Criminal Background Checks – Faculty Hiring

Audit Report No. R2203 | *March 16, 2022*

Executive Summary

Audit Objective	
The objective of the audit was to provide assurance as to the adequacy and effectiveness of controls over the criminal background process for faculty hiring.	
Controls and Strengths	
The use of HireRight ensures the CBCs are kept in a separate, secure file location and are not shared with unauthorized individuals. It also ensures compliance with records retention requirements.	
Overall Conclusion	
The criminal background check process for faculty hiring is generally effective; however, implementing procedures and better collaborating with the Office of Human Resources will help strengthen controls.	
Observations by Risk Level	
Management has reviewed the observations and has provided responses and anticipated implementation dates.	

Observation	Risk Level	Management's Implementation Date
1. Improve the Criminal Background Check Process for Faculty Hires	**Medium**	August 31, 2022

For details, engagement methodology, and explanation of risk levels, please see the attached report.

Detailed Audit Results

Observation	Effect	Recommendation[1]
1. _Improve the Criminal Background Check Process for Faculty Hires_		**_Medium Risk_**
The criminal background check (CBC) process for faculty and staff hires is outlined at UTDBP30000 – Criminal Backgrounds Checks Policy. According to UTDBP3000, a CBC is required _"For any applicant who is under final consideration for a full-time or part-time staff or faculty position."_ In reviewing the criminal background check process for faculty hiring, the following opportunities were noted: • There are currently no formal, written procedures regarding the criminal background check process in the Provost's Office. Lack of procedures makes it difficult, especially during times of turnover, for employees to fully understand their responsibilities. During the audit, the employee that was handling faculty criminal background checks retired, and the	Criminal background checks help promote campus safety and security. Noncompliance with the background check policy could result in the potential for faculty being hired who have a criminal background.	The Office of the Provost should review the faculty hiring procedures in consultation with the HR department to ensure appropriate training and knowledge is recorded. The Provost's Office should also consider hiring additional personnel to assist in the faculty hiring process. Additionally, the Provost Office should be listed as a responsible party in the Plan to Address Foreign Influence on Research in element M4.

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[1] See Appendix A on page 8 for definitions of observation risk rankings. Minimal risk observations were communicated to management separately at the exit meeting.

Observation	Effect	Recommendation[1]
new employee had no written procedures to follow. • Currently only one staff member in the Provost's Office has access to the CBC system. She is also the only one responsible for CBC's, which could create problems if she were not available. Also, because the faculty hiring process is separate from the Office of Human Resources (HR), the employee handling CBC's is not trained by HR. Once the CBC is run by the Provost's Office, the hiring proposal is submitted within the system; however, HR does not perform a separate review to ensure the accuracy of the hiring proposal, which indicates if a CBC has been completed for the potential employee. In our sample of faculty members hired during FY20-21, one of 15 did not have a completed CBC, and additional monitoring and review procedures by HR could have prevented this situation.		

Observation	Effect	Recommendation[1]
• The Provost's Office was not included in the heightened criminal background check process in the Plan to Address Foreign Influence on Research. As the plan is implemented, the Provost's Office should be included to ensure they are aware of the processes.		

Management's Action Plan:
The three recommendations provided below were received during the Criminal Background Check (CBC) Process for Faculty Hiring audit:

- Create formal, written faculty hiring procedures
- Increase training and knowledge of CBC process for employees in the Office of the Provost that are involved with faculty hiring
- Get engaged in the heightened CBC process in the Plan to Address Foreign Influence on Research (element M4)
  - "Conduct heightened background checks on foreign nationals applying to work in all STEM and medical research areas."
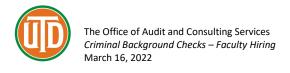
Currently, the Office of the Provost is in the process of a thorough review of the faculty hiring processes. This review may result in significant changes. As we work to update the process, the above recommendations will be addressed. At this time, it is anticipated to take approximately six months to complete the review. An update will be provided to Internal Audit at that time.

Responsible Party Name and Title: Heather Burge, Assistant Provost

Estimated Date of Implementation: August 31, 2022

Overall Conclusion

The criminal background check process for faculty hiring is generally effective; however, implementing procedures and better collaborating with the Office of Human Resources will help strengthen controls.

Appendix A: Information Related to the Audit

Background

To ensure the University's commitment to promoting campus safety and security, the university seeks information on the possible criminal history of all individuals under consideration for appointment to full time positions and all positions deemed "security sensitive" under Texas law and/or in accordance with an official university business purpose. The UT Dallas *Criminal Background Checks Policy,* UTDBP3000, outlines the University's policy on all faculty and staff criminal background checks. This policy also references various state laws and the UT System policy that require criminal background checks for faculty and staff.

The Provost's Office is responsible for hiring and running criminal background checks for faculty members. During FY21-22, 103 faculty members were hired.

Objective

The objective of the audit was to provide assurance as to the adequacy and effectiveness of controls over the criminal background process for faculty hiring.

Scope

The audit period was FY20-21. Fieldwork was conducted from June 2021 to January 2022, and the audit concluded on February 10, 2022.

Methodology

The audit was conducted in conformance with the Institute of Internal Auditors' *International Standards for the Professional Practice of Internal Auditing*. Additionally, we conducted the audit in accordance with generally accepted government auditing standards (GAGAS). Both standards are required by the Texas Internal Auditing Act, and they require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives.
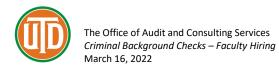
We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives. The Office of Audit and Consulting Services is independent per both standards for internal auditors.

GAGAS also requires that auditors assess internal control when it is significant to the audit objectives. We used the Committee of Sponsoring Organizations of the Treadway Commission (COSO) framework in assessing internal controls[2].

Our audit methodology included interviews, observations of processes, reviews of documentation, and testing. The following table outlines our audit procedures and overall controls assessment for each of the audit area objectives performed.
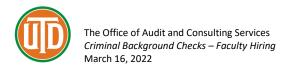
Audit Area	Methodology	Observation Related to the Audit Area
Gained an understanding of the criminal background checks process	• Interviewed responsible parties within the Offices of the Provost and Human Resources • Observed processes and related documentation	N/A
Compliance with UTDBP3000, *Criminal Background Checks Policy*	• Analyzed the CBC processes, including records retention, within the Provost's Office and compared them to the UTD policy to ensure compliance as well as the adequacy and effectiveness of controls • Tested a sample of faculty members hired during FY20-21 for compliance with the UTD policy	Observation #1

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[2] https://www.coso.org/Documents/990025P-Executive-Summary-final-may20.pdf
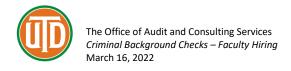
Follow-up Procedures

Though management is responsible for implementing the course of action outlined in the response, we will follow up on the status of implementation subsequent to the anticipated implementation dates. Requests for extension to the implementation dates may require approval from the UT Dallas Audit Committee. This process will help enhance accountability and ensure that timely action is taken to address the observations.

Appendix B: Observation Risk Ranking

Audit observations are ranked according to the following definitions, consistent with UT System Audit Office guidance.

Risk Level	Definition
Priority	If not addressed immediately, a priority observation has a significant probability to directly impact the achievement of a strategic or important operational objective of UT Dallas or the UT System as a whole. These observations are reported to and tracked by the UT System Audit, Compliance, and Risk Management Committee (ACRMC).
High	High-risk observations are considered to be substantially undesirable and pose a high probability of adverse effects to UT Dallas either as a whole or to a division/school/department level.
Medium	Medium-risk observations are considered to have a moderate probability of adverse effects to UT Dallas either as a whole or to a division/school/department level.
Low	Low-risk observations are considered to have a low probability of adverse effects to UT Dallas either as a whole or to a division/school/department level.
Minimal	Some recommendations made during an audit are considered of minimal risk, and the observations are verbally shared with management during the audit or at the concluding meeting.

Appendix B: Report Submission and Distribution

We thank the Provost's Office as well as the Office of Human Resources for their support, courtesy, and cooperation provided throughout this audit.

Respectfully Submitted,

Toni Stephens, CPA, CIA, CRMA, Chief Audit Executive

Distribution List
Members and ex-officio members of the UT Dallas Institutional Audit Committee

Responsible Vice President
- Dr. Inga Musselman, VP of Academic Affairs and Provost

Persons Responsible for Implementing Recommendations
- Heather Burge, Assistant Provost

Other Interested Parties
- Stephen Spiro, Vice Provost for Faculty Affairs
- Ms. Cynthia Haynes, Faculty Affairs Administrator
- Colleen Dutton, Chief Human Resources Officer

External Parties
- The University of Texas System Audit Office
- Legislative Budget Board
- Governor's Office
- State Auditor's Office

Engagement Team
- Project Manager: Rob Hopkins, CFE, Audit Manager
- Project Leader: Caitlin Cummins, Auditor III