June 2, 2016

Dr. Soraya M. Coley, President
California State Polytechnic University, Pomona
3801 West Temple Avenue
Pomona, CA 91768

Dear Dr. Coley:

Subject: Audit Report 15-62, Student Activities, California State Polytechnic University, Pomona

We have completed an audit of Student Activities as part of our 2015 Audit Plan, and the final report is attached for your reference. The audit was conducted in accordance with the Institute of Internal Auditors’ International Standards for the Professional Practice of Internal Auditing.

I have reviewed the management response and have concluded that it appropriately addresses our recommendations. The management response has been incorporated into the final audit report, which has been posted to the Office of Audit and Advisory Services’ website. We will follow-up on the implementation of corrective actions outlined in the response and determine whether additional action is required.

Any observations not included in this report were discussed with your staff at the informal exit conference and may be subject to follow-up.

I wish to express my appreciation for the cooperation extended by the campus personnel over the course of this review.

Sincerely,

Larry Mandel
Vice Chancellor and Chief Audit Officer

c: Timothy P. White, Chancellor
STUDENT ACTIVITIES

California State Polytechnic University,
Pomona

Audit Report 15-62
April 20, 2016
EXECUTIVE SUMMARY

OBJECTIVE

The objectives of the audit were to ascertain the effectiveness of the operational, financial, and administrative controls related to student organization activities, and to ensure compliance with relevant governmental regulations, Trustee policy, Office of the Chancellor directives, and campus procedures.

CONCLUSION

Based upon the results of the work performed within the scope of the audit, except for the effect of the observations described below, the operational, financial, and administrative controls in effect as of February 19, 2016, taken as a whole, were sufficient to meet the objectives of this audit.

We noted that the campus did not verify that all student organization registration requirements were met before granting recognition to the organization, specifically in the areas of officer eligibility, membership composition, and governing documentation. In addition, we noted that the campus orientation for student organization officers and advisors did not sufficiently cover elements required by systemwide policy on alcohol, tobacco, and other drug use (ATOD). We also found that the campus did not clearly define the entity responsible for monitoring compliance with policies related to student organization event planning.

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

1. STUDENT ORGANIZATION RECOGNITION PROCESS

OBSERVATION

Campus administration of the student organization recognition process needed improvement.

Specifically, we found that:

- The campus Office of Student Life and Cultural Centers (OSLCC), the department responsible for recognition, did not effectively verify that student organization officers met minimum eligibility requirements. The responsibility for verification was delegated to club advisors, but OSLCC did not monitor advisor completion of the requirement.

- OSLCC did not have a process to ensure that club membership met the minimum California State University (CSU) requirements regarding the number of CSU-enrolled and non-CSU-enrolled participants.

- Instructions to student organizations did not include the requirement that any substantive changes or amendments to organization constitutions, charters, or other documents relating to policies must be filed with the OSLCC within 90 days of the change(s).

Ensuring compliance with system policies addressing student organization recognition provides assurance that groups are informed of CSU expectations, including officer eligibility, membership composition, and governing documentation.

RECOMMENDATION

We recommend that the campus revise current procedures to include processes that ensure that student organizations have complied with all recognition requirements, including officer eligibility, membership composition, and governing documentation.

MANAGEMENT RESPONSE

We concur. As a result of this audit, student organizational compliance has been discussed by Division of Student Affairs leadership in conjunction with the OSLCC staff. OSLCC is currently working with the enrollment services lead systems analyst to verify eligibility prior to registering organizations, as well as to create a workable sustainable solution for checking eligibility. Additionally, a consultant has been hired already to critically examine current processes and to help revise current procedures that ensure that student organizations have complied with all recognition requirements, including officer eligibility, membership composition, and governing documentation. New procedures and processes will be initiated for all student organizations that wish to register or re-register as a recognized student organizations for 2016/17.

Expected completion date: September 30, 2016
2. ALCOHOL, TOBACCO, AND OTHER DRUG PREVENTION PROGRAM

OBSERVATION

The campus was not in compliance with systemwide policy regarding the provision of ATOD information.

Executive Order (EO) 1068, Student Activities, requires that campuses provide orientation programs for student organization officers and advisors that outline policies, expectations, and information on alcohol use/abuse. Additionally, it requires that the vice president of student affairs or his/her designee retain an acknowledgement of completion of ATOD orientation that includes the name of the student organization and student officers.

Although Cal Poly Pomona conducted annual orientation training for all student organization officers and advisors, the material did not cover all required ATOD elements. Furthermore, the campus process called for the collection of the completion acknowledgement for only the president and treasurer, but not any other officers.

Full compliance with ATOD training requirements provides assurance that student organization advisors and student officers will be informed about resources and preferred actions regarding drug and alcohol abuse.

RECOMMENDATION

We recommend that the campus include required ATOD information in orientation programs for student organization officers and advisors and develop a process to retain acknowledgement of completion from all student officers.

MANAGEMENT RESPONSE

We concur. The OSLCC will immediately revamp our student organization and advisor training to include required ATOD information specific to our campus and CSU policies. We will also develop an acknowledgement document, to be collected as part of our annual student organization registration process, that each required organization officer will be required to review and sign prior to student organizations being recognized by the university. OSLCC will retain this information, and it will be renewed annually.

Expected completion date: September 30, 2016

3. ON-CAMPUS STUDENT ACTIVITIES

OBSERVATION

The campus did not clearly define the entity responsible for monitoring compliance with policies related to student organization event planning.

Student organization events were mainly scheduled through either the OSLCC or Associated Students, Inc. (ASI), depending on the nature of the event and the proposed location. In addition, some student organizations were allowed to schedule activities in specialized
academic or administrative departments related to the organization’s specialty. For example, the equestrian drill team could schedule events through the W.K. Kellogg Arabian Horse Center.

Event planning often required coordination with various campus departments, such as facilities, police, parking services, environmental health and safety, and risk management. We noted that although student organizations were informed of and referred to additional requirements, events were scheduled without verification that those requirements were met.

During our review, we noted that:

- A student organization had hosted a Movie Night event, but the campus could not provide proof that a license to screen the movie had been obtained before the showing.
- The campus did not always have a process in place to ensure that food-handler permits were obtained before the student organization events involving food.

Assigning responsibility for monitoring compliance of student activities and events provides greater assurance that student organization activities will be conducted in a safe and well-controlled manner.

**RECOMMENDATION**

We recommend that the campus determine which entity is responsible for on-campus event management and implement processes to verify compliance.

**MANAGEMENT RESPONSE**

We concur that responsibility for student event management and compliance must be clearly defined, and procedures streamlined and controlled. Current processes are being reviewed, and new guidelines and procedures will be proposed to the campus administrative leadership. While campus administrative leadership determines the best solution for the campus, the OSLCC will develop and implement procedures for on-campus events. These procedures will include the collection of appropriate forms (risk assessments and indemnification) prior to events being scheduled.

Expected completion date: October 20, 2016
GENERAL INFORMATION

BACKGROUND

The CSU’s 23 campuses offer a variety of student organizations and activities to provide students with opportunities for personal growth and development of life skills. These organizations range from traditional fraternities, sororities, and service clubs to sports clubs and other special-interest and affinity groups focusing on issues such as sustainability and environmental awareness, social issues, military service, and performance arts.

Campuses are required to have a formal student-organization recognition process that records the purpose and objectives of each organization and confirms compliance with systemwide policies regarding open membership and training, as well as prohibitions on discrimination and hazing. In addition, student leaders are held to standards that provide assurance of appropriate leadership. Campuses are further directed to provide training to student leaders and to advisors on the CSU Alcohol Policies and Prevention Program, and advise student organizations about the CSU Student Conduct Code.

Student organizations and activities are subject to CSU policies regarding prohibitions on discrimination, harassment, and retaliation; sexual misconduct; dating and domestic violence and stalking in both the student and employee arenas; and student conduct. In addition, campuses are required to implement alcohol- and substance-abuse prevention and awareness programs in accordance with the CSU Alcohol Policies and Prevention Program adopted by the Board of Trustees (BOT) in July 2001.

At California State Polytechnic University, Pomona (Cal Poly Pomona), there are over 300 recognized student organizations. General oversight of student organizations, including fraternities and sororities, is provided by OSLCC. OSLCC handles all student organization recognition and management and establishes policies and procedures for student organizations, while ASI handles all student organization banking.

SCOPE

We visited the Cal Poly Pomona campus from January 19, 2016, through February 19, 2016. Our audit and evaluation included the audit tests we considered necessary in determining whether operational, financial, and administrative controls are in place and operative at Cal Poly Pomona. In order to capture the entirety of the two academic years, the audit focused on procedures in effect from July 1, 2013, through February 19, 2016.

Specifically, we reviewed and tested:

- Organizational roles and responsibilities for oversight of student organizations and activities, including required program evaluations.
- Processes to formally charter and/or recognize student organizations.
- Processes to ensure that advisors and student leadership meet minimum qualifications and receive appropriate orientation and training.
- Processes to ensure compliance with requirements regarding alcohol usage and substance-abuse prevention and awareness programs.
- Administration and oversight of student activities and events occurring both on- and off-campus.
- Processes to ensure compliance with student travel policies.
- Measures to ensure the security of systems utilized to administer student organizations and activities, when applicable.
- Measures to ensure that student organizations receive training and comply with cash-handling policies.

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.

Our testing and methodology was designed to provide a review of key operational, financial, and administrative controls, which included detailed testing on a limited number of student organizations to ensure that each met the campus recognition standards and that the organizations’ activities were conducted and managed in accordance with campus and systemwide policies.

CRITERIA

Our audit was based upon standards as set forth in federal and state regulations; BOT policies; CO policies, letters, and directives; campus procedures; and other sound administrative practices. This audit was conducted in conformance with the Institute of Internal Auditors’ *International Standards for the Professional Practice of Internal Auditing*.

This review emphasized, but was not limited to, compliance with:

- BOT Resolution, Educational Policy 07-01-03, *Alcohol Policies and Prevention Programs*
- EO 1041, *Student Travel*
- EO 1068, *Student Activities*
- EO 1097, *Systemwide Policy Prohibiting Discrimination, Harassment and Retaliation, Sexual Misconduct, Dating and Domestic Violence, and Stalking against Students and Systemwide Procedure for Addressing Such Complaints by Students*
- Coded Memorandum Academic Affairs (AA) 2012-05, *Minimum Qualifications for Student Office Holders*
- AA 2014-11, *Establishment of University Sponsored Organizations as a Category for Student Organizations Affiliated with Scholastic Honor Societies*
- Integrated California State University Administrative Manual §8000, *Information Security*
- *Compilation of Policies and Procedures for CSU Auxiliary Organizations*
- Government Code §13402 and §13403
- California Code of Regulations (CCR) Title 5, §41500, *Nondiscrimination in Student Organizations – Withholding of Recognition*
- CCR Title 5, §41503, *Filing Requisites*

**AUDIT TEAM**

- Senior Director: Michelle Schlack
- Audit Manager: Ann Hough
- Internal Auditor: Kelly Chen