University Personnel Hires Audit
California Polytechnic State University, San Luis Obispo
Audit Report 22-2
November 22, 2022

EXECUTIVE SUMMARY

OBJECTIVE

The objective of this audit is to ascertain the effectiveness of campus operational, administrative, and financial controls related to the University Personnel Hires process to ensure compliance with relevant California State University (CSU) and Cal Poly policies.

SCOPE

Audit and Consulting Services (ACS) notes that the scope of this review includes the University Personnel Division of Cal Poly. The scope of this audit did not include its two main auxiliaries, Cal Poly Corporation (CPC) and Associated Students Incorporated (ASI) or the recruitment of student employees.

ACS randomly selected 37 newly hired state employees and 15 employee department transfers based on PeopleSoft Action Reason Description type (Appointment or Transfer), 'Division', and 'Union Code' for the time period 1/1/2021 to 5/30/2022.

For each hire selected, ACS assessed compliance with Cal Poly policies and procedures under the following sub-topics:
- Recruitment Initiation and Approvals
- Compensation Analysis
- Recruitment Advertising
- Search Committee
- Background Checks
- Position Offer and Communication
- Sign On Bonus, Moving and Relocation Bonus Administration
- Pre-employment Documentation
- Employment Eligibility
- Onboarding Documents and Trainings

CONCLUSION

University Personnel has the responsibility to comply with various levels of governing entities ranging from federal and state governments, the CSU, Labor Unions, to Cal Poly policies. Overall, effective administration of recruiting, selection, and hiring activities enhances transparency and provides greater assurance of a pool of qualified individuals, and an efficient recruitment process. Currently, University Personnel is working through a centralization process between the Talent Acquisition (TA) and Academic Personnel (AP) departments. As a result, the overall timeliness of the recruiting process needs improvement. In general, the length of time it takes from initiating a request to recruit for a position, until that position is filled, is taking longer than what would be expected. Contributing to this is the fragmented steps of the administrative requirements involved in the process, which could be streamlined for greater efficiency, and be improved by making the process more seamless and easier to navigate for the hiring managers.

It should also be noted, that due to many factors, the University is currently experiencing unprecedented recruitments for open positions.

To date, both TA and AP have been working on utilizing a centralized recruiting platform (PageUp), however, still maintain separate processes of recruitment and document retention to meet the current needs of staff, management, and faculty recruiting. Further, the University Personnel department heavily relies on PageUp and Accurate Background (third party applications) along with the hiring departments to manage recruiting documentation.

ACS noted that several operational and administrative controls can be strengthened. This includes the processes for tracking statuses using a consistent method across all recruitments, maintaining approvals and recruiting documents for new positions on campus.

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

OBSERVATIONS, RECOMMENDATIONS, AND RESPONSES

1. UNIVERSITY PERSONNEL PROCESS TIMING AND TRACKING

   OBSERVATION

   The following observations were noted regarding the duration/timeliness of the recruitment process:

- Currently there is no method of tracking the timeframe of the recruitment initiation and substantial work necessary (initial request, job description, etc.) to create a requisition prior to being input into the PageUp system. As such, the average length of a complete recruitment cycle (from initial position request to hire) could not be determined as part of this audit.
- Based on the information presented below, the average tracked recruitment time is approximately 148 days (calculation is from the approval of requisition plus the average time of submission) to effective date of employment. This does not include the time from initial position request to approved requisition.
- The average time for a requisition to be approved in PageUp is 12 days, ranging from 0 to 157 days
- The average time a position was advertised on both internal and external sites was 170 days, ranging from 15 to 383 days. This average includes the following durations:
  - AP Tenure-line faculty (Professors, Assistant Professors): 147
  - AP Lecturers (Pool/Temporary): 272
  - Staff and MPP (Management Personnel Plan) positions: 93
- The average time between submission of the sample selection applications to the time of effective date of employment was 136 days, ranging from 7 to 512 days
- The average time between the date the offer was accepted by the candidate and the completion of the background check was 5 days, ranging from 1 to 65 days

ACS noted that status changes were not consistently updated within PageUp. For example, hired employees were indicated as "New Applicants" within a filled requisition

RECOMMENDATION

ACS recommends that University Personnel review the current recruitment requisition request process and develop a tracking mechanism for recruitment requests that have been submitted, but not input into PageUp. The tracking method should be available to hiring departments to have transparency of the status of the respective request. In addition, University Personnel and related hiring departments should be reminded that as a recruitment progresses, PageUp should be updated accordingly to show the current status. Further, the development of this tracking process would allow University Personnel to utilize metrics in order to assess the hiring process to identify potential improvements to ensure that recruiting goals and expectations set by the department are met and that the length of the recruitment cycle is shortened. With increased efficiencies within this process, the campus would benefit in acquiring the best candidates in a timely manner to meet business and operational demands.

MANAGEMENT RESPONSE

University Personnel Response

University Personnel concurs with most recommendations. Academic Personnel (AP), which oversees faculty and most Academic MPP hiring, and Talent Acquisition (TA), which oversees staff, MPP, and some Academic MPP hiring, have listed details below.

TA Management Response

TA and the Human Resources Generalist team, which is responsible for classification and current employee compensation, will be modifying the process for managers to initiate a recruitment so that managers will now input the position description into PageUp and it will route directly to the HR Generalist Team for review, classification, and compensation. PageUp will automatically capture the date when the hiring manager/department initiates the recruitment request and subsequently alert the hiring manager when there is a change awaiting their review or the recruitment is advanced to the next stage.

TA currently requires departments to update applicant statuses in PageUp because communications to candidates, recruiters, and others are embedded in each status. When statuses are not updated, actions do not occur in a timely manner. TA will communicate to HR business managers to update applicant statuses in PageUp to ensure timely communication and tracking and will direct users accordingly if communications are sent outside of PageUp.

Anticipated date of implementation: 6/30/23

TA currently has better-than-benchmark average time-to-fill compared to other CSUs (99 vs. 109 days).

TA currently uses Recruiter Dashboards to track requisition and applicant volumes and process time, pipeline health, source effectiveness, applicant and hire diversity, and other metrics. TA shares this data with leaders and HR Business Partners on an ad hoc basis.

TA is working closely with the Chancellor's Office to finalize reports that can be made available to leaders and HR Business Partners as on demand reports. Last quarter, the first system-wide TA dashboards were released and include open jobs, time-to-fill, offers accepted/declined, and other data points.

Campus Dashboards anticipated date of implementation: 9/30/23

AP Management Response

Given the process for determining faculty positions and requests, it is not feasible to create the pre-PageUp tracking mechanism suggested above for faculty positions. Deans submit their requests for tenure-track positions to the Provost each spring; they are approved via email as a group, and then departments/colleges begin the PageUp recruitment process later in the next academic year based on the timing of their recruitments. A careful review of the audit data suggests that timelines are reasonable for faculty hires. Academic disciplines have different recruitment periods and timelines ranging across the academic year. Because faculty work on an academic calendar, a period of several months from signed offer letter to first day of work is normal and not a cause for concern. Similarly, temporary pool positions remain open for an entire year and faculty hired out of them may apply months, or even quarters, before the department needs their service. Some are never hired by the spring quarter when the pools are closed and the new ones are opened for the next academic year.

We concur with the suggestion to update PageUp throughout the recruitment process. At the time of the audit, AP was not using PageUp integration and thus not all steps in PageUp were utilized. We have begun using the platform for all R03 Faculty hiring processes and we will continue to provide training to department and college personnel analysts.

Anticipated date of implementation: 9/30/23

2. **RECRUITMENT APPROVALS**

OBSERVATION

The PageUp system requires approvals from various positions including: Department Heads, Division Vice Presidents, the Provost, Budget, and the President based on recruitment type (i.e., new position, replacement, emergency hire, staff, faculty, MPP, etc.). ACS noted the following observations regarding recruitment initiation approvals:
- Requisition was approved by an individual that was not listed as a Department Head within the department conducting the recruitment (3)
- Director of Talent Acquisition approved requisition as the 'Division Vice President' for a recruitment for the Office of the President and the University Development (2)
- Director of Talent Acquisition approved a requisition under three approval headings as the Department Head, Division Vice President, and President (1)

- Documented delegation of authority authorizing the current Provost to approve 'new' positions was not completed for the period from 1/1/2021 to 5/30/22
- Evidence of Presidential approval was not included within PageUp:
    - Evidence of Presidential approval for 'new' position was not retained within PageUp (1)
    - The President's approval field within PageUp was signed-off by other members of the recruitment team and/or management without evidence of a documented delegation of authority (15)

RECOMMENDATION

ACS recommends that the campus review and update the current approval process in place in order to ensure that proper approvals are obtained within PageUp by the appropriate level of authority for the recruitment type. This includes, but not limited to, ensuring that the approvers for each requisition are at least one level above the position that is being recruited. In addition, HR should ensure that requisitions do not include the same approver for each of the required approval fields. Further, under no circumstances should an employee on the University Personnel team approve new positions on behalf of the President or the Cabinet, unless a proper delegation of authority memo is drafted prior to execution.

ACS recommends that the document retention process for required approvals be re-evaluated to ensure that all approvals for each individual recruitment or maintained and accessible within the PageUp requisition, or hire's personnel file. Without all of the required documentation, compliance with these requirements cannot be verified, and timeliness cannot be tracked

MANAGEMENT RESPONSE

University Personnel Management Response
We concur with the recommendations. Detailed responses below.

TA Management Response
Talent Acquisition updated approval workflows and process following post-pandemic changes on 3/6/22. Any positions requiring Presidential approval are approved by the President in PageUp. Formal delegations of authority are now collected and stored. There are cases when an individual may approve at two different levels (for example, Dean/Department Head *and* Vice President). In these cases, the top-level hiring authority or delegate is still the final approver.

TA is working with the Chancellor's Office to address the issue of tracking the history of previous approvals when a requisition is approved more than once.

Anticipated date of implementation: 12/31/23

AP Management Response
All full-time faculty positions are approved by the Provost before the PageUp process begins. Within PageUp, the approval process for faculty positions has been working well, and we completed an updated delegation of authority memo from the President to the current Provost on 12/8/22. All recruitment approvals are accessible within the PageUp system as our system of record.

3. COMPENSATION ANALYSIS

OBSERVATION

ACS noted that the compensation analysis does not include a preparation date within the workbook. As such, the timeliness of the preparation of the compensation analysis could not be determined

RECOMMENDATION

ACS recommends inputting a "prepared by" date within the compensation analysis workbook to help better document the relevance of the salary assessment and timeliness of the completion of the workbook. Management should track the time that it takes to complete the analysis in order to improve the timeliness of the process in order to better meet the demand of the hiring managers.

MANAGEMENT RESPONSE

University Personnel Management Response
We concur with specific notes below.

TA Management Response
As of 1/1/23, compensation analysis template spreadsheets have been updated to include an "Analysis Prepared" date.

Compensation analysis will be conducted in PageUp utilizing a workflow that will track compensation analysis and recommendation timelines.

Anticipated date of implementation 6/30/23

AP Management Response
This section is not applicable to faculty recruitments.

4. RECRUITMENT ADVERTISING

OBSERVATION

The following items detail the findings related to recruitment advertising:
- Evidence of recruitment advertising for jobsite and/or journals, which is required by internal policies and procedures, were not retained for the sample selection (1)
- Recruitment was not posted on CSU Careers website as per internal policies and procedures (13)
- Advertising for the selected recruitment was started prior to the final approval of the position requisition within PageUp. Days ranged from 8 to 396 days (11)

RECOMMENDATION

ACS recommends that the document retention process be re-evaluated to ensure that management is meeting the requirements per internal policies and procedures. This may include retaining evidence of the recruitment advertising within the respective personnel files of the employee.

ACS recommends that University Personnel update current procedures to address the issues noted above (posting to CSU Careers website and starting advertising for the position only after all of the approvals are obtained) and communicate the procedures to the appropriate members of the University Personnel team.

MANAGEMENT RESPONSE

University Personnel Management Response
We concur with some of the recommendations. Details below.

TA Management Response
TA will review policies and laws related to retaining copies of the recruitment advertising in the personnel file. Currently that data is available in PageUp as the system of record.

Anticipated date of implementation: 8/31/23

TA posts all positions (except for internal-only and Emergency Hire positions which are not required to be posted) to CSU Careers via PageUp. No positions are posted prior to approval. There is an issue related to the multiple-approvals-per-requisition issue identified above, which creates the perception the position was posted prior to approvals. One example is when a requisition is updated for making multiple hires, it appears that the approval came after the posting; however, the requisition was previously approved in PageUp but only the final approval is visible in the report. TA is working with the Chancellor's Office on a reporting solution that contains the original approval dates.

Anticipated date of implementation: 9/30/23

AP Management Response
Departments are no longer required to retain position advertisements in personnel files as PageUp will now serve as the platform to track advertisements, including postings to CSU Careers. An exception is the part-time pools, which are not required to be posted to CSU Careers.

On rare occasions, following final approval from the Provost in the tenure-track faculty approval process and with advance approval from AP, a department may be given approval to post an ad before the approval has been entered through PageUp. This need arises when, for instance, a particular disciplinary journal has an advertising date ahead of the PageUp approval date. Since full-time positions receive final approval by the provost before creating a PageUp requisition, all tenure-track positions have been fully approved prior to the advertisement date and this has not resulted in any problems.

5. **CANDIDATE REVIEW**

   OBSERVATION

   The following items detail the findings related to candidate review:
   - Resumes were not retained for all candidates interviewed by the Search Committee (2)
   - Evidence of training for Search Committee members or approval for interview questions were not retained (18)
   - Search Committee scoring sheets were not retained for sample selections (17)
   - Partial retention of the Search Committee scoring sheets were retained (3)

- Scoring sheets provided by the Search Committee did not include final scoring or grading for candidates, as such ACS could not determine the score of the candidate (2)
- Format of the scoring sheets are not consistent amongst the various hiring departments (Please note that AP search does not require standardized formats for scoring). Further, the responsibility of maintaining the scoring sheet is within the hiring department versus the University Personnel department.

RECOMMENDATION

ACS recommends that the document retention process be re-evaluated to ensure all required recruitment documents (i.e., applications, resumes, etc. for each candidate) and Search Committee related documents (Search Committee trainings and scoring sheets) are retained and accessible in order to comply with related internal policies and procedures.

ACS recommends that University Personnel update current procedures to address the issues noted above and communicate the procedures to the appropriate members of University Personnel and campus hiring managers.

MANAGEMENT RESPONSE

University Personnel Management Response
We concur with some of the recommendations, and in particular the training of search committee members, committee chairs, and administrative support staff to understand and adhere to the policies and procedures. We note that all applications and application materials (resumes, cover letters, and other documents as requested/required) are retained in PageUp as the system of record and that the missing materials highlighted a need for University Personnel to respond more effectively to the records request from ACS with the appropriate data.

TA Management Response
TA conducts launch meetings for each recruitment and will communicate all pertinent process and procedure updates in a timely manner. TA will record the dates of the launch meetings in PageUp.

Anticipated date of implementation: 6/30/23

TA is updating the interview guide retention process to require all interview guides be uploaded to PageUp before an offer can be extended. The process for scoring and collection

of guides has been simplified dramatically with the introduction of Microsoft Forms Interview Guides.

Anticipated date of implementation: 6/30/23

AP Management Response

The faculty recruitment procedures require Search Committee training every two years for all tenure-track recruitments, meaning that if a department recruits two years in a row and uses the same Search Committee, the training only needs to occur in the first year. The training is conducted by AP, and we will develop a more robust tracking mechanism to ensure that committees are trained. We will present that mechanism to departments and colleges in advance of the 2023-2024 academic year so departments are fully informed before their recruitments. Search Committee training is not currently required for full-time lecturer searches which follow a much more abbreviated search process, but AP is creating new guidelines and processes for such recruitments and will consider the value of training for those committees before finalizing the guidelines for the 2023-2024 AY. Search Committee training is not required for part-time pools because there is not usually a committee; the department chair typically hires part-time faculty from the part-time pool as course needs arise.

Anticipated date of implementation: 9/30/23

AP does not approve interview questions and does not believe doing so is in the best interest of faculty recruitments. However, departments do need OUDI's approval of their required DEI question. AP's Procedure for Recruiting Tenure-Track Faculty document outlines the recruitment process and the approvals needed. This document will be similarly updated.

Anticipated date of implementation: 9/30/23

Search Committees do complete evaluation sheets for each candidate in the interview process, but the evaluation sheets are particular to the position, department, and college. AP does not believe it is advantageous to standardize evaluation sheets even within a department because different positions will require different sets of knowledge, skills, and experience (i.e., assistant professor, full professor and director of an academic program, assistant professor with joint appointment across academic departments or colleges, etc.). Current policy requires departments to archive search committee materials, including evaluation sheets, but we will consider a more rigorous process to ensure that materials are kept, such as requiring them to be uploaded into PageUp. That process will be reflected in

the updated recruitment process policy and procedure document and will be communicated to departments.

Anticipated date of implementation: 9/30/23

6. OFFER LETTER EXECUTION AND COMMUNICATION

OBSERVATION

The following items detail the findings related to offer letters:
- Noted employee accepted the offer letter subsequent to the start of their employment. Days ranged from 7 to 48 days (2)
- Noted that evidence of offer letter acceptance (signature or electronic) by hired employee was not retained (11)
- Approvals for salary outside of the salary range were not retained (1)
- Approvals for sign-on bonus (2), relocation bonus (6), or other additional recruitment benefits (1) were not retained
- Offer letter formats are not consistent. The offices of the President and the Provost issue different letterheads and/or require candidate signatures while other offer letters only require the acknowledgement of acceptance through PageUp
- Offer letter distribution is not consistent across University Personnel and the hiring departments. Offer letters have been sent either directly via PageUp or e-mail

RECOMMENDATION

ACS recommends that the document retention process be re-evaluated to ensure all offer letter documentation and approvals for salary outside the recommended compensation range, sign-on bonuses, relocation bonuses, and/or additional employment benefits not normally awarded is retained and accessible in order to comply with the requirements with internal policies and procedures.

ACS recommends that University Personnel review and update current procedures to address the issues noted above and communicate the procedures to the appropriate members of University Personnel.

MANAGEMENT RESPONSE

University Personnel Management Response
We concur with the recommendations with additional information provided below.

TA Management Response

TA utilizes standard offer letters on university letterhead and does not allow for changes. TA issues and retains all offer letters, revised offer letters, and accepted position descriptions through PageUp. These documents are also loaded to the employee's personnel file.

TA has updated offer approval workflows to require approvals for salaries that are outside of the recommended range or outside of the budgeted range, and to require approval for any bonuses or incentives not previously approved at the requisition level.

Anticipated date of implementation: 10/1/22

AP Management Response

At the time of this audit, AP had a phased implementation of PageUp and is only now completing that implementation. As such, tenure-track offer letters were not issued through PageUp at the time of the audit, and we had not asked departments to upload signed letters into the system. Moving forward, the offer card in PageUp will indicate the date that the new hire electronically acknowledged the offer; candidates do not sign an offer letter proper. This process is being implemented with tenure-track hires this academic year. Lecturer appointments are documented through electronic signature in the EAP 101 system which has been the system of record for these hires rather than PageUp; the signed EAP 101 serves as the signed appointment letter that is entered into the payroll imaging system.

Anticipated date of implementation: 6/30/23

7. **BACKGROUND AND REFERENCE CHECKS**

OBSERVATION

The following items detail the findings related to background and reference checks:
- The University Personnel department does not inspect the physical background check that is completed by the Accurate Background tool and relies only on the "Meets Requirements" field that is on the summary page of the candidate's portal
- Completed background check was not retained for new employee (3)
- Background check for new academic appointments were not completed prior to the effective start date of the employee. Background checks were not completed ranging from 14 to 585 days (3)
- Background check for transferring employee was not completed until 48 days after the effective start date of the new role (1)
- Evidence of completed references checks were not retained (23)

RECOMMENDATION

ACS recommends that the document retention process be re-evaluated to ensure that all background checks, reference checks, and license/certification checks
are retained and accessible in order to comply with internal policies and procedures.

ACS recommends that University Personnel update current procedures to address the issues noted above and communicate the procedures to the appropriate members of University Personnel.

MANAGEMENT RESPONSE

University Personnel Management Response
We concur with some of the recommendations. All background checks are retained in Accurate Background as the system of record as approved by the CSU. Additional details are listed below for each area.

TA Management Response
TA collects all reference checks through the embedded reference checking tool in PageUp for staff and uploads all references to PageUp for staff and MPP roles. Background checks are conducted through the PageUp/Accurate Background integration and records are retained in Accurate Background, the Chancellor's Office-identified system of record for background checks. TA collects licenses/certs as necessary by position. TA will review its current process to determine if any notable gaps exist or process improvements can be made.

Anticipated date of implementation: 6/30/23

AP Management Response
It is important to note that faculty receive a contingent appointment before the background check is completed and can even start their employment prior to the completion of their background check per CSU policy. Nevertheless, the audit has uncovered a need to review our procedures for ordering and ensuring the completion of background checks. With the full implementation of PageUp, we anticipate that it will be much easier to determine whether a background check has been completed before the employee's start date. We will conduct internal training of AP analysts and external training of department and college analysts to ensure that we have a robust system of checks and balances surrounding the completion of background checks.

Anticipated date of implementation: 10/1/23

8. ONBOARDING

OBSERVATION

The following items detail the findings related to the onboarding process:
- Evidence of completion of Outside Employment Disclosure and Acknowledgement Form for newly hired MPP positions were not retained (4)
- Noted offer letter listed an hourly rate of pay for new employee, however, employee's PIMS profile indicated that the employee was to be paid a salary in the first month of hire. ACS notes that the hourly employee has since been appointed to the same position and rate as a salaried employee (1)
- Employee was not assigned and therefore did not complete required training since commencing employment with Cal Poly (i.e. CSU Discrimination Harassment Prevention Program, Gender Equity and Title IX, Injury & Illness Prevention Program) (2)

RECOMMENDATION

ACS recommends that the document retention process be re-evaluated to ensure all Outside Employment Disclosure Agreements for new MPP employees are retained and accessible in order to comply with the requirements of internal policies and procedures.

ACS recommends that University Personnel and Payroll update current procedures to address the issues noted above and communicate the procedures to the appropriate University Personnel and Payroll members.

ACS recommends that University Personnel and the Compliance Office assign required and relevant trainings per the employee's role on campus and ensure timely completion of the trainings.

MANAGEMENT RESPONSE

University Personnel Management Response
TA and AP will coordinate with the Civil Rights & Compliance Office (CRCO) to ensure that new employees are assigned and complete the required trainings.

Anticipated date of implementation: 9/30/23

TA Management Response

TA will review the Outside Employment Disclosure collection process to ensure that the disclosures are completed in a timely manner.

Anticipated date of implementation: 9/30/23