

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

May 24, 2023

Dr. Tom Jackson, Jr., President  
California State Polytechnic University, Humboldt  
1 Harpst Street  
Arcata, CA 95521

Dear Dr. Jackson:

**Subject: Audit Report 22-35, Human Resources and Training Compliance,  
California State Polytechnic University, Humboldt**

We have completed an audit of *Human Resources and Training Compliance* as part of our 2022-2023 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: Jolene Koester, Interim Chancellor  
Lateefah Simon, Chair, Committee on Audit  
Yammilette Rodriguez, Vice Chair, Committee on Audit

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# **HUMAN RESOURCES AND TRAINING COMPLIANCE**

**California State Polytechnic University, Humboldt**

Audit Report 22-35  
May 24, 2023

## EXECUTIVE SUMMARY

### OBJECTIVE

The objectives of the audit were to ascertain the effectiveness of operational and administrative controls related to human resources (HR) and training compliance 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, the operational and administrative controls for HR and training compliance as of December 16, 2022, were unlikely to provide reasonable assurance that risks were being managed and objectives were met.

We noted that the HR department experienced significant employee turnover during the audit period that contributed to the identified issues. Between 2020 and 2021, seven of the 10 positions in HR turned over, with some key positions, such as the associate vice president, office manager, and recruitment manager, turning over multiple times. We also noted that an interim associate vice president of HR was recently hired to provide leadership and guidance to the HR department and to directly address many of the areas noted as observations in the audit.

Overall, we found that the campus was not effectively administering certain HR processes and compliance with training requirements. Campus management noted that the audit period occurred during the pandemic and many processes had to be altered as a result, which may have contributed to the identified issues. Specifically, the independent contractor process, the identification of mandated reporters, and the assignment of mandated reporter training needed significant improvement. In addition, we found multiple instances where mandatory first-time and refresher training was not assigned by the campus or completed by employees in a timely manner. We also found that the campus did not accurately identify all campus security authorities (CSA).

In addition, we found that several operational and administrative controls needed to be strengthened in the human resources area, including processes for employee performance evaluations; separations; recruiting, selecting, and hiring new employees; and physical access controls.

During fieldwork, we noted that work had already started in certain areas to establish updated procedures and controls not present during our audit scope period, including, but not limited to, an independent contractor review and determination process, an updated mandated reporter administration process, an updated Clery training process, and an updated employee performance evaluation process.

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

## **OBSERVATIONS, RECOMMENDATIONS, AND RESPONSES**

### **1. INDEPENDENT CONTRACTORS**

#### **OBSERVATION**

Administration of independent contractors needed significant improvement.

We found that the campus did not have procedures addressing the engagement of independent contractors. Specifically, the campus did not have a process to identify and make independent contractor determinations in accordance with the Dynamex Test, a method to document the approval of these determinations, or a process to determine whether background checks were required to be performed. We reviewed seven independent contractors and found that for two individuals who appeared to require background checks based on the description of the services that were provided, the campus did not have documentation showing that a background check had been performed.

Further, we noted that the HR department was not involved in the process to engage independent contractors, and perhaps due to the issues noted above, the list of independent contractors provided during fieldwork was incomplete.

Correct classification of workers as employees or independent contractors reduces the risk of wage liability, including overtime; benefit liability, including retirement; loss of reimbursement under federal contract and grant funds; penalties for violation of state and federal tax withholding laws; and violation of employment-related requirements.

#### **RECOMMENDATION**

We recommend that the campus:

- a. Develop and implement written procedures for the administration of and compliance with requirements for independent contractors to address the issues noted above, including identifying and making independent contractor determinations in accordance with the Dynamex Test, involving HR in the determination process, documenting approvals, and completing timely background checks when necessary.
- b. Provide training on the new procedures to relevant personnel.

#### **MANAGEMENT RESPONSE**

The campus concurs.

- a. The campus developed and implemented written procedures for the administration of and compliance with requirements for independent contractors to address the issues noted above, including identifying and making independent contractor determinations in accordance with the Dynamex Test, involving HR in the determination process, documenting approvals, and completing timely background checks when necessary.
- b. The campus provided training on the new procedures to relevant personnel.

The campus will provide documentation showing fulfillment of the above recommendations by May 31, 2023.

## 2. MANDATED REPORTER TRAINING

### OBSERVATION

The process to identify mandated reporters and assignment of mandated-reporter training needed improvement.

We found that the campus did not have a process to identify mandated reporters and ensure that they had acknowledged their reporting requirements. In addition, the campus did not have a process for ensuring that employees with specified mandated-reporter responsibilities completed the mandated-reporter training.

Additionally, the campus had not established a list of campus-specific classifications of mandated reporters, distinguishing between limited reporters and general reporters, as required by Executive Order (EO) 1083, *Mandatory Reporting of Child Abuse and Child Neglect*.

We selected five youth programs for review and examined the training records for the four individuals (two coaches and two assistant coaches) in these programs who were required to complete mandated reporter training. We found that they were not assigned and did not complete the mandated reporter training. Coaches and coaching assistants are considered general reporters and are classified as category 49 reporters under the *Child Abuse and Neglect Reporting Act (CANRA)*. Individuals under this category are required by law to complete mandated reporter training. After fieldwork concluded, campus management confirmed that the four individuals noted above were assigned to and completed the mandated reporter training.

Proper administration of mandated reporter training can help to ensure compliance with state law and systemwide regulation, as well as help the campus avoid adverse legal ramifications and loss of reputation.

### RECOMMENDATION

We recommend that the campus:

- a. Develop a centralized list of classifications, or positions within classifications, to identify mandated reporters and to delineate which mandated reporters are general reporters and which are limited reporters, and develop a written procedure to periodically update the list.
- b. Develop a process to verify that acknowledgement statements of legal responsibility to report abuse are signed by those identified as mandated reporters.
- c. Develop written procedures for tracking and monitoring training assignment and completion for employees required to complete mandated reporter training.

**MANAGEMENT RESPONSE**

The campus concurs.

- a. The campus has developed a centralized list of classifications, or positions within classifications, to identify mandated reporters and to delineate which mandated reporters are general reporters and which are limited reporters, and developed a written procedure to periodically update the list.
- b. The campus has developed a process to verify that acknowledgement statements of legal responsibility to report abuse are signed by those identified as mandated reporters.
- c. The campus will develop written procedures for tracking and monitoring training assignment and completion for employees required to complete mandated reporter training.

The campus will provide documentation evidencing fulfillment of the above recommendations by May 31, 2023.

**3. CONFLICT-OF-INTEREST TRAINING**

**OBSERVATION**

Assignment and monitoring of conflict-of-interest (COI) training needed improvement.

Employees in designated positions are required to take COI training within six months of appointment to the designated position, and biennially thereafter. Per Technical Letter 2022-01, campus procurement card (P-Card) holders are considered designated employees at California State Polytechnic University, Humboldt (Cal Poly Humboldt).

Initial Training

- We reviewed training records for all 49 active P-Card holders, and we found that eight employees were not assigned initial training. An additional four employees who were assigned initial training did not complete the training.
- We reviewed training records for 10 new hires in designated positions, and we found that four employees were not assigned initial training. An additional four employees completed initial training between 119 and 382 days after it was due.

Refresher Training

We examined the training records for 20 employees in designated positions who were hired before July 2020, and we found that:

- Three designated employees were not assigned initial training and therefore had not been assigned or completed refresher training.

- Seven designated employees completed their biennial retraining between 11 and 205 days after it was due.

Proper administration of COI training can help to ensure compliance with state law, systemwide policy, and campus policy.

**RECOMMENDATION**

We recommend that the campus:

- Strengthen the process for tracking and monitoring employees with overdue or incomplete COI training, including escalation procedures for noncompliance.
- Strengthen the process for assigning COI training to designated employees (based on job position) and new P-Card users.

**MANAGEMENT RESPONSE**

The campus concurs.

- The campus has strengthened the process for tracking and monitoring employees with overdue or incomplete COI training, including escalation procedures for noncompliance.
- The campus has strengthened the process for assigning COI training to designated employees (based on job position) and new P-Card users.

The campus will provide documentation evidencing fulfillment of the above recommendations by June 30, 2023.

**4. DISCRIMINATION, HARASSMENT, AND RETALIATION AND GENDER EQUITY/TITLE IX TRAINING**

**OBSERVATION**

Administration of the assignment and monitoring of discrimination, harassment, and retaliation (DHR) and gender equity and Title IX (GE/IX) training needed improvement.

Per the CSU *Nondiscrimination Policy* and Senate Bill 778, *Employers: Sexual Harassment Training Requirements*, all employees are required to take DHR and GE/IX training within six months of hire and biennially (DHR) or annually (GE/IX) thereafter.

We reviewed initial training records for 25 new hires and refresher training records for 25 employees hired before July 2020, and we found that employees did not always complete DHR and GE/IX training, or did not complete the training timely. See Table 1 for our testing results.

**Table 1: Employees Not Assigned or Past Due for Training**

	DHR Training	GE/IX Training
<b>INITIAL TRAINING</b>		
<b>Completed late</b>	3 of 25	3 of 25
<b>REFRESHER TRAINING</b>		
<b>Did not complete</b>	8 of 25	7 of 25
<b>Completed late</b>	4 of 25	8 of 25

Since fieldwork concluded, the campus has made a concerted effort to have employees complete these trainings. As of the time of this report, campus management reported that about 80% of the employees noted above had either completed the training or did not have to complete the training as they were no longer with the campus.

Proper administration of mandatory training for all employees can help to ensure compliance with state law, systemwide policy, and campus policy.

**RECOMMENDATION**

We recommend that the campus develop written procedures for tracking and monitoring employees with overdue or incomplete DHR and GE/IX training, including escalation procedures for noncompliance.

**MANAGEMENT RESPONSE**

The campus concurs. The campus will strengthen its practices for tracking and monitoring employees with overdue or incomplete DHR and GE/IX training, including escalation procedures for noncompliance.

The campus will provide documentation evidencing fulfillment of the above recommendation by September 1, 2023.

**5. CLERY TRAINING**

**OBSERVATION**

Identification of CSAs and administration of Clery training needed improvement.

Title 34 §668.46 of the Code of Federal Regulations (CFR) identifies the positions that are classified as CSAs and required to complete Clery training. Employees who have significant responsibility for student and campus activities are considered CSAs and are required by the campus Clery director to complete training annually. Although the campus listing of CSAs generally appeared to be comprehensive, we found four individuals who should have been classified as CSAs based on their job titles, including certain campus executives and the campus ombudsperson, but were not included. As such, these individuals had not been assigned Clery training.



We also examined the training records for 11 additional CSAs, and we found that eight did not complete their annual Clery retraining during our audit scope period. Since fieldwork concluded, the campus has made a concerted effort to encourage training completion, and management has stated that all individuals noted above who are still in positions that require training have completed the Clery training.

The Clery director retired at the end of 2020, and the interim Title IX coordinator and DHR administrator filled the role until a Clery director was appointed in February 2022, which may have contributed to the above issues.

Proper administration of Clery training can help ensure compliance with state law and systemwide regulation, as well as help the campus avoid adverse legal ramifications and loss of reputation.

**RECOMMENDATION**

We recommend that the campus strengthen the process for identifying CSAs and for tracking and monitoring employees with overdue or incomplete Clery training, including escalation procedures for noncompliance.

**MANAGEMENT RESPONSE**

The campus concurs. The campus will strengthen the process for identifying CSAs and for tracking and monitoring employees with overdue or incomplete Clery training, including escalation procedures for noncompliance.

The campus will provide documentation evidencing fulfillment of the above recommendation by September 1, 2023.

**6. EMPLOYEE PERFORMANCE EVALUATIONS**

**OBSERVATION**

Administration of employee performance evaluations needed improvement.

We found that the campus did not have a process to monitor annual performance evaluations for staff to ensure that they were completed accurately and timely in accordance with collective bargaining agreements (CBA).

We reviewed employee performance evaluations for 30 employees, including MPP and staff employees, and we found that:

- Performance evaluations had not been completed during the audit period for three employees. For 17 additional employees, at least one evaluation required during the audit period was not performed.
- Performance evaluations were not completed timely for 11 employees. These evaluations were completed between 32 and 117 days after the due date.

We also found that the campus did not have a written merit evaluation plan for management personnel.

Documented performance evaluations and a written merit evaluation plan help to ensure compliance with CSU policies and applicable CBAs.

**RECOMMENDATION**

We recommend that the campus:

- a. Update current procedures to address proper and timely performance of employee performance evaluations, and communicate these procedures to key campus personnel.
- b. Create, implement, and adhere to a written merit evaluation plan for management personnel.

**MANAGEMENT RESPONSE**

The campus concurs.

- a. The campus will update current procedures to address proper and timely performance of employee performance evaluations and communicate these procedures to key campus personnel.
- b. The campus will create, implement, and adhere to a written merit evaluation plan for management personnel.

The campus will provide documentation evidencing fulfillment of the above recommendations by July 1, 2023.

**7. EMPLOYEE PERSONNEL FILES**

**OBSERVATION**

Required new-hire documents were not consistently obtained and verified.

We reviewed personnel files and new-hire documents for 30 employees hired since September 1, 2020, and found that:

- Position descriptions needed significant improvement. We found that eight employees did not have a position description on file, 22 position descriptions did not include all required information as noted in HR 2012-15, and 17 position descriptions were signed by the employee and/or supervisor after the effective hire date.
- All nine new hires in designated positions had not completed and signed an initial COI statement.

- For all 10 individuals who were required to complete outside disclosure forms, either the form was not completed upon hire, not fully completed, or not timely reviewed by the supervisor.

We also found that the campus did not provide position descriptions to emergency hires.

Completion and verification of required hiring documentation provides assurance that all new hires meet technical and compliance qualifications and alleviates misunderstandings regarding employment conditions.

#### **RECOMMENDATION**

We recommend that the campus develop and implement procedures for completing and verifying new-hire documents to address the issues noted above and communicate these procedures to appropriate campus personnel.

#### **MANAGEMENT RESPONSE**

The campus concurs. The campus will develop and implement procedures for completing and verifying new-hire documents to address the issues noted above and communicate these procedures to appropriate campus personnel.

The campus will provide documentation evidencing fulfillment of the above recommendation by December 15, 2023.

## **8. SEPARATIONS**

#### **OBSERVATION**

Campus processes for terminations, resignations, and retirement of employees needed improvement to ensure that access to systems was removed and any other required administrative steps were taken.

We found that the campus did not always follow the separation process. Required 109 forms (Report of Separation form) were not always used or were not completed timely. As a result, PeopleSoft system access removal and removal from the payroll system were not performed timely. However, we confirmed that separated employees did not get paid after separation. We also found that clearance forms confirming that all separation procedures, including return of physical property, had been performed were not completed, which is a sound business practice.

Effective processes to ensure completion of all required steps for the termination and separation of employees, including removal of system access and other administrative steps, provides greater assurance that information assets are protected and other financial and administrative records are accurate.

**RECOMMENDATION**

We recommend that the campus update current separation procedures to ensure that all required system access and administrative requirements are addressed, and communicate these procedures to key campus personnel.

**MANAGEMENT RESPONSE**

The campus concurs. The campus will update current separation procedures to ensure that all required system access and administrative requirements are addressed and communicate these procedures to key campus personnel.

The campus will provide documentation evidencing fulfillment of the above recommendation by October 31, 2023.

**9. RECRUITING, SELECTION AND HIRING ACTIVITIES**

**OBSERVATION**

Administration of recruiting, selection, and hiring activities needed improvement.

We reviewed 30 new hires, including 20 staff and 10 management personnel plan (MPP) employees, and we found that:

- In 16 instances, the campus did not obtain required applicant information regarding relatives working for the same campus.
- In two instances, the employee did not complete all required testing before the campus made a conditional offer of employment.

Effective administration of recruiting, selection, and hiring activities enhances transparency and provides greater assurance that the campus is hiring from a pool of qualified individuals.

**RECOMMENDATION**

We recommend that the campus update current procedures to address the issues noted above, communicate these procedures to appropriate campus personnel, and provide training on the updated procedures.

**MANAGEMENT RESPONSE**

The campus concurs. The campus will update current procedures to address the issues noted above, communicate these procedures to appropriate campus personnel, and provide training on the updated procedures.

The campus will provide documentation evidencing fulfillment of the above recommendation by July 31, 2023.

## 10. PHYSICAL ACCESS CONTROLS

### OBSERVATION

Physical access to the HR suite and offices needed improvement.

We found that employee personnel files were maintained in an unlocked cabinet throughout the day, and the key to the cabinet was stored in an unlocked supply cabinet. The HR suite is shared with three non-HR employees: the Title IX coordinator and DHR prevention administrator, Title IX program analyst, and Title IX investigator and Clery director.

In addition, through a review of facilities management records, we found that two former HR employees did not return their key cards to facilities management. Further, we found that all employees with key access to the HR suite, including the three non-HR employees, had access to the HR offices.

Proper administration of building access controls, including deactivating key card access for separated employees and authorizing proper access credentials based on job responsibilities, helps to increase security and reduces the potential risk associated with unauthorized access.

### RECOMMENDATION

We recommend that the campus:

- a. Establish procedures to adequately safeguard employee personnel files.
- b. Review key access to HR facilities and determine whether to re-key doors.

### MANAGEMENT RESPONSE

The campus concurs.

- a. The campus has established procedures to adequately safeguard employee personnel files.
- b. The campus has reviewed key access to HR facilities and re-keyed doors.

The campus will provide documentation evidencing fulfillment of the above recommendations by May 31, 2023.

## 11. NEPOTISM

### OBSERVATION

The campus did not fully comply with the CSU nepotism policy.

We reviewed six instances where the campus hired an immediate family member of a current campus employee and found that in four instances, the campus did not prepare special

written provisions when individuals were assigned to work for the same immediate supervisor as another immediate family member.

Special written provisions for cases where related employees will be working for the same immediate supervisor help to alleviate any pressures toward favoritism that could occur as a result.

**RECOMMENDATION**

We recommend that the campus develop and implement procedures to prepare special written provisions for cases where related employees will be working for the same immediate supervisor and communicate the procedures to appropriate campus personnel.

**MANAGEMENT RESPONSE**

The campus concurs. The campus will develop and implement procedures to prepare special written provisions for cases where related employees will be working for the same immediate supervisor and communicate the procedures to appropriate campus personnel.

The campus will provide documentation evidencing fulfillment of the above recommendation by June 30, 2023.

**12. RECRUITMENT TRAINING**

**OBSERVATION**

Administration of recruitment-related search committee training needed improvement.

Although it is not a systemwide policy requirement, the campus requires each member of a search committee to complete the Avoiding Unconscious Bias in the Workplace training module in CSU Learn in the 24 months before gaining access to applicant materials. In addition, the campus requires each member of a search committee to complete CHRS Recruiting – Recruitment Committee Briefing training in the 12 months before gaining access to applicant materials.

We reviewed training records for 15 search committee members and found that:

- Two search committee members did not complete Avoiding Unconscious Bias in the Workplace training.
- Two search committee members did not complete CHRS Recruiting – Recruitment Committee Briefing training.
- Five search committee members completed CHRS Recruiting – Recruitment Committee Briefing training after conducting interviews.

Proper administration of search committee training can help ensure that campus policy is complied with, fair recruitment practices are followed, and search committee members are aware of their responsibilities, recruitment procedures, and prohibited practices.

**RECOMMENDATION**

We recommend that the campus develop procedures to verify that search committee members have taken appropriate training prior to conducting interviews.

**MANAGEMENT RESPONSE**

The campus concurs. The campus has developed procedures to verify that search committee members have taken appropriate training prior to conducting interviews.

The campus will provide documentation evidencing fulfillment of the above recommendation May 31, 2023.

**13. CONFIDENTIALITY STATEMENTS**

**OBSERVATION**

Confidentiality statements were not always completed.

The campus requires all employees who have a need for access to confidential personal information to complete a confidentiality statement. We reviewed confidentiality statements for 15 employees who either worked in HR, the Title IX, DHR and Clery department, or were search committee members, and found that three employees did not complete a confidentiality statement.

Completion of confidentiality statements helps to ensure that confidential personal information is properly protected.

**RECOMMENDATION**

We recommend that the campus enhance procedures to ensure that completed confidentiality statements are received from all employees who have a need for access to confidential personal information.

**MANAGEMENT RESPONSE**

The campus concurs. The campus will enhance procedures to ensure that completed confidentiality statements are received from all employees who have a need for access to confidential personal information.

The campus will provide documentation evidencing fulfillment of the above recommendation June 30, 2023.

## 14. LICENSE, CERTIFICATION, AND REGISTRATION REQUIREMENTS

### **OBSERVATION**

The campus did not have written campus procedures for the verification and reverification of any special license, certification, and/or registration requirements as required by CSU policy.

Although the campus did not have written procedures in place, we reviewed special licenses and certifications for a sample of new hires and confirmed that they were verified upon hire.

Documented procedures for the verification and re-verification of special license, certification, and/or registration requirements helps to ensure compliance with CSU policies.

### **RECOMMENDATION**

We recommend that the campus develop written procedures for the verification and reverification of any special license, certification, and/or registration requirements.

### **MANAGEMENT RESPONSE**

The campus concurs. The campus will develop written procedures for the verification and reverification of any special license, certification, and/or registration requirements.

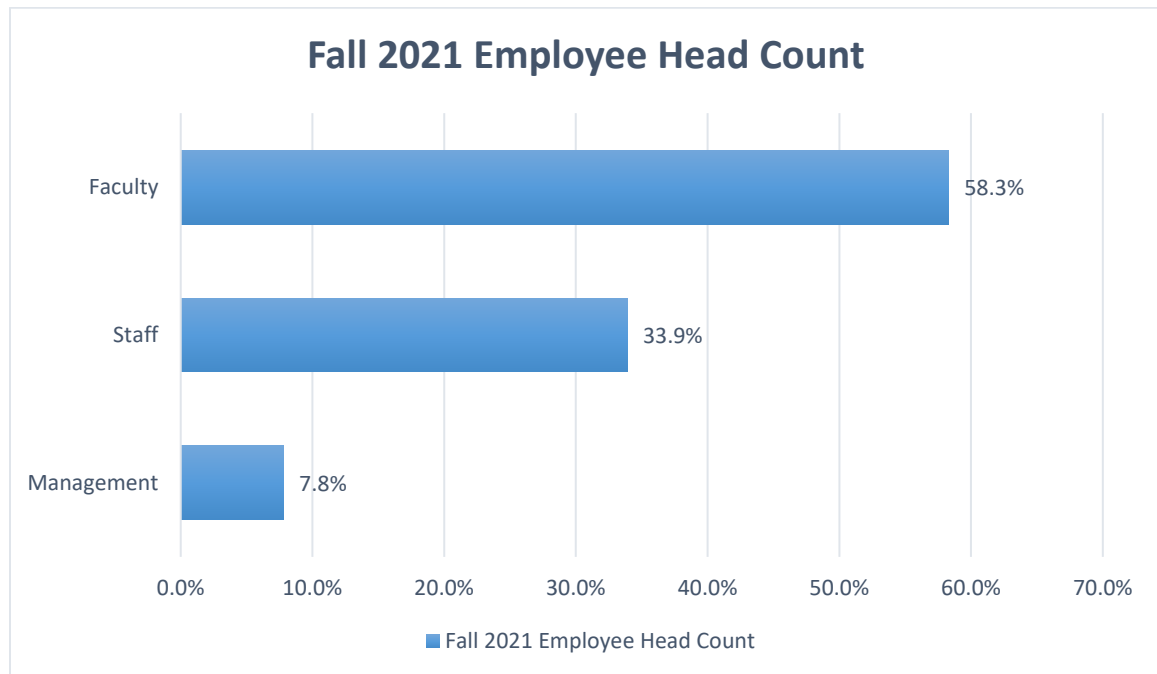
The campus will provide documentation evidencing fulfillment of the above recommendation by September 30, 2023.



## GENERAL INFORMATION

### BACKGROUND

The California State University (CSU) is home to a diverse student and staff population across its 23 campuses and the Office of the Chancellor (CO). The CSU workforce is made up of faculty, staff, and management employees, with total headcount for the system estimated at 57,326 in fall 2021. The majority of staff and faculty employees in the CSU are represented employees, organized into 13 bargaining units and represented by unions.



*\* Faculty as pictured includes instructional faculty, non-instructional faculty, and student teaching assistants.*

The human resource management (HRM) function is responsible for supporting and managing the workforce, managing activities such as recruitment and hiring, professional development, compensation and evaluation, and development of retention strategies. At the CSU, faculty affairs departments situated in Academic Affairs typically hold responsibility for faculty-related human resources functions, while the human resources department usually takes on all human resources functions for management and staff. The Systemwide Human Resources (HR) division at the CO supports and collaborates with the CSU’s 23 campuses to cultivate an environment that empowers all, welcomes diverse perspectives, and encourages innovation to promote student success and establish the CSU as an employer of choice.

The aspects of HRM reviewed in this audit were recruitment, selection, and hiring of employees; processes to determine whether individuals should be treated as independent contractors or employees; and training compliance.

Recruitment, Selection, and Hiring

Attracting, selecting, and onboarding talented employees is a key responsibility of the HR department and forms the backbone for effective performance management and employee retention. Recruitment, selection and hiring processes include attracting qualified candidates, identifying and selecting the right candidate for the role, and effectively onboarding the new employee.

Independent Contractors

Independent contractors are self-employed individuals or entities that are contracted to work for or provide services to the CSU, and are not employees of the university. Recent changes were made to California law relating to the classification of individuals as independent contractors or employees, and in January 2020, California Assembly Bill (AB) 5 went into effect and established the use of the Dynamex Test to classify independent contractors. In September 2020, AB 2257 clarified a number of AB 5’s requirements and exempted certain job categories. Campuses are responsible for determining who qualifies as an independent contractor and following the CSU’s *Independent Contractor Guidelines*, as well as federal and state laws.

Training Compliance

Training and development is an important aspect of HRM as it provides important tools to employees to aid in their success, as well as promotes safety and well-being in the workplace. The CSU requires that employees take mandatory human resources and risk management courses (compliance training) to ensure campuses are meeting federal and state regulations and to promote the safety and well-being of students and employees.

The Systemwide HR learning and development team administers training through CSU Learn, the CSU’s online learning management system. CSU Learn provides campuses with courses for required compliance training, along with a library of other professional development courses. CSU Learn tracks training activities, and campuses can run reports and access dashboards to monitor training compliance. Campuses also have the option to administer trainings independently through their own developed courses or through a third-party provider.

Through a preliminary review of CSU training requirements, as well as discussions with systemwide management, training in the following areas was selected for review: Discrimination, Harassment, and Retaliation; Gender Equity and Title IX; Conflict of Interest; Campus Security Authorities (Clery Act); and Mandated Reporters.

At Cal Poly Humboldt, the Office of Human Resources and Academic Personnel Services provides an array of services, including recruitment, training and development (including required compliance training), classification and compensation, performance management, and labor relations. The interim associate vice president of human resources has overall responsibility for recruitment, selection, and hiring processes for staff and MPP employees, with the support of HR managers and HR specialists. HR managers and the Title IX/DHR/Clery team oversee and administer training.

**SCOPE**

We performed fieldwork from October 10, 2022, through December 16, 2022. 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 September 1, 2020, to December 1, 2022. Training reviewed were in the areas of Discrimination, Harassment, & Retaliation; Gender Equity & Title IX; Conflict of Interest; Clery Act; and Mandated Reporters.

Specifically, we reviewed and tested:

- Administration and organization of the recruitment function, indicating clear lines of responsibility and authority.
- Processes for recruiting, selecting, and hiring new employees, including eligibility and background check requirements, vacancy announcements, search committee activities, and appointment letters.
- Administration of the independent contractor process, including determining the correct classification of workers as employees or independent contractors in accordance with appropriate federal and state laws and CSU policies.
- Administration of compliance training, including defined responsibilities and current policies and procedures.
- Procedures for identification and assignment of employees for required trainings.
- Campus methods for providing compliance training courses.
- Monitoring of training completion and enforcement procedures for initial and refresher trainings.

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, walkthroughs, and detailed testing on certain aspects of human resources and training compliance. Our review was limited to gaining reasonable assurance that essential elements of human resources and training compliance were in place and did not examine all aspects of the program.

## 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 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:

- 20 United States Code §1092(f), *Jeanne Clery Disclosure of Campus Security Policy and Campus Crime Statistics Act*
- 34 Code of Federal Regulations §668.46, *Institutional Security Policies and Crime Statistics*
- Title IX of the Education Amendments Act of 1972
- The Political Reform Act of 1974
- California AB 5, *Worker status: employees and independent contractors*
- California AB 2257, *Worker classification: employees and independent contractors: occupations: professional services*
- Senate Bill 778, *Employers: Sexual Harassment Training Requirements*
- California Penal Code §11165.7, *Child Abuse and Neglect Reporting Act (CANRA)*
- California Government Code §13402 and §13403
- Collective Bargaining Agreements of the CSU
- EO 712, *Delegation of Authority and Procedures for the Administration of Fee Waivers and Reductions for Employee Training and Career Development*
- EO 1083, *Mandatory Reporting of Child Abuse and Neglect*
- EO 1088, *Systemwide Guidelines for Affirmative Action Programs in Employment*
- EO 1095, EO 1096, and EO 1097, *CSU Policy Prohibiting Discrimination, Harassment, Sexual Misconduct, Sexual Exploitation, Dating Violence, Domestic Violence, Stalking, and Retaliation (Nondiscrimination Policy)*
- EO 1107, *Implementation of the Clery Act*
- HR 2004-18, *Revised CSU Nepotism Policy*
- HR 2005-05, *CSU Employment and Conflicts of Interest and Incompatible Activities*
- HR 2005-24, *CSU Employment: License, Certification and Registration Requirements*
- HR 2012-15, *Position Description Policy*
- HR 2015-02, *Revisions to the COI Filing Officers' Requirements*
- HR 2016-06, *Revised Outside Employment Disclosure Requirements for Management Personnel Plan (MPP) and Executive Employees*
- HR 2017-16, *Elimination of Criminal Conviction History and Salary History Question in CSU Applications*
- HR 2017-17, *Background Check Policy*
- HR 2018-02, *Ethics Regulations and Conflict of Interest Training*
- HR 2018-05, *MPP – Written Merit Evaluation Plans and Performance Evaluations*
- HR/Employment 2020-01, *New Form I-9, Employment Eligibility Verification*
- HR/Leaves 2021-05, *Updated CSU Family Medical Leave*
- HR/Salary 2021-07, *CSU Independent Contractor Guidelines*
- Cal Poly Humboldt *Staff Recruitment Handbook*

## AUDIT TEAM

Audit Managers: Christina Chen and Kyle Ishii

Senior Auditor: Laura Vazquez

Internal Auditor: Daniel Rosales