

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

September 5, 2024

Dr. J. Luke Wood, President
California State University, Sacramento
6000 J Street
Sacramento, CA 95819

Dear Dr. Wood:

Subject: Audit Report 23-41, Youth Programs, California State University, Sacramento

We have completed an audit of *Youth Programs* as part of our 2023-2024 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 university personnel over the course of this review.

Sincerely,



Vlad Marinescu
Vice Chancellor and Chief Audit Officer

c: Mildred García, Chancellor
Lillian Kimbell, Chair, Committee on Audit
Anna Ortiz-Morfit, Vice Chair, Committee on Audit

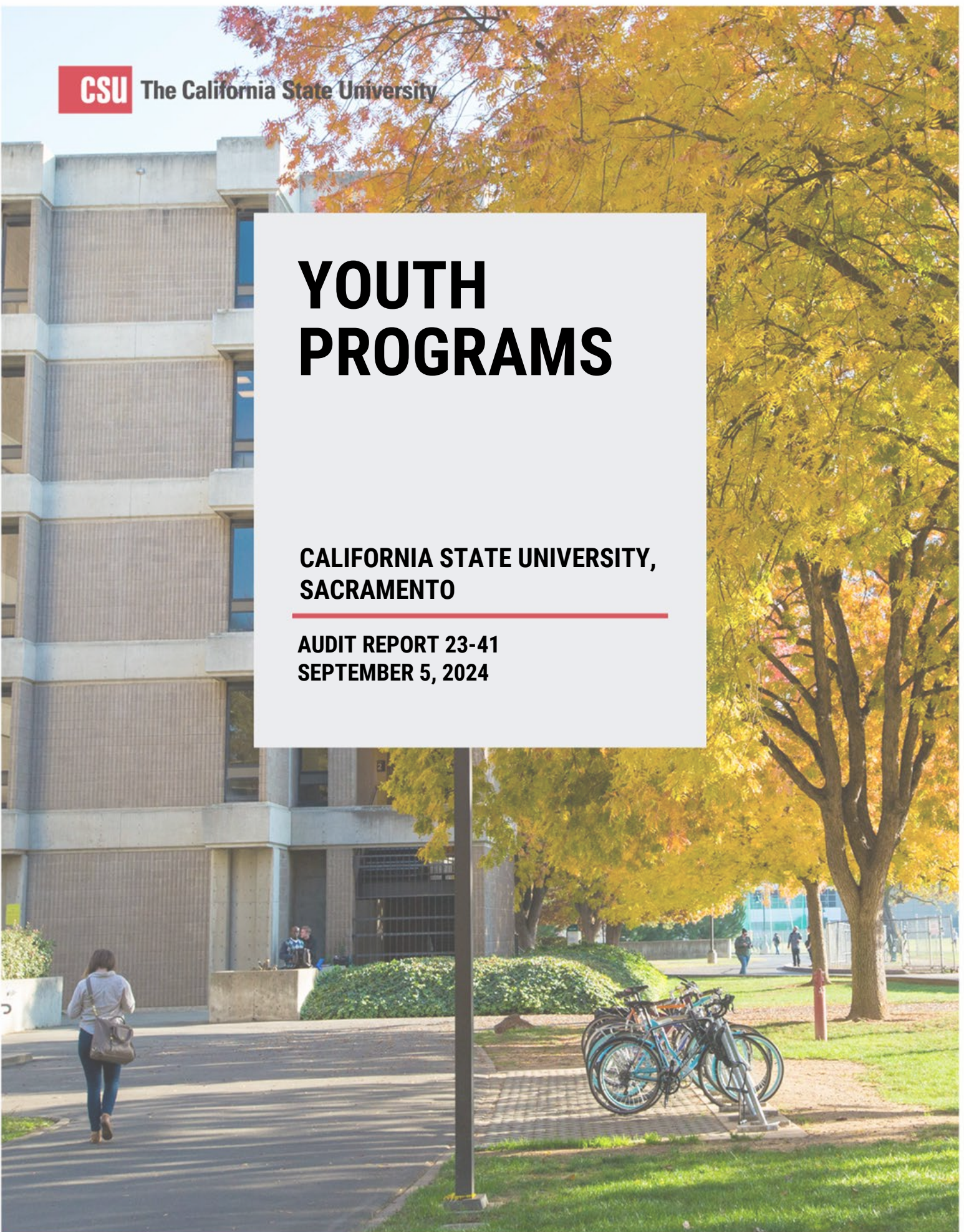
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YOUTH PROGRAMS

**CALIFORNIA STATE UNIVERSITY,
SACRAMENTO**

**AUDIT REPORT 23-41
SEPTEMBER 5, 2024**



EXECUTIVE SUMMARY

AUDIT OBJECTIVES AND BACKGROUND

In accordance with the fiscal year (FY) 2023/24 Audit Plan, as approved by the Board of Trustees, Audit and Advisory Services performed an audit of youth programs at California State University, Sacramento (Sacramento State).

The objectives of the audit were to ascertain the effectiveness of operational and administrative controls related to youth programs and to ensure compliance with relevant federal and state regulations, Trustee policy, Office of the Chancellor (CO) directives, and university and auxiliary procedures.

The California State University (CSU) campuses host a wide range of activities, including camps, clinics, workshops, recitals, tournaments, conferences, and competitions, that may include participants under the age of 18. The CSU strives to offer a safe and enjoyable educational environment for youth. In support of that goal, the CSU is committed to protecting youth who participate in programs organized by the CSU or taking place on CSU campuses. The CSU has zero tolerance for the abuse or mistreatment of youth. Additional information can be found in the body of this report.

OVERALL CONCLUSION

Based upon the results of the work performed within the scope of the audit, except for the weaknesses described below, the operational and administrative controls for youth programs as of June 24, 2024, taken as a whole, provided reasonable assurance that risks were being managed and objectives were met.

AUDIT SCOPE AND RESULTS

In general, we found that the administration of youth programs was effective, and the programs we reviewed were generally in compliance with CSU policies and procedures. The university had an established process for registering youth programs sponsored by the university, auxiliaries, and third-party programs. We did not identify any programs that were unknown to risk management, demonstrating a good level of oversight and awareness of the youth protection program within the university community.

However, our review did note areas for improvement in the oversight and administration of youth programs and third-party programs. A summary of the observations noted in the report is presented in the table below. Further details are specified in the remainder of the report.

Area	Processes Reviewed	Audit Assessment
Oversight and Administration	Oversight of youth programs, roles and responsibilities of university and auxiliaries, centralized process to identify and approve activities, and policies and procedures	<i>Observations noted related to program registration and approval process and development of a program handbook for parents and participants</i>
University and Auxiliary Programs	Establishment of program policies and procedures, hiring and screening processes, required training, risk-management processes, and insurance requirements	<i>Observations noted in hiring, employee training, and participant forms</i>
Third-Party Programs	Policies and procedures for non-university programs, process for program identification, agreement terms and conditions, insurance requirements, program marketing, and detailed testing	<i>Observation noted in third-party program agreements</i>

The audit focused on procedures in effect from June 1, 2022, through June 24, 2024. Our audit and evaluation included the audit tests we considered necessary in determining whether operational and administrative controls are in place and operative. Our review was limited to gaining reasonable assurance that essential elements of youth programs were in place and did not examine all aspects of the program.

OBSERVATIONS, RECOMMENDATIONS, AND RESPONSES

1. YOUTH PROGRAM REGISTRATION AND APPROVAL PROCESS

OBSERVATION

The registration and approval process for youth programs and youth activities sponsored by the university and auxiliary organizations needed improvement.

Currently, program directors are required to register their youth programs through an online form that provides comprehensive program details and certifies that all authorized adults have completed necessary background checks and youth protection training. Although the university had an established registration process in place, we found opportunities to improve the effectiveness of the process and to ensure that all requirements were met. Specifically, we found that:

- There were inconsistencies in registration deadlines. The university youth protection program procedures required registration at least 30 days before the commencement of the program, but the risk management webpage specified a registration deadline of at least 60 days before the event or activity start date.
- The university youth protection program procedures required program directors to acknowledge the administrative requirements related to their program, such as obtaining waivers and permission slips from parents or legal guardians. However, this acknowledgement was not part of the youth protection program registration form signed by the program directors. Therefore, in practice, this acknowledgement was not documented.
- The risk management webpage stated that all training would be documented and tracked by risk management. However, we found that neither risk management nor the program directors monitored training to ensure that employees and volunteers completed all required training before working with youth. This may have contributed to training issues noted later in this report.
- Though risk management internally tracked completed forms and followed up with program directors or coordinators for any necessary clarifications, there was no formal process for documenting program approval or informing program directors of their program's approval status.

Further, we reviewed registration documentation for 10 youth programs sponsored by university and auxiliary organizations, and we found that:

- Three youth programs that took place in 2023 did not complete the youth protection program registration form. However, risk management was aware of the programs.
- Three additional youth programs did not complete the youth protection program registration form at least 60 days before the program's start date. Two of these programs also did not complete the form before the 30-day deadline.

Implementing clear deadlines and a formal process to approve youth programs enhances university safety by ensuring all programs are sanctioned and compliant with laws and regulations. It also increases the opportunity to prevent and detect potential issues before they arise.

RECOMMENDATION

We recommend that the university:

- a. Define a clear and consistent registration deadline for all youth programs, update the youth protection program procedures accordingly, and communicate the deadline to key personnel.
- b. Update the registration form to include a section where program directors must acknowledge and certify the completion of all administrative requirements, such as obtaining waivers and permission slips from parents or legal guardians.
- c. Define roles and responsibilities for monitoring training and update the registration form and procedures as needed.
- d. Establish a formal process for documenting the approval of youth programs.

MANAGEMENT RESPONSE
<p>We concur. The campus will take the following actions by February 12, 2025:</p> <ul style="list-style-type: none">a. Define a clear and consistent registration deadline for all youth programs, update the youth protection program procedures accordingly, and communicate the deadline to key personnel.b. Update the registration form to include a section where program directors must acknowledge and certify the completion of all administrative requirements, such as obtaining waivers and permission slips from parents or legal guardians.c. Define roles and responsibilities for monitoring training and update the registration form and procedures as needed.d. Establish a formal process for documenting the approval of youth programs.

2. EMPLOYEES AND VOLUNTEERS

OBSERVATION

The hiring and training of employees and volunteers working with youth in programs sponsored by the university and auxiliary organizations needed improvement.

We reviewed hiring, screening, and training documents as applicable for 41 employees and six volunteers from six programs sponsored by the university and four programs sponsored by auxiliaries, and we found that:

- Four employees and five volunteers did not complete the standard applications or volunteer forms. HR indicated that the five volunteers were employees of the university who were characterized as supervisors of volunteers rather than volunteers themselves, and therefore, HR did not require the same volunteer paperwork to be completed. This contributed to the volunteer issues noted below.
- Code-of-conduct forms were not completed for 30 employees and volunteers. In addition, one employee completed the form after the program end date.
- Mandated reporter forms were not completed for 26 employees and volunteers.

- 26 employees and volunteers completed only one of the two required initial training courses specific to working with minors. Additionally, for nine of these employees, the training that was taken was completed after the program end date.
- 13 employees and volunteers did not complete any of the required initial training specific to working with minors.
- 10 employees who did complete both required initial training courses either completed at least one initial and/or refresher training course after the program end date or did not complete at least one of the required refresher training courses specific to working with minors.
- Five employees and volunteers did not undergo screening consistent with university and/or auxiliary organization requirements.

Timely completion of hiring documentation and required training for employees and volunteers working with minors helps protect the health, well-being, and safety of the minors and reduces the risk of legal liability to the university and auxiliaries.

RECOMMENDATION

We recommend that the university, in conjunction with Associated Students, Inc. (ASI) and University Enterprises Inc (UEI), develop a documented tracking process to monitor the completion of hiring forms, screening, and required training, and communicate the process to key personnel.

MANAGEMENT RESPONSE
We concur. The campus, in conjunction with ASI and UEI, will develop a documented tracking process to monitor the completion of hiring forms, screening, and required training, and communicate the process to key personnel, by February 12, 2025.

3. THIRD-PARTY PROGRAMS

OBSERVATION

Third-party program agreements did not always include all of the key risk management elements or required insurance coverage.

We reviewed six third-party agreements, including four executed with the university and two executed with the University Union, and we found that:

- None of the agreements had a requirement stating that all individuals responsible for minors will comply with the California Child Abuse and Neglect Reporting Act (CANRA).
- None of the agreements had a statement requiring all incidents or allegations of abuse or sexual misconduct involving adults or youth to be reported to the CSU and/or auxiliaries.

- Two agreements did not include a provision to require defined supervision procedures to be in place for monitoring program participants and were not fully executed, as the auxiliary did not sign the agreement. Additionally, one of these programs did not have the minimum insurance coverage required in the California State University Risk Management Authority (CSURMA) guidance document.
- One program did not provide verification that all adults have completed the required training as stated in the agreement.

Establishing third-party agreements and obtaining required insurance provides greater assurance of compliance with program policies and procedures and helps reduce the risk of misunderstandings and miscommunication regarding rights and responsibilities and liabilities to the university and auxiliaries.

RECOMMENDATION

We recommend that the university, in conjunction with the University Union:

- a. Update third-party agreement templates to include the key risk management elements noted above and any other necessary elements.
- b. Provide training and guidance to key personnel on the updated templates and insurance requirements.

MANAGEMENT RESPONSE
<p>We concur. The campus will take the following actions by November 12, 2024:</p> <ul style="list-style-type: none">a. Update third-party agreement templates to include the key risk management elements noted above and any other necessary elements.b. Provide training and guidance to key personnel on the updated templates and insurance requirements.

4. PARTICIPANT FORMS

OBSERVATION

Participant forms were not always completed for programs sponsored by the university and auxiliary organizations.

We reviewed participant forms for 45 youth participants from six programs sponsored by the university and four programs sponsored by ASI, and we found that:

- In three instances, the Release of Liability, Promise Not to Sue, Assumption of Risk and Agreement to Pay Claims form was completed after the program start date.
- In 33 instances, other required participant forms such as the emergency contact information form, medical disclosure statements, and visual/audio media release waivers were either not completed, completed after the program start date, or inadvertently shredded.

Completed participant forms help to ensure appropriate emergency response and timely communication with parents and guardians and decreases the risk of liability or reputational damage.

RECOMMENDATION

We recommend that the university, in conjunction with ASI:

- a. Develop a documented tracking process to monitor the completion of participant forms, and communicate the process to key personnel.
- b. Remind key personnel working with minors to timely collect and retain all related forms.

MANAGEMENT RESPONSE
<p>We concur. The campus, in conjunction with ASI, will take the following actions by November 12, 2024:</p> <ul style="list-style-type: none">a. Develop a documented tracking process to monitor the completion of participant forms, and communicate the process to key personnel.b. Remind key personnel working with minors to timely collect and retain all related forms.

5. PROGRAM HANDBOOK

OBSERVATION

The university had not developed a program handbook or equivalent for university- and auxiliary-sponsored youth programs to provide to parents and participants.

Although most program directors provided an orientation and verbally communicated information to parents and participants, we found that departments did not always distribute a program handbook, or an equivalent document, to participants and their parents. At a minimum, the following information should be communicated:

- Procedures for notifying a youth’s parent/legal guardian in case of emergency, including medical or behavioral situations.
- Information for parents/legal guardians on how to contact the participant during the program.
- Program rules and conduct expectations for participants in the program, including the fact that participants must abide by all CSU regulations and may be removed from the program for failure to do so.
- A description of the process to be followed if a participant, group leader, or other individual associated with a youth program is alleged to have violated university policies or program rules, including the process for dismissal and removal from the program and the process for how a participant who has been dismissed or removed from the program early is picked up by a parent, legal guardian, or other responsible adult.
- Housing-specific policies, if applicable.

Program handbooks or documented information disseminated to parents and participants help to promote the safety and protection of minors and increase assurance that program participants will be compliant with university, systemwide, and other requirements.

RECOMMENDATION

We recommend that the university, in conjunction with ASI and UEI, develop a program handbook or information brochure for university- and auxiliary-sponsored youth programs to distribute to parents and participants.

MANAGEMENT RESPONSE
We concur. The campus, in conjunction with ASI and UEI, will develop a program handbook or information brochure for university- and auxiliary-sponsored youth programs to distribute to parents and participants by November 12, 2024.

GENERAL INFORMATION

ADDITIONAL BACKGROUND

The mission of the California State University (CSU) includes advancing and extending knowledge, learning, and culture; providing opportunities for individuals to develop intellectually, personally, and professionally; and providing public services that enrich the university and its communities. The provision of activities and programs for youths (individuals under the age of 18) at CSU campuses is a natural extension of this mission. Some examples of instances when youths can be found on CSU campuses include academic enrichment programs, music and performing arts workshops, sports camps, college readiness programs, and licensed childcare programs, among others.

For the purposes of our review, youth programs refer to activities or events that include youths conducted or organized by the university or auxiliary on or off-campus, or by a third-party on campus, during which the university, auxiliary, or third party assumes the responsibility for the care, custody, and control of the youth participants. Youth programs do not include activities or events in which parents, guardians, or affiliated program leaders (e.g. school teacher, counselor) are responsible for the care, custody, and control of youth participants; private, personal events such as birthday parties and weddings that occur at university facilities; or events open to the general public, such as intercollegiate athletic events, concerts, or class tours. Our review also did not include youths who were matriculated students.

Activities involving youth pose a variety of risks due to the potential for issues such as sexual abuse, physical or psychological injury, and bullying. A single incident of noncompliance or failure to protect youth could have significant financial and reputational consequences. The CSU has a responsibility to protect the safety and welfare of youth participating in programs sponsored by, or occurring on, CSU campuses. There are few legal and regulatory requirements specific to hosting youth programs and activities on university campuses. CANRA identifies certain groups of employees as mandated reporters of child abuse, including those whose duties involve regular contact with children, and imposes a legal requirement on these employees to report suspected child abuse or neglect. Additionally, Education Code (EC) §10911.5 requires an employer to fingerprint any employee who will have direct contact with minor children in a recreational program and to submit the fingerprints to the Department of Justice.

The CSU has addressed these regulatory requirements in its systemwide policies. In 2021, CSU systemwide Risk Management issued *Managing Risk in Youth Programs Resource Guide* to provide systemwide guidance for ensuring the protection of youth beyond these legal requirements, to address areas such as program approval/registration, additional screening in the hiring process, required training, behavioral expectations, staffing requirements, and mechanisms for reporting potential issues. Additionally, in 2017, systemwide Risk Management, through CSURMA, entered into a partnership with Praesidium, a leader in abuse risk management services, to provide free and discounted resources to campuses relating to the protection of youth, including training sessions and self-assessment tools. This partnership continues today.

At Sacramento State, responsibility for establishing and maintaining effective youth programs is distributed among various departments. However, the program registration process for all youth programs, including those sponsored by the university, auxiliaries, and third-party organizations, is centralized and managed by risk management. Program directors are directly responsible for the day-to-day operations and programmatic activities of these programs. Additionally, procurement of insurance for university-sponsored programs is handled by risk management, while auxiliaries are responsible for securing insurance for their own programs. Additionally, the human resources departments of both the

university and auxiliaries assist with hiring and fingerprinting services for the programs they sponsor. During the audit period, there were approximately 77 university and auxiliary-sponsored youth programs, some of which included multiple sessions. Program activities varied and included athletic camps and clinics, boating camps, overnight camps, academic enrichment programs, tutoring programs, high schools on campus, and third-party sponsored events.

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 university 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:

- Government Code §13403 and §13404, *State Leadership Accountability Act*
- EC §89005.5, *Use of CSU Name*
- EC §10911.5, *Community Recreation Programs*
- California Penal Code 11165.7, *Child Abuse and Neglect Reporting Act (CANRA)*
- *CSU Use of Approved Waiver of Liability*
- *CSU Mandatory Reporting of Child Abuse and Neglect*
- *CSU Contracts and Procurement*
- *CSU Background Checks*
- *CSU Volunteers*
- *CSU Insurance Requirements*
- *CSU Managing Risk in Youth Programs Resource Guide*
- CSURMA Auxiliary Organization Risk Management Association (AORMA) Policy and Procedure L-6, *Requirement that Participant Accident Insurance be Purchased for all Child Care and Camp Operations Involving Minors*
- CSURMA AORMA Handbook, *AORMA Recommended Facilities Use Agreement and Handbook*
- CSURMA AORMA Handbook, *AORMA Recommended Waiver and Handbook*
- CSURMA AORMA *Contracts with Third Parties Involving Activities with Minors Policy*
- *Sacramento State Youth Protection for Children Under 18*

AUDIT TEAM

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