

**DELEGATIONS OF AUTHORITY**  
**CALIFORNIA STATE POLYTECHNIC UNIVERSITY,**  
**POMONA**

**Audit Report 11-19**  
**April 11, 2011**

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## **ABBREVIATIONS**

AB	Assembly Bill
CO	Office of the Chancellor
CPP	California State Polytechnic University, Pomona
CSU	California State University
DMV	Department of Motor Vehicles
DVBE	Disabled Veteran Business Enterprise
EC	Education Code
EO	Executive Order
GC	Government Code
ICSUAM	Integrated California State University Administrative Manual
PMCP	Policy Manual for Contracting and Procurement
PSR	Property Survey Report
SAM	State Administrative Manual
SB	Senate Bill
SUAM	State University Administrative Manual

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## **EXECUTIVE SUMMARY**

The Board of Trustees, at its January 2011 meeting, directed that Delegations of Authority be reviewed. The Office of the University Auditor had previously reviewed Delegations of Authority in 2006.

We visited the California State Polytechnic University, Pomona (CPP) campus from January 24, 2011, through February 11, 2011, and audited the procedures in effect at that time.

Our study and evaluation revealed certain conditions that, in our opinion, could result in significant errors and irregularities if not corrected. Specifically, the campus did not maintain adequate internal control over the following area: motor vehicle inspections and use. These conditions, along with other weaknesses, are described in the executive summary and body of this report. In our opinion, except for the effect of the weaknesses described above, the operational and administrative controls for delegated activities related to procurement and contracting, motor vehicle inspections, and personal property transactions in effect as of February 11, 2011, taken as a whole, were sufficient to meet the objectives stated in the "Purpose" section of this report.

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.

The following summary provides management with an overview of conditions requiring attention. Areas of review not mentioned in this section were found to be satisfactory. Numbers in brackets [ ] refer to page numbers in the report.

### **PROCUREMENT AND CONTRACTING ACTIVITIES [6]**

The campus did not always document Disabled Veteran Business Enterprise (DVBE) waivers for competitive solicitations in cases where it was determined that DVBE participation was not required. Additionally, required contractor certifications were not consistently obtained for the recycled content of commodity purchases.

### **MOTOR VEHICLE INSPECTIONS AND USE [7]**

The delegation of authority for the motor vehicle inspection program did not include the current motor vehicle inspector. Also, the campus motor vehicle inspection program was inconsistent with California State University (CSU) systemwide policy and did not ensure compliance with all campus and CSU policies and procedures for vehicle use.

### **REAL AND PERSONAL PROPERTY TRANSACTIONS [11]**

Administration over the sale/disposal of personal property did not ensure compliance with CSU policy and state law.

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## INTRODUCTION

### **BACKGROUND**

In 1986, Senate Bill (SB) 1828 indefinitely extended California State University (CSU) delegations of authority concerning certain procurement and contracting activities, motor vehicle inspections, and real and personal property transactions. The bill's intent was to promote greater economy and efficiency in CSU operations and was expanded by Assembly Bill (AB) 1191 in 1993. SB 1828 also added section 89045(d) to the Education Code (EC):

(d) In addition, the internal audit staff shall perform audits, at least once every five years, of the activities of the CSU pursuant to Sections 89031.5, 89036, 89046, and 89048 of the EC and Section 11007.7 of the Government Code (GC).

EC §89031.5 requires the inspection of all motor vehicles owned by the CSU. Executive Order (EO) 691, *Motor Vehicle Inspections*, dated November 23, 1998, directs each campus to implement a motor vehicle inspection program, specifies eight guidelines that should be included, directs the president to assign the function to an individual, and requires the campuses to notify the Office of the Chancellor (CO) of the individual assigned to the function. CSU policy concerning the use of motor vehicles is codified in *CSU Use of University and Private Vehicles Policy Guidelines*, dated March 2002, issued via Technical Letter 2002-16 from the CO Human Resources department.

EC §89036 grants the CSU authority over certain procurement and contracting activities. EO 775, *Acquisition of Personal Property and Services*, dated June 6, 2001, updates and supersedes prior EOs dating back to 1994 and delegates the procurement authority granted to the CSU under AB 1191 to campus presidents, within the provisions of the *CSU Policy Manual for Contracting and Procurement* (PMCP). EO 760, *Procurement Cards*, dated October 16, 2000, delegates authority for the use of procurement cards to campus presidents.

PMCP, last updated on April 28, 2008, was recently codified in the *Integrated California State University Administrative Manual* (ICSUAM), Section 5000, *Contracts and Procurement*. The ICSUAM establishes systemwide contracting and procurement policy and provides guidance on general procurement practices, along with specific requirements relating to the procurement of goods, services, and information technology resources. Any future updates to contracting policy will be incorporated into the ICSUAM.

EC §89046 granted the CSU the authority to lease state university property for purposes consistent with the functions of the CSU. EO 669, *Leases*, dated May 1, 1997, supersedes an EO issued in 1983. It delegates to campus presidents the authority to execute leases of real property as either lessor or lessee without approval by the CO, subject to certain limitations. The EO requires the use of standard provisions from model lease agreements, an assessment of liability risk for each lease agreement, a competitive process for leasing state university property to for-profit enterprises, an accounting of leases in the campus financial records, and maintenance of a central repository for all current lease agreements.

EC §89048 addresses a number of areas, including certain real property transactions and the sale or exchange of personal property. State University Administrative Manual (SUAM) §9018, *Acquisition and*

*Granting of Easements and Acceptance of Quitclaims*, sets forth processing guidelines and responsibilities for such real property transactions by the campuses and by the land records staff in the CO Capital Planning, Design and Construction department.

EO 409, *Purchase, Sale, Lease, and License of Personal Property*, dated January 5, 1983, delegates to campus presidents the authority to sell or exchange personal property and has been superseded except for Item B, which permits the sale or exchange of personal property when the campus president determines that it is in the best interest of the CSU and the transaction is based on fair market value.

GC §11007.7 addresses the procurement of insurance or official bonds. However, this section is not applicable to insurance procured by the CSU. CSU policy for insurance is codified by EO 849, *CSU Insurance Requirements*, dated February 5, 2003. It sets forth minimum insurance limits and holds harmless provisions for agreements, contracts, and purchases.

## **PURPOSE**

Our overall audit objective was to ascertain the effectiveness of delegated activities related to procurement and contracting, motor vehicle inspections, and real and personal property transactions and to determine the adequacy of controls over related processes to ensure compliance with relevant governmental regulations, Trustee policy, Office of the Chancellor directives, and campus procedures.

Within the overall audit objective, specific goals included determining whether:

- ▶ Administration of procurement activities incorporates effective internal controls, adequate local policies and operational procedures, current written delegations, and observance of good business practices in compliance with CSU policy.
- ▶ CSU competitive bidding requirements are adhered to in the procurement of goods and services, and CO approval is received prior to the purchase of restricted items.
- ▶ The responsibility for the execution of low-value purchases is properly delegated and methods for such execution are adequately controlled, and campus use of procurement cards is appropriate.
- ▶ Efforts are made to meet Small Business, Disabled Veteran Business Enterprise (DVBE), and Buy Recycled goals; purchasing preferences are properly granted; and Small Business, DVBE, and Buy Recycled reporting is timely, accurate, and supportable.
- ▶ Purchase agreements are properly executed and include required conditions, provisions, certifications, and insurance requirements, and Department of Fair Employment and Housing contract notification requirements are met.
- ▶ The campus motor vehicle inspection program and the use of CSU-owned vehicles comply with CSU policies, and a vehicle inspector has been designated.
- ▶ Leasing activities are adequately controlled and comply with CSU policy and State regulations, and leases are properly executed.
- ▶ Easements, rights-of-way, and quitclaims have been correctly acquired, and the sale or exchange of personal property complies with CSU policy and the EC.

## **SCOPE AND METHODOLOGY**

The proposed scope of the audit as presented in Action Item, Agenda Item 2 of the January 25 and 26, 2011, meeting of the Committee on Audit stated that a review of Delegations of Authority would include, but was not limited to, a review of certain purchasing and contracting activities; motor vehicle inspections and use; agreements and leases; easements, rights-of-way, and quitclaim transactions; and the sale and exchange of personal property. Delegations of Authority is a mandated audit and is required by the EC at least once every five years.

Our study and evaluation were conducted in accordance with the *International Standards for the Professional Practice of Internal Auditing*, issued by the Institute of Internal Auditors, and included the audit tests we considered necessary in determining whether operational and administrative controls are in place and operative. This review emphasized, but was not limited to, compliance with state and federal laws, Board of Trustee policies, and Office of the Chancellor and campus policies, letters, and directives. The audit focused primarily on procedures in effect from July 1, 2009, through December 31, 2010.

We focused primarily upon the internal administrative, compliance, and operational controls over delegation of authority and contracting activities, motor vehicle inspection, and real and personal property transactions. Specifically, we reviewed and tested:

- ▶ Specific purchasing and contracting activities, delegations, and limitations.
- ▶ Bidding procedures and exceptions.
- ▶ Low-value purchase methods and controls.
- ▶ Granting of purchase preferences.
- ▶ Preparation of Small Business, DVBE, and Buy Recycled reports and goal attainment.
- ▶ Execution of lease agreements.
- ▶ Motor vehicle inspection and use policies and controls.
- ▶ Easements, rights-of-way, and quitclaims and the sale or exchange of personal property.

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

### **PROCUREMENT AND CONTRACTING ACTIVITIES**

#### **DISABLED VETERAN BUSINESS ENTERPRISE**

The campus did not always document Disabled Veteran Business Enterprise (DVBE) waivers for competitive solicitations in cases where it was determined that DVBE participation was not required.

The Integrated California State University Administrative Manual (ICSUAM) §5215.0, *DVBE Participation Goals*, states, in part, that the state has established a DVBE contracting participation goal of three percent and that this goal applies to the total contract dollars expended each year including all contracts, purchase orders, and procurement card orders. It further states that the DVBE participation requirement applies to all competitive solicitations regardless of solicitation format or dollar value, and that the DVBE advocate, campus DVBE coordinator, or designee has the responsibility to evaluate requests for DVBE waivers for solicitations.

The director of procurement and support services stated that the lack of proper documentation was due to oversight.

Failure to properly document DVBE waivers increases the risk of non-compliance with DVBE requirements.

#### **Recommendation 1**

We recommend that the campus document DVBE waivers for competitive solicitations in cases where it is determined that DVBE participation is not required.

#### **Campus Response**

We concur. An internal DVBE waiver form will be developed for use in all DVBE solicitations where the requirement is waived.

Timeline: May 31, 2011

#### **STATE AGENCY BUY RECYCLED CAMPAIGN**

Required contractor certifications were not consistently obtained for the recycled content of commodity purchases.

Public Contract Code §12205 states that contractors shall be required to certify in writing the minimum percentage, if not the exact percentage, of post consumer and secondary material in the materials, goods, or supplies provided or used. This certification shall be furnished under penalty of perjury. The certification shall be provided regardless of content, even if the product contains no recycled materials.

The director of procurement and support services stated her belief that general provisions included in campus contracts addressing contractor certification provided adequate assurance of recycled content and that no separate certification was necessary.

Failure to consistently obtain contractor certifications for the recycled content of commodity purchases increases the risk of non-compliance with state regulations and inaccurate recycled content reporting.

### **Recommendation 2**

We recommend that the campus obtain required contractor certifications for the recycled content of commodity purchases.

### **Campus Response**

We concur. The campus will obtain the required contractor certifications for the recycled content of commodity purchases.

Timeline: June 30, 2011

## **MOTOR VEHICLE INSPECTIONS AND USE**

### **DELEGATIONS OF AUTHORITY**

The delegation of authority for the motor vehicle inspection program did not include the current motor vehicle inspector.

Executive Order (EO) 691, *Motor Vehicle Inspections – Delegation of Authority*, dated November 23, 1998, states that the campus president is responsible for the implementation of a campus motor vehicle inspection program and shall ensure that all aspects of the vehicle inspection program guidelines are followed. It further states that the campus president shall assign this function to an individual on campus and notify the chancellor's office of that individual.

The director of facilities management stated that he was unaware that the delegation of authority was outdated.

Failure to maintain current and complete written delegations of authority increases the risk of misunderstandings and unauthorized activities.

### **Recommendation 3**

We recommend that the campus update its delegation of authority for the motor vehicle inspection program to include the current motor vehicle inspector.

### **Campus Response**

We concur. The campus will update its delegation of authority for the motor vehicle inspection program to include the current motor vehicle inspector.

Timeline: May 31, 2011

### **MOTOR VEHICLE INSPECTION PROGRAM**

The campus motor vehicle inspection program was inconsistent with California State University (CSU) systemwide policy.

We found that the campus motor vehicle inspection program required written approval for any repair costs exceeding \$1,000, while CSU policy required approval for repair costs exceeding \$350. In addition, the campus program required three estimates for commercially performed repairs of \$3,000 or more, while CSU policy required three estimates for commercially performed repairs of \$350 or more.

The California State Polytechnic University, Pomona (CPP) *University Vehicle Management Program*, dated April 30, 2007, states, in part, that written approval is required by the motor vehicle inspector and the department paying for the repair on any repair costs exceeding \$1,000. In addition, it states that for commercially performed repairs of \$3,000 or more, when the motor vehicle inspector has approved the repair versus vehicle replacement, three estimates must be obtained.

*CSU Use of University and Private Vehicles Policy Guidelines*, dated March 2002, requires the campus vehicle inspector's approval on any repair where the parts costs exceed \$350 and requires three estimates to be obtained for commercially performed repairs which will cost \$350 or more.

The director of facilities management stated that he was unaware of the discrepancy in the approval authorization threshold between campus procedures and CSU policy.

Failure to follow CSU policy for repair cost and estimate approval thresholds increases the risk of unnecessary purchases and unauthorized activities.

### **Recommendation 4**

We recommend that the campus update its motor vehicle inspection so that the approval thresholds for repairs are consistent with those in the CSU systemwide policy.

### **Campus Response**

We concur. The campus will update its motor vehicle inspection so that the approval thresholds for repairs are consistent with those in the CSU systemwide policy.

Timeline: May 31, 2011

## VEHICLE USE CONTROLS

The campus motor vehicle inspection program did not ensure compliance with all campus and CSU policies and procedures for vehicle use.

We reviewed 35 university-owned vehicles used by various departments throughout the campus, and we noted that trip/daily operator checklists were not maintained in 16 cases. Additionally, we reviewed ten individuals who recently drove university-owned vehicles and found that:

- ▶ The campus did not have official procedures establishing which individuals were authorized to approve the use of university vehicles.
- ▶ Campus authorization forms did not include a certification statement regarding the employee's driving record and possession of a valid driver's license, and one individual did not have an authorization form on file.
- ▶ Seven individuals had not completed defensive-driver training within the last four years.

CPP risk management guidelines state that employees who drive on university business must review and agree to abide by the *CSU Use of University and Private Vehicle Policy Guidelines*.

The CPP *University Vehicle Management Program*, dated April 30, 2007, states that CSU policy directs drivers to conduct an inspection of a state vehicle before driving it to assure the vehicle is in good condition and functioning properly. Problems and any new damage to the vehicle noticed by the driver should be noted on the vehicle operator checklist or the operator checklist for gas/electric carts and micro-vehicles that are kept in the vehicle.

*CSU Use of University and Private Vehicles Policy Guidelines*, dated March 2002, state, in part, that the campus must establish one point of control in order to control usage of university vehicles and to verify and maintain all required logs. These guidelines further state that the campus control office must determine that the following criteria are met before releasing a university vehicle to an employee: Written approval of the use has been given by an individual authorized by the president to grant such approval; employee certification regarding possession of a valid driver's license and driving record is obtained; the campus has requested a copy of the person's driving record from the Department of Motor Vehicles at least once every four years; and the person has satisfactorily completed a CSU-approved defensive-driving course and maintains a good driving record. Additionally, the operator of a vehicle has an obligation to inspect the vehicle before driving it. Problems noticed by the operator while using the vehicle should be noted on a trip/daily operator checklist, which should be kept in the vehicle.

The human resources manager of risk programs stated that campus managers were not making it a priority to ensure that written approvals to operate state vehicles were in place for employees. She further stated that not establishing who on the campus was authorized to approve vehicle usage, not enforcing that each vehicle user sign a certification statement, and not ensuring that monthly trip/daily operator checklists were consistently completed was due to oversight. Finally, she stated

that defensive-driver training had not been performed by each vehicle user consistently every four years due to a lack of state funding to provide the instructors for classroom training.

Failure to properly control the use of university-owned vehicles and fully implement campus and CSU policies and procedures increases the risk of use by unqualified drivers and non-compliance with state, campus, and CSU policy.

### **Recommendation 5**

We recommend that the campus:

- a. Maintain a trip/operator checklist for each university-owned vehicle.
- b. Develop and implement official procedures establishing which individuals are authorized to approve the use of university vehicles.
- c. Revise campus authorization forms to include a certification statement regarding the employee's driving record and possession of a valid driver's license, and maintain authorization forms on file for all employees who use university vehicles.
- d. Ensure that all employees who use university vehicles complete defensive-driver training in a timely manner.

### **Campus Response**

We concur.

- a. A trip/operator checklist will be maintained for each university-owned vehicle.
- b. We will develop and implement official procedures establishing which individuals are authorized to approve the use of university vehicles.
- c. The campus authorization forms will be revised to include a certification statement regarding the employee's driving record and possession of a valid driver's license, and maintain authorization forms on file for all employees who use university vehicles.
- d. The campus will ensure that all employees who use university vehicles complete defensive-driver training in a timely manner.

Timeline: June 30, 2011

## REAL AND PERSONAL PROPERTY TRANSACTIONS

Administration over the sale/disposal of personal property did not ensure compliance with CSU policy and state law.

We reviewed 13 disposals in fiscal year 2009/10 and found that:

- ▶ Property survey board procedures needed to be updated. Campus practice required authorization of property survey reports (PSR) by two board members only for disposals of missing or stolen items. For all other items, disposals required one signature by a board member and one signature by a procurement department employee who was not a member of the board. For 11 of the items reviewed, PSRs were not authorized by two members of the property survey board.
- ▶ PSRs were not always properly completed. For four of the items reviewed, the disposal date was not completed on the PSRs.

State Administrative Manual (SAM) §3520.2 states that each state agency will have a duly appointed property survey board that is responsible for determining that, when disposing of surplus property, the decision to do so serves the best interest of the state. It further states that at least two board members must approve all property survey reports and all transfers of location of equipment.

SAM §8600 states property accounting procedures are designed to maintain uniform accountability for state property. These procedures are used to provide accurate records for the acquisition, maintenance, control, and disposition of property. The combination of accurate accounting records and strong internal controls must be in place to protect against and detect the unauthorized use of state property.

The director of procurement and support services stated that she assumed that two signatures from represented areas was sufficient for surveys and transfers, and that property survey board reviews and signatures were only necessary for missing property reports. She further stated that not completing the date of disposal on PSRs was due to oversight.

Failure to obtain property survey board approval and properly completed PSRs for personal property dispositions reduces accountability over the disposal of state property and increases the risk of theft or loss of state property.

### **Recommendation 6**

We recommend that the campus:

- a. Review and update procedures to ensure that two members of the property survey board review and approve each PSR.
- b. Ensure that PSRs are properly completed.

### **Campus Response**

We concur.

- a. The campus will review and update property procedures to ensure that two members of the property review board review and approve each property survey report.
- b. We will ensure that property survey reports be completed and reviewed by the property manager and director of procurement and support services.

Timeline: June 30, 2011

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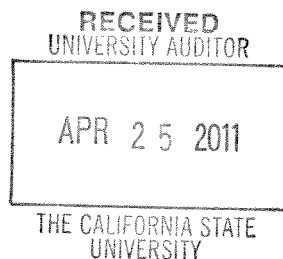
## **APPENDIX A: PERSONNEL CONTACTED**

<b><u>Name</u></b>	<b><u>Title</u></b>
J. Michael Ortiz	President
Anita Aguirre	Administrative Analyst/Specialist, Procurement and Support Services
Edwin Barnes	Vice President, Administrative Affairs and Chief Financial Officer
Sonia Campos	Assistant to the Director, Intercollegiate Athletics
Ruth Carrington	Finance System Analyst, Administrative Affairs, Information Systems
Valerie Eberle	Manager, Risk Programs, Human Resources Services
Kathy Harper	Assistant to the Associate Vice President, Finance and Administrative Services
Joan Horn	Buyer, Procurement and Support Services
Bob Hutchinson	Coordinator, Licensing of Facilities
Darwin Labordo	Associate Vice President, Finance and Administrative Services
Walter Marquez	Director, Facilities Administrative and Energy Services
Mark Miller	Director, Facilities Management
Janet Mundy	Administrative Analyst/Specialist, College of Agriculture
Ngoc Nguyen	Coordinator, Conference Services
Becky Pepping	Buyer III, Procurement and Support Services
David Prenovost	Chief Financial Officer, Foundation Financial Services
Kathleen Prunty	Director, Procurement and Support Services
Lorraine Rodriguez	Buyer III Lead, Procurement and Support Services
Al Viteri	Director, University Accounting Services
Joice Xiong	Director of Internal Audits, Administrative Affairs



Office of the Vice President  
for Administrative Affairs

April 25, 2011



Mr. Larry Mandel, University Auditor  
Office of the Auditor  
The California State University  
400 Golden Shore, Suite 210  
Long Beach, CA 90802

Dear Mr. Mandel:

**Subject: Campus Response - Delegations of Authority Audit 11-19**

Enclosed is California State Polytechnic University, Pomona's campus response to the Delegations of Authority Audit 11-19. We appreciate the effort you and your staff have made to indicate areas where our procedures or internal controls could be strengthened. We will take the necessary actions to address the report's recommendations.

Please direct questions concerning the response to Darwin Labordo, Associate Vice President of Finance and Administrative Services and Associate Chief Financial Officer at 909-869-2008 or [dlabordo@csupomona.edu](mailto:dlabordo@csupomona.edu).

Sincerely,

Edwin A. Barnes, III, Vice President  
Administrative Affairs

Cc: J. Michael Ortiz, President  
Darwin Labordo, Associate Vice President, Finance & Administrative Services  
Kathleen Prunty, Director of Procurement & Support Services  
Sharon Reiter, Associate Vice President, Human Resource Services  
Michael Sylvester, Associate Vice President, Facilities Planning & Management  
Joice Xiong, University Auditor

Enclosure

**DELEGATIONS OF AUTHORITY**

**CALIFORNIA STATE POLYTECHNIC UNIVERSITY,  
POMONA**

**Audit Report 11-19**

**PROCUREMENT AND CONTRACTING ACTIVITIES**

**DISABLED VETERAN BUSINESS ENTERPRISE**

**Recommendation 1**

We recommend that the campus document DVBE waivers for competitive solicitations in cases where it is determined that DVBE participation is not required.

**Campus Response**

We concur. An internal DVBE waiver form will be developed for use in all DVBE solicitations where the requirement is waived.

Timeline: May 31, 2011

**STATE AGENCY BUY RECYCLED CAMPAIGN**

**Recommendation 2**

We recommend that the campus obtain required contractor certifications for the recycled content of commodity purchases.

**Campus Response**

We concur. The campus will obtain the required contractor certifications for the recycled content of commodity purchases.

Timeline: June 30, 2011

**MOTOR VEHICLE INSPECTIONS AND USE**

**DELEGATIONS OF AUTHORITY**

**Recommendation 3**

We recommend that the campus update its delegation of authority for the motor vehicle inspection program to include the current motor vehicle inspector.

**Campus Response**

We concur. The campus will update its delegation of authority for the motor vehicle inspection program to include the current motor vehicle inspector.

Timeline: May 31, 2011

**MOTOR VEHICLE INSPECTION PROGRAM**

**Recommendation 4**

We recommend that the campus update its motor vehicle inspection so that the approval thresholds for repairs are consistent with those in the CSU systemwide policy.

**Campus Response**

We concur. The campus will update its motor vehicle inspection so that the approval thresholds for repairs are consistent with those in the CSU systemwide policy.

Timeline: May 31, 2011

**VEHICLE USE CONTROLS**

**Recommendation 5**

We recommend that the campus:

- a. Maintain a trip/operator checklist for each university-owned vehicle.
- b. Develop and implement official procedures establishing which individuals are authorized to approve the use of university vehicles.
- c. Revise campus authorization forms to include a certification statement regarding the employee's driving record and possession of a valid driver's license, and maintain authorization forms on file for all employees who use university vehicles.
- d. Ensure that all employees who use university vehicles complete defensive-driver training in a timely manner.

**Campus Response**

We concur.

- a. A trip/operator checklist will be maintained for each university-owned vehicle.
- b. We will develop and implement official procedures establishing which individuals are authorized to approve the use of university vehicles.

- c. The campus authorization forms will be revised to include a certification statement regarding the employee's driving record and possession of a valid driver's license, and maintain authorization forms on file for all employees who use university vehicles.
- d. The campus will ensure that all employees who use university vehicles complete defensive-driver training in a timely manner.

Timeline: June 30, 2011

## **REAL AND PERSONAL PROPERTY TRANSACTIONS**

### **Recommendation 6**

We recommend that the campus:

- a. Review and update procedures to ensure that two members of the property survey board review and approve each PSR.
- b. Ensure that PSRs are properly completed.

### **Campus Response**

We concur.

- a. The campus will review and update property procedures to ensure that two members of the property review board review and approve each property survey report.
- b. We will ensure that property survey reports be completed and reviewed by property manager and Director of Procurement & Support Services.

Timeline: June 30, 2011

THE CALIFORNIA STATE UNIVERSITY  
OFFICE OF THE CHANCELLOR

BAKERSFIELD

CHANNEL ISLANDS

June 6, 2011

CHICO

**MEMORANDUM**

DOMINGUEZ HILLS

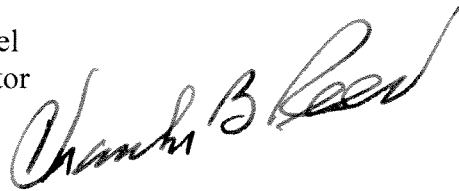
EAST BAY

TO: Mr. Larry Mandel  
University Auditor

FRESNO

FULLERTON

FROM: Charles B. Reed  
Chancellor



HUMBOLDT

SUBJECT: Draft Final Report 11-19 on *Delegations of Authority*,  
California State Polytechnic University, Pomona

LONG BEACH

LOS ANGELES

In response to your memorandum of June 6, 2011, I accept the response as submitted with the draft final report on *Delegations of Authority*, California State Polytechnic University, Pomona.

MARITIME ACADEMY

MONTEREY BAY

NORTHRIDGE

POMONA

CBR/amd

SACRAMENTO

SAN BERNARDINO

SAN DIEGO

SAN FRANCISCO

SAN JOSÉ

SAN LUIS OBISPO

SAN MARCOS

SONOMA

STANISLAUS