April 2, 2018

Dr. Dianne F. Harrison, President  
California State University, Northridge  
18111 Nordhoff Street  
Northridge, CA 91330

Dear Dr. Harrison:

Subject: Audit Report 17-46, Student Organizations and Sport Clubs, California State University, Northridge

We have completed an audit of Student Organizations and Sport Clubs as part of our 2017 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 ORGANIZATIONS AND SPORT CLUBS

California State University,
Northridge

Audit Report 17-46
March 8, 2018
EXECUTIVE SUMMARY

OBJECTIVE

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

CONCLUSION

We found the control environment for some of the areas reviewed to be in need of improvement.

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 student organizations and sport clubs as of December 14, 2017, taken as a whole, provided reasonable assurance that risks were being managed and objectives were met.

Although the campus is actively working toward improving the controls around student organizations, our review indicated that attention is required in some key areas related to training and orientation programs for all university advisors and select student officers. Additional opportunities for improvement were identified in hiring and training of sport club coaches, sport club liability waivers, and concussion management training.

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

1. TRAINING/ORIENTATION PROGRAM

OBSERVATION

The campus student organization training and orientation programs needed improvement.

We found that:

- The campus did not provide training or an orientation program to advisors during the 2016/17 academic year.

- Although the campus offered educational sessions that covered information on alcohol use/abuse to advisors and student officers at the Annual Recognition Conference, attendance was not required, and documentation acknowledging completion of training was not retained.

- Sport club student officers did not always attend the mandatory Annual Recognition Conference. Specifically, for two of the eight sport clubs the campus renewed, none of the officers attended the conference.

Executive Order (EO) 1068, Student Activities, requires the provision of alcohol use/abuse orientation programs and an acknowledgment of completion of orientation that includes the name of the student organization and student officer(s), which is to be retained by the vice president of student affairs or a designee.

Advisor training increases advisors’ understanding regarding campus expectations and acceptable practices in their roles within the organization, and alcohol use/abuse training provides assurance that advisors and student officers are informed of resources and preferred actions regarding alcohol abuse.

RECOMMENDATION

We recommend that the campus:

a. Annually provide training or an orientation program to advisors, and obtain acknowledgements of completion of this training/orientation.

b. Require all university advisors and select student officers to receive training on policies, expectations, and information on alcohol use/abuse, and obtain acknowledgments of completion of this training.

c. Improve participation in student officer training by granting sport club renewal only after officers have completed the mandatory training.
MANAGEMENT RESPONSE

We concur.

a. The campus annually provides an orientation/training program for advisors. A record of attendance is retained. This year, the training program was conducted on February 8, 2018, and February 20, 2018, and a record of attendance was kept.

b. The campus will require all university advisors and select student officers to receive training on policies, expectations, and information on alcohol use/abuse, and will document completion of the training. Expected completion date is August 31, 2018.

c. Sport clubs renewals will only be granted after all university requirements have been met. Expected completion date is August 31, 2018.

2. SPORT CLUB COACHES

OBSERVATION

Associated Students, California State University, Northridge, Incorporated (AS) administration of hiring and training of sport club coaches needed improvement.

We reviewed three unpaid and two paid sport club coaches, and we found that:

• It was unclear whether coaches were required to complete the campus or AS version of forms for use of privately owned vehicles and volunteer status. Further, there was insufficient guidance on when to complete a volunteer form. Specifically, two coaches signed a California State University, Northridge (CSUN) Volunteer Identification Form despite receiving compensation from AS.

• AS did not have a training program for coaches regarding EO 1095, Systemwide Sex Discrimination, Sexual Harassment, Sexual Misconduct, Dating and Domestic Violence, and Stalking Policy.

• Although the AS Sport Club Handbook addressed requirements for background checks for coaches, they were not performed.

• Required hiring documentation was not always timely submitted. Specifically, two coaches completed AS Sport Club Registration forms after the service start date; three coaches did not sign contracts before serving as a coach; and two coaches completed the Waiver of Liability forms after the service start date.

Adequate administration of sport club coach hiring reduces potential risk and liability to the campus and AS, and training increases sport club coaches’ understanding regarding campus and AS expectations and acceptable practices within their roles in the organization.
RECOMMENDATION

We recommend that AS:

a. Clarify whether campus or AS forms should be used for privately owned vehicles and volunteer status.

b. Determine whether sport club coaches who are compensated should complete a CSUN Volunteer Identification Form.

c. Develop and provide training to sport club coaches on EO 1095, and obtain acknowledgements of completion of this training.

d. Perform background checks on sport club coaches.

e. Establish a review process to ensure that required hiring documentation for sport club coaches is submitted prior to the service start date.

MANAGEMENT RESPONSE

We concur.

a. AS will develop guidelines to clarify which versions of forms should be completed by volunteer coaches.

b. AS has determined that only volunteer sport club coaches need to complete a volunteer form. Written guidelines will reflect this requirement.

c. All coaches will be required to complete Sexual Harassment Training for Supervisors within 30 days of starting coaching. Verification of completion of the training will be maintained.

d. Background checks will be obtained for all new coaches before they assume coaching duties.

e. A review process will be established to ensure that required hiring documentation for sport club coaches is submitted prior to service start dates.

Expected completion date: June 29, 2018

3. SPORT CLUB CONCUSSION MANAGEMENT

OBSERVATION

AS had not developed and provided concussion management training to sport club coaches.
Concussion management training provides increased awareness and familiarity with the signs or symptoms of a concussion, and helps to ensure that concussion incidents are addressed according to the AS concussion management protocol.

RECOMMENDATION

We recommend that AS develop and provide concussion management training to sport club coaches.

MANAGEMENT RESPONSE

We concur. AS will develop and provide concussion management training to sport club coaches.

Expected completion date: June 29, 2018

4. SPORT CLUB WAIVER OF LIABILITY

OBSERVATION

AS was not using the systemwide Release of Liability, Promise Not to Sue, Assumption of Risk and Agreement to Pay Claims form as directed by EO 1051, California State University Use of Approved Waiver of Liability.

We found that AS had the Waiver of Liability form for its activities, including travel, but it did not include all elements required by EO 1051. For example, it did not include the statement asserting that the participant agrees to reimburse the campus or the auxiliary for any expenses such as attorney’s fees or damage to personal property that may occur as a result of participation in the activity.

A comprehensive liability waiver that conforms to the California State University (CSU) liability waiver requirements reduces the risk of legal liability.

RECOMMENDATION

We recommend that AS use the systemwide Release of Liability, Promise Not to Sue, Assumption of Risk and Agreement to Pay Claims form for sport club activities, including travel.

MANAGEMENT RESPONSE

We concur. AS will use the recommended systemwide Release of Liability, Promise Not to Sue, Assumption of Risk and Agreement to Pay Claims form for sport club activities, including travel. The form will additionally name AS.

Expected completion date: June 29, 2018
5. INFORMATION TECHNOLOGY PROCUREMENT

OBSERVATION

AS did not have a contract with the third-party vendor providing its concussion management software and service, and there was no evidence that the purchase went through the review process to ensure adherence to CSU procurement practices, including review by the information technology (IT) department, as required by the CSU General Provisions for Information Technology Acquisitions and the CSU Information Security Requirements, Supplemental Provisions.

A contract that adheres to CSU procurement practices requires that IT systems or services include adequate consideration of security and controls to protect campus information from unauthorized disclosure.

RECOMMENDATION

We recommend that:

a. AS establish a contract with the third-party vendor providing its concussion management software and service.

b. The campus ensure that all contracts for IT systems and services be reviewed for adherence to CSU procurement practices, including review by the IT department.

MANAGEMENT RESPONSE

We concur.

a. AS will establish a contract with the third-party vendor providing its concussion management software and service.

b. The campus will ensure that all contracts for IT systems and services are reviewed for adherence to CSU procurement practices, including review by the IT department.

Expected completion date: June 29, 2018
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 sport clubs and other special-interest and affinity groups focusing on issues such as sustainability and environmental awareness, social issues, military service, and performance arts.

Systemwide policy for student organizations and activities is delineated in the EO 1068, which requires campuses to have a formal student-organization recognition process that records the purpose and objectives of each organization and compliance with open membership and training, as well as prohibitions on discrimination and hazing. Per EO 1068, it is the vice president of student affairs’ responsibility to oversee the chartering and recognition of student organizations. In addition, ICSUAM §3141.01, Administration of Student Organization Funds states that the campus chief financial officer (CFO) or designee and the vice president of student affairs or designee, must jointly establish written policies and prepare supporting procedures governing the administration of student organization funds. Further, campuses are required to implement and provide training on 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.

The 2016 CSU Sport Clubs Resource Guide provides the campuses a tool to manage sport clubs on all campuses. The guide describes the operating structure and travel policies and procedures designed to create a framework for the effective operation and safe travel of sport clubs. Specifically, the guide provides boundaries and ground rules for safe operation of sport clubs by establishing minimum operating structure and travel requirements. The campuses are encouraged to collaborate and not deviate substantively from the suggested sport clubs structure and good practices contained in the guide.

At CSUN, more than 300 student organizations, including approximately 50 Greek organizations and 30 sport clubs, provide students with a variety of opportunities to explore their academic, professional, political, social, cultural, religious, athletic, and community service interests. General oversight over student organizations, including fraternities and sororities, is provided by the Matador Involvement Center (MIC), a unit within the Office of Student Involvement and Development (OSID) and under the Division of Student Affairs. The MIC also works collaboratively with AS to support sport club activities. AS oversees the sport club programs under the direction of its executive director, including policies and guidelines, orientations, workshops, training, and travel. Under the direction of the director of OSID, the MIC provides policies and guidelines, orientations, workshops, and training to student organizations. The director of OSID reports to the associate vice president for student life, who reports to the vice president for student affairs and dean of students.

SCOPE

We visited the CSUN campus from November 6, 2017, through December 14, 2017. Our audit and evaluation included the audit tests we considered necessary in determining whether operational, administrative, and financial controls are in place and operative at the CSUN
The audit focused on procedures in effect from July 1, 2015, through December 14, 2017.

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, including fraternities and sororities.
- 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 organization activities and events occurring both on- and off-campus.
- Processes to ensure compliance with student travel policies.
- Administration and oversight of sport clubs.
- Measures to ensure a proper concussion management plan for sport clubs.
- Measures to ensure the security of systems utilized to administer student organizations and activities.

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 1051, Use of Approved Waiver of Liability
• EO 1068, Student Activities
• 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
• ICSUAM §3141.01, Administration of Student Organization Funds
• ICSUAM §8000, Information Security
• CSU Auxiliary Organization Compliance Guide
• CSU Auxiliary Organization Sound Business Practices Guidelines
• CSU Sport Clubs Resource Guide
• Government Code §13402 and §13403
• CCR Title 5, §41500, Nondiscrimination in Student Organizations – Withholding of Recognition
• CCR Title 5, §41503, Filing Requisites
• CCR Title 5, §41301, Standards for Student Conduct
• CSUN Clubs and Organizations Resource Guide
• AS Sport Club Handbook
• AS Athletic Training & High Performance Policies and Procedures Handbook

AUDIT TEAM

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