

ADMISSIONS

**CALIFORNIA STATE UNIVERSITY,
DOMINGUEZ HILLS**

**Report Number 04-17
December 10, 2004**

Members, Committee on Audit

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BOARD OF TRUSTEES

THE CALIFORNIA STATE UNIVERSITY

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ABBREVIATIONS

BOT	Board of Trustees
CSU	California State University
EO	Executive Order
FERPA	Family Educational Rights and Privacy Act
SEVIS	Student and Exchange Visitor Information System
TRIO	Three Federal Educational Opportunity Programs: Upward Bound, Talent Search, and Student Support Services
USCIS	United States Citizenship and Immigration Services

EXECUTIVE SUMMARY

As a result of a systemwide risk assessment conducted by the Office of the University Auditor during the last quarter of 2002, the Board of Trustees, at its January 2004 meeting, directed that *Admissions* be reviewed.

We visited the California State University, Dominguez Hills campus from August 2, 2004, through August 19, 2004, and audited the procedures in effect at that time.

In our opinion, existing policies and procedures for the administration of the admissions function were, in most instances, operating effectively; however, controls over documentation management and student record privacy and security needed to be strengthened.

The following summary provides management with an overview of conditions requiring attention. Areas of review not mentioned in this section were found to be satisfactory. Numbers in brackets [] refer to page numbers in the report.

ADMISSIONS MANAGEMENT AND CONTROL [6]

Documentation evidencing verification of financial responsibility for admitted international students was not always complete and timely. In addition, the campus did not have an effective process in place to ensure that all students were in compliance with systemwide immunization requirements. A review of enrolled student records disclosed that, in 58 of 65 instances, student files did not contain proof of immunization.

ENROLLMENT MANAGEMENT [8]

The campus did not finalize and issue its enrollment management plan.

APPLICATION FEE AND WAIVER CONTROLS [8]

The campus did not retain application fee waiver request documentation.

STUDENT RECORD PRIVACY AND SECURITY [9]

The campus did not timely report the results of their student information management practices review. Although the campus completed a review of information management practices for student records in March 2004, the results were not reported to the Office of the Chancellor until August 2004. In addition, access to confidential student records was not deactivated in a timely manner for terminated or transferred employees and student workers. A review of 40 employees and student workers, who were granted online access to student records, disclosed that 19 no longer required such access.

INTRODUCTION

BACKGROUND

Prior to 1960, California's postsecondary education system consisted of an assortment of uncoordinated and competing colleges and universities. The California Master Plan for Higher Education, the *Donahoe Higher Education Act of 1960*, merged the state's independent community colleges and state colleges and universities into what has proven to be the largest and most prominent system of higher education in the United States. The master plan created a coordinated system that pooled a quality education with broad-based public access by assigning each segment of the state's three-tier postsecondary education system (i.e., University of California, California State University, community colleges) specific missions and objectives.

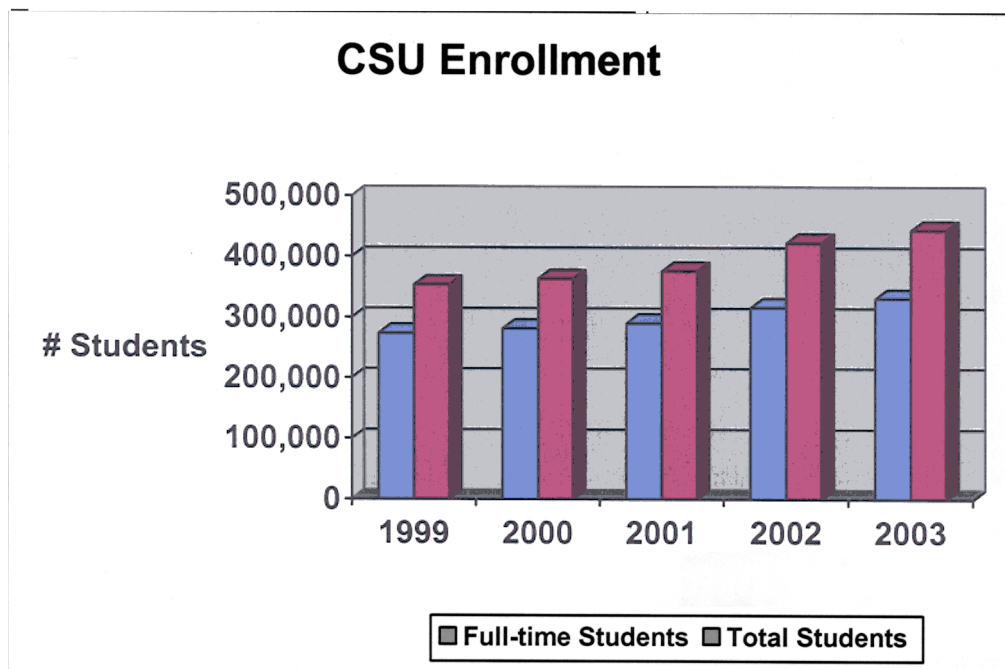
It remains the intent of the *Donahoe Higher Education Act* to provide each California resident who has the capacity and motivation an opportunity to earn a higher education. In 1972, the California State Colleges was officially named the California State University and Colleges. Ten years later, the merged state universities and colleges were renamed The California State University (CSU) system. Pursuant to the California Code of Regulations, Title V, the primary function of the CSU is to provide instruction for undergraduate and graduate students in liberal arts and science, in applied fields, and in the professions, including the teaching profession. Today, the 23 campuses that make up the CSU also include two polytechnic universities and a maritime academy. The CSU offers more than 1,600 bachelor's and master's degree programs in approximately 240 subject areas. Many of these programs offered to the over 400,000 enrolled students are given in the late afternoon and evenings for working students.

In 1985, the CSU Board of Trustees (BOT) adopted mission statements in response to guidelines suggested in the *Western Association of Schools and Colleges' Handbook of Accreditation*. These mission statements are supported by specific goals; aligned with the intent of the *Donahoe Act*; and are in concert with Cornerstones, the systemwide planning framework developed and endorsed by the BOT in 1998. The mission of the CSU is to:

- ▶ Advance and extend knowledge, learning, and culture, especially throughout California.
- ▶ Provide opportunities for individuals to develop intellectually, personally, and professionally.
- ▶ Prepare significant numbers of educated, responsible people to contribute to California's schools, economy, culture, and future.
- ▶ Encourage and provide access to an excellent education to all who are prepared for and wish to participate in collegiate study.
- ▶ Offer undergraduate and graduate instruction leading to bachelor's and higher degrees in the liberal arts and sciences, the applied fields, and the professions, including the doctoral degree when authorized.
- ▶ Prepare students for an international, multicultural society.

Provide public services that enrich the university and its communities.

The convergence of the state's budget deficit and the increase in student admission demand (see chart below) have placed additional pressure on the system to uphold the CSU's mission and meet systemwide objectives. In response to this challenging environment, the BOT asked the campuses to maintain the quality of instruction, while continuing to meet student educational and service goals and objectives, such as remedial education; student and school outreach and diversity; admission automation; and inter/intrasystem and vertical/horizontal admission coordination. Sustaining the CSU's mission in today's environment places a premium on effective communication, systemwide administrative coordination, operational consistency, and reliable internal control systems.



PURPOSE

Our overall audit objective was to ascertain the effectiveness of existing policies and procedures related to the administration of the admissions function and to determine the adequacy of controls that ensure compliance with relevant governmental regulations, Trustee policy, Office of the Chancellor directives, and campus procedures.

Within the overall audit objective, specific goals included determining whether:

- ▶ Campus admission policies and procedures are current, comprehensive, and aligned with relevant state and federal regulations, Trustee policies, and chancellor's office directives.

INTRODUCTION

- ▶ Clear lines of organizational authority and responsibility exist in the administration and management of the campus admissions and evaluations program.
- ▶ Admission evaluations are adequately documented and decisions are aligned with state regulations, chancellor's office directives, and campus policy.
- ▶ The campus is authorized to enroll international students in the Student and Exchange Visitor Information System (SEVIS) and complies with Bureau of Citizenship and Immigration Services regulations.
- ▶ Major/program and/or campuswide impact decisions are adequately supported and properly approved.
- ▶ Eligible students not admitted to the CSU campus of their choice were appropriately redirected.
- ▶ Application fees are accurately recorded, adequately safeguarded, and properly processed; and fee waivers are appropriately granted.
- ▶ Hard-copy and electronic admission information is secured and protected against unauthorized access and in accordance with Family Educational Rights and Privacy Act (FERPA) regulations.

SCOPE AND METHODOLOGY

The proposed scope of the audit, as presented in Attachment B, Audit Item 2 of the January 27-28, 2004, meeting of the Committee on Audit, stated that *Admissions* includes outreach activities to prospective students, processing of applications for admission, and evaluations of student records. Potential impacts include admission of ineligible students; inequity in admission decisions; incorrect residency determinations; inadequate evaluations; misuse/distribution of confidential and evaluation data; and lack of control over application fees. Admissions was previously audited in 1978.

Our study and evaluation were conducted in accordance with the *Standards for the Professional Practice of Internal Auditing* issued by the Institute of Internal Auditors, and included the audit tests we considered necessary in determining that operational and administrative controls are in place and operative. This review emphasized, but was not limited to, compliance with state laws, BOT policies, and Office of the Chancellor and campus policies, letters, and directives. The audit review focused on procedures in effect from January 2003 through January 2004. In instances when it was necessary to review annualized data, fiscal year 2003/04 was the primary period reviewed.

We focused primarily upon the internal administrative, compliance, and operational controls over admissions management. Specifically, we reviewed and tested:

- ▶ Admission and evaluation policies and procedures.
- ▶ Undergraduate and graduate application processing.
- ▶ Residency determination and evaluation of student records.

INTRODUCTION

- ▶ Admissions granted on a conditional or exception basis.
- ▶ SEVIS certification and issuance of a Certificate of Eligibility (Form I-20) to international students.
- ▶ Enrollment management practices.
- ▶ Application fee processing and fee waiver granting.
- ▶ Maintenance and protection of hard-copy and electronic application and admission records.

OBSERVATIONS, RECOMMENDATIONS, AND CAMPUS RESPONSES

ADMISSIONS MANAGEMENT AND CONTROL

INTERNATIONAL STUDENTS

Documentation evidencing verification of financial responsibility for admitted international students was not always complete and timely.

Our review of 15 international undergraduate students disclosed that:

- ▶ In one instance, an affidavit of financial support was not on file.
- ▶ In one instance, the bank verification of funds was not supported on the affidavit of financial support.
- ▶ In three instances, the bank verification of funds was dated more than six months prior to the admission date.
- ▶ In one instance, the verification of funds from the sponsor's bank did not include the availability of funds date.

Code of Federal Regulations §214.3(k) states that a designated official of an United States Citizenship and Immigration Services (USCIS) approved school shall issue a certificate of eligibility to a prospective student only after certain conditions are met, including receipt, review, and evaluation of the proof of financial responsibility at the school's location.

California State University, Dominguez Hills *International Student Undergraduate and Graduate Application* requires that all international students provide evidence of adequate funds to meet the financial obligations of enrollment at the campus. It further requires that the bank verification of funds be less than six months old and the affidavit of financial support show the date, name of the bank, signature of a bank official, name and title of the bank official, address of the bank, and bank stamp/seal.

The director of admissions stated that the acceptance of incomplete and outdated certifications of financial responsibility was attributed to oversight.

The lack of complete and timely verification of financial responsibility for international students increases the risk of non-compliance with federal regulations and campus policy.

Recommendation 1

We recommend that the campus ensure that all international students provide complete and timely proof of financial responsibility.

Campus Response

We concur. In November 2004, the campus began enhancing its review of financial information and documents submitted by international students to be certain complete and timely proof of financial responsibility was provided. Completed.

STUDENT IMMUNIZATION

The campus did not have an effective process in place to ensure that all students were in compliance with California State University (CSU) immunization requirements.

Our review of enrolled student records disclosed that proof of immunization did not exist for 26 of 30 first-time students, 19 of 20 transfer students, and 13 of 15 international undergraduate students.

Health and Safety Code §120390.5 states, in part, that on or after January 1, 2000, the Trustees of the CSU shall require first-time enrollees who are 18 years of age or younger to provide proof of full immunization against the hepatitis B virus prior to enrollment.

Executive Order (EO) 803, *Immunization Requirements*, dated February 5, 2002, states that all students born after January 1, 1957, are required to present proof of measles and rubella immunization prior to their first enrollment. Campuses are required to develop appropriate forms to document immunization against measles, rubella, and hepatitis B and maintain these forms as part of student health records. The immunization forms shall include provisions for medical and religious exemptions. Further, a person who has not been fully immunized may be admitted at the campus' discretion on the condition that, within a designated time period, the person will provide proof of full immunization.

The director of admissions stated that immunization requirements were documented in admission acceptance materials made available to students; however, it had been an oversight that the automated registration hold monitoring system had not been activated to identify those students that had not submitted verification of immunization.

Failure to ensure that students are properly immunized increases the risk of regulatory non-compliance and the potential for liability lawsuits, should an outbreak of these diseases occur.

Recommendation 2

We recommend that the campus activate the immunization monitoring system and ensure that all applicable students provide evidence of immunization.

Campus Response

We concur. The campus is in the process of activating the immunization monitoring system in order to identify all applicable students that need to provide evidence of immunization. EO 803 states that, if the campus policy permits an extension of time, students must complete the immunization

requirement no later than the beginning of the second year of enrollment. All non-immunized applicable students that enrolled in the fall 2004 term will have a hold placed on enrolling for the fall 2005 term until appropriate documentation of immunization is provided. The computerized portion of the immunization monitoring hold system is expected to be completed by May 2005.

ENROLLMENT MANAGEMENT

The campus did not finalize and issue its enrollment management plan.

CSU *Enrollment Management Policy and Practices*, dated September 19, 2002, requires each campus to develop and adopt a strategic, long-range enrollment management plan that addresses student outreach, recruitment, admission, retention, graduation, and qualitative measures of student success.

The provost and vice president of academic affairs stated that the campus had implemented required systemwide enrollment management principles, but was waiting to formalize the campus enrollment management plan once the campus strategic plan had been completed.

The lack of a finalized enrollment management plan increases the risk that the campus enrollment goals and objectives will not be met.

Recommendation 3

We recommend that the campus finalize, communicate, and implement its enrollment management plan.

Campus Response

We concur. By January 2005, the campus had finalized, adopted, communicated, and implemented its enrollment management plan. Completed.

APPLICATION FEE AND WAIVER CONTROLS

The admissions and records department did not retain application fee waiver request documentation.

Memorandum Code Academic Affairs 2003-22, *Admission Application Fee Waiver Form and Eligibility Tables for 2004-2005*, dated August 1, 2003, states that when an admission application is received without the required fee, the application should be retained by the admission office and a request for payment should be sent to the applicant along with the Request to Waive Admission Application Fee form and certification of citizenship and immigration status on the reverse side. If the request for fee waiver is denied, the campus should notify the applicant that he or she has 30 days to pay the required fee for the admission application to be processed.

Government Code §13402 and §13403 state that management is responsible for establishing and maintaining a system of internal administrative controls, which includes documenting the system, communicating system requirements to employees, and assuring that the system is functioning as prescribed and is modified, as appropriate, for changes in conditions. Further, a satisfactory system of internal administrative controls shall include, but not be limited to, a system of authorization and recordkeeping procedures adequate to provide effective accounting control over assets, liabilities, revenues, and expenditures.

The director of admissions stated that the campus' failure to retain fee waiver request documentation was an oversight.

The absence of application fee waiver request documentation increases the risk that the campus will be unable to support or defend fee waiver decisions in the event of challenges or appeals by students or parents.

Recommendation 4

We recommend that the campus retain application fee waiver request documentation for a reasonable period of time (minimum of one year).

Campus Response

We concur. The campus began retaining application fee waiver requests in September 2004. The original documents will be retained for one year. After one year, the campus may retain the documents electronically. Completed.

STUDENT RECORD PRIVACY AND SECURITY

INFORMATION MANAGEMENT PRACTICES

The campus did not report the results of its review of student information management practices in a timely manner.

A review of information management practices for student records was completed in March 2004; however, the results of the review were not reported to the chancellor's office until August 23, 2004.

EO 796, *Privacy and Personal Information Management Student Records Administration*, dated January 1, 2002, states that each campus shall adopt a written policy statement establishing procedures by which the campus intends to comply with the Family Educational Rights and Privacy Act (FERPA) of 1974 and this executive order. These procedures shall include a requirement to periodically review campus information management practices concerning student records at least every two years, or more often as the need arises. The results of these reviews shall be forwarded to the chancellor by the president and include any changes deemed necessary. EO 796 is issued to implement Trustee policy for the administration of student records consistent with FERPA.

The associate vice president of student affairs stated that it was an oversight that the results of the March 2004 review had not been sent to the chancellor until August 2004.

Failure to comply with the chancellor's office directives increases regulatory risks and could result in negative publicity and/or weaken the campus' position in the event of a privacy complaint.

Recommendation 5

We recommend that the campus ensure that the results of future student information management practice reviews are forwarded to the chancellor in a timely manner.

Campus Response

We concur. In January 2005, the campus completed and notified the Office of the Chancellor of the recent student information management review. Completed.

STUDENT RECORD ACCESS

Access to confidential student records was not deactivated in a timely manner for terminated or transferred employees and student workers.

Our review disclosed that 19 of 40 employees and student workers with access to student records had been separated from the campus for 1 to 15 months.

CSU, Office of the Chancellor, Memorandum on *Information Security Clarification*, dated March 28, 2003, states that access to confidential information will be granted when it is required for the employee to perform a critical university function, which is part of the employee's job duties.

The associate vice president of information technology stated that the department responsible for administering access to student records was not consistently notified to remove accounts for individuals no longer requiring such access to perform their job responsibilities.

Inadequate system-access administrative control jeopardizes the protection of confidential student information.

Recommendation 6

We recommend that the campus ensure that access to confidential student records is deactivated in a timely manner for terminated or transferred employees and student workers.

Campus Response

We concur. The campus is in the process of developing procedures to address deactivation of access to confidential student records for terminated and transferred employees and student workers. The procedures are expected to be completed by April 2005.

APPENDIX A: PERSONNEL CONTACTED

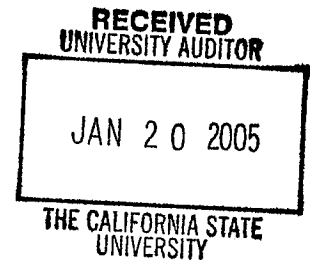
<u>Name</u>	<u>Title</u>
James E. Lyons, Sr.	President
Gayle Ball	University Registrar
Boice Bowman	Vice President, Student Affairs
Lisa Chavez	Associate Director, Accounting Services
Brian Dahm	Director, Accounting Services
Kathleen Hughes	Director, Business Process Management
Walter Jones	Director, Equal Opportunity and TRIO Programs
David McCulloch	Assistant Director, Business Process Management
Allen Mori	Provost and Vice President, Academic Affairs
George Pardon	Vice President, Administration and Finance
Alonzo Rodriguez	Associate Vice President, Student Affairs
Mary Ann Rodriguez	Associate Vice President, Administration and Finance
Enola Thompson-Logan	Support Services Administrator, Student Health Center and Psychological Services
Frank Urquidez	Assistant Director, Equal Opportunity Program
Linda Wise	Associate Director, Admissions
James Woods	Director of Admissions
Min Yao	Associate Vice President, Information Technology



California State University
Dominguez Hills

Office of the Vice President of Administration and Finance
Carson, CA 90747 (310) 243-3750 FAX: (310) 243-3869

January 20, 2005



Mr. Larry Mandel
University Auditor
The California State University
401 Golden Shore
Long Beach, CA 90802

Dear Mr. Mandel:

Enclosed please find California State University, Dominguez Hills' response to the Admissions Audit 04-17. The campus is committed to addressing and resolving the issues identified in the audit report.

If you have any questions or would like additional information, please contact me.

Sincerely,

A handwritten signature in cursive script that reads "George A. Pardon".

George A. Pardon
Vice President of Administration and Finance

- c: James E. Lyons, Sr., President
Boice Bowman, Vice President, Student Affairs
Allen Mori, Provost and Vice President, Academic Affairs
Min Yao, Associate Vice President, Information Technology
Alonzo Rodriguez, Associate Vice President, Student Affairs
Mark Seigle, Director, Human Resources Management
Gayle Ball, University Registrar
James Woods, Director, Admissions
Kathleen Hughes, Director, Business Process Management

ADMISSIONS**CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS****Report Number 04-17**

January 20, 2005

ADMISSIONS MANAGEMENT AND CONTROL**INTERNATIONAL STUDENTS****Recommendation 1**

We recommend that the campus ensure that all international students provide complete and timely proof of financial responsibility.

Campus Response

We concur. In November 2004, the campus began enhancing its review of financial information and documents submitted by international students to be certain complete and timely proof of financial responsibility was provided. *Completed*

STUDENT IMMUNIZATION**Recommendation 2**

We recommend that the campus activate the immunization monitoring system and ensure that all applicable students provide evidence of immunization.

Campus Response

We concur. The campus is in the process of activating the immunization monitoring system in order to identify all applicable students that need to provide evidence of immunization. Executive Order 803 states that, if the campus policy permits an extension of time, students must complete the immunization requirement no later than the beginning of the second year of enrollment. All non-immunized applicable students that enrolled in the Fall 2004 term will have a hold placed on enrolling for the Fall 2005 term until appropriate documentation of immunization is provided. The computerized portion of the immunization monitoring hold system is expected to be completed by May 2005.

ENROLLMENT MANAGEMENT

Recommendation 3

We recommend that the campus finalize, communicate, and implement its enrollment management plan.

Campus Response

We concur. By January 2005, the campus had finalized, adopted, communicated and implemented its enrollment management plan. *Completed*

APPLICATION FEE AND WAIVER CONTROLS

Recommendation 4

We recommend that the campus retain application fee waive request documentation for a reasonable period of time (minimum of one year).

Campus Response

We concur. The campus began retaining application fee waiver requests in September 2004. The original documents will be retained for one year. After one year, the campus may retain the documents electronically. *Completed*

STUDENT RECORD PRIVACY AND SECURITY

INFORMATION MANAGEMENT PRACTICES

Recommendation 5

We recommend that the campus ensure that the results of future student information management practice reviews are forwarded to the chancellor in a timely manner.

Campus Response

We concur. In January 2005, the campus completed and notified the Office of the Chancellor of the recent student information management review. *Completed*

STUDENT RECORD ACCESS

Recommendation 6

We recommend that the campus ensure that access to confidential student records is deactivated in a timely manner for terminated or transferred employees and student workers.

Campus Response

We concur. The campus is in the process of developing procedures to address deactivation of access to confidential student records for terminated and transferred employees and student workers. The procedures are expected to be completed by April 2005.



THE CALIFORNIA STATE UNIVERSITY
 OFFICE OF THE CHANCELLOR

BAKERSFIELD

January 26, 2005

CHANNEL ISLANDS

CHICO

DOMINGUEZ HILLS

MEMORANDUM

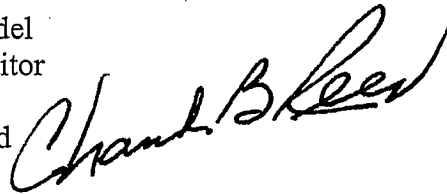
FRESNO

TO: Mr. Larry Mandel
University Auditor

FULLERTON

HAYWARD

FROM: Charles B. Reed
Chancellor



HUMBOLDT

SUBJECT: Draft Final Report Number 04-17 on *Admissions*,
California State University, Dominguez Hills

LONG BEACH

LOS ANGELES

MARITIME ACADEMY

In response to your memorandum of January 26, 2005, I accept the response as submitted with the draft final report on *Admissions*, California State University, Dominguez Hills.

MONTEREY BAY

NORTHRIDGE

POMONA

CBR/al

SACRAMENTO

Enclosure

SAN BERNARDINO

cc: Dr. James E. Lyons, Sr., President

SAN DIEGO

SAN FRANCISCO

SAN JOSE

SAN LUIS OBISPO

SAN MARCOS

SONOMA

STANISLAUS