

**Audit and Advisory Services**  
401 Golden Shore  
Long Beach, CA 90802-4210

January 31, 2022

Dr. Jeffrey D. Armstrong, President  
California Polytechnic State University, San Luis Obispo  
1 Grand Avenue  
San Luis Obispo, CA 93407

Dear Dr. Armstrong:

**Subject: Audit Report 21-18, Counseling and Psychological Services,  
California Polytechnic State University, San Luis Obispo**

We have completed an audit of *Counseling and Psychological Services* as part of our 2021-2022 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 will be posted to 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,



Vlad Marinescu  
Vice Chancellor and Chief Audit Officer

c: Joseph I. Castro, Chancellor  
Adam Day, Chair, Committee on Audit  
Jane W. Carney, Vice Chair, Committee on Audit

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# **COUNSELING AND PSYCHOLOGICAL SERVICES**

**California Polytechnic State University, San Luis Obispo**

Audit Report 21-18  
January 31, 2022

## **EXECUTIVE SUMMARY**

### **OBJECTIVE**

The objectives of the audit were to ascertain the effectiveness of operational, administrative, and financial controls for the counseling and psychological services (CAPS) program and to ensure compliance with relevant federal and state regulations; Trustee policy; Office of the Chancellor (CO) directives; and campus procedures.

### **CONCLUSION**

Based upon the results of the work performed within the scope of the audit, except for the weaknesses described below the operational, administrative, and financial controls for CAPS program as of November 12, 2021, taken as a whole, provided reasonable assurance that risks were being managed and objectives were met.

In general, we noted that the campus had an appropriate framework for the administration of the CAPS program; however, we found that approval of the CAPS program's annual budget was not clearly documented and that CAPS did not have a written continued care policy.

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

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

### **1. BUDGET APPROVAL**

#### **OBSERVATION**

Approval of the CAPS program's annual budget was not clearly documented.

The CAPS program resides within the student health center and is a part of Campus Health & Wellbeing (CH&W) overall services. As such, the CAPS annual program budget is included in the CH&W budget.

We found that the projected CH&W budget was only verbally discussed with and approved by the assistant vice president (AVP) for student affairs, health and wellbeing. We also found that the budget was entered into a software program that sent it via email to various departments and divisions for review and approval. Specifically, the CH&W budget is first sent to the office of the vice president for student affairs for initial review and approval, and is then forwarded to university budget and fiscal planning for final review. Although this email trail showed that the budget moved through required stages, it did not show who specifically from each department or division had reviewed and approved the budget at each level. Lacking this information, we could not verify whether the people who reviewed and approved the budget had the authority to do so.

Clear documentation of the annual review and approval of CAPS program's budget helps to ensure proper oversight and helps to ensure that financial resources and activities are consistently carried out.

#### **RECOMMENDATION**

We recommend that the campus clearly document the review and approval of the CAPS program's annual budget, including who specifically from each department or division reviewed and approved the budget at each stage of the process.

#### **MANAGEMENT RESPONSE**

We concur and will document the review and approval of the CAPS program's annual budget. We will require and retain emails that verify various approvals, including who specifically from each department or division reviewed and approved the budget at each stage of the process. We will also determine the budget system's ability to assist with this.

Anticipated completion date: June 17, 2022

### **2. CONTINUED CARE POLICY**

#### **OBSERVATION**

The CAPS program did not have a written continued care policy, as required by Executive Order (EO) 1053, *Policy on Student Mental Health*.

We found related written policies and procedures, such as a CAPS policy stating that counselors were expected to timely provide appropriate referrals to ensure continuity of care, as well as CH&W protocols on continuity of care for patients. However, the CAPS policy was not detailed, and the CH&W protocols did not indicate that they also applied to CAPS and did not explicitly address the EO 1053 requirement.

Per EO 1053, *Policy on Student Mental Health*, Section III B, “Campuses shall develop written protocols (within professional, legal, and ethical boundaries) that may authorize continued care to a student who has become ineligible for services but for whom termination of care would present significant risks.”

Written policies and procedures help to decrease the risk of noncompliance with systemwide requirements and improve effectiveness and consistency of operations.

### **RECOMMENDATION**

We recommend that the campus:

- a. Establish continued care policies and procedures as required by EO 1053.
- b. Communicate and distribute the new policies and procedures to relevant campus administrators and staff.

### **MANAGEMENT RESPONSE**

We concur and will establish and document continued care policies and procedures as required by EO 1053, and communicate and distribute these to relevant campus administrators and staff.

Anticipated completion date: June 17, 2022

## GENERAL INFORMATION

### BACKGROUND

The California State University (CSU) offers CAPS to matriculated CSU students to support student learning, well-being, and overall academic success. Provision of mental health services supports the Student Engagement and Well-Being element of the CSU Graduation Initiative.

All campus CAPS programs must adhere to EO 1053, *Policy on Student Mental Health*. This systemwide policy requires that each campus maintain a minimum level of mental health services, including accessible, professional mental health care; counseling, outreach, and consultation programs; and educational programs and services. The basic services each campus must make available to CSU students include counseling and psychotherapy, suicide and personal violence services, emergency and crisis services, outreach, mental health consultation, and referral resources. Basic services may be funded using state appropriations or mandatory student fees and are available without additional charge to all matriculated students. Campuses may also offer augmented mental health services beyond the scope of the required basic services, such as specialty care appropriate to the mental health needs of students; services to partners or family members of eligible students; and services to students of non-state-supported programs of the university, such as extended education. Augmented services are subject to user fees, the amount of which must be limited to the actual cost of the services provided.

At California Polytechnic State University, San Luis Obispo (Cal Poly San Luis Obispo) the counseling services department (Counseling) within CH&W helps students take steps toward their emotional health and wellbeing through clinical, educational, and consultative services. Counseling offers a range of services, including individual, partner, and group therapies; clinical workshops; outreach; and referral services. Further, Counseling offers yoga therapy with a licensed yoga therapist, and staff develop and participate in various outreach events that are tailored to the mental health demographics of the campus. Required basic services are provided to matriculated students as part of the mandatory health services fee and to students in self-support programs upon request.

Counseling is accredited by the International Accreditation of Counseling Services and consists of a team of 18 licensed mental health professionals who are under the general supervision of the licensed director and two associate directors, and administrative staff. The Counseling director reports to the assistant vice president for student affairs, health and wellbeing, who reports to the vice president for student affairs. In partnership with Counseling, a licensed psychiatrist provides psychiatry services in the health services department within CH&W.

### SCOPE

Due to temporary operating procedures and limitations resulting from the COVID-19 public health emergency, we performed fieldwork remotely from September 20, 2021, through November 12, 2021. Our audit and evaluation included the audit tests we considered necessary in determining whether operational, administrative, and financial controls are in place and operative. The audit focused on procedures in effect from July 1, 2019, through November 12, 2021.

Specifically, we reviewed and tested:

- Campus administration of CAPS, including clear reporting lines, well-defined roles and responsibilities, and maintenance of current program policies and procedures.
- CAPS program external reviews and management responsiveness to recommendations.
- Fiscal administration of fees managed directly by the program and the processing of operating expenditure transactions.
- Establishment of and any subsequent changes to mandatory student mental health services fees for basic services and user fees for augmented services.
- Provision of basic and augmented mental health services offered to students, including eligibility of services.
- Procedures to confirm licensure status of mental health clinicians and identify potential conflicts of interest.
- Medical records management, including practices to ensure security, confidentiality, access, record retention, and student consent to release medical information.
- Management of third-party vendors and providers to ensure that they have proper contracts, and that confidentiality of mental health information is properly defined and established.
- Information security practices to ensure system access controls, information security, and off-site location back-ups.

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, which was designed to provide a review of key operational, administrative, and financial controls, included interviews and detailed testing on certain aspects of CAPS. Our review was limited to gaining reasonable assurance that essential elements of CAPS were in place and did not examine all aspects of the program. We did not physically visit the counseling center due to pandemic-related restrictions.

## CRITERIA

Our audit was based upon standards as set forth in federal and state regulations and guidance; Trustee policy; Office of the Chancellor directives; and campus procedures; as well as sound administrative practices and consideration of the potential impact of significant risks. 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:

- EO 943, *University Health Services*

- EO 1053, *Student Mental Health*
- EO 1102, *CSU Student Fee Policy*
- California Civil Code Section 56-56.37, *Confidentiality of Medical Information Act*
- 20 United States Code §1232g; 34 CFR Part 99, *Family Educational Rights and Privacy Act (FERPA)*,
- Coded memorandum Human Resources 2005-16, *Requirements for Protecting Confidential Personal Data*
- Integrated California State University Administrative Manual (ICSUAM) §3000, *General Accounting*
- ICSUAM §8000, *Information Security*
- International Accreditation of Counseling Services *Standards for University and College Counseling Services*
- Government Code §13402 and §13403
- Cal Poly SLO Counseling Services *Addendum to Policies and Procedures Fall 2021*
- Cal Poly SLO Counseling Services *Clinical Procedures Manual*

## AUDIT TEAM

Audit Manager: Joanna McDonald  
Senior Auditor: May Flores  
Internal Auditors: Matthew Shum and Rita Guy