

Resolution Regarding the BFA Audit  
November 30, 2006  
(Revised December 4, 2006)

**Whereas:** The California State University Auditor's report number 04-91 released on October 11, 2006 showed compelling evidence of long-standing fiscal abuse, waste, and possible fraud in the operations of our Business and Financial Affairs Office, and

**Whereas:** A previous audit in 1999 showed similar deficiencies in the financial operations of the university, and

**Whereas:** These abuses were allowed to continue and, indeed, to worsen for several more years, and

**Whereas:** A climate of intimidation and retaliation against staff members in Business and Financial Affairs who objected to these abuses was shown to exist, and

**Whereas:** The Chief Financial Officer responsible for the operations of the Business and Financial Affairs Division reported directly to the president of the university, and

**Whereas:** These abuses clearly violated the public trust, and

**Whereas:** The president is responsible for the overall supervision of his immediate staff, and

**Whereas:** The president also is responsible for ensuring that his immediate staff adheres to all state laws and regulations and CSU regulations and rules relating to the fiscal activities of the university, and

**Whereas:** The abuses in the Business and Financial Affairs division have significantly reduced the confidence of both the public and the university community in the fiscal integrity of the university, and

**Whereas:** The University, under the supervision of the Board of Trustees is taking steps to address and resolve the concerns raised in the Auditor's report, and

**Whereas:** The restoration of trust in the fiscal operations of the university is a matter of great importance to both the Academic Senate and the university community at large, now therefore be it

**Resolved** that the Academic Senate of California State University, Fullerton encourages President Gordon to provide the university community and the public with a full description of the steps that are being taken to address the issues raised by the audit and to ensure that similar problems will not arise in the future.