UCSB Audit and Advisory Services

Internal Audit Report

**Hiring Practices
Faculty Recruitments**

April 26, 2018

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Report No. 08-18-0008

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April 26, 2018

To:　　Cindy Doherty, Director
　　　　Academic Personnel

Re:　　**Hiring Practices – Faculty Recruitments**
　　　　Audit Report No. 08-18-0008

As part of the 2017-18 annual services plan, Audit and Advisory Services has completed an audit of current practices and risks in recruiting senate faculty employees. Enclosed is the report detailing the results of our work.

The primary purpose of this project was to assess whether Academic Personnel hiring processes are in compliance with University of California (UC) and University of California, Santa Barbara (UCSB) policies and procedures. The limited scope of work included an overview of senate faculty hiring practices in the core areas of recruiting and appointment.

Based on the results of the work performed within the scope of the audit, Academic Personnel has generally established effective internal controls related to senate faculty hiring. Our review did identify opportunities to enhance documentation of near relative relationships to ensure better compliance with the University of California Academic Personnel Manual Policy 520, *Employment of Near Relatives*.

Detailed observations and management corrective actions are included in the following sections of the report. The management corrective actions provided indicate that each audit observation was given thoughtful consideration and that positive measures have been taken or planned to implement the recommendations. We greatly appreciated the assistance on this project that was provided by Academic Personnel. If you have any questions, please contact me.

Respectfully submitted,

Kimberly Ray
Interim Audit Director
Audit and Advisory Services

cc:　Chancellor Henry Yang
　　　Interim Vice Chancellor Administrative Services Joel Michaelsen
　　　Alison Butler, Associate Vice Chancellor for Academic Personnel
　　　UCSB Audit Committee
　　　Senior Vice President and Chief Compliance and Audit Officer Alexander Bustamante

PURPOSE

The purpose of this project was to assess whether Academic Personnel hiring processes are in compliance with University of California (UC) and University of California, Santa Barbara (UCSB) policies and procedures.

This audit is part of the fiscal year 2017-18 audit services plan of the University of California, Santa Barbara (UCSB).

SCOPE, OBJECTIVES AND METHODOLOGY

The scope of the audit included Academic Personnel recruiting and hiring practices of senate faculty in the 2016-17 academic year. The objectives of this review were to determine whether key recruitment and appointment practices are in compliance with relevant UC and UCSB policy and procedures regarding support documentation, required approvals, commitment sheets[1], near relative relationships, and other areas.

To accomplish our objectives, we:

- Reviewed UC and UCSB policies concerning academic employment of senate faculty. See Table 2 for a description of the most relevant sections:

  - *Red Binder* (Red Binder).
  - *University of California Academic Personnel Manual* (UC APM).

- Reviewed UC and UCSB audit and advisory work related to employment of senate faculty. See Table 3 for additional details.

- Conducted interviews with UCSB Academic Personnel and one academic department to obtain a better understanding of processes and internal controls in place and to identify areas of concern.

- Assessed risks in the recruiting and appointment process, based on the results of interviews and relevant audits.

- Reviewed practices for hiring senate faculty and evaluated consistency with the Red Binder and UC APM, specifically in areas regarding recruitments, appointments, and commitment sheets. See Table 1 for a general summary of recruitment and appointment methods by faculty category.

- Evaluated a sample of senate faculty recruitments in UC Recruit[2] and appointment case files in AP Folio[3] for consistency with relevant UC and UCSB policies and procedures.

- Selected a sample department to determine whether processes indicate a good faith effort to satisfy commitment sheets. Within this department, we selected a sample of senate faculty and performed a limited review of transactions and payroll data for activity consistent with approved commitment sheets.

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[1] Dean's New Faculty Commitment Sheet. See Appendix A for full definition.
[2] Web-based tool for academic recruitment and applicant management.
[3] UCSB Academic Personnel online case processing, reporting functionality, and other service systems.

This audit was conducted in conformance with the *International Standards for the Professional Practice of Internal Auditing*.

BACKGROUND[4]

The Office of Academic Personnel (Academic Personnel)

The Office of Academic Personnel is a service organization whose mission is to facilitate the recruitment, appointment, advancement, and development of outstanding and diverse faculty and academic appointees. Academic Personnel interacts with the Office of the President, the Chancellor, Executive Vice Chancellor (EVC), Associate Vice Chancellor (AVC), Colleges, Departments, and academic employees to develop, analyze, interpret and implement academic personnel policies and procedures.

Table 1	Recruitment and Appointment Method by Faculty Category			
Methods / Policies	**Professor**	**Lecturer SOE[1]**	**Lecturer**	**Visiting Professor**
Recruitment Method	UC Recruit	UC Recruit	UC Recruit	Exempt
Appointment Method	AP Folio	AP Folio	Paper	Paper
Approval Authority	AVC / Chancellor	AVC / Chancellor	Dean	AVC / Dean
Red Binder	RB I-14, I-15, VII-1, VII-4	RB I-14, I-15, VII-1, VII-4	RB II-1, I-12, VII-1, VII-5	RB II-28, VII-1
Academic Personnel Manual	APM-200, 210, 220, 285, 500, 501,510, 520	APM-200, 210, 220, 285, 500, 501,510, 520	N/A	APM- 230, 500
Memorandum of Understanding	N/A	N/A	MOU articles 6, 7A	N/A

Source: Academic Personnel.
1: Security of Employment.

Recruitment

Recruitment is defined as soliciting applications for the purpose of finding and hiring the best candidate for a position. Titles requiring open recruitment include permanent titles, such as senate faculty, and temporary titles, such as professional researchers. Pre-recruitment, recruitment, and candidate selection activities generally include:

- Pre-recruitment Activities: For senate faculty positions, the Executive Vice Chancellor allocates a full-time equivalent (FTE), which is assigned a provision number or identifier (salary control number), approved level, area, and department (single or joint). Non-senate titles can be initiated by Principal Investigators (PIs) or departments and do not need to follow the FTE allocation process.

- Recruitment via UC Recruit[5]: For senate faculty searches, this consists of creating, reviewing, and approving a search plan, shortlist report, and search report. Non-senate searches only require review and approval for search plans and search reports.

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[4] Red Binder and Academic Personnel website.
[5] Web-based tool for academic recruitment and applicant management.

- A search plan includes basic recruitment information, placement goals, advertising, qualifications, selection process, committee members, and disposition reasons. Once the search plan is submitted and approved, applications are collected and reviewed through a selection process to identify proposed candidates.

- A search report serves as the formal request to propose candidates for hire. This report documents the outcome of the search, identifies selected candidates, and documents disposition reasons for candidates not selected.

Appointment

An appointment case includes the approved search documentation or search waiver, departmental letter, recommendation, rank/step/salary, external letters, a commitment sheet, curriculum vitae (CV), the UCSB Biography Form, and publications. All official offer letters are issued by the Executive Vice Chancellor or Chancellor through Academic Personnel.

UC Recruit

UC Recruit is the web-based academic recruitment and application management tool for the University of California. UC Recruit provides for secure online academic employment recruitment management, supporting the entire recruitment workflow from creation, application, reference gathering, reviewing by the search committee, and, finally, selecting a hired candidate. Reports are built into the system, providing an easy way to create the reports that the University of California's Office of the President uses to ensure all campuses meet their requirements as equal opportunity employers. UC Recruit also ensures the security and integrity of all applicant, reference, and related recruitment data.

AP Folio

AP Folio is the UCSB Academic Personnel online case processing, reporting functionality, and other service systems. This is a shadow system developed and supported by Academic Affairs Information Technology (AAIT) and used by campus departments to streamline manual processes in an effort to increase efficiency.

UC Policies and Relevant Documentation

- *Red Binder* is the policy and procedure manual for academic employment at UCSB. The Red Binder is developed, implemented, and managed by the Academic Personnel office at UCSB.

- *Academic Personnel Manual (UC APM)* contains policies and procedures pertaining to the employment relationship between an academic appointee and the University of California. The APM is developed, implemented and managed by the Academic Personnel and Programs at the University of California, Office of the President.

Table 2	Sections of Relevant UC and UCSB Policies and Procedures

Name	Description
Red Binder I-14, *Senate Faculty Appointments*	Describes types of appointments, appointment criteria, deadlines, approval authority, and letter to prospective ladder appointees.
Red Binder I-15, *Documents To Be Submitted By the Chair – Appointments*	A checklist for required documents for appointments. Must be submitted by the chair using the AP Folio system.
Red Binder I-17, *New Senate Faculty Commitments*	Describes Housing loan commitments and Faculty Recruitment allowances.
Red Binder I-18, *Sample Start-Up Costs Memo*	A template for the start-up costs memo that should be submitted with the appointment packet.
Red Binder I-20, *Removal Expenses*	Describes removal expenses that may be provided for certain new appointees to academic positions.
Red Binder VII, *Academic Searches*	Describes policies on open recruitment, procedures for recruitment of ladder rank faculty and equivalent, procedures for recruitment of temporary positions, supplemental information on advertising positions, and the UC Nondiscrimination and Affirmative Action statement.
Red Binder IX-11, *Employment of Near Relatives*	Describes employment of near relative faculty members, which states near relatives may not participate in the review or decision making on any personnel action of a near relative.
UC APM 190 Appendix E, *General University Policy Regarding Academic Appointees – Selected Presidential Policies*	Describes the Faculty Recruitment Allowance Program including: maximum, eligibility, payment, authority, and the annual campus reporting requirement.
UC APM 200, *Appointment and Promotion – General*	Describes requirements for promotions and appointments to faculty positions.
UC APM 500, *Recruitment – General*	Describes recruitment requirements for faculty positions.
UC APM 501, *Recruitment – From Other California Institutions*	Describes recruitment requirements for candidates from other California institutions.
UC APM 510, *Recruitment – Intercampus Transfers*	Describes recruitment requirements for candidates at other UC campuses.
UC APM 520, *Recruitment – Employment of Near Relatives*	Describes the requirements for the employment of near relatives. Also defines a near relative as a spouse, parent, domestic partner, child, sibling, aunt/uncle, or niece/nephew. In-laws or step-relatives in one of these relationships are also considered near relatives, as are other persons residing in the same household as the employee.
UC APM 035, *Affirmative Action and Nondiscrimination in Employment*	It is the policy of the University not to engage in discrimination against or harassment of any person employed or seeking employment with the University of California on the basis of race, color, national origin, religion, sex, gender, gender expression, gender identity, pregnancy, physical or mental disability, medical condition, genetic information, ancestry, marital status, age, sexual orientation, citizenship or service in the uniformed services.

Source: Auditor analysis.

SUMMARY OPINION

Based on the results of the work performed within the scope of the audit, Academic Personnel has generally established effective internal controls related to senate faculty hiring. Our review did identify opportunities to enhance documentation of near relative relationships to ensure better compliance with the University of California Academic Personnel Manual Policy 520, Employment of Near Relatives.

Table 3	Relevant Work by UC Audit Departments		
Report Name		**Year**	**Campus**
MCDB: Assistance with Management – Organizational Review Advisory Memorandum		2016	UCSB
Health Sciences Faculty Compensation		2017	UCD
College of Biological Sciences Administrative Review		2016	UCD
Department of Surgery – Faculty "Z" Payments		2014	UCLA
Department of Pathology & Laboratory Medicine – Faculty "Z" Payments		2014	UCLA

Source: Auditor analysis.

DETAILED OBSERVATIONS AND MANAGEMENT CORRECTIVE ACTIONS

A.   Academic Personnel Recruitment Process

Based on testing a sample of senate faculty recruitments, we found that key areas, such as required statements, documentation, and information needed in the senate faculty recruitment process were overall properly documented and appropriately approved.

Academic Personnel currently processes all recruiting information and documentation through UC Recruit, in which certain staff have administrative access roles in the recruitment process. Because departments are required to follow issued Academic Personnel guidance and procedures, this serves as the basis for selecting our criteria.

See Table 4 for a summary of the results of our work.

Table 4	Recruitment Checklist	
Criteria	**Rating**	**Comments**
Equal employment opportunity (EEO)/ affirmative action and diversity statement	✓	All samples included an EEO or affirmative action and diversity statement.
Advertisement placements are appropriate and documented.	✓	All samples included advertisement placements that are appropriate and documented.
Salary Control number (FTE Identifier) has been included.	✓	All samples included a salary control number.
Basic qualifications have been defined and documented.	✓	All samples included basic qualifications that have been defined and documented.
Proper approvals have been documented in the system.	✓	All samples included proper approvals documented in the system.
Disposition reasons have been documented.	✓	All samples included selection and disposition reasons.

Source: Auditor analysis.
✓ : Full compliance with UC and UCSB policies.

B.   Academic Personnel Appointment Process

Based on our review of a sample of senate faculty appointment cases, we found that the following areas of the senate faculty appointment process were overall properly documented and approved accordingly in compliance with relevant UC and UCSB policy and procedures:

- Extramural Letters and a list of evaluators.
- Curriculum Vitae.
- UCSB Biography for Academic Personnel form was signed and dated.
- Commitment Sheets appropriately approved.

However, we identified minor opportunities to strengthen and improve existing Academic Personnel appointment case documentation and processes to be more consistent with Red Binder I-15 and UC APM 520. Table 5 summarizes the results of our work:

Table 5	Appointment Case Checklist	
Criteria	**Rating**	**Comments**
Department Letter of Recommendation has all required elements.	✓	Justification for an off scale (o/s) salary was not included in the department letter, but was included elsewhere in the appointment case file.
Extramural Letters of evaluation & List of Evaluators.	✓	All samples included the minimum requirement for extramural letters and a list of evaluators.
Curriculum Vitae	✓	All samples included a Curriculum Vitae.
UCSB Biography for Academic Personnel	✓	All samples submitted the UCSB Academic Biography.
Near Relative Relationship Disclosures	**Partial**	All samples included a near relative relationship disclosure, but this may be overlooked as part of the UCSB Biography for Academic Personnel.
Sample Copies of Publication.	✓	No sample copies; only publication lists. Publications are retained with the individual departments.
Commitment Sheet Approval.	✓	All samples have been appropriately approved.
Salary Control Number	**Partial**	One clerical error and another initiated prior to updated procedures, which had this requirement.

Source: Auditor analysis.
✓: Full compliance with UC and UCSB policies.
Partial: There are opportunities to strengthen documentation.

1. Department Letter of Recommendation

For all senate faculty appointments in our sample, the Department Letter of Recommendation included the following information:

- Start date, rank, and step of the appointment.
- Salary. We also confirmed that the salary met the minimum salary scale requirements for the appropriate rank and step.
- Voting results and number of eligible votes.
- Anonymous extramural letter authors.
- Candidate qualifications.

There were two instances where justification for an off scale salary was not included in the department letter, but was included elsewhere in the appointment case file. We were informed that it is a campus standard practice for all appointments to have an off scale salary.

2. Near Relative Relationship Disclosures

Currently Academic Personnel procedures document near relative relationships during the development of the appointment case file at the bottom of the UCSB Biography for Academic Personnel. In three cases, this field was left blank and provides the assumption that there are no near relative relationships. However, there is no formal confirmation required to ensure this is the case.

Employment of Near Relatives (UC APM 520-16) policy requires that, "a member of the University staff shall not participate in the processes of review and decision-making on any matter concerning appointment, promotion, salary, retention, or termination of a near relative."

To ensure better compliance with UC APM 520-16, existing Academic Personnel procedures should be evaluated to provide additional oversight and ensure this is not overlooked before moving forward with the appointment process.

3. Copies of Publication

Sample copies of publication from the proposed candidate is a requirement of Red Binder I-15. All of our samples included a list of publication generally as part of the curriculum vitae, but did not provide any sample copies of publication as part of the packet from AP Folio. We were informed that sample copies of publication are not uploaded to AP Folio and are instead included as a hard copy in the appointment case, which is physically reviewed by appropriate personnel. After the appointment process is complete, the copies are returned to the department and are not kept at Academic Personnel.

4. Salary Control Number Verification

When identifying whether the Salary Control Number listed on the commitment sheet agreed with the number in UC Recruit, we found two samples were not in agreement. One was confirmed to be a clerical error, and the other was initiated in UC Recruit prior to the establishment of this requirement.

We recommend Office of Academic Personnel evaluate enhancements to near relative relationship procedures to ensure improved compliance with UC APM 520 and that all requirements are completed appropriately.

Management Corrective Actions

The Office of Academic Personnel agrees to evaluate enhancements to near relative relationship procedures to ensure improved compliance with UC APM 520 and that all requirements are completed appropriately.

Audit and Advisory Services will follow up on the status of this issue by September 30, 2018.

Appendix A	Glossary for Recruitment and Appointment Processes
Terminology	**Description**
Appointment Case	Documentation prepared once a proposed candidate is selected. Documentation includes the Department Letter of Recommendation, Extramural Letters of evaluation/list of evaluators, Curriculum Vitae, UCSB Biography for Academic Personnel, copies of publication, and start-up request information.
Basic Qualifications	Education or other academic degree requirements for applicants, which must be stated in the job posting. These requirements must be objective, non-comparative, and relevant to the position, and generally must be met at the time of application.
Commitment Sheet	The Dean's New Faculty Commitment Sheet is prepared and endorsed by the Dean and then forwarded to the Associate Vice Chancellor. The Dean's New Faculty Commitment Sheet addresses the equipment, space, housing and other start-up needs as part of the appointment case. This template is included as part of the appointment case file in AP Folio.
Curriculum Vitae (CV)	Provides a summary of an applicant's education, experience, and skills.
Department Letter Of Recommendation.	An analytical letter of recommendation as part of the appointment case review process. Letter contents should include: • Start Date - When employment begins. • Rank – Employment title or series. E.g.: Professorial series. • Step – Various levels of salary within each rank. • Salary – A fixed regular payment. Typically faculty members in the Professorial series are generally paid on academic-year (nine-month) and fiscal year (twelve-month) salary scales. • Voting results and number of eligible votes. • Ensuring evaluators remain anonymous. • Candidate qualifications – Educational background, area of specialization, and other experience.
Disposition Reasons	An explanation for applicants interviewed but were not selected.
Equal Employment Opportunity (EEO)/ Affirmative Action and Diversity Statement	This statement informs prospective candidates that it is the policy of the University of California not to engage in discrimination against any person seeking employment with the University. In addition, it is the policy of the University to undertake affirmative action, consistent with its obligations as a Federal contractor. The tagline for each job posting must include: "The University is especially interested in candidates who can contribute to the diversity and excellence of the academic community through research, teaching and service as appropriate to the position." In addition, the advertisement must end with: "The University of California is an Equal Opportunity/ Affirmative Action Employer. All qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, disability status, protected veteran status, or any other characteristic protected by law."
Extramural Letters of Evaluation/ Evaluators.	Letters of recommendation requested from certain individuals, also referred to as evaluators.

UCSB Audit and Advisory Services
Hiring Practices – Faculty Recruitments
Appendix A: Glossary for Recruitment and Appointment Processes

Appendix A	Glossary for Recruitment and Appointment Processes
Terminology	**Description**
Recruitment/ Open Recruitment	Soliciting applications for the purpose of finding and hiring the best candidate for a position. Open Recruitment, in which both internal and external applicants can apply, is required for all academic positions.
Salary Control Number (FTE Identifier)	Assigned to an allocation for a full-time equivalent position which has been approved by the Executive Vice Chancellor, Committee on Academic Personnel, and the Council on Planning and Budget.
Salary Scale	A structure that provides for various levels of payment within each rank. The same scales and ranges are used by all University of California campuses for the same categories of academic appointees.
Search Plan	A document that includes basic recruitment information (dates, requirements), availability/ placement goals, advertising/ outreach, qualifications, selection process, committee members, and disposition reasons.
Search Report	Formal request to propose candidates for hire, which documents the outcome of the search, identifies selected candidates and disposition reasons.
Senate Faculty	A member of the Academic Senate, an organization which enables the faculty, through shared governance, to exercise its right to participate in the University's governance. Senate faculty appointments may be made in academic departments or in programs. A faculty member's rights are vested in any department or program in which he/she holds a salaried appointment carrying Senate membership.
Shortlist Report	A list of preferred candidates that have been selected for final consideration. This is only required for senate-faculty level recruitments. In Non-Senate searches, the Office of Equal Opportunity & Sexual Harassment/ Title IX Compliance generates a Shortlist report to append to its diversity data analysis memo.
Principal Investigator	Has primary responsibility for the scientific, technical and administrative conduct and reporting of the sponsored project.
Proposed Candidate	An applicant recommended for appointment.
Publication	Academic work that is usually issued in an academic journal article, book, or thesis form.
UCSB Biography for Academic Personnel	A form completed by the proposed candidate, which includes basic background information. This form also requires the declaration of any near relative relationships with the University.

Source: Auditor analysis and Academic Personnel, Academic Senate, and UCOP websites.