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ABBREVIATIONS

AP Academic Personnel
AVP Associate Vice President
CBA Collective Bargaining Agreement
CFA California Faculty Association
CSU California State University
HR Human Resources
EXECUTIVE SUMMARY

As a result of a systemwide risk assessment conducted by the Office of the University Auditor during the last quarter of 2010, the Board of Trustees, at its January 2011 meeting, directed that Academic Personnel (AP) be reviewed. The Office of the University Auditor has never reviewed AP as a subject audit, although some aspects were covered in the Human Resources audits conducted in 2004.

We visited the Humboldt State University campus from October 17, 2011, through December 2, 2011, and audited the procedures in effect at that time.

Our study and evaluation revealed certain conditions that, in our opinion, could result in significant errors and irregularities if not corrected. Specifically, the campus did not maintain adequate internal control over the following areas: recruitment and hiring, and training. These conditions, along with other weaknesses, are described in the executive summary and body of this report. In our opinion, except for the effect of the weaknesses described above, the operational and administrative controls for AP activities in effect as of December 2, 2011, taken as a whole, were sufficient to meet the objectives stated in the “Purpose” section of this report.

As a result of changing conditions and the degree of compliance with procedures, the effectiveness of controls changes over time. Specific limitations that may hinder the effectiveness of an otherwise adequate system of controls include, but are not limited to, resource constraints, faulty judgments, unintentional errors, circumvention by collusion, and management overrides. Establishing controls that would prevent all these limitations would not be cost-effective; moreover, an audit may not always detect these limitations.

The following summary provides management with an overview of conditions requiring attention. Areas of review not mentioned in this section were found to be satisfactory. Numbers in brackets [ ] refer to page numbers in the report.

RECRUITMENT AND HIRING [5]

The campus did not always obtain minimum employment applicant information from job applicants prior to making an offer of employment. In addition, the campus did not always conduct background checks on employees hired into sensitive positions. Also, the delegation of authority for temporary faculty appointments was incomplete, and appointment letters were not always issued prior to employees’ start dates.

TRAINING AND RECORDS [8]

Sexual harassment and other harassment training procedures needed improvement. For example, the campus had not clearly documented which faculty members or job categories were considered supervisors for sexual harassment training purposes, and the campus did not provide faculty training on other harassment issues.
INTRODUCTION

BACKGROUND

Management of academic personnel (AP) involves facilitating the recruitment, development, and retention of the academic workforce. AP includes faculty and academic student assistants in collective bargaining units three and eleven, as well as faculty management employees who are part of the management personnel plan. In the California State University (CSU) system, campus AP offices coordinate with human resources to perform activities that include, but are not limited to:

- Planning for the movement of AP into, within, and out of employment with the university.
- Recruiting and selecting faculty, student, and management AP with the appropriate skills, knowledge, and abilities.
- Training and developing faculty and faculty management to enhance their capabilities.
- Providing compensation and benefits that attract, motivate, and retain talented employees.
- Appraising and reporting on faculty, student, and management performance to identify areas that need improvement, and providing positive reinforcement for effective performance.
- Maintaining effective employee relations.
- Minimizing the risk of illness and injury in the workplace.

The CSU must comply with collective bargaining agreements, systemwide mandates, and Board of Trustee policies, as well as major federal and state laws that could affect the academic personnel function. Such laws include, but are not limited to, Title VII of the Civil Rights Act of 1964, the Political Reform Act of 1974, Assembly Bill 1825 (passed in 2004), and other state regulations addressing topics such as safety, harassment, and nondiscrimination in the workplace.

AP management relies on effective information management systems for operational efficiencies and controls; however, most of the information that AP management uses through these systems must remain private in accord with laws such as the Information Practices Act of 1977 and the Health Insurance Portability and Accountability Act of 1996, as well as the Board of Trustees’ policies for personal information management.

In fiscal year 2009/10, the CSU expended approximately $1.8 billion on instruction. This investment underscores the importance of maintaining a dynamic AP function that attracts, develops, and retains qualified personnel.
PURPOSE

Our overall audit objective was to ascertain the effectiveness of existing policies and procedures related to the administration of the academic personnel function and to determine the adequacy of controls over related processes to ensure compliance with relevant collective bargaining agreements, governmental regulations, Trustee policy, Office of the Chancellor directives, and campus procedures.

Within the overall audit objective, specific goals included determining whether:

- Administration and management of the AP function incorporates effective internal controls, adequate local policies and operational procedures, and current written delegations of authority.

- Processes and procedures ensure timely and effective communication of CSU and campus employment policies and federal and state employment laws and regulations.

- Employees are sufficiently apprised of acceptable business practices and expected standards of ethical and moral behavior, as well as the need to report conflict-of-interest situations.

- Faculty and management are sufficiently trained in the appropriate policies and procedures to support compliance with applicable state and federal laws and regulations regarding nondiscrimination and affirmative action, harassment, and safety.

- Recruitment, selection, hiring, and appointment activities are properly authorized, employment eligibility is verified, and compliance with state and federal laws and regulations and collective bargaining agreements is maintained.

- Professional licenses, certificates, and/or registration requirements for applicable employees are properly maintained.

- Procedures governing faculty evaluations and the review of sabbatical leave events conform with the collective bargaining agreement.

- Separations comply with existing laws and regulations and observe good business practices in accordance with CSU policy.

- Compensation and benefit requests and confidential hard-copy and system information, such as information pertaining to recruitment, selection, and hiring activities, are reasonably secure.
SCOPE AND METHODOLOGY

The proposed scope of the audit as presented in Attachment A, Audit Agenda Item 2 of the January 25 and 26, 2011, meeting of the Committee on Audit stated that AP includes activities involved in the recruitment, hiring, evaluation, and retention of employees directly involved with the academic operations of the CSU system and the individual campuses. Proposed audit scope would include, but was not limited to, review of recruitment and hiring processes for compliance with employment laws and regulations; evaluation of employees as required per collective bargaining agreements; administration of the family medical leave and other employee programs; and protection of sensitive and confidential information.

Our study and evaluation were conducted in accordance with the *International Standards for the Professional Practice of Internal Auditing* issued by the Institute of Internal Auditors and included the audit tests we considered necessary in determining whether operational and administrative controls are in place and operative. This review emphasized, but was not limited to, compliance with state and federal laws, Board of Trustee policies, and Office of the Chancellor and campus policies, letters, and directives. The audit focused on procedures in effect from July 1, 2009, through September 30, 2011.

We focused primarily on the internal administrative, compliance, and operations controls over academic personnel activities. Specifically, we reviewed and tested:

- Recruitment, selection, and hiring activities for academic employees, including training processes.
- Conflict-of-interest and employment eligibility forms and procedures.
- Maintenance and protection of confidential human resources information.
- Employee evaluations, sabbatical leaves, and separation procedures.
- Record retention and disposition.
OBSERVATIONS, RECOMMENDATIONS, AND CAMPUS RESPONSES

RECRUITMENT AND HIRING

EMPLOYMENT APPLICANT INFORMATION

The campus did not always obtain minimum applicant information from job applicants prior to making an offer of employment.

We reviewed the application files for 20 academic personnel employees hired since July 1, 2009, and we found that:

- Eight files did not include information on previous employment.
- Seventeen files did not contain information on criminal background history.
- Eight files did not include a certification that all information provided was true and correct.

Coded Memorandum Human Resources (HR) 2006-03, Employment Applicant Information, dated January 13, 2006, states that the campuses and the chancellor’s office are required to obtain, at a minimum, specific information including details on previous employment and criminal background history for applicants who will be offered California State University (CSU) positions. In addition, the applicant needs to certify that information provided in the application process is true and correct.

The associate vice president (AVP) for faculty affairs stated that most of the incomplete files were for Unit 11 student academic employees, and that Unit 11 recruitment processes were more informal because student employees tended to be more transitory, with shorter appointment periods. She further stated that a standard application, which could include all the missing information detailed above, had not been deemed necessary for Unit 11 recruitments but would be considered for the future. She also stated that the campus standard application for Unit 3 temporary faculty did not include an inquiry on criminal background history due to oversight, and that the campus did not currently have a standard application form for Unit 3 tenure-track employees to collect criminal background history or the required certification statement.

Failure to include information required by CSU policies could result in inaccurate or incomplete employment applications.

Recommendation 1

We recommend that the campus ensure that minimum employment application information is obtained from job applicants prior to making an offer of employment.

Campus Response

We concur. A common application form is being developed for all Unit 3 and Unit 11 applicants that will include previous employment records, an applicant certification statement, and criminal background history statement. All new faculty unit hires will be subject to a LiveScan criminal background check prior to an offer of employment.
All faculty unit vacancies posted on or after April 30, 2012, will include language informing applicants of the LiveScan criminal background check requirement. The common application form will be implemented for positions posted on or after April 30, 2012.

BACKGROUND CHECKS

The campus did not always conduct background checks on employees hired into sensitive positions. We reviewed the employment records for seven employees in sensitive positions hired since July 1, 2010, and found that background checks had not been performed as required by campus policy for four employees who were hired as coaches. One of these coaches participated in campus-operated sports camps without having undergone a background check, a repeat finding from the prior Athletics Administration audit.

Coded Memorandum HR 2005-10, Background Checks, effective March 1, 2005, states that it is the campus’ responsibility to determine whether a position should be designated as sensitive and initiate background checks prior to the hire, transfer, reclassification, promotion or reassignment of individuals into sensitive positions.

Coded Memorandum HR 2008-25, Background Checks – Update: CSU Employees Working at Sports Camps and Clinics, dated December 24, 2008, states that background checks (including criminal records, motor vehicle records and sex offender registries) are required for all individuals at the time they are hired by a CSU campus to perform any work at a CSU sports camp/clinic operated by CSU, a CSU auxiliary or by an outside entity.

Humboldt State University Executive Memorandum P09-04, Background and Criminal Records Check Policy and Procedures, dated October 2009, states that the campus shall conduct background checks on all applicants who are under final consideration for staff, counselor, coach, and management personnel positions, and that a new hire may not begin employment until the results have been received and reviewed. It also states that individuals who work summer camps are required to be background checked at the time they are hired.

The AVP for faculty affairs stated that background checks for the four sensitive employees were not performed due to oversight.

Failure to perform background checks increases the risk of inappropriate personnel appointments and campus exposure to loss from inappropriate acts.

Recommendation 2

We recommend that the campus ensure that background checks are completed as required by campus policy.

Campus Response

We concur. The campus will ensure that background checks are completed as required by policy.
Expected implementation date: April 30, 2012

**APPOINTMENT NOTIFICATIONS**

The delegation of authority for temporary faculty appointments was incomplete, and appointment letters were not always issued prior to employees’ start dates.

We reviewed 11 temporary faculty appointments and seven student assistant appointments and found that:

- The AVP for faculty affairs signed all 11 temporary faculty appointment letters without written delegation of authority from the president. Although a written delegation of authority from the campus president for the hiring of faculty unit employees existed, it did not include the AVP for faculty affairs.

- One Unit 3 temporary faculty appointment letter and six Unit 11 student academic employee appointment letters were issued after the employees’ start date.

Collective Bargaining Agreement (CBA), California Faculty Association (CFA), Unit 3, Article 12.1 states that after considering the recommendations, if any, of the department or equivalent unit and the appropriate administrator, appointments of employees shall be made by the president. Appointments may be temporary, probationary, or tenured. Appointments shall be made through written notification by the president. No employee shall be deemed appointed in the absence of an official written notification from the president.

CBA, CFA Article 2.18 states that the term “president” as used in this agreement refers to the chief executive officer of a university or college or his/her designee.

CBA, United Auto Workers, Unit 11, Article 2.7 states that the university shall provide a written notice of the appointment or reappointment in paper or electronic format to the affected individual during a period of between 30 to 90 days, depending on the situation, before the start of the appointment.

The AVP for faculty affairs stated that the president agreed to add the AVP for faculty affairs to the delegation of authority for the hiring of temporary faculty unit employees but had not yet formalized the decision in writing. She further stated that the academic personnel services department depended on the hiring department to submit appointment documentation prior to the employee start date, and due to the less formal nature of student employment, Unit 11 student academic employees were often not identified far enough in advance for the timely preparation of a formal appointment letter. She also stated that Unit 3 temporary faculty appointments were sometimes delayed until the first instructional week because of uncertainties associated with enrollment and budget.

Failure to appoint faculty in accordance with campus and CSU policies could result in complaints of discriminatory practices.
Recommendation 3

We recommend that the campus:

a. Ensure that temporary faculty appointments are made by the campus president or the president’s designee with a written delegation of authority in place.

b. Issue appointment letters prior to an employee’s start date.

Campus Response

We concur.

a. The president has delegated the authority to approve appointments for temporary faculty unit employees to the associate vice president for faculty affairs.

b. The campus will issue appointment letters prior to an employee’s start date.

Expected implementation date: April 30, 2012

TRAINING AND RECORDS

Sexual harassment and other harassment training procedures needed improvement.

We found that:

- The campus had not clearly documented which faculty members or job categories were considered supervisors for sexual harassment training purposes.

- The campus did not provide other harassment training to newly hired faculty and, when necessary, refresher training to continuing faculty on other harassment topics.

Coded Memorandum HR 2005-35, *Sexual Harassment Mandatory Training*, dated August 26, 2005, states that sexual harassment training is now required for all CSU employees who have supervisory responsibility as a result of Assembly Bill 1825. A “supervisor” is defined to include any individual with the authority “to hire, transfer, suspend, lay off, recall, promote, discharge, assign, reward, or discipline other employees, or the responsibility to direct them, or to adjust their grievances, or effectively to recommend that action, if … the exercise of that authority … requires the use of independent judgment.” It is the responsibility of each campus to determine who meets the definition of “supervisor.”

Executive Order 927, *Systemwide Policy Prohibiting Harassment in Employment and Retaliation for Reporting Harassment or Participation in a Harassment Investigation*, dated January 6, 2005, states that to prevent harassment and encourage the reporting of harassment, training shall be provided by each campus to all employees upon their initial arrival at the campus. Such training shall explain, but
not be limited to: what constitutes harassment under applicable law; the rights and responsibilities of each individual relating to workplace harassment; the protection against retaliation for individuals who report harassment or participate in an investigation; the internal complaint procedures for filing, investigating and resolving a harassment complaint; and the option and method for filing a harassment complaint with external government agencies such as the Department of Fair Employment and Housing and the Equal Employment Opportunity Commission. The policy also states that after training has been given to employees upon their first arrival at the campus, training shall be provided, when necessary, to refresh and update employees’ knowledge of harassment and retaliation laws.

The AVP for faculty affairs stated that some faculty supervisory positions were overlooked when identifying those eligible for sexual harassment training because the responsibilities of those positions changed from semester to semester. She also stated that the requirement for harassment training was considered but delayed because of the belief that it would require negotiations with the CFA.

Failure to clearly document which faculty members or job categories are considered “supervisors” for sexual harassment training purposes increases the risk that mandatory training will not always be completed and the campus will not be in compliance with state regulations, and failure to provide new-hire training and refresher training for faculty in other harassment topics increases the risk that faculty will not be fully aware of other harassment procedures and requirements, thereby increasing the risk of litigation.

**Recommendation 4**

We recommend that the campus:

a. Clearly document which faculty members or job categories are considered supervisors for sexual harassment training purposes.

b. Provide other harassment training to newly hired faculty and, when necessary, refresher training for faculty in other harassment topics.

**Campus Response**

We concur.

a. The campus will work with deans and department chairs to identify faculty supervisors each semester and will require such faculty to participate in the Workplace Answers sexual harassment training online course.

   Expected implementation date: April 30, 2012

b. The campus will provide other harassment training to newly hired faculty and, when necessary, refresher training for faculty in other harassment topics.

   Expected implementation date: April 30, 2012
**APPENDIX A:**
**PERSONNEL CONTACTED**

<table>
<thead>
<tr>
<th>Name</th>
<th>Title</th>
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<tbody>
<tr>
<td>Rollin C. Richmond</td>
<td>President</td>
</tr>
<tr>
<td>Patricia Ambrosini</td>
<td>Payroll Officer</td>
</tr>
<tr>
<td>Kevin Cheli-Colando</td>
<td>Administrative Analyst, College of Professional Studies</td>
</tr>
<tr>
<td>Shannon Collart</td>
<td>Recruitment Assistant, Academic Personnel Services</td>
</tr>
<tr>
<td>Dan Collen</td>
<td>Athletics Director</td>
</tr>
<tr>
<td>Tammy Curtis</td>
<td>Director of Human Resources</td>
</tr>
<tr>
<td>Ann Diver-Stamnes</td>
<td>Chair, School of Education</td>
</tr>
<tr>
<td>Shannon Collart</td>
<td>Recruitment Assistant, Academic Personnel Services</td>
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<tr>
<td>Mary Greta</td>
<td>Administrative Analyst, College of Arts, Humanities and Social Sciences</td>
</tr>
<tr>
<td>Mary Hackett</td>
<td>Administrative Analyst, College of Natural Resources and Sciences</td>
</tr>
<tr>
<td>Mark Hendricks</td>
<td>Security Analyst, Information Technology Services</td>
</tr>
<tr>
<td>Su Karl</td>
<td>Coordinator, Learning Center</td>
</tr>
<tr>
<td>Melissa Koval</td>
<td>Academic Personnel Coordinator</td>
</tr>
<tr>
<td>Emily Kupec</td>
<td>Financial Analyst</td>
</tr>
<tr>
<td>Tom Manoli</td>
<td>Coordinator, Environmental Health and Safety</td>
</tr>
<tr>
<td>Carlene Marshall</td>
<td>Specialist, Academic Personnel Services</td>
</tr>
<tr>
<td>Colleen Mullery</td>
<td>Associate Vice President for Faculty Affairs</td>
</tr>
<tr>
<td>Burt Nordstrom</td>
<td>Vice President of Administrative Affairs</td>
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<tr>
<td>Nancy Resnick</td>
<td>Associate Director of Human Resources</td>
</tr>
<tr>
<td>Lynne Sandstrom</td>
<td>Director of Financial Services</td>
</tr>
<tr>
<td>Laurie Sheppard</td>
<td>Business Manager, Athletics</td>
</tr>
<tr>
<td>Robert Snyder</td>
<td>Vice President of Academic Affairs</td>
</tr>
<tr>
<td>Carol Terry</td>
<td>Associate Vice President for Business Services</td>
</tr>
<tr>
<td>Marshelle Thobaben</td>
<td>Chair, Department of Nursing</td>
</tr>
</tbody>
</table>
March 5, 2012

Larry Mandel
University Auditor
The California State University
401 Golden Shore
Long Beach, CA 90802-4210

Audit Report 11-60 – Academic Personnel

Dear Mr. Mandel:

Please find enclosed Humboldt State University’s response to Audit Report 11-60 – Academic Personnel, findings #1 through #4.

Please review the information and let us know if there are any questions, concerns, or if we can provide additional information. We appreciate the effort you and your staff have made to indicate areas where our procedures could be strengthened.

Please direct questions regarding the responses to Lynne Sandstrom, CPA, Financial Services at (707) 826-4031 or les37@humboldt.edu.

Sincerely,

Burt Nordstrom
Vice President

cc: Rollin C. Richmond, President (w/o enclosures)
    Carol Terry, Associate Vice President of Business Services (w/o enclosures)
ACADEMIC PERSONNEL
HUMBOLDT STATE UNIVERSITY
Audit Report 11-60

RECRUITMENT AND HIRING

EMPLOYMENT APPLICANT INFORMATION

Recommendation 1

We recommend that the campus ensure that minimum employment application information is obtained from job applicants prior to making an offer of employment.

Campus Response

We concur.

A common application form is being developed for all Unit 3 and Unit 11 applicants that will include previous employment records, an applicant certification statement, and criminal background history statement.

All new faculty unit hires will be subject to LiveScan criminal background check prior to an offer of employment.

Expected Implementation Date:

All faculty unit vacancies posted on or after April 30, 2012 will include language informing applicants of LiveScan criminal background check requirement.

The common application form will be implemented for positions posted on or after April 30, 2012.

BACKGROUND CHECKS

Recommendation 2

We recommend that the campus ensure that background checks are completed as required by campus policy.
Campus Response

We concur. The campus will ensure that background checks are completed as required by policy.

Expected Implementation Date: April 30, 2012

**APPOINTMENT NOTIFICATIONS**

**Recommendation 3**

We recommend that the campus:

a. Ensure that temporary faculty appointments are made by the campus president or the president’s designee with a written delegation of authority in place.

b. Issue appointment letters prior to an employee’s start date.

**Campus Response**

a. We concur. The President has delegated the authority to approve appointments for temporary faculty unit employees to the Associate Vice President for Faculty Affairs.

b. We concur. The campus will issue appointment letters prior to an employee’s start date.

Expected Implementation Date:

a. Fully Implemented
b. April 30, 2012

**TRAINING AND RECORDS**

**Recommendation 4**

We recommend that the campus:

a. Clearly document which faculty members or job categories are considered supervisors for sexual harassment training purposes.

b. Provide other harassment training to newly hired faculty and, when necessary, refresher training for faculty in other harassment topics.

**Campus Response**

a. We concur. The campus will work with Deans and Department Chairs to identify faculty supervisors each semester and will require such faculty to participate in the Workplace Answers sexual harassment training online course.
b. We concur. The campus will provide other harassment training to newly hired faculty and, when necessary, refresher training for faculty in other harassment topics.

Expected Implementation Date:

a. April 30, 2012
b. April 30, 2012
March 26, 2012

MEMORANDUM

TO: Mr. Larry Mandel
University Auditor

FROM: Charles B. Reed
Chancellor

SUBJECT: Draft Final Report 11-60 on Academic Personnel, Humboldt State University

In response to your memorandum of March 26, 2012, I accept the response as submitted with the draft final report on Academic Personnel, Humboldt State University.

CBR/amd