



## MEMORANDUM

**DATE:** August 12, 2021

**SUBJECT:** Financial Operations Review - Management Response

CSUSM strives for the highest standards of fiscal stewardship and continuous improvement for its internal controls and policies. Every day, dedicated faculty and staff work to ensure that all funds entrusted to the university are used ethically, prudently and for their designated purpose.

Between February 2020 and February 2021 CSUSM business improvement and compliance staff worked to streamline processes and strengthen internal controls in the four in-scope areas. In spring 2021, the campus engaged with BerryDunn to conduct walkthrough's, processor interviews and stakeholder discussions to identify potential gaps in internal controls as well as opportunities to strengthen controls.

In summary, BerryDunn stated, "Based on BerryDunn's work and experience, the policies, procedures, and control expectations established in the four in-scope areas are appropriate and consistent with best practices." The full report can be found online at <https://www.csusm.edu/president/initiatives/fiscalstewardship>.

In response to BerryDunn's observations and recommendations, CSUSM is committing to the following action items:

All Processes	Deliverable	Status	Due Date
Training	Develop frequent, recurring live (in-person and virtual) training	In progress	See below
	Develop CSU Learn training	In progress	01/31/2022
	Track training	In progress	01/31/2022
Alignment and Conformity	Review all current exceptions and either eliminate or build into the manual/guidelines	In progress	01/31/2022
Communications	Create an updates website indicating changes to policy, procedure, and process	In progress	01/31/2022
	Changes will be communicated in applicable training materials	In progress	01/31/2022
Documentation	Create detailed job aids, FAQs, and/or training materials to make available on internal-facing website that provide clear and useful information for users	In progress	See below

	completing documentation for these processes		
Software	CSUSM will continue to explore technology uses for streamlining processes	Ongoing	01/31/2022
<b>Individual Processes</b>	<b>Deliverable</b>	<b>Status</b>	<b>Due Date</b>
Direct Pay	Enforce 90-day reimbursement window. Develop exception request approval process	In progress	09/30/2021
	Review cell phone reimbursement policy and further streamline	In progress	10/31/2021
Hospitality	Develop frequent, recurring live training for initiators and approvers	In progress	12/31/2021
	Develop training for approvals, including CSU Learn	In progress	01/31/2022
	ASI - Update Hospitality Guidelines/Policy	In progress	01/31/2022
	Prepare detailed job aids (examples, quick guides for each role)	In progress	10/31/2021
	Review expense mechanisms for potential inclusion of hospitality specific notations	In progress	10/31/2021
	Develop a process for Accounts Payable to review and question hospitality expenses materially greater than approved	In progress	11/30/2021
ProCard	Develop and track annual training in CSU Learn	In progress	01/31/2022
	Eliminate athletics exception and implement the university liability travel card	Complete	N/A
	Determine a minimum usage amount for ProCards	In progress	12/31/2021
	Develop an annual schedule for reviewing ProCard usage and close unused cards	In progress	12/31/2021
	Develop guidance for ProCard packet submission formatting and order	In progress	12/31/2021
Travel	Athletics will utilize Concur going forward	Complete	N/A
	ASI/State Travel Office will develop a procedure to communicate ALF awards to avoid the potential for duplicate	In progress	09/30/2021

	payments		
	Travel Office will update the Adobe Sign workflow to show the "Travel Office Pre-Check" on the signature fields	Complete	N/A