

Audit and Advisory Services
401 Golden Shore
Long Beach, CA 90802-4210

March 18, 2022

Dr. Ellen J. Neufeldt, President
California State University San Marcos
333 S. Twin Oaks Valley Road
San Marcos, CA 92096

Dear Dr. Neufeldt:

**Subject: Audit Report 21-19, Faculty Assigned Time and Additional Employment,
California State University San Marcos**

We have completed an audit of *Faculty Assigned Time and Additional Employment* as part of our 2021-2022 Audit Plan, and the final report is attached for your reference. The audit was conducted in accordance with the Institute of Internal Auditors' *International Standards for the Professional Practice of Internal Auditing*.

I have reviewed the management response and have concluded that it appropriately addresses our recommendations. The management response has been incorporated into the final audit report, which will be posted to Audit and Advisory Services' website. We will follow-up on the implementation of corrective actions outlined in the response and determine whether additional action is required.

Any observations not included in this report were discussed with your staff at the informal exit conference and may be subject to follow-up.

I wish to express my appreciation for the cooperation extended by the campus personnel over the course of this review.

Sincerely,



Vlad Marinescu
Vice Chancellor and Chief Audit Officer

c: Steve Relyea, Acting Chancellor
Adam Day, Chair, Committee on Audit
Jane W. Carney, Vice Chair, Committee on Audit

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**FACULTY ASSIGNED TIME
AND ADDITIONAL EMPLOYEMENT**

California State University San Marcos

Audit Report 21-19
March 18, 2022

EXECUTIVE SUMMARY

OBJECTIVE

The objectives of the audit were to ascertain the effectiveness of operational and administrative controls related to faculty assigned time and additional employment, and to ensure compliance with relevant federal and state regulations; Trustee policy; Office of the Chancellor (CO) directives; and campus procedures.

CONCLUSION

Based upon the results of the work performed within the scope of the audit, except for the weaknesses described below, the operational and administrative controls for additional employment (AE), faculty assigned time (AT), and sabbatical leaves (SL) as of December 3, 2021, taken as a whole, provided reasonable assurance that risks were being managed and objectives were met.

We found that AT records were not consistently maintained, were not provided by the campus, or were incomplete and did not include an appropriate description of the job to be performed, the number of weighted teaching units (WTU) assigned, or formal approval. Also, written procedures for AT work assignments had not been established, monitoring and oversight was inconsistent, after-the-fact evaluations were not performed, and WTUs granted for AT were not reconciled to completed AT work assignments. In addition, the campus did not consistently comply with the requirements related to excess enrollment.

We also found that AE assignments did not comply with the Unit 3 *California Faculty Association Collective Bargaining Agreement* (CBA) related to timely approval and special consultant requirements, and faculty workloads were not adequately monitored to ensure that AE did not represent additional workload that would exceed 25 percent of a faculty member's normal full-time workload as outlined in the Unit 3 CBA and the Office of the Chancellor *Additional Employment Policy*. Further, the campus had not established written procedures for AE that included clearly defined roles and responsibilities, and special consultant support records were not consistently maintained.

In addition, faculty rating forms for SL were not consistently maintained, faculty members did not consistently provide a copy of the SL application to the department chair, and copies of SL impact statements were not consistently provided to the college dean.

Specific observations, recommendations, and management responses are detailed in the remainder of this report.

OBSERVATIONS, RECOMMENDATIONS, AND RESPONSES

1. ASSIGNED TIME

OBSERVATION

Administration of AT needed significant improvement.

Educational Programs and Resources (EP&R) 76-36, *Faculty Workload: Policies and Procedures*, states that records of all indirect instructional activities must be maintained, are subject to review, and must include an appropriate description of the job to be performed, the number of WTUs assigned, formal approval, and an after-the-fact evaluation. We reviewed the process for administering AT work assignments at four colleges and found that AT records were not consistently maintained or provided, or were incomplete, and did not consistently include an appropriate description of the job to be performed, the number of WTUs assigned, formal approval, or an after-the fact evaluation. As such, we could not verify, and the campus could not demonstrate, that the AT codes applied to the AT work assignments were appropriate and correctly entered into the systemwide Academic Personnel Database (APDB).

Per the APDB, for the fall 2019 and spring 2020 semesters, the campus granted 604 and 624 AT work assignments, totaling 1,734 and 1,833 WTUs, for 267 and 261 faculty members, respectively. For the fall 2020 and spring 2021 semesters, the campus granted 562 and 462 AT work assignments, totaling 1,673 and 1,398 WTUs, for 259 and 198 faculty members, respectively. We reviewed the records of 151 AT work assignments, 145 of which were indirect instructional activities totaling 458 WTUs for 36 faculty members, and we found that:

- For 121 AT work assignments for 36 faculty members, records were not consistently maintained, or the college did not provide the required documents to show a complete description of the task, the number of WTUs assigned, formal approval, and an after-the-fact evaluation of the completed assignments.
- For 27 AT work assignments for 17 faculty members, records were incomplete and did not include one or more of the elements noted above.
- For 82 AT work assignments, the campus provided only the Faculty Activity Report (FAR). We noted that no other supporting records were provided to show the job description, approval, AT code used, and other required elements.
- For 16 AT work assignments, the AT code assigned and entered into APDB was incorrect. Specifically, eight of the 16 AT work assignments were classified as research activities instead of probationary faculty activities. The Unit 3 CBA allows new faculty members to be granted six WTUs per academic year, within the probationary period of two years.
- For 142 AT work assignments, no documentation was provided showing that the after-the-fact evaluation was completed.

We found that the campus had not established written procedures for the general administration of AT work. Monitoring and administrative oversight of AT was decentralized to the college level, and as such, was inconsistent. For example, we found:

- One college did not have any AT work assignments recorded in APDB for spring 2021, though, according to the college dean, AT work assignments were granted for this period.
- With regard to the request and approval of AT work assignments, one college required the completion of an email template for AT work assignment requests, which could serve to track AT. Two other colleges developed an online AT form for AT work assignment requests that they planned to implement in spring 2022. We noted that these forms did not include all required elements.
- For four AT work assignments for two faculty members who were separated from the university or had obtained a management personnel plan (MPP) position, the FAR was not provided because historical information in the database was no longer available.

We also found that the campus pre-entered six WTUs into the FAR for all tenured and tenure-track faculty and did not consistently perform the required request and approval process. However, the campus did not reconcile the pre-entered WTUs to completed AT work assignments. We compared all AT work assignments in the APDB between fall 2019 and spring 2021 to the college report from the PeopleSoft workload module and found that the records did not consistently match. Specifically, the number of AT work assignments were different in 187 instances and the number of WTUs were different in 205 instances.

Per EP&R 76-36, *Faculty Workload: Policies and Procedures*, a faculty member may be assigned a graduate student or student assistant for classes with student enrollment between 75 and 120. For classes with more than 120 enrolled students, a faculty member may be assigned either a graduate assistant or student assistant or be granted an additional three WTUs. A faculty member cannot receive these accommodations for more than one class per semester. We reviewed faculty workload for all AT work assignments between fall 2019 and spring 2021, and we found that:

- Colleges were using a revised enrollment standard to determine excess enrollment that set the standard lower than 120 students and did not provide a written process and approval for these revised enrollment standards.
- For 18 faculty members, 32 AT work assignments were granted for excess enrollment for a course that did not have 120 enrolled students, and for one faculty member, excess enrollment was granted for more than one course in the same semester.

Proper administration of AT, including maintaining complete and accurate records to support AT work assignments and excess enrollment, performing after-the-fact evaluations, monitoring and reconciling AT work assignments, and following written procedures, can help to ensure compliance with systemwide policy and Unit 3 CBA requirements, and can help the campus evaluate the operational and fiscal impact of indirect instructional activities.

RECOMMENDATION

We recommend that the campus:

- a. Develop and implement a process to improve the administration of and compliance with requirements for AT work assignments and to address the issues noted above, including maintaining complete and accurate records to support AT work assignments. Records should include a full description of the task, the number of WTUs assigned, and the correct AT code. As needed, formal approval of non-routine AT work assignments and after-the-fact evaluation should be documented.
- b. Review and update the current process for monitoring AT work assignments and allocations for excess enrollment to ensure that they comply with the Unit 3 CBA, as well as systemwide and campus policies, and that all supporting records are maintained.
- c. Develop written procedures, including defined roles and responsibilities for the general administration of AT, and communicate these to all appropriate personnel.
- d. Develop and implement a process to periodically reconcile AT work assignments and the number of issued WTUs between the various databases, including faculty workload, FAR, and APDB.

MANAGEMENT RESPONSE

We concur. The campus will:

- a. Develop and implement a process to improve the administration of and compliance with requirements for AT work assignments and to address the issues noted above, including maintaining complete and accurate records to support AT work assignments. The process will note that records should include a full description of the task, the number of WTUs assigned, and the correct AT code. Non-routine AT work assignments will document formal approval of AT and after-the-fact evaluation, as needed.
- b. Review and update the current process for monitoring AT work assignments and allocations for excess enrollment to ensure that they comply with the Unit 3 CBA, as well as systemwide and campus policies, and that all supporting records are maintained.
- c. Develop written procedures, including defined roles and responsibilities for the general administration of AT, and communicate these to all appropriate personnel.
- d. Develop and implement a process to periodically reconcile AT work assignments and the number of issued WTUs between the various databases, including faculty workload, FAR, and APDB.

Date of completion: August 31, 2022

2. ADDITIONAL EMPLOYMENT

OBSERVATION

Administration of AE and special consultants needed improvement.

For the fall 2019 and spring 2020 semesters, the campus paid approximately \$330,219 and \$352,971 for AE to 88 and 101 faculty members, respectively. For the fall 2020 and spring 2021 semesters, the campus paid \$248,333 and \$295,272 for AE to 69 and 105 faculty members, respectively. For each AE assignment requested, an Academic Transaction Form (ATF) or Employee Authorization Form (EAF) must be completed, and the form must be approved by the college dean. Faculty affairs, Extended Learning, and the CSUSM Corporation, an auxiliary organization of CSUSM, are responsible for ensuring that AE does not exceed 25 percent of a faculty member's normal full-time workload. The form is sent to the human resource management and payroll departments for processing.

We reviewed 77 AE assignments for 28 faculty members from all four campus colleges and found that:

- For 48 AE assignments for 23 faculty members, the ATF or EAF was not properly approved or approved timely. The approval process did not require college deans to review and approve AE for assignments through extended learning (EL), and the EL dean stated that the payroll department did not require the ATF to be dated when signed; therefore, it became practice within the EL college to not date the forms. Therefore, we were unable to verify whether all ATFs were approved timely. The forms that were dated were approved an average of 47 days late, with one approved 354 days after the AE assignment started.
- Six faculty members exceeded the 25 percent limit of their normal full-time workload a total of 16 times, ranging between 34 and 100 percent, for AE granted through EL or the corporation. Additionally, AE assignments granted through EL were not consistently included in the EL tracking, and thus were not properly monitored. Also, AE assignments that overlapped multiple terms were not tracked by EL in the fall AE assignments.
- The campus had not established written procedures for general administration of AE.

From fall 2019 through spring 2021, the campus paid \$982,282 to 279 special consultants and faculty members. The Special Consultant Appointment form must be approved by the appropriate vice president, and the special consultant timesheet must be completed and approved by the MPP before it is forwarded to the payroll office for processing to certify that the designated work has been completed. We reviewed 19 Special Consultant Appointment forms and 63 special consultant timesheets and found that records were not consistently maintained. Specifically, we found that:

- In five instances, the Special Consultant Appointment form was not provided, and in one instance, the special consultant timesheet was not provided, and as such, we could not verify the assignment.

- In seven instances, the Special Consultant Appointment form was not approved timely and before the special consultant started the work.

Proper administrative oversight of AE assignments and special consultants, including timely approval, monitoring of workloads, written procedures, and records maintenance, can help to ensure compliance with systemwide policy and Unit 3 CBA requirements and can allow the campus to evaluate the operational and fiscal impact of noncompliance with AE assignment requirements and workload limits.

RECOMMENDATION

We recommend that the campus:

- a. Develop and implement a process to improve the administration of AE and special consultant assignments and ensure that all required approvals are obtained before the work begins and that all AE assignments are monitored.
- b. Reiterate to all appropriate campus personnel the updated processes and the importance of complying with the requirements of the Unit 3 CBA and systemwide and campus policies regarding AE assignments and workload limits, and provide training as needed.
- c. Develop written procedures, including defined roles and responsibilities, for the general administration of AE, and communicate these to all appropriate personnel.

MANAGEMENT RESPONSE

We concur. The campus will:

- a. Develop and implement a process between the various entities that manage AE to improve and reconcile the administration of AE and special consultant assignments and ensure that all required approvals are obtained before the work begins and that all AE assignments are monitored.
- b. Reiterate to all appropriate campus personnel the updated processes and the importance of complying with the requirements of the Unit 3 CBA and systemwide and campus policies regarding AE assignments and workload limits, and provide training as needed.
- c. Develop written procedures, including defined roles and responsibilities, for the general administration of AE, and communicate these to all appropriate personnel.

Date of completion: August 31, 2022

3. SABBATICAL LEAVE

OBSERVATION

Administration of the SL process needed improvement.

Faculty members who request SL must submit a professional leave proposal form and an SL application that includes a statement of purpose, a description of the proposed project, a list of campus resources, and the amount of time requested. Applications are reviewed and evaluated by a professional leave committee (PLC) before being submitted to the provost for final selection and approval. Additionally, faculty members who take SL must submit a written report of the leave's activities to the provost by the date specified on the provost's letter.

For the fall 2019 and spring 2020 semesters and the fall 2020 and spring 2021 semesters, 17 and 20 faculty members, respectively, were approved for SL. We reviewed SL records for 15 faculty members and found that:

- In 15 instances, the campus had not maintained a copy of the rating forms used by the PLC to determine each faculty member's ranking for the evaluation and recommendation provided to the provost. Per discussion with faculty affairs, these forms were completed but were not maintained by the PLC and academic senate. The campus SL policy does not require retention of the rating form, but sound business practice recommends retention of these form to verify that the evaluation process was performed.
- Notification to the department chair or college dean was not always consistent. For example, in four instances, the SL application was submitted to faculty affairs, as well as the college dean; however, a copy was not provided by the faculty member to the department chair. In four other instances, there was no documentation to verify that the department chair received a copy of the SL application from the faculty member, as required by the campus SL policy. Also, in three instances, a copy of the impact statement was not provided to the college dean. The SL policy requires the department chair to provide the impact statement to the vice president for academic affairs, with a copy to the college dean.

Proper administration of SL, including maintaining appropriate notifications, rating forms, and impact statements, can help to ensure compliance with campus policy and Unit 3 CBA requirements and can help the campus evaluate the comprehensive value in granting SL.

RECOMMENDATION

We recommend that the campus:

- a. Develop and implement a process to improve compliance with requirements of the Unit 3 CBA and systemwide and campus policies regarding SL, including the requirements noted above.
- b. Communicate with all appropriate personnel the updated processes and the importance of compliance.

MANAGEMENT RESPONSE

We concur. The campus will:

- a. Create an updated and uniform process for sabbatical leaves to ensure appropriate notifications occur and rating forms and impact statements are maintained.

- b. Reiterate to all appropriate campus personnel the updated and uniform processes and the importance of compliance with requirements of the Unit 3 CBA and systemwide and campus policies and processes regarding sabbatical leaves. Training, FAQs, and updated applications will be provided as needed.

Date of completion: August 31, 2022

GENERAL INFORMATION

BACKGROUND

Substantially all elements of faculty employment are outlined in the Unit 3 CBA between the Board of Trustees of the California State University and the California Faculty Association, which was last approved November 12, 2014. The agreement covers the rights and responsibilities for contract negotiations and other employment-related topics, such as appointments, salaries, benefits, grievances, and the various categories of leave.

Article 20 of the CBA, *Workload*, states that the primary professional responsibilities of instructional faculty members are teaching, research, scholarship, creative activity, and service to the university, profession, and community. Article 20 discusses at length the parameters for determining the number of WTUs to assign to each faculty member, allowing for AT, or non-instructional time, for professional responsibilities other than teaching. Although there are some specific requirements for determining AT, academic departments are given latitude in deciding what is appropriate. Article 20.2c states that the scheduling of academic leaves, sabbaticals, and other professional responsibilities will be determined by the appropriate administrator after consultation with the department chair or designee and/or the individual faculty member and that these decisions must be consistent with campus policies.

In 1976, the systemwide division of Academic Affairs issued EP&R 76-36, *Faculty Workload: Policies and Procedures*, addressing the allocation of workload. The coded memorandum acknowledges that variations in campus curricula require variations in the use of instructional faculty positions allocated to each campus, but also recognizes the need for a common frame of reference for faculty workload assignments. EP&R 76-36 continues to serve as a guideline and common standard, though it has been revised as CBAs have been renegotiated, mainly to add new categories of leave. An addendum in the current version of the CBA, *Memorandum of Understanding Article 20 Changes*, dated October 1995, states that changes made to the article at that time were not undertaken for the purpose of changing current appointment practices on campuses or having faculty exceed the previous contractual workload requirements. It further states that the parties have agreed to continue measuring what constitutes unreasonable or excessive workload assignments by considering the past practices of the university, including the calculation of WTUs in prior years pursuant to EP&R 76-36. The memorandum ends by stating that it is the intention of the parties that teaching continue to be the primary responsibility of faculty.

EP&R 76-36 defines normal faculty workload as two components: 12 WTUs of direct instructional activity and three WTUs of indirect instructional activity such as student advisement, curriculum development, or improvement and committee assignments, for a total of 15 WTUs. It also provides guidelines on assigning weight to teaching units, based on factors such as class size and supervisory requirements, as well as descriptions and specific codes for indirect instructional activities that can be assigned WTUs, such as new course preparation, curricular planning and studies, excessive advising responsibilities, and instructional research. The EP&R also states that WTU assignments for indirect instructional activities are subject to review and audit and should include a description of the specific tasks to be performed and the number of WTUs assigned, formal approval of the assignment, and an after-the-fact evaluation of the assignment.

EP&R 76-36 also requires campuses to prepare an annual report summarizing its use of assigned WTUs during the previous fiscal year that can serve as a basis for a campus administrative review of assigned WTU activities. These reports are submitted to the systemwide APDB, and the information is compiled and analyzed by the Academic Human Resources department at the Office of the Chancellor (CO).

Article 27 of the CBA, *Sabbatical Leaves*, allows for paid leave for purposes that benefit the California State University (CSU), such as research, scholarly, and creative activity: instructional improvement; or faculty retraining. The article describes the eligibility and application requirements and requires that a professional leave committee of tenured faculty unit employees review the applications and advise the campus president on recommended leave approvals. The CBA stipulates that the campus shall grant sabbaticals in a number no less than 12 percent of faculty eligible to apply.

Article 36 of the CBA, *Additional Employment*, defines AE as any employment compensated by the CSU, funded by the General Fund or non-general funds such as CSU auxiliaries, that is in addition to the primary or normal employment of a faculty unit employee. The granting of this leave is subject to eligibility requirements, must be reported to the campus president, and is subject to a cap of 25 percent of the faculty member’s full-time normal workload.

According to the data compiled from APDB reporting, as summarized by the CO Academic Human Resources department, California State University, San Marcos (CSUSM) had 284 tenured and tenure-track faculty, 532 lecturers (none visiting), 11 counselors, nine coaches, and 19 librarians in 2020, for a total of 855 Unit 3 members. The average WTU workload for 2020 was 8.42 WTU, compared to the systemwide average of 8.21 WTU. CO Academic Human Resources reported AT as the number of full-time equivalent positions (FTE) the time represented and broke the time into direct and indirect WTU assignments. At CSUSM, AT for 2020 was 2.1 FTE in direct WTUs and 100.3 FTE in indirect WTUs, with indirect time comprising 97.9 percent of the reassigned WTUs. The systemwide percentage of indirect WTUs for AT was 84.5 percent.

At CSUSM, administration of AE is managed and approved at the college level and through faculty affairs, Extended Learning, and/or the CSUSM Corporation, and AT is managed and approved by both the department chair and college dean. Administration of SL is centralized at faculty affairs; SL is recommended by a PLC and ultimately approved by the provost as the president’s designee.

SCOPE

Due to temporary operating procedures and limitations resulting from the COVID-19 public health emergency, we performed fieldwork remotely from October 4, 2021, through December 3, 2021. Our audit and evaluation included the audit tests we considered necessary in determining whether operational and administrative controls are in place and operative. The audit focused on procedures in effect from July 1, 2019, to December 3, 2021.

Specifically, we reviewed and tested:

- Administration and organization of areas responsible for assignment, monitoring, and reporting of faculty workload and leave time, indicating clear lines of responsibility and authority.
- Activities of the PLC.
- Procedures to review, approve, and monitor requests or grants of faculty AT.
- Procedures to ensure that assignments of indirect instructional activities include a description of the specific tasks to be performed and the number of WTUs assigned, formal approval of the assignment, and an after-the-fact evaluation of the assignment, as required.
- Procedures to review, approve, and monitor the grants for SLs, including any requirements for a post-leave presentation or other deliverable.
- Procedures to review, approve, and monitor approvals for AE, including a calculation to determine that the 25 percent cap is not exceeded.
- Controls for ensuring the accuracy of data reported in the systemwide APDB.

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.

Our testing and methodology, which was designed to provide a review of key operational and administrative controls, included interviews and testing of a limited number of aspects of faculty workload assignments. Our review was limited to gaining reasonable assurance that controls were in place to capture and monitor AT, SL, and AE but did not test other categories of faculty leave.

CRITERIA

Our audit was based upon standards as set forth in federal and state regulations and guidance; Trustee policy; Office of the Chancellor directives; and campus (and auxiliary, if applicable) procedures; as well as sound administrative practices and consideration of the potential impact of significant risks. This audit was conducted in conformance with the Institute of Internal Auditors' *International Standards for the Professional Practice of Internal Auditing*.

This review emphasized, but was not limited to, compliance with:

- Unit 3 Faculty *California Faculty Association Collective Bargaining Agreement*, dated November 12, 2014
- EP&R 76-36, *Faculty Workload: Policies and Procedures*
- Coded memorandum Human Resources (HR) 2002-05, *Additional Employment Policy*

- *Technical Letter HR/Salary 2021-08, CalPERS Determination: Compensation for Special Consultant and Casual Worker Classifications NOT Reportable to CalPERS and Excluded from the Calculation of Retirement Benefits*
- *Technical Letter HR/Salary 2015-22, New Classification for Faculty Additional Employment*
- *APDB Data Dictionary*
- *Government Code §13402 and §13403*
- *CSUSM Sabbatical Leave Policy FAC 059-94*

AUDIT TEAM

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