

PUBLIC SAFETY
CALIFORNIA STATE POLYTECHNIC UNIVERSITY,
POMONA

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ABBREVIATIONS

ABS	Auxiliary and Business Services – Office of the Chancellor
BA	Business Affairs – Office of the Chancellor
BOT	Board of Trustees
CBA	Collective Bargaining Agreement
CCR	California Code of Regulations
COPS	Community Oriented Policing Services
CRU	Critical Response Unit
CSPUP	California State Polytechnic University, Pomona
CSU	California State University
CSO	Community Service Officer
DMV	Department of Motor Vehicles
IACLEA	International Association of Campus Law Enforcement Administrators
IAPE	International Association for Property and Evidence
POST	Commission on Peace Officer Standards & Training
PPS	Police and Parking Services
SAM	State Administrative Manual
SUAM	State University Administrative Manual
SUPA	Statewide University Police Association
UCR	Uniform Crime Reporting
UPD	University Police Department
VCCA	Violent Crime Control and Law Enforcement Act

INTRODUCTION

PURPOSE

The overall audit objective was to ascertain the effectiveness of existing policies and procedures related to the administration of Public Safety (PS) police activities and law enforcement, and to determine the adequacy of controls over parking revenues and citations, and crime reporting.

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

- ▶ administration and management of the PS program provide an effective internal control environment, clear lines of authority and responsibility, comprehensive policies and procedures, and self-evaluation techniques to measure program and management effectiveness;
- ▶ staffing and scheduling provide appropriate coverage, effective use of overtime and compliance with the collective bargaining agreement (CBA);
- ▶ PS participation in campus disaster planning and the CSU Critical Response Unit (CRU) is clearly defined and communicated, and includes appropriate training;
- ▶ budgeting procedures adequately address PS funding and include procedures to monitor budget versus actual expenses;
- ▶ chargebacks and Peace Officer Standards and Training (POST) reimbursements are adequately controlled and properly valued, and grants are administered in accordance with grant requirements;
- ▶ the dispatch function is properly controlled, and daily activity logs/records are comprehensive and permit measurement of the effectiveness and efficiency of police operations;
- ▶ police activities are adequately documented, and access to PS records, investigative files and criminal offender record information is sufficiently restricted and safeguarded;
- ▶ crime reporting procedures are well controlled and in accordance with federal and state regulations, and relationships with outside agencies comply with the Kristen Smart Campus Security Act;
- ▶ hiring, certification, and training policies comply with POST, performance evaluation administration is consistent and timely, stipends and CTO are administered in compliance with the CBA, and internal investigations are handled in accordance with state regulations, CSU policy and the CBA;
- ▶ crime scene evidence, weapons and other PS equipment are properly handled, accounted for, and safeguarded, and weapon issuance and use comply with state regulations and CSU policy; and
- ▶ parking revenues are adequately controlled, properly accounted for, and used in accordance with CSU policy and state regulations, and parking citation issuance, processing and administration are adequately controlled and in accordance with the Vehicle Code.

SCOPE AND METHODOLOGY

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. June 1999 to date was the primary period of review.

Our primary focus involved the internal administrative, compliance and operational controls over policing activities, crime reporting and parking operations. Specifically, we reviewed and tested:

- ▶ procedures for communicating systemwide/campus specific policies, rules and regulations;
- ▶ staffing, scheduling and internal investigation procedures;
- ▶ budgeting procedures, chargeback and stipend processing, POST reimbursements, and the management of grants;
- ▶ dispatch operations, field reporting requirements, and case monitoring procedures;
- ▶ procedures for maintaining and securing public safety records, files and information;
- ▶ procedures for accumulating and reporting crime statistics;
- ▶ hiring, certification and training compliance;
- ▶ procedures for controlling evidence, weapons and other public safety equipment;
- ▶ procedures for controlling and processing parking revenues, parking citations and parking funds; and
- ▶ data security, disaster recover and backup procedures.

BACKGROUND

As a result of a systemwide risk assessment conducted by the Office of the University Auditor during the last quarter of 1999, the Board of Trustees, at its January 2000 meeting, directed that *Public Safety* be reviewed.

The proposed scope of such audits, as presented in Attachment B, Agenda Item 3 of the January 25-26, 2000 meeting of the Committee on Audit, stated that *Public Safety* includes primarily police activities and law enforcement including parking/citations and crime reporting. The proposed audit scope would include the reliability and integrity of information; compliance with laws, policies, plans, procedures and

regulations; the safeguarding of assets; the economical and efficient use of resources; and the accomplishment of objectives and goals. *Public Safety* was previously audited in 1992.

The California State University Public Safety Program was developed in 1974, commencing with a two-year pilot project on the Northridge campus. A systemwide committee subsequently forwarded recommendations regarding a “public safety approach” for CSU campuses to the Chancellor. The Chancellor’s Council of Presidents endorsed the recommendations as an appropriate program for the CSU, and then Chancellor Dumke issued a directive in 1977 stating that the necessary actions should be taken to bring the program to fruition.

Throughout the 1980’s, the CSU residence population increased greatly, and the problems associated with this growth were similar to those experienced by small municipal police departments. Sexual assaults, alcohol, drugs and vandalism increased; and legislation mandated more involvement by university police officers in the investigation and prevention of crimes, as well as care for the victims. As a result, public safety departments created policing programs and preventive patrols to deter crime. The growth of on-campus housing also increased the complexity of emergency planning. Parking structures were built on campuses, and an increase in auto burglaries and theft necessitated the need for increased patrols.

The Crime Awareness and Campus Security Act of 1989 became Title II of Public Law 101-542, *The Student Right-to-Know and Campus Security Act of 1990*. President George Bush signed the Act into law on November 8, 1990. The Act amended section 485 of the Higher Education Act of 1965 by adding campus crime statistic and security policy disclosure provisions for colleges and universities. This law (now known as the *Jeanne Clery Act*) applies to all institutions of higher education, both public and private, which participate in any federal student aid programs and requires schools to publicly disclose three years of campus crime statistics and basic security policies. In 1992, the *Campus Sexual Assault Victims’ Bill of Rights* was incorporated into the *Jeanne Clery Act*. In 1998, the *Jeanne Clery Act* was further amended to expand the scope of campus crime statistic reporting, ensure crime statistics are reported in accordance with the FBI’s Uniform Crime Reporting (UCR) program, and require the maintenance of a public police log of all reported crimes as well as a policy to issue timely warnings when a crime, reportable in the annual statistics, is known to the school and poses an ongoing threat to the campus.

In California, the *Kristen Smart Campus Safety Act of 1998* was signed into law on August 11, 1998. This act requires California colleges to promulgate rules requiring each of their respective campuses to enter into written agreements with local law enforcement agencies which will: (1) designate which law enforcement agency has operational responsibility for the investigation of violent crimes occurring on campus, and (2) delineate the specific boundaries of each agency’s operational responsibility.

In the 1990’s, campus police administrators, complying with increased training standards from the Commission on Peace Officer Standards and Training (POST), increased legislation and governmental reporting, crime trends and sophistication, and the need to upgrade and continue the professionalism of campus police agency response, collectively tried to upgrade Campus Public Safety department to

Professional Police departments. This included uniform standards, vehicles, equipment, training, emergency preparedness, the development of Critical Response Units (CRU), semi-annual meetings between police chiefs, working closely within the Chancellor's Human Resources Division, collective bargaining, and updating inadequate polices.

Additionally, the Violent Crime Control and Law Enforcement Act of 1994 (VCCA), which authorized grants to law enforcement agencies to add community policing officers to the streets and advance community policing, was signed into law on September 13, 1994 and lead to the creation of the Community Oriented Policing Services (COPS) Office. The measure authorized \$8.8 billion over six years for grants to policing agencies to add 100,000 community-policing officers to the nation's streets. Several CSU campuses have received COPS grants, and the CSU Police departments are committed to community policing.

The CSU parking program is a self-supported program financed through the collection of parking fees, fines and forfeitures. Historically, parking fees were remitted to the Dormitory Revenue Fund – Parking to meet the covenants of bond resolutions. These bonds were retired as of July 1, 1995, and the program was decentralized to the campuses as part of the Chancellor's initiative to improve the alignment of responsibility and authority for university programs. Campuses now have a greater role in planning and managing parking resources and must develop local strategies to deal with their parking needs, which could include the issuance of new debt. However, debt issuance remains under the direct authority and approval of the trustees, with campuses individually responsible for the repayments relating to specific projects. The Office of Financing and Treasury coordinates the issuance of parking bonds. In the absence of outstanding bonds and related covenants, two statutes govern the permitted uses of parking revenue funds: Education Code §89701 and §89701.5.

Throughout this report, we will refer to the program as Public Safety (PS). At California State Polytechnic University, Pomona (CSPUP), the Police and Parking Services (PPS) office manages the PS program and reports to the vice president for student affairs.

OPINION

We visited the California State University, Pomona campus from May 15, 2000, through June 13, 2000, and audited the procedures in effect at that time.

In our opinion, the administration and management of Police and Parking Services (PPS) was adequate to meet campus law enforcement needs, ensure compliance with crime reporting disclosures, and operate a viable parking program. However, our review disclosed certain conditions that could result in errors and irregularities if not corrected. Specifically, the campus did not maintain adequate control over the following areas: the allocation and use of parking monies, parking citation collection, chargebacks for services provided to special events and auxiliary enterprises, weapons qualifications, evidence room conditions and radio communications equipment.

These conditions, along with other weaknesses, are described in the executive summary and in the body of the report.

EXECUTIVE SUMMARY

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

PARKING PROGRAM [9]

PARKING FUND EXPENDITURES AND ALLOCATIONS [9]

Expenditures of parking funds were not always substantiated, correctly allocated, or used for permitted purposes. Adequate controls over the use and allocation of parking monies ensure that these monies are used for permitted purposes and may increase the amount of funds available for the parking program.

PARKING CITATION COLLECTION [12]

Policies and procedures had not been fully developed to ensure adequate control over and prompt collection of parking fines and forfeitures. Adequate controls and comprehensive collection procedures maximize parking fines and forfeiture revenues and ensure that inappropriate activities are identified.

SPECIAL EVENT PARKING [13]

Parking fees were not being charged on weekends or for weekend special events. Charging for daily and weekend special event parking ensures compliance with state regulations and increases the amount of funds available for parking operations.

TRUST ACCOUNTS [14]

Controls over parking trust accounts were unsatisfactory. Satisfactory accounting, budgeting, and financial management controls over parking trust accounts reduce the risks of misappropriation or loss of funds, inappropriate expenditures, poor cash flow, and budget deficits.

PUBLIC SAFETY FISCAL ADMINISTRATION [16]

CHARGEBACK CONTROLS [16]

Procedures regarding reimbursement (chargebacks) to Police and Parking Services (PPS) for policing and security services provided to special events and campus auxiliary enterprises were unsatisfactory.

Adequate controls over chargebacks ensure accurate, complete, and timely reimbursements to PPS and increase the funds available for law enforcement activities.

FISCAL SERVICES [18]

Reimbursements for services provided by community service officers were inappropriately deposited and managed in the Cal Poly Foundation. Maintaining funds in a state account ensures appropriate management of state funds, compliance with state policy, and reduces lost interest.

GRANT ADMINISTRATION [19]

Procedures regarding grant administration and accounting needed to be improved. Adequate administration, accounting and internal controls over grant funds ensures appropriate management of grant funds, timely reimbursements, and increases the potential for future grant awards.

POST FUNDS [20]

Controls over reimbursements from the Commission on Peace Officer Standards and Training (POST) and corresponding POST accounts needed improvement. Adequate controls over POST reimbursements and accounts ensure timely reimbursement and increase the availability of training funds.

FINGERPRINTING FEES [21]

Live Scan fingerprinting fees had not been properly approved. Proper approval ensures that campus fees are appropriate.

EXPENSE REVIEW [22]

Police and Parking Services had not established procedures to review expense data on a monthly basis. Adequate financial information results in sound management, effective expense control, and efficient operations.

EVIDENCE, WEAPONS, AND EQUIPMENT CONTROLS [23]

WEAPONS QUALIFICATIONS [23]

Controls over weapons qualifications were unsatisfactory. Adequate controls over such qualifications ensure weapon proficiency.

EVIDENCE ROOM CONDITIONS [24]

Evidence room conditions did not comply with the International Association for Property and Evidence (IAPE) minimum standards of care relative to contamination from hazardous waste and the protection and preservation of evidence. Adequate controls over the preservation of evidentiary property, including hazardous waste, reduces the risk of employee exposure to hazard waste and ensures evidentiary integrity.

EQUIPMENT [25]

Police and Parking Services radio equipment did not provide complete campus coverage, and records of police officer equipment were not current. The safety of police officers and the public is maintained when campus radio coverage is complete, and the risk of stolen equipment is reduced when proper accountability is maintained.

DATA ACCESS AND PHYSICAL SECURITY [26]

KEY CONTROL [26]

Key control for the Police and Parking Services (PPS) building needed improvement. Adequate control over keys decreases the risk of unauthorized access to PPS equipment and data and ensures the safety of PPS employees.

DATA ACCESS AND BACKUP [27]

Access controls over the dispatch and parking automated systems were in need of improvement. In addition, procedures had not been established to store dispatch system backup offsite. Maintenance of adequate system access controls and offsite data backup storage prevent unauthorized access to restricted data, ensure operational efficiency, and reduce the risk that important data will be lost in the event of a disaster.

PERSONNEL ADMINISTRATION AND TRAINING [29]

The Commission on Police Officer Standards and Training (POST) minimum continuing education/training and termination notification requirements were not always met. Maintaining such requirements and submitting termination reports ensures compliance with state regulations and increases job performance abilities.

OBSERVATIONS, RECOMMENDATIONS, AND CAMPUS RESPONSES

PARKING PROGRAM

PARKING FUND EXPENDITURES AND ALLOCATIONS

Expenditures of parking funds were not always substantiated, correctly allocated, or used for permitted purposes.

Parking revenues were maintained in two trust accounts because the Education Code mandates specific uses for each source of revenue. Parking revenue from the sale of parking passes and daily-parking receipts was deposited into the parking revenue trust account, and revenue from parking fines was deposited to the parking fines and forfeitures trust account. Our review of account activity disclosed the following:

- ▶ No documentation was available to support the following payments from parking funds:
 - \$473,995 of expenses to move and remodel the Police and Parking Services (PPS) offices was not appropriately allocated between parking and police. \$273,995 of the expense had been paid from the parking revenue fund.
 - \$36,979 charged to the parking revenue fund described as an annual parking reimbursement to the campus general fund for fiscal year 1999/2000.
- ▶ Parking funds were not always used for permitted purposes or correctly allocated in the following instances:
 - Consulting fees totaling \$56,000 for campus-wide exterior signage were paid from the parking revenue fund. The signage included a university electronic message monument, primary site identification signs, and bus stop identification placards.
 - The full salary of the secretary, shared by PPS, was paid from the parking revenue fund.
 - Expenditures for joint office operations of PPS were not correctly allocated. Copier charges for March 2000 were not shared by parking, and vehicle maintenance charges for April through June of 1999 were paid from police funds, even though \$1,060 was for parking vehicles.

Education Code §89701 states, in part, that all revenues received from parking facilities, to the extent not pledged in connection with bonds or notes issued pursuant to the CSU Revenue Bond Act of 1947, are appropriated for the acquisition, construction, operation, and maintenance of parking facilities, and for the study development, enhancement operation, and maintenance of alternate methods of transportation.

Education Code §89701.5 states, in part, that monies received as parking fines and forfeitures shall be used exclusively for the development, enhancement, and operation of alternate methods of transportation programs for students and employees, for the mitigation of the impact of off-campus student and employee parking in university communities, and for the administration of the parking fines and forfeitures programs.

CSU directive BA 83-30, *Policy on Chargeable Services to Self-Supporting Operations*, dated December 28, 1983, states that funds provided from the general fund may be used to provide support for ancillary operations if there is recovery of the cost of such support. In the absence of specific CSU policy, recovery for the cost of support shall include the incremental costs of providing the support. Support provided should be in accordance with appropriate written agreements that include the basis and rationale for the valuation. Executive Order No. 753, *Allocation of Costs to Auxiliary Enterprises*, effective July 28, 2000, superseded this directive.

Executive Order No. 753, *Allocation of Costs to Auxiliary Enterprises*, dated July 28, 2000, states that auxiliary enterprises shall be charged the allowable direct costs plus an allocable portion of indirect costs associated with facilities, goods, and services provided by the University funded from the General Fund. Cost allocations shall be determined in accordance with a written cost allocation plan approved annually by the campus chief financial officer.

The chief of police and parking services manager stated that they had advised their management that the campus-wide exterior signage consulting fee should be prorated between the parking revenue fund and other campus finding sources. They further acknowledged the need for the proper documentation of parking expenditures and the proper use of parking funds.

Inadequate controls over the use and allocation of parking monies increase the risk of inappropriate expenditures and reduce the amount of funds available for the parking program.

Recommendation 1

We recommend that the campus:

- a. strengthen procedures to ensure that expenditures of parking funds are in compliance with the Education Code;
- b. analyze parking fund and police disbursements for fiscal year 1999/2000 and reimburse the appropriate funds and accounts for the aforementioned inappropriate expenditures;
- c. establish procedures to ensure that shared office costs are appropriately allocated; and

- d. determine the amount of services provided to parking operations by each campus provider, taking into consideration the specific Education Code restrictions, and include the services in the campus annual written cost allocation plan.

Campus Response

We concur with the recommendation and are taking the following actions:

- a. In order to strengthen controls over parking funds, a memorandum summarizing the Education Code requirements on parking funds will be issued by the Associate Vice President of Finance and Administrative Services to those individuals responsible for parking funds and/or who receive parking funds. When major issues regarding the appropriateness of parking fund expenditures arise, these will be referred by the Chief of Police and/or Manager of Parking Services to the Associate Vice President of Finance and Administrative Services.

The Chief of Police and Parking Services and the Manager of Parking Services will continue to review and approve purchase requisitions to assure that expenditures of parking funds are in compliance with the Education Code requirements.

Timeline: January 2001

- b. We will complete the analysis of Parking Fund and Police General Fund disbursements and we will reimburse the Parking Fund and the Police General Fund the appropriate amounts based on this analysis.

Timeline: February 2001

- c. Procedures to share office costs, i.e. copier machine (user group codes) separate mail service bags, breakout & monthly payment of phone charges and purchase of supplies by funding source have been implemented.

Timeline: Completed

- d. The campus, in conjunction with KPMG Consulting, is currently working toward establishing cost recovery rates that will determine the current value of services provided to Parking Services. This will be incorporated into the campus cost recovery procedures pursuant to Executive Order No. 753, Allocations of Costs to Auxiliary Enterprises, effective July 28, 2000.

Timeline: April 2001

PARKING CITATION COLLECTION

Policies and procedures had not been fully developed to ensure adequate control over and prompt collection of parking fines and forfeitures.

We noted that:

- ▶ Parking Services used an in-house automated system to issue, track, and collect outstanding parking citations. However, procedures and management reports were not in place to track the collection of funds, monitor the effectiveness of the collection process, or determine the amount and age of outstanding citations. Additionally, management had not assessed the effectiveness of collection efforts to maximize the collection of funds in house (i.e., the use of collection letters and placement of holds on student accounts) versus the referral of citations to the Department of Motor Vehicles (DMV) where citations often remain uncollected.
- ▶ A parking citation receivable control account total had not been established on the campus accounting records. Parking fine revenue for fiscal year 1999/2000 was estimated to be \$500,000. Such an account would serve as a cross check for verifying the accuracy of subsidiary records maintained by Parking Services.

SAM §20003 states that the elements of a satisfactory system of internal administrative control include, but are not limited to, an effective system of internal review and record keeping procedures adequate to provide effective control over assets, liabilities, revenues, and expenditures. The elements are expected to provide internal checks and balances.

The parking services manager stated that he was aware of the existence of past due citations and that three programs were in effect to address this matter; however, staffing levels had prevented full utilization of these programs. He further stated that establishment of a parking citation receivable control account had not been considered.

The lack of adequate controls and comprehensive collection procedures reduces revenue from parking fines and forfeitures and increases the risk that inappropriate activities will not be detected.

Recommendation 2

We recommend that the campus:

- a. establish comprehensive procedures and develop management reports to track, monitor, and collect outstanding parking citations;
- b. analyze and evaluate collection policies and procedures to determine which collection methods are the most effective and strengthen current procedures accordingly; and

- c. record outstanding parking citation receivables on the campus accounting records and regularly reconcile subsidiary detail records to that control total.

Campus Response

We concur with the recommendation and are taking the following actions:

- a. The University will institute a new procedure whereby receivables for citations will be established in Banner as soon as vehicle owner names or parking decal registrant names are identified. The name information will be obtained from the DMV matching report and the Banner Student system. Once the receivables are recorded, we will follow-up on their collection using AR aging reports.

Timeline: March 2001

- b. We will analyze and evaluate collection policies and procedures to determine which collection methods are the most effective and strengthen current procedures.

Timeline: Completed

- c. As described in item a. above, parking citations will be recorded as receivables in the Banner system. Parking Services will work with Financial Services to reconcile subsidiary detail records to the general ledger control total on an annual basis.

Timeline: March 2001

SPECIAL EVENT PARKING

Parking fees were not being charged on weekends or for weekend special events.

CSU directive ABS 87-36, *Parking Fee Increase and Revised Refund Schedule*, dated December 10, 1987, states that regulations require that the fee schedule be in effect every day and during all hours for both regular daily parking and for parking related to special events. The campus president may temporarily discontinue enforcement of the fee schedule only when it can be clearly demonstrated that collection of the fee for a special event is uneconomical.

CCR Title 5 §42201 (a) states that permission of the president of a campus to stop, park or leave standing a vehicle on property of a campus may be granted to persons who have paid a parking fee. The fee shall be in accordance with schedules approved by the Trustees.

CCR Title 5 §42201 (b)(2) states that the payment of a fee shall not be required of persons, not employed by the campus, visiting the campus for the purpose of transacting state business with the campus.

The chief of police and parking services manager stated that the practice of not charging for parking on weekends had been in effect beyond the decade that they have been on campus.

Failure to charge for parking on weekends and for all special events increases the risk of non-compliance with state regulations and reduces the amount of funds available for parking operations.

Recommendation 3

We recommend that the campus establish procedures to charge parking fees for weekend parking and special events.

Campus Response

We concur with the recommendation. The University will perform a study of the feasibility of charging parking fees on weekends and for special events. The study will evaluate the cost of parking attendant(s), the materiality of potential revenue to be collected, the security of the funds that will be held until the following business day, and so on. If collection of weekend and special event fees is feasible, procedures will be established and put into effect.

Timeline: April 2001

TRUST ACCOUNTS

Controls over parking trust accounts were unsatisfactory.

We noted that:

- ▶ Parking trust accounts were not reviewed and reconciled on a regular basis to ensure that all funds received were deposited and expenditures were appropriate, and to facilitate the financial management of ongoing parking and alternative transportation operations.
- ▶ A comprehensive budget process was not in place for the fines and forfeitures trust account to ensure the viability of the alternative transportation program.

SAM §20003 states that a satisfactory system of internal accounting and administrative control shall include segregation of duties appropriate for proper safeguarding of assets and a system of record keeping procedures adequate to provide effective accounting control over assets, liabilities, revenues, and expenditures.

SUAM §3100 states that the CSU Parking is a special funds program covered by the budgeting process. The funds are to be managed so as to ensure that expenditures do not exceed revenues. The budgeted revenues are the critical budgeting constraint, and expenditures will be scheduled only up to the amounts of estimated revenue. Therefore, revenues are estimated first, as they determine the proper maximum level for the expenditures.

SUAM §3710.04 states preparation and approval of a budget is recommended to assist in the management of a trust project, and each budget would include descriptions and expected amounts of each major source of income and type of expenditure.

The associate vice president for financial and administrative services indicated that CSPUP is a decentralized campus, and each department is responsible for their own account reconciliation and budgetary processes. The parking services manager agreed that a monthly reconciliation of revenues and expenses was necessary and would be done in addition to the BRIO accounting system currently utilized. The director of environmental health and safety, who was responsible for the fines and forfeitures fund, indicated that he prepares the budget for the rideshare program and coordinates with the budget manager and parking services manager if there are issues to be resolved, such as funding shortfalls.

Unsatisfactory accounting, budgeting and financial management controls over parking trust accounts could result in the misappropriation or loss of funds, inappropriate expenditures, poor cash flow management and budget deficits.

Recommendation 4

We recommend that the campus:

- a. establish procedures to review and reconcile parking trust accounts on a regular basis; and
- b. develop comprehensive budget preparation, management review, and monitoring procedures for the fines and forfeitures trust account.

Campus Response

We concur with the recommendation and have taken the following action:

- a. Parking Services is establishing procedures to review and reconcile parking trust accounts on a monthly basis. We are in the process of creating line-item account spreadsheets to which postings will be reconciled with the IBS and BRIO Financial Services reports.

Timeline: December 2000

- b. The Rideshare Program Administrator develops an annual operating budget based on expected costs of implementing the rideshare program and projected fines and forfeitures revenue. The Rideshare Coordinator prepares a monthly report of fines and forfeitures revenue based on information received from the monthly FRS reports. This report is submitted to the Rideshare Administrator who monitors actual revenues and expenses. Any budget shortfalls are referred to senior management in Administrative Affairs. The Rideshare Administrator's supervisor has access to the monthly FRS reports and reviews them periodically.

Timeline: Completed

PUBLIC SAFETY FISCAL ADMINISTRATION

CHARGEBACK CONTROLS

Procedures regarding reimbursement (chargebacks) to Police and Parking Services (PPS) for policing and security services provided to special events and campus auxiliary enterprises were unsatisfactory.

We noted that:

- ▶ Formalized written procedures had not been established for special event payroll processing and event sponsor billing to ensure that reimbursements were received for all labor provided to special events by police officers.
- ▶ A review of 25 special event work requests and lease of facilities cost estimates disclosed that the amounts billed per hour depended upon the event sponsor, and event billings were not always submitted or accurately prepared. We found that a billing for \$225 had never been submitted, and another billing was 12 hours (\$864) short.
- ▶ No definable overhead rate was being applied to billings. Although hourly rates varied per event and exceeded actual payroll rates, ranging from \$50 to \$72 for police officers and \$12 for community service officers (CSO's), no supporting documentation was available to ensure that all overhead costs were covered by the billing rates.
- ▶ Housing and the Cal Poly Foundation were not being charged for PPS services provided to their respective areas on campus.

SAM §8752 indicates that state policy is for departments to recover full costs whenever goods or services are provided to others.

CSU directive BA 83-30, *Policy on Chargeable Services to Self-Supporting Operations*, dated December 28, 1983, states that funds provided from the general fund may be used to provide support for ancillary operations if there is recovery of the cost of such support. In the absence of specific CSU policy, recovery for the cost of support shall include the incremental costs of providing the support. Support provided should be in accordance with appropriate written agreements that include the basis and rationale for the valuation. *Executive Order No.753, Allocation of Costs to Auxiliary Enterprises, effective July 28, 2000, superseded this directive.*

Executive Order No. 753, *Allocation of Costs to Auxiliary Enterprises*, dated July 28, 2000, states that auxiliary enterprises shall be charged the allowable direct costs plus an allocable portion of indirect costs associated with facilities, goods, and services provided by the University funded from the General Fund. Cost allocations shall be determined in accordance with a written cost allocation plan approved annually by the campus chief financial officer.

SAM §20003 states that a satisfactory system of internal accounting and administrative control shall include a system of record keeping procedures adequate to provide effective accounting control over assets, liabilities, revenues, and expenditures.

The chief of police and administrative sergeant stated that the billing problems were the result of a staff member being out on leave, and the billing rate charged varies depending upon what the market will bear. They stated that PPS requested full reimbursement, including overhead, in the past; however, the Associated Students, Inc. (ASI) and the Cal Poly Foundation have not agreed to pay overhead in addition to the overtime rate paid. Further, even though special event sponsors are charged whatever the market will bear, the rates may cover overhead since the actual cost of overhead has not been valued. The grants coordinator indicated that five other campuses use the same \$12 per hour rate charged by CSPUP.

Inadequate controls over chargebacks increase the risk of inaccurate, incomplete, and untimely reimbursement to PPS and reduce funds available for law enforcement activities.

Recommendation 5

We recommend that the campus:

- a. establish formalized procedures for special event payroll and chargeback processing that ensure all payroll and chargebacks are processed in a timely and accurate manner and corresponding reimbursements are received;
- b. develop a definable overhead rate and apply the rate to all police and parking officer and CSO billings; and

- c. determine the amount of PPS services provided to campus auxiliary enterprises and include the services in the campus annual written cost allocation plan to ensure that PPS is fully reimbursed for services provided.

Campus Response

We concur with the recommendation and have taken the following action:

- a. We will establish formalized procedures for special event payroll and chargeback processing. We will ensure all payroll and chargebacks are processed in a timely and accurate manner and corresponding reimbursement are received.

Timeline: November 2000

- b. We have engaged KPMG Consulting to develop a definable overhead rate for police, parking and CSO billings.

Timeline: April 2001

- c. Based on the study by KPMG, we will determine the amount of PPS services provided to campus auxiliary enterprises (Foundation, Parking, ASI and Housing) and will include the services in the campus cost recovery procedure to ensure that PPS is fully reimbursed for services provided.

Timeline: April 2001

FISCAL SERVICES

Reimbursements for services provided by community service officers (CSO's) were inappropriately deposited and managed in the Cal Poly Foundation.

CSO's were used to provide security services for special events at locations such as the Kellogg House. These individuals were recruited, supervised and evaluated by Police and Parking Services (PPS); however, the reimbursements received for such activities were deposited to an account at the Cal Poly Foundation.

Government Code §16305.2 states that all money in the possession of or collected by any state agency or department is subject to the provisions of Government Code §16305.3 to §16305.7, inclusive and is hereafter referred to as state money.

The chief of police stated that the account was recently established and was placed in the Cal Poly Foundation because the Foundation processes grant reimbursements.

Maintaining funds in the Cal Poly Foundation increases the risk of non-compliance with state policy, inappropriate expenditures of state funds, and loss of interest.

Recommendation 6

We recommend that the campus close the account being maintained at the Cal Poly Foundation and deposit future CSO reimbursements into a state account.

Campus Response

We concur with the recommendation and have taken the following action:

- a. We have closed the account being maintained at Cal Poly Foundation and have deposited those funds and will deposit future CSO reimbursements into a state account.

Additionally, we have written a formal procedure to support the collection, deposit and reconciliation for these funds.

Timeline: Completed

GRANT ADMINISTRATION

Procedures regarding grant administration and accounting needed to be improved.

Salary reimbursement requests for the COPS MORE '96 grant coordinator had not been submitted to the Cal Poly Foundation for the last twelve months, and unbudgeted expenses totaling \$684 for an American Association of University Women grant were not approved prior to expenditure.

SAM §20003 states that a satisfactory system of internal accounting and administrative control shall include segregation of duties appropriate for proper safeguarding of assets and a system of record keeping procedures adequate to provide effective accounting control over assets, liabilities, revenues, and expenditures.

The grant coordinator stated that the delays in requesting reimbursements and approvals for budgetary variances were due to time constraints or directions received from foundation advisors.

Inadequate internal controls over grants increase the risks of inappropriate management of grant funds, untimely reimbursements to the general fund, and the loss of future grants.

Recommendation 7

We recommend that the campus strengthen procedures to ensure the proper administration of all Police and Parking Services grants.

Campus Response

We concur with the recommendation and have taken the following action:

- a. All salary reimbursement requests for the COPS MORE '96 grant have been submitted.
- b. Approval was received for the \$684.00 budget expenditure for the American Association of University Women.
- c. Procedures have been developed for the administration of all grants.

Additionally, we sent Ms. Diane Sands, Grant Coordinator, to a two-day conference sponsored by the U.S. Department of Justice. This conference addressed financial management of grants.

Timeline: Completed

POST FUNDS

Controls over reimbursements from the Commission on Peace Officer Standards and Training (POST) and corresponding POST accounts needed improvement.

We noted that:

- ▶ POST reimbursements were not tracked to ensure that all reimbursements were received in a timely manner. We found two outstanding reimbursements from 1998, which had not been submitted to POST as of May 24, 2000.
- ▶ A juvenile traffic fines refund check for \$1,500, received from Los Angeles County, had been erroneously deposited into the POST training account.

SAM §20003 states that a satisfactory system of internal accounting and administrative control shall include a system of record keeping procedures adequate to provide effective accounting control over assets, liabilities, revenues, and expenditures.

The chief of police stated that she was unaware of the outstanding POST training reimbursements and that POST often misplaces reimbursements in their offices. She further stated that the POST reimbursement requests will be resubmitted, and the funds received from Los Angeles County were deposited into the POST account in error.

Inadequate controls over POST training reimbursements and accounts increase the risks that reimbursements will not be received and the availability of training funds will be reduced.

Recommendation 8

We recommend that the campus:

- a. establish formalized procedures to control, monitor and reconcile POST training reimbursements to training records;
- b. determine which account the Los Angeles County check should have been deposited into and transfer the funds to that account; and
- c. follow-up with POST for collection of the old outstanding training reimbursements.

Campus Response

We concur with the recommendation and have taken the following action:

- a. We have established a formalized procedure to control, monitor and reconcile POST training reimbursements to training records.

Timeline: Completed

- b. A trust account for deposit of miscellaneous court fees and fines has been established. Total fines of \$1,706.42 have been transferred into this account. Additionally, we have developed a departmental procedure for monitoring all trust accounts.

Timeline: Completed

- c. We have followed-up with POST for collection of the outstanding training reimbursements.

Timeline: Completed

FINGERPRINTING FEES

Live Scan fingerprinting fees had not been properly approved.

Police and Parking Services (PPS) recently converted from rolling fingerprints to using Live Scan equipment received from the Department of Justice (DOJ). The DOJ provided this equipment so that

CSPUP could provide fingerprinting services on a community-wide basis. Due to the associated costs using Live Scan, PPS increased the fingerprinting fee from \$10 to \$15. However, the fee increase was not submitted to the campus president for approval.

Standing Orders of the CSU Board of Trustees (BOT), Chapter III §6 (f), states that subject to overall direction of the BOT and the Chancellor, the campus president is authorized to increase, decrease, or abolish campus fees where all applicable requirements of the law and the applicable provisions of any revenue bond indenture which may be outstanding have been observed.

The associate vice president for finance and administrative services stated that Executive Order No. 740, which requires that student fees be submitted to a campus fee committee, did not apply to the fingerprinting fees. He further acknowledged that the BOT standing orders required the approval of the campus president on these types of fees.

Improper fees could be assessed if the required authorization is not obtained.

Subsequent to our visit, the campus provided evidence of the president's approval.

EXPENSE REVIEW

Police and Parking Services (PPS) had not established procedures to review expense data on a monthly basis.

SAM §20003 states that a satisfactory system of internal accounting and administrative control shall include a system of record keeping procedures adequate to provide effective accounting control over assets, liabilities, revenues, and expenditures.

The chief of police indicated that expense reviews were performed semi-annually prior to the issuance of the new budget. She further stated that this was a new procedure, which the Brio reporting software would support, and that she did review the expenses prior to the closing of books at fiscal year end.

The lack of adequate financial information reviews could result in management ineffectiveness, operational inefficiencies, and poor expense control.

Recommendation 9

We recommend that PPS establish procedures to perform monthly expense reviews.

Campus Response

We concur with the recommendation and will take the following action:

- a. Police and Parking Services will establish a procedure to ensure that a monthly expense review is conducted for all their accounts. On a monthly basis, verification of postings will be made by comparing the department file of purchase requisitions and purchase orders with the expenditures showing the monthly FRS budget reports.

Timeline: March 2001

EVIDENCE, WEAPONS, AND EQUIPMENT CONTROLS

WEAPONS QUALIFICATIONS

Controls over weapons qualifications were unsatisfactory.

Procedures had not been established to require off-duty weapons qualifications. In addition, four officers, including the chief of police, had not completed shotgun qualifications.

CSU directive, BA 77-5, *Implementation of Executive Order No. 228: Campus Peace Officer Firearms Policy for the CSU and Colleges*, dated February 23, 1977, states, in part, that regular qualification with off-duty weapons, similar to qualifying with on-duty weapons should be considered, and where shotguns are authorized, all peace officers must qualify with them at least semi-annually.

The range master stated that he had only recently become aware of the off-duty weapons qualification requirement in April, and plans to conduct off-duty weapons qualifications were postponed due to a lack of ammunition. He further stated that the lack of shotgun qualifications by all officers was an oversight.

Inadequate controls over weapons qualifications increase the risk of poor weapons proficiency.

Recommendation 10

We recommend that the campus establish procedures to ensure that all sworn personnel meet minimum weapons qualifications with off-duty weapons and shotguns.

Campus Response

We concur with the recommendation and have taken the following action:

- a. We have ensured that all sworn personnel met the minimum weapons qualifications with off-duty weapons (if carried by officers) and shotguns.

Timeline: Completed

EVIDENCE ROOM CONDITIONS

Evidence room conditions did not comply with the International Association for Property and Evidence (IAPE) minimum standards of care relative to contamination from hazardous waste and the protection and preservation of evidence.

The evidence area was not properly ventilated, set-up for blood collection, equipped with freezer/refrigeration facilities for protection of evidence integrity, protected with high security locks or an alarm system, or equipped with a shower area in the event of contact with hazardous waste. Although other CSU university police departments rely on the outlying city/county police units for support in evidence collection/preservation, CSPUP is only supported in the event of homicide or missing persons.

The IACLEA Manual, *Standards for Campus Law Enforcement, Public Safety, and Security Agencies*, Chapter 23, states that the agency should establish procedures for receiving all in-custody and evidentiary property including guidelines for handling and receiving items considered to be sensitive, high in value, or otherwise constituting an increased security risk such as money, firearms and weapons, blood and other body fluids, and drugs. This includes access to secure, refrigerated storage for perishable items such as blood and urine specimens. The procedures need to conform to OSHA standards.

The sergeant responsible for managing the evidence room indicated that a request for a minor capitol outlay to correct these deficiencies had been presented to management a few months ago. However, the chief of police stated that the capital outlay request had not been approved.

Inadequate controls over the preservation of evidentiary property, including hazardous waste, unnecessarily place employees at risk and compromise evidence integrity.

Recommendation 11

We recommend that the campus take action to upgrade evidence room conditions to comply with the IAPE minimum standards of care.

Campus Response

We concur with the recommendation and will take the following action:

- a. We will take corrective action to upgrade the evidence room to comply with the IAPE minimum standards of care. The upgrading will be a top priority minor capital outlay project.

Timeline: July 2001

EQUIPMENT

Police and Parking Services (PPS) radio equipment did not provide complete campus coverage, and records of police officer equipment were not current.

We noted that:

- ▶ PPS staff radios did not transmit in all areas of the campus, thus jeopardizing the safety of officers and campus occupants.
- ▶ The listing of standard and non-standard equipment issued to each officer was not current. The list did not include the department's newest officer and was incomplete for another recently hired officer. The list did not indicate that the recently hired officer had received pepper spray and body armor. In addition, similar concerns were noted for 4 of 5 other officers reviewed.

The IACLEA Manual, *Standards for Campus Law Enforcement, Public Safety, and Security Agencies*, Chapter 20 states the agency should have 24-hour two-way radio capability providing continuous communication between the communications center and officers on duty. The intent of this standard is to ensure that on-duty uniformed officers have the means for constant radio communication with the dispatch center for exchanging information, requesting assistance, receiving orders or instruction and responding to calls for service.

Article 10.6 of the Collective Bargaining Agreement (CBA) between the CSU Board of Trustees and the Statewide University Police Association (SUPA), for July 1, 1998 through June 30, 2001, requires that officers be issued certain standard equipment. Other non-standard equipment may be issued when required by the president.

SAM §20003 states that the elements of a satisfactory system of internal administrative control include, but are not limited to, an effective system of internal review and record keeping procedures adequate to provide effective control over assets.

The chief of police stated that the need for radios had been presented to the budget committee prior to finalization of the budget but was not given priority over other campus expenditures. The sergeant responsible for equipment stated that the outdated equipment lists were oversights.

Inadequate radio communications jeopardize the safety of police officers and the public, and the risk of loss increases when accountability is not maintained over PPS equipment.

Recommendation 12

We recommend that the campus:

- a. purchase new radios to ensure adequate campus coverage; and
- b. strengthen procedures to ensure that police equipment records are complete and maintained on a current basis.

Campus Response

We concur with the recommendation and have taken the following action:

- a. We have purchased new radios to ensure adequate campus coverage.
- b. We have revised our General Order Procedure on police equipment records and all documents have been updated for each police officer.

Timeline: Completed

DATA ACCESS AND PHYSICAL SECURITY

KEY CONTROL

Key control for the Police and Parking Services (PPS) building needed improvement.

Nineteen keys with access to the main entry of the building were missing and/or unaccounted.

SAM §20003 states that the elements of a satisfactory system of internal administrative control include, but are not limited to, a plan that limits access to assets to authorized personnel who require these assets in the performance of their assigned duties.

The chief of police stated that the locks had been used for over 14 years and had been moved from the old location to this new location due to the cost of purchasing new locks. She further stated that the current process does not permit Public Safety to control the retrieval of keys when employees leave or are separated because the process resides with Human Resources and Facilities Planning & Management.

Not maintaining adequate control over keys increases the risk of unauthorized access to PPS equipment and data and compromises the safety of PPS employees.

Recommendation 13

We recommend that the campus:

- a. purchase and install new locks in the PPS building; and
- b. maintain a current status of all keys.

Campus Response

We concur with the recommendation and have taken the following action:

- a. We purchased new locks in July 2000 for the PPS building and are awaiting their installation by Facilities.

Timeline: January 2001

- b. We have developed a General Order (Administrative Instruction) that establishes written guidelines for the issue, use and return of the key to the Police and Parking Services facility for all staff. Additionally, a department key custodian (Emergency Services Coordinator) will conduct periodic audits of all employees who have been issued department keys.

Timeline: Completed

DATA ACCESS AND BACKUP

Access controls over the dispatch and parking automated systems were in need of improvement. In addition, procedures had not been established to store dispatch system backup offsite.

We noted that dispatch system:

- user profiles did not have an adequate character length guideline for passwords;
- password expiration was set longer than the recommended period;
- user identifications were shared among officers;
- time out was not set for a predetermined period of non-use;
- backup was not stored offsite; and

- access was not fully deleted for 11 former employees. Although report access was revoked, access to the main system remained active. Two of the individuals would not have been able to access the system, however, since their passwords had expired.

In addition, the system password expiration and time out features had not been activated for the parking citation tracking system.

Current practices for password management require a minimum length of password characters, maintain a password history to prevent reuse, and log off users after a predetermined time (see Department of Defense Password Management Guideline, a.k.a. Greenbook). Additionally, Control Objectives for Information Technology (COBIT) and Federal Information Processing Standards Publication 112 (FIPS112) also recommend that guidelines be established for an appropriate minimum password length and an appropriate and enforced frequency of password changes.

SAM §20003 and §4840 require, in part, that there be a plan that limits access to State agency assets to authorized personnel who require these assets in the performance of their assigned duties.

The chief of police and parking services manager were unaware of the current industry standards but agreed to update/change any practices that were not in alignment with the standards.

Failure to provide adequate system access controls and offsite data backup could allow unauthorized users to gain access to restricted data, result in the loss of data in the event of a disaster, and affect operating capacity and efficiency.

Recommendation 14

We recommend that the campus:

- a. review access controls for the dispatch and parking citation systems and strengthen controls where possible; and
- b. implement procedures to send dispatch backup data files to an offsite location.

Campus Response

We concur with the recommendation and have taken the following action:

- a. We have reviewed our access controls for the dispatch and parking citation systems and have completed the following:
 1. User profiles have been changed to a six character password.

2. Password expirations have been set to a 90 day cycle for police/dispatch and a 30 day cycle for parking staff.
3. Each police officer now has his/her own individual password.
4. We reviewed the recommendation that we set our access systems for a “time out” period. We have complied with this request for our Parking system. It is not feasible for us to do this with our CAD system.
5. All former employees have been deleted from the various access system.

Additionally, we have created a procedure to ensure that access paperwork is completed each time an employee separates from the department.

Timeline: Completed

- b. We are working with the campus computer center to ensure that our data will be stored off campus and have created a Disaster Recovery Plan.

Timeline: December 2000

PERSONNEL ADMINISTRATION AND TRAINING

The Commission on Police Officer Standards and Training (POST) minimum continuing education/training and termination notification requirements were not always met.

We noted that:

- ▶ Three officers had not attended a minimum of 24 hours of class instruction over the last 24 months, as required by POST. Two of the officers completed the instruction during our review.
- ▶ POST termination reports had not been completed and filed with POST for six dispatchers and three police officers no longer with the department.

CCR Title 11 §1005 and §1018, and POST procedure D-2, require 24 hours of continuing professional training for peace officers every two years. POST Bulletin 99-07 extended this requirement to executive and middle management positions, public safety dispatchers, and public safety dispatch supervisors effective July 1, 2000.

CCR Title 11 §1003 requires, whenever a regular, specialized, limited function, or reserve peace officer is newly appointed, enters a department laterally, terminates, or changes peace officer status within the same agency, the department shall notify the Commission within 30 days of such action on the Notice of Appointment/Termination Form 2-114 (Rev. 12/97), "Notice of Appointment/Termination." Further, for departments with Public Safety Dispatcher programs, the form shall be submitted whenever a person is appointed, promoted, reclassified, or transferred to a public safety dispatcher position, or whenever the person is terminated from a public safety dispatcher position.

The chief of police and the police officer responsible for monitoring POST activity stated that they were aware of the training requirements and deficiencies, and they were working with the three officers to correct the training issue. They further stated that the termination forms had been completed and submitted to POST prior to our departure.

Not maintaining continuing training requirements and submitting required termination reports increases the risk of non-compliance with state regulations and reduces job performance abilities.

Recommendation 15

We recommend that public safety:

- a. strengthen procedures to monitor compliance with POST continuing education requirements to ensure that all officers meet the minimum requirements; and
- b. strengthen controls over the separation process to ensure that a POST termination form is completed when required.

Campus Response

We concur with the recommendation and have taken the following action:

- a. We have developed a General Order that designates responsibility for the monitoring and compliance with POST continuing education requirements.

We have one officer remaining who still needs mandatory training. He has been scheduled for a course.

Timeline: November 2000

- b. All termination documents have been completed and forwarded to POST for police and dispatch staff.

Timeline: Completed

APPENDIX A: PERSONNEL CONTACTED

<u>Name</u>	<u>Title</u>
Bob H. Suzuki	President
Terry Allen	Police Officer
Rosemary Anaya	Director, Facilities Administrative Services
Yvonne Cordura	Administrative Support Assistant
Patricia Farris	Vice President for Administrative Affairs
Scott Foley	Police Officer
Faye Hatman	Budget Manager
Charles W. Holt	Manager of Parking and Administrative Services
Donald Kingwell	Police Officer
Darwin Labordo	Associate Vice President for Finance and Administrative Services
Donna Leonard	Administrative Support Assistant
George Lwin	Associate Director, Facilities Management
Lu Mandel	Dispatch Services Lead
Debbi McFall	Emergency Services Coordinator
David Patterson	Director, Environmental Health and Safety
Kim Plater	Chief of Police
Dan Ponder	Sergeant
Terri Ramirez	Senior Secretary (on leave)
Diane Sands	Grant Coordinator
Jane Self	Senior Payroll Coordinator
Michelle Serna	Police Officer
Alice Slaughter	Investigative Officer
Kris Surber	Grant Coordinator
Cindy Thibodeaux	Customer Service Representative, Facilities Management
Judy Tillie	Secretary (temporary)
Laraine Turk	Acting Vice President for Student Affairs
Ron Veach	Detective Sergeant
Leo Verdugo	Sergeant
Bruce Wilson	Sergeant



Office of the President

November 6, 2000

Mr. Larry Mandel,
 University Auditor
 401 Golden Shore, 4th Floor
 Long Beach, California 90802

Subject: Audit Report Number 00-40, Police and Parking Services

Dear Mr. Mandel:

Attached please find our response to your findings one through fifteen, as noted in the Audit Report Number 00-40, Police and Parking Services. We have defined corrective action plans with implementation dates for each finding.

The audit was very thorough, and your auditors, Miriam Merrill and Janice Mirza, have helped us gain significant insight on our operation. The information will assist us in our efforts to make continuous improvements in our police and parking services.

We appreciate your efforts and those of your staff. If you should require additional information or clarification, please call Kim Plater at 909-869-3065.

Sincerely,

A handwritten signature in cursive script that reads "Bob H. Suzuki".

Bob H. Suzuki
 President

cc: Ms. Patricia L. Farris

Attachments

**California State Polytechnic University, Pomona
Campus Response to Trustee Audit of
Police & Parking Services
Audit Report 00-40**

Recommendation 1

We recommend that the campus:

- a. strengthen procedures to ensure that expenditures of parking funds are in compliance with the Education Code;
- b. analyze parking fund and police disbursements for fiscal year 1999/2000 and reimburse the appropriate funds and accounts for the aforementioned inappropriate expenditures;
- c. establish procedures to ensure that shared office costs are appropriately allocated; and
- d. determine the amount of services provided to parking operations by each campus provider, taking into consideration the specific Education Code restrictions, and include the services in the campus annual written cost allocation plan.

Campus Response

We concur with the recommendation and are taking the following actions:

- a. In order to strengthen controls over parking funds, a memorandum summarizing the Education Code requirements on parking funds will be issued by the Associate Vice President of Finance and Administrative Services to those individuals responsible for parking funds and/or who receive parking funds. When major issues regarding the appropriateness of parking fund expenditures arise, these will be referred by the Chief of Police and/or Manager of Parking Services to the Associate Vice President of Finance and Administrative Services.

The Chief of Police and Parking Services and the Manager of Parking Services will continue to review and approve purchase requisitions to assure that expenditures of parking funds are in compliance with the Education Code requirements.

Timeline: January 2001

- b. We will complete the analysis of Parking Fund and Police General Fund disbursements and we will reimburse the Parking Fund and the Police General Fund the appropriate amounts based on this analysis. This will include the following reimbursements:
 1. Move and remodel of the Police and Parking Services Office
 2. Money charged to parking revenue fund
 3. Consulting fees for signage
 4. Secretary salary
 5. Joint office expenditures

Timeline: February 2001

- c. Procedures to share office costs, i.e. copier machine (user group codes) separate mail service bags, breakout & monthly payment of phone charges and purchase of supplies by funding source have been implemented. Please refer to the attached procedural memorandum.

1. Separate identification codes have been established for the copier machine.
2. Separate accounts and mail bags have been established for Police and Parking respectively.
3. Separate breakout & monthly payment of phone charges have been implemented.
4. All purchase orders for supplies are paid for by the appropriate department.
5. An additional Secretary has been hired so that Parking funds one position and Police fund one position.

Timeline: Completed

- d. The campus, in conjunction with KPMG Consulting, is currently working toward establishing cost recovery rates that will determine the current value of services provided to Parking Services. This will be incorporated into the campus cost recovery procedures pursuant to Executive Order No. 753, Allocations of Costs to Auxiliary Enterprises, effective July 28, 2000. (Refer to the attached agreement with KPMG).

Timeline: April 2001

Recommendation 2

We recommend that the campus:

- a. establish comprehensive procedures and develop management reports to track, monitor, and collect outstanding parking citations;
- b. analyze and evaluate collection policies and procedures to determine which collection methods are the most effective and strengthen current procedures accordingly; and
- c. record outstanding parking citation receivables on the campus accounting records and regularly reconcile subsidiary detail records to that control total.

Campus Response

We concur with the recommendation and are taking the following actions:

- a. The University will institute a new procedure whereby receivables for citations will be established in Banner as soon as vehicle owner names or parking decal registrant names are identified. The name information will be obtained from the DMV matching report and the Banner Student system. Once the receivables are recorded, we will follow-up on their collection using AR aging reports.

Timeline: March 2001

- b. We will analyze and evaluate collection policies and procedures to determine which collection methods are the most effective and strengthen current procedures.

A meeting was conducted with the Parking Office, the Registrar's Office, Financial Services, and Enrollment Services to discuss collection methods and to strengthen our current procedures. Subsequently the following procedures were put into place:

1. Effective July 7, 2000 registrar holds are now placed on students that have one parking citation and are 21 days delinquent.

2. Students are not able to register for class, obtain records, etc. until their citation is paid.
3. Students, faculty, staff and visitors with 5 or more unpaid citations will be placed on the "I-Tow" list. Their vehicle will be towed and they will have to pay all outstanding tickets or their vehicle will not be released to them.
4. A Department of Motor Vehicle hold will be placed on all vehicles that have 5 or more unpaid citations. The DMV will not allow the vehicle to be registered until all parking citations are paid.

Timeline: Completed

- c. As described in item a. above, parking citations will be recorded as receivables in the Banner system. Parking Services will work with Financial Services to reconcile subsidiary detail records to the general ledger control total on an annual basis.

Timeline: March 2001

Recommendation 3

We recommend that the campus establish procedures to charge parking fees for weekend parking and special events.

Campus Response

We concur with the recommendation. The University will perform a study of the feasibility of charging parking fees on weekends and for special events. The study will evaluate the cost of parking attendant(s), the materiality of potential revenue to be collected, the security of the funds that will be held until the following business day, and so on. If collection of weekend and special event fees is feasible, procedures will be established and put into effect.

Timeline: April 2001

Recommendation 4

We recommend that the campus:

- a: establish procedures to review and reconcile parking trust accounts on a regular basis, and
- b: develop comprehensive budget preparation, management review, and monitoring procedures for the fines and forfeitures trust account.

Campus Response

We concur with the recommendation and have taken the following action:

- a. Parking Services is establishing procedures to review and reconcile parking trust accounts on a monthly basis. We are in the process of creating line-item account spreadsheets to which postings will be reconciled with the IBS and BRIO Financial Services reports.

Timeline: December 2000

- b. The Rideshare Program Administrator develops an annual operating budget based on expected costs of implementing the rideshare program and projected fines and forfeitures revenue. The Rideshare Coordinator prepares a monthly report of fines and forfeitures revenue based on information received from the monthly FRS reports. This report is submitted to the Rideshare Administrator who monitors actual revenues and expenses. Any budget shortfalls are referred to senior management in Administrative Affairs. The Rideshare Administrator's supervisor has access to the monthly FRS reports and reviews them periodically.

Timeline: Completed

Recommendation 5

We recommend that the campus:

- a. establish formalized procedures for special event payroll and chargeback processing that ensure all payroll and chargebacks are processed in a timely and accurate manner and corresponding reimbursement are received;
- b. develop a definable overhead rate and apply the rate to all police and parking officer and CSO billings; and
- c. determine the amount of PPS services provided to campus auxiliary enterprises and include the services in the campus annual written cost allocation plan to ensure that PPS is fully reimbursed for services provided.

Campus Response

We concur with the recommendation and have taken the following action:

- a. We will establish formalized procedures for special event payroll and chargeback processing. We will ensure all payroll and chargebacks are processed in a timely and accurate manner and corresponding reimbursement are received.

Timeline: November 2000

- b. We have engaged KPMG Consulting to develop a definable overhead rate for police, parking and CSO billings. (Refer to the attached contract with KPMG).

Timeline: April 2001

- c. Based on the study by KPMG we will determine the amount of PPS services provided to campus auxiliary enterprises (Foundation, Parking, ASI and Housing) and will include the services in the campus cost recovery procedure to ensure that PPS is fully reimbursed for services provided.

Timeline: April 2001

Recommendation 6

We recommend that the campus close the account being maintained at Cal Poly Foundation and deposit future CSO reimbursements into a state account.

Campus Response

We concur with the recommendation and have taken the following action:

- a. We have closed the account being maintained at Cal Poly Foundation and have deposited those funds and will deposit future CSO reimbursements into a state account. (Refer to the attached memorandums).

Additionally, we have written a formal procedure to support the collection, deposit and reconciliation for these funds. (Refer to the attached procedure.)

Timeline: Completed

Recommendation 7

We recommend that the campus strengthen procedures to ensure the proper administration of all Police and Parking Services grants.

Campus Response

We concur with the recommendation and have taken the following action:

- a. All salary reimbursement requests for the COPS MORE '96 grant have been submitted. (Refer to the attached forms.)
- b. Approval was received for the \$684.00 budget expenditure for the American Association of University Women. (Refer to the attached approval document.)
- c. Procedures have been developed for the administration of all grants. (Refer to the attached procedures.)

Additionally, we sent Ms. Diane Sands, Grant Coordinator, to a two-day conference sponsored by the U.S. Department of Justice. This conference addressed financial management of grants.

Timeline: Completed

Recommendation 8

We recommend that the campus:

- a. establish formalized procedures to control, monitor and reconcile POST training reimbursements to training records;
- b. determine which account the Los Angeles County check should have been deposited into and transfer the funds to that account; and
- c. follow-up with POST for collection of the old outstanding training reimbursements.

Campus Response

We concur with the recommendation and have taken the following action:

- a. We have established a formalized procedure to control, monitor and reconcile POST training reimbursements to training records. (Refer to the attached General Order.)

Timeline: Completed

- b. A trust account for deposit of miscellaneous court fees and fines has been established. Total fines of \$1,706.42 have been transferred into this account. Additionally, we have developed a departmental procedure for monitoring all trust accounts. (Refer to the attached memorandums, departmental procedure, and a copy of transfer check and deposit slip.)

Timeline: Completed

- c. We have followed-up with POST for collection of the outstanding training reimbursements. (Refer to the attached documentation.)

Timeline: Completed

Recommendation 9

We recommend that PPS establish procedures to perform monthly expense reviews.

Campus Response

We concur with the recommendation and will take the following action:

- a. Police and Parking Services will establish a procedure to ensure that a monthly expense review is conducted for all their accounts. On a monthly basis, verification of postings will be made by comparing the department file of purchase requisitions and purchase orders with the expenditures showing the monthly FRS budget reports.

Timeline: March 2001

Recommendation 10

We recommend that the campus establish procedures to ensure that all sworn personnel meet minimum weapons qualifications with off-duty weapons and shotguns.

Campus Response

We concur with the recommendation and have taken the following action:

- a. We have ensured that all sworn personnel met the minimum weapons qualifications with off-duty weapons (if carried by officers) and shotguns. (Refer to the attached documentation.)

Timeline: Completed

Recommendation 11

We recommend that the campus take action to upgrade evidence room conditions to comply with the IAPE minimum standards of care.

Campus Response

We concur with the recommendation and will take the following action:

- a. We will take corrective action to upgrade the evidence room to comply with the IAPE minimum standards of care. The upgrading will be a top priority minor capital outlay project.

Timeline: July 2001

Recommendation 12

We recommend that the campus:

- a. purchase new radios to ensure adequate campus coverage; and
- b. strengthen procedures to ensure that police equipment records are complete and maintained on a current basis.

Campus Response

We concur with the recommendation and have taken the following action:

- a. We have purchased new radios to ensure adequate campus coverage (Refer to the attached purchase order.)
- b. We have revised our General Order Procedure on police equipment records and all documents have been updated for each police officer. (Refer to the attached General Order.)

Timeline: Completed

Recommendation 13

We recommend that the campus:

- a. purchase and install new locks in the PPS building; and
- b. maintain a current status of all keys.

Campus Response

We concur with the recommendation and have taken the following action:

- a. We purchased new locks in July 2000 for the PPS building and are awaiting their installation by Facilities. (Refer to the attached work order).

Timeline: January 2001

- b. We have developed a General Order (Administrative Instruction) that establishes written guidelines for the issue, use and return of the key to the Police and Parking Services facility for all staff. Additionally, a department key custodian (Emergency Services Coordinator) will conduct periodic audits of all employees who have been issued department keys. (Refer to the attached document.)

Timeline: Completed

Recommendation 14

We recommend that the campus:

- a. review access controls for the dispatch and parking citation systems and strengthen controls where possible; and
- b. implement procedures to send dispatch backup data files to an offsite location.

Campus Response

We concur with the recommendation and have taken the following action:

- a. We have reviewed our access controls for the dispatch and parking citation systems and have completed the following:
 1. User profiles have been changed to a six character password
 2. Password expirations have been set to a 90 day cycle for police/dispatch and a 30 day cycle for parking staff
 3. Each police officer now has his/her own individual password
 4. We reviewed the recommendation that we set our access systems for a "time out" period. We have complied with this request for our Parking system. It is not feasible for us to do this with our CAD system.
 5. All former employees have been deleted from the various access system

Additionally, we have created a procedure to ensure that access paperwork is completed each time an employee separates from the department.

(Refer to the attached documentation)

Timeline: Completed

- b. We are working with the campus computer center to ensure that our data will be stored off campus and have created a Disaster Recovery Plan. (Refer to the attached documentation.)

Timeline: December 2000

Recommendation 15

We recommend that public safety:

- a. strengthen procedures to monitor compliance with POST continuing education requirements; and
- b. strengthen controls over the separation process to ensure that a POST termination form is completed when required.

Campus Response

We concur with the recommendation and have taken the following action:

- a. We have developed a General Order that designates responsibility for the monitoring and compliance with POST continuing education requirements. (Refer to the attached document).

We have one officer remaining who still needs mandatory training. He has been scheduled for a course.

Timeline: November 2000

- b. All termination documents have been completed and forwarded to POST for police and dispatch staff (Refer to the attached documents).

Timeline: Completed

THE CALIFORNIA STATE UNIVERSITY
OFFICE OF THE CHANCELLOR

BAKERSFIELD

CHANNEL ISLANDS

December 21, 2000

CHICO

MEMORANDUM


DOMINGUEZ HILLS

FRESNO

TO: Larry Mandel
University Auditor

FULLERTON

HAYWARD

FROM: Charles B. Reed 

HUMBOLDT

SUBJECT: Draft Final Report Number 00-40 on *Public Safety*,
California State Polytechnic University, Pomona

LONG BEACH

LOS ANGELES

In response to your memorandum of December 21, 2000, I accept the response as submitted with the draft final report on Public Safety, California State Polytechnic University, Pomona.

MARITIME ACADEMY

MONTEREY BAY

NORTHRIDGE

CBR/dl

POMONA

Enclosure

SACRAMENTO

SAN BERNARDINO

cc: Dr. Bob Suzuki, President

SAN DIEGO

SAN FRANCISCO

SAN JOSE

SAN LUIS OBISPO

SAN MARCOS

SONOMA

STANISLAUS