and moved the Enterprise Resource Planning (ERP) team from HRTD to DDI. All tasks performed by ERP remained the same along with its structure upon the conclusion of the reorganization.

## OBJECTIVE, SCOPE, AND METHODOLOGY

The objective of the audit is to review controls and processes designed to ensure understanding and prevent non-compliance with the Employment Eligibility Verification Form I-9 per applicable Federal regulations. The audit covered activities from July 1, 2020, to June 30, 2022.

Our procedures included but not limited to the following:

- Review relevant organization policies and procedures;
- Interview key personnel responsible for overseeing Form I-9 processes;
- Interview key personnel who directly perform the functions of Form I-9 processing;
- Perform physical observation of in-person Form I-9 processing;
- On a sample basis, test the accuracy and completeness of Form I-9, including correction entries made for errors; and
- Verify employee Form I-9 supporting documents, including Employee Authorization Documents (EADs) for re-verification

## FINDINGS AND RECOMMENDATIONS

Each finding is classified based on organizational level risk as Critical (C), Moderate (M), or Low (L).<sup>1</sup>

### **M** 1. Lack of written Standard Operating Procedures.

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#### **Condition:**

There are no documented and clearly defined written operational procedures for the processing and monitoring of Form I-9. Major business functions should be clearly documented, periodically reviewed, and updated.

#### **Criteria:**

ONE LCPS Strategic Goal 2.2 – Develop dedicated resources to improve Professional Collaboration across schools and the division.

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<sup>1</sup> Critical – Is a high priority issue, immediate management attention is required. Moderate – Is a medium priority issue, timely management attention is warranted. Low – Is a low priority issue, routine management attention is warranted.

**Recommendation:**

The Office of the Auditor General (OAG) recommends HRTD and ERP develop a Standard Operating Procedure (SOP) that clearly defines the monitoring and processing of Employment Eligibility Verification Form I-9.

**Management Response<sup>2</sup>:**

*HRTD follows the current USCIS Handbook for Employers, which provides guidance for completing Form I-9. All HRTD employees working with Form I-9 receive this handbook and initial and follow-up training. Since June 2018, HRTD has used internal I-9 Employment Authorization Expiration procedures for any employee whose employment authorization will expire in the next ninety days. HRTD employees assisting with Form I-9 are trained and required to follow these procedures. A monthly employee report of expiring I-9s is provided for HRTD to contact these employees. EMP Trust Form I-9 software provides tutorials and training for HRTD staff.*

*HRTD will create written procedures that documents the Form I-9 review process.*

**Responsible Process Owner:**

Human Resource and Talent Development  
Department of Digital Innovation

**Target Date:**

*January 1, 2024*

**Assessment of the Management Response by the Office of the Auditor General:**

The Auditor General has reviewed management's response and has determined it adequately addresses this audit finding.

**L 2. Inaccurate and untimely information in Form I-9.**

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**Condition:**

During a review of 45 sampled Form I-9s, there were several occurrences where information input into Section 2 did not match supporting documents and one instance where the Form I-9 Section 2 was not completed in a timely manner.

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<sup>2</sup> Management Response are italicized to represent management's own words and are not changed.

**Criteria:**

The Immigration Reform and Control Act of 1986 (IRCA) - All employers must use Form I-9 for all employees hired on or after Nov. 6, 1986, who are working in the U.S. An employer must complete and sign Section 2 of Form I-9 within 3 business days of the date of hire of your employee.

**Recommendation:**

OAG recommends after the completion of Form I-9, HRTD should perform a peer review by someone other than the Authorized Representative signee to ensure accuracy and completeness.

**Management Response:**

*ERP is creating an automated process that automatically updates the employee's first day of employment within the required time frame. This will be a date feed from Oracle to EMP Trust.*

*HRTD and ERP will collaboratively review options for a peer review of Form I-9 documents.*

**Responsible Process Owner:**

Human Resource and Talent Development  
Department of Digital Innovation

**Target Date:**

*January 1, 2024*

**Assessment of the Management Response by the Office of the Auditor General:**

The Auditor General has reviewed management's response and has determined it adequately addresses this audit finding.

**L 3. Correct information in Form I-9 was erroneously lined through.**

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**Condition:**

During the Form I-9 review of 18 sampled EADs, we found several instances of correct information lined through where it should not have been. In many occurrences, the lined through information was accurate, giving the impression that an error had occurred when, in fact, an error had not occurred.

**Criteria:**

U.S. Citizenship and Immigration Services Handbook for Employers, M-274 Section 9.0 – Correcting errors or missing information on Form I-9 allows for Section 1 to be corrected by the employee and Section 2 and Section 3 to be corrected by the employer. When correcting an error, the information should be lined through, and the correct information should be entered, initialized, and dated.

**Recommendation:**

OAG recommends that HRTD not line through correct information in Form I-9 when performing verifications.

**Management Response:**

*EMP Trust I-9 software resolves this issue since all corrections are made using the online software. Paper copies of Form I-9 are no longer used in the hiring process.*

**Responsible Process Owner:**

Human Resource and Talent Development

**Target Date:**

*Present day*

**Assessment of the Management Response by the Office of the Auditor General:**

The Auditor General has reviewed HRTD’s management's response and has determined it adequately addresses this audit finding.