

California State University, Northridge

Misuse of State Property, Incompatible Activities (Case I2008-1037)

REPORT NUMBER I2010-1, CHAPTER 3, ISSUED JUNE 2010

This report concludes that for almost five years an employee of California State University (university), Northridge (Northridge), improperly allowed the owner of a small pharmaceutical company and three of his associates to use a Northridge laboratory facility along with university-owned equipment and supplies without their compensating Northridge, thus costing it \$20,790 in usage fees.

In the report, the California State Auditor (state auditor) made the below recommendations to Northridge. The state auditor's determination regarding the current status of recommendations is based on Northridge's response to the state auditor as of May 2010.

Recommendation 1—See pages 22 and 23 of the investigative report for information on the related finding.

Northridge should formally remind its staff about the specific actions that must be taken before outside individuals and entities may use university facilities, and it should develop policies and procedures specifically to address the use of laboratory facilities and university equipment and supplies by individuals and entities not affiliated with the university.

Northridge's Action: Fully implemented.

Northridge implemented a policy that bans the use of its College of Science and Mathematics' facilities, equipment, and supplies for industry use and it notified faculty and staff of this new policy.

Recommendation 2—See pages 22 and 23 of the investigative report for information on the related finding.

Northridge also should recover the amount owed for the misuse of its facilities, equipment, and supplies.

Northridge's Action: Fully implemented.

Northridge notified us that as of August 2009, it had received \$20,790 from the business owner's company as compensation for the unauthorized use of Northridge's facility, equipment, and supplies. It also placed a letter of reprimand in the personnel file of the university employee.