

STUDENT HEALTH CENTER
CALIFORNIA STATE UNIVERSITY,
STANISLAUS

Report Number 00-27
September 8, 2000

Members, Committee on Audit

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Audit Manager: Michelle Schlack
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ABBREVIATIONS

AAAHC	Accreditation Association for Ambulatory Health Care, Inc.
CSU	California State University
FISMA	Financial Integrity and State Manager's Accountability
REP	Resolution on Educational Policy
SAM	State Administrative Manual
SHC	Student Health Center

INTRODUCTION

PURPOSE

The overall audit objective was to ascertain the effectiveness of existing policies and procedures related to the administration of the Student Health Center (SHC) and to determine the adequacy of controls over other campus areas providing student health services.

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

- ▶ administration and management of the SHC provide an effective internal control environment; clear lines of organizational authority, delegations of authority and responsibility; formation of a Student Health Advisory Committee and documented policies and procedures;
- ▶ patient care quality and risks associated with health services are continually monitored and assessed;
- ▶ SHC and other employees providing patient care possess the necessary credentials and qualifications, and designations are maintained in favorable standing with licensing boards and medical associations;
- ▶ health services have been appropriately identified, approved, priced, and provided to all eligible personnel (including, but not limited to, students, university employees, visitors, etc.);
- ▶ ancillary services (e.g., laboratory, pharmacy, urgent care, diagnostic, etc.) are performed by qualified, licensed personnel and in compliance with state regulations and accreditation standards;
- ▶ pharmacy inventories are properly reported, safeguarded, and accounted for, and pharmacy security is maintained in accordance with CSU policy and state regulations;
- ▶ medical records are properly maintained, safeguarded, and retained in accordance with state and federal regulations and CSU policy, and automated medical records and other systems used by the SHC are adequately secured;
- ▶ sanitation and safety measures are adequately implemented and comply with CSU policy and state regulations;
- ▶ budgeting procedures adequately address SHC funding, ensure that student health center fees are used for their designated purpose, and include procedures to monitor budget vs. actual expenses;
- ▶ cash receipts, dishonored checks and other debts are adequately controlled and properly accounted for, and cash disbursements are adequately controlled and made solely for the support of the SHC; and

INTRODUCTION

- ▶ areas providing student health services are appropriately included in campus medical disaster planning, and adequate training is provided to all affected personnel.

SCOPE AND METHODOLOGY

This review emphasized but was not limited to compliance with state laws, Board of Trustee policies and Office of the Chancellor and campus policies, letters and directives. June 1999 to date was the primary period of review.

Our focus involved a wide variety of issues dealing with SHC operations and other areas providing student health services. Specifically, we reviewed and tested:

- ▶ use of a Student Health Advisory Committee for the development of new student health services and educational opportunities;
- ▶ procedures for monitoring the quality and effectiveness of patient care;
- ▶ processes to obtain and retain accreditation status;
- ▶ hiring, credentialing, and re-credentialing procedures;
- ▶ pharmacy operations, security, and inventory controls;
- ▶ procedures for maintaining and securing medical information;
- ▶ safety and sanitation procedures, including training of SHC and custodial staff;
- ▶ procedures for protecting the SHC and other health services facilities;
- ▶ budgeting procedures, fee authorization, and the management of trust accounts;
- ▶ procedures for controlling and processing cash receipts, refunds, dishonored checks, and other debts;
- ▶ procedures for controlling and processing cash disbursements; and
- ▶ data security, disaster recovery, and back-up procedures.

BACKGROUND

As a result of a systemwide risk assessment conducted by the Office of the University Auditor during the last quarter of 1999, the Board of Trustees, at its January 2000 meeting, directed that *Student Health Centers* be reviewed.

The proposed scope of such audits, as presented in Attachment B, Agenda Item 3 of the January 25-26, 2000 meeting of the Committee on Audit, stated that the review would include all services rendered in or through student health facilities, including activities of doctors, nurses and other medical providers. Potential impacts include substandard medical care, inconsistent accessibility, erroneous dispensing of pharmaceuticals, inadequate health education, excessive costs and fees, and circumvention of state law/CSU policy. *Student Health Centers* was previously audited in 1986.

The *Policy of the Board of Trustees on Student Health Services* was adopted initially as a comprehensive systemwide policy in 1977. This original policy was revised in May 1988 and required that basic student health services, covering treatment for illnesses and injuries, family planning services, health education, and counseling for individual health problems, be available to all regularly enrolled students at no additional charge. In addition, the policy allowed campuses to offer additional elective, “augmented” services free of charge or for a fee.

In the early 1990’s, a dramatic change to the fiscal climate prompted a reevaluation of the existing policy. Several campuses reported an inability to provide these health services without additional revenue. Accordingly, in November 1992, the Board of Trustees delegated to the Chancellor the authority to approve exceptions to the fee restrictions of the policy. Such exceptions were permitted with the understanding that a task force would undertake a comprehensive review of the provision and financing of student health services.

The CSU Task Force on Student Health Services was charged with reviewing the scope of service, funding, delivery mechanisms, health insurance, medical liability, and facilities in CSU student health services. In May 1993, the Board of Trustees approved four task force recommendations (REP 05-93-03) which would (1) establish a revenue fund for health services fee revenues; (2) ensure continued availability of basic health services through charging mandatory fees if necessary; (3) reinforce and reiterate the role of student health advisory committees in campus health service decisions, and (4) retain a consultant to explore additional revenue sources, health insurance, and potential partnerships with health care organizations.

In July 1993, the Board of Trustees approved five additional recommendations (REP 07-93-05). The most significant recommendation required that all mandatory health services fees, both fee revenue and interest earned, shall be used only to support student health services operations, whether the campus participates in a systemwide health services revenue fund or chooses to deposit fees locally in the General Fund. Another major task force recommendation was that the Chancellor should implement trustee policy based on task force recommendations and the May 1988 revision of the *Policy of the Board of Trustees on Student Health Services* through an Executive Order. In August 1995, Executive Order No. 637, *CSU Policy on*

INTRODUCTION

Student Health Services was issued.

Throughout this report, we will refer to the program as the Student Health Center (SHC). At California State University, Stanislaus, the Student Health Center (SHC) has primary responsibility for campus student health services.

OPINION

We visited the California State University, Stanislaus campus from April 10, 2000 through May 12, 2000, and audited the procedures in effect at that time.

In our opinion, the administration and management of the SHC was adequate to ensure a viable student health function. Management at the SHC placed great importance on providing quality health care and education to the student population as evidenced, in part, by the center's accreditation by the Accreditation Association of Ambulatory Health Care (AAAHC) and ongoing reviews/certifications by state agencies. Areas requiring improvement are referenced in the executive summary.

EXECUTIVE SUMMARY

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

HEALTH SERVICES AND PROGRAMS [6]

IMMUNIZATION REQUIREMENTS [6]

Controls to ensure students comply with measles and rubella requirements were inadequate. Adequate controls over immunizations reduce the risk of outbreaks of these diseases on the campus.

EMPLOYEE SERVICES [7]

The provision for employee services had not been authorized in writing by the campus president. Obtaining appropriate approval from the campus president reduces the risk of misunderstandings regarding the Student Health Center's current practice and the intentions of management.

PERSONNEL QUALIFICATIONS AND TRAINING [7]

Controls over the new hire, re-credentialing, and peer review processes needed strengthening. Adequate controls in the credentialing and review process reduce the risk of providing health services by unqualified personnel.

PHARMACY OPERATIONS [8]

INVENTORY [8]

A perpetual inventory system for pharmaceutical medications and supplies was not being maintained. Adequate inventory controls over pharmaceutical items reduce the risk of loss or theft, resulting in lower overall pharmacy costs.

PRESCRIPTIONS [10]

The filling of written or oral prescriptions from off-campus providers had not been authorized in writing by the campus president. Approval from the campus president reduces the risk of misunderstanding regarding the Student Health Center's current practice and the intentions of management.

FISCAL ADMINISTRATION [10]

CASH RECEIPTS [10]

Controls over the cash collection process were inadequate. Adequate cash controls reduce the risk of misappropriation of funds.

TRUST AGREEMENTS [11]

Trust agreements were not established for mandatory health services and health facility fees maintained in trust accounts. Adequate documentation of trust agreements reduces the risk of inappropriate or unauthorized expenditures.

DATA ACCESS AND PHYSICAL SECURITY [12]

Backup procedures had not been effectively implemented for the Student Health Center local area network (LAN). Effective backup procedures reduce the risk that data will not be lost in the event of a disaster.

OBSERVATIONS, RECOMMENDATIONS, AND CAMPUS RESPONSES

HEALTH SERVICES AND PROGRAMS

IMMUNIZATION REQUIREMENTS

Controls to ensure students comply with measles and rubella requirements were inadequate.

We noted through discussions that students were allowed to enroll at the campus for succeeding terms, without providing proof of immunization status. In addition, we noted that immunization status was not documented in 2 of 17 medical files reviewed.

Executive Order No. 469, *Measles and Rubella Immunizations*, dated December 17, 1985, states, in part, that all new students for fall term 1986 born after January 1, 1957 and students born after January 1, 1957 applying for readmission for fall term 1986 shall be notified of the requirement to present proof of measles and rubella immunizations by the beginning of the next term at the campus enrollment. At the beginning of the next term (either winter quarter or spring semester 1997) those found not to be in compliance shall be notified further of the need to comply before receiving registration materials to enroll for the succeeding term.

The Student Health Center director stated that a “soft hold” versus a “hard hold” was placed on these students’ enrollment records. A “soft hold” signifies that the first letter, requesting the student to comply with the immunization requirement, was sent. He further stated that due to limited staffing, Enrollment Services and the Student Health Center allowed these students to register for succeeding classes without meeting the requirement. Additionally, new guidelines have been established that require a “hard hold” on student records, which prevents registration if immunization status is not obtained.

Non-compliance with the measles and rubella immunization requirements increases the risk of outbreaks of these diseases on the campus.

Recommendation 1

We recommend that the campus strengthen procedures to ensure that students comply with the measles and rubella requirements.

Campus Response

We agree that CSU, Stanislaus needs to strengthen its policy and procedures regarding compliance to measles and rubella requirements and have done so.

It is important to note that CSU, Stanislaus is one of two or three CSU campuses that require 2 doses of MMR vaccine. This requirement went into effect in 1995. Although we needed to tighten up

existing immunization requirements, most students have had at least 1 dose of MMR. Thus non-compliance with our MMR requirement is not a threat to the health of the campus anymore so than on any CSU that only requires 1 dose of MMR vaccine.

EMPLOYEE SERVICES

The provision for employee services had not been authorized in writing by the campus president.

Executive Order No. 637, *CSU Policy on Student Health Services*, dated August 1, 1985, states that the president is delegated the authority to approve the provision of employee services on individual campuses.

The Student Health Center director stated that the campus organization chart implied delegation of authorities from the campus president to the director of the Student Health Center.

Inadequate documentation of approvals from the campus president increases the risk of misunderstandings between the Student Health Center's current practice and the intentions of management.

Recommendation 2

We recommend that the campus establish procedures to obtain campus president approval for employee services.

Campus Response

We agree and will secure the president's approval of services provided to employees on or before December 15, 2000.

PERSONNEL QUALIFICATIONS AND TRAINING

Controls over the new hire, re-credentialing and peer review processes needed strengthening.

Our review of files for three physicians and eleven non-physician staff disclosed the following:

- a current medical license and peer review reports were not on file for one of the three physicians; and
- specialty board certifications were not acquired by two of the three physicians.

Executive Order No. 637, *CSU Policy on Student Health Services*, states, in part, that each professional employee shall be required to provide valid information on his/her qualifications applicable to his/her expected duties. These qualifications shall include at a minimum:

- possession of a valid professional California license;
- possession of a Drug Enforcement Agent number for prescribing physicians;
- compliance with continuing education as required by the particular profession;
- appropriate cardiopulmonary resuscitation certification; and
- current medical board certification appropriate to assigned duties for physicians hired after September 1, 1988.

The quality improvement coordinator indicated that current medical license and peer review reports were not documented due to limited availability of the part-time, intermittent physician. In addition, the Student Health Center director indicated that the two physicians without medical specialty board certifications are part-time, intermittent employees that are “board qualified” (i.e., meet the qualifications to be certified); therefore, he assumed that the specialty board certifications were not required.

Inadequate procedures in the new hire, re-credentialing and peer review process increase the risk of providing health services by unqualified personnel.

Recommendation 3

We recommend that the campus establish procedures to ensure that compliance with credentialing and peer review requirements is adequately documented.

Campus Response

We agree. CSU, Stanislaus has instituted procedures to comply with the credentialing and peer review process. Heretofore, we will attach the supporting documentation to the Summary of the Peer Review of each care provider. Future staffing of medical doctors will require Board Certification or certification occurring within one year. Those needing Board re-certification will be completed by opening of the Health Center August 15, 2001. The exams are given only once a year in July. The Student Health Center is currently revising and re-writing new employee orientation packets and guidelines to include credentialing and privileging of all employees. It will be in place by January 1, 2001. This will be mandatory for all employees and reviewed and updated at their annual Performance Evaluation review.

PHARMACY OPERATIONS

INVENTORY

A perpetual inventory system for pharmaceutical medications and supplies was not being maintained.

SAM §20003 states that a satisfactory system of internal accounting and administrative control includes a plan of authorization and record keeping procedures adequate to provide effective accounting controls over assets, liabilities, revenues, and expenditures.

California Code of Regulations, Title 16, Division 17, Article 1 §1714 (d), *Operational Standards and Security*, states each pharmacist while on duty shall be responsible for the security of the prescription department, including provisions for effective control against theft or diversion of dangerous drugs or devices, and records for such drugs and devices.

California State Business and Professions Code §4181(a) states, in part, that the clinic shall comply with all applicable laws and regulations of the State Department of Health Services relating to the drug distribution service to insure that inventories, security procedures, training, protocol development, record keeping, packaging, labeling, dispensing, and patient consultation occur in a manner that is consistent with the promotion and protection of the health and safety of the public.

The Student Health Center director indicated that a perpetual inventory was not implemented due to the limited number of prescriptions, small amounts of inventory, and the absence of a specific requirement within the pharmacy area.

Not maintaining a perpetual inventory system for pharmaceutical items increases the risk of loss or theft, resulting in higher overall pharmacy costs.

Recommendation 4

We recommend that the campus:

- a. develop and implement a perpetual inventory system for pharmaceutical items, including periodic physical inventories and reconciliation to perpetual records; and
- b. establish formalized internal policies and procedures for effective materials management in the pharmacy.

Campus Response

We agree and have developed controls that provide us with accountability.

- a. We will utilize the prior inventory (done June of each year) and roll forward the amount on an annual basis (The monthly ordering list from McKesson and orders from individual Birth Control drug companies [Wyeth, Ortho, and Parke-Davis] are added to annual inventory). We will periodically calculate this inventory count for accuracy. Any prescriptions dispensed or outdated return items will be deducted from annual inventory.

This will be completed on or before January 1, 2001.

- b. We have developed procedures for ordering, which includes establishment of a new “Pharmacy Ordering Sheet”.

PRESCRIPTIONS

The filling of written or oral prescriptions from off-campus providers had not been authorized in writing by the campus president.

Executive Order No. 637, *CSU Policy of Student Health Services*, dated August 1, 1995, states, in part, that with the written approval of the president, the director of the Student Health Center may implement a policy that permits the campus pharmacy to fill prescriptions written by off-campus physicians or other appropriate health care professionals.

The Student Health Center director indicated that the campus organization chart implied delegation of authorities from the campus president to the director of the Student Health Center.

Inadequate documentation of approvals from the campus president increases the risk of misunderstanding between the Student Health Center’s current practice and the intentions of management.

Recommendation 5

We recommend that the campus document approvals from the campus president and strengthen procedures related to the approval process.

Campus Response

We agree and will secure the president’s approval for the filling of written or oral prescriptions from off campus providers on or before December 15, 2000.

FISCAL ADMINISTRATION

CASH RECEIPTS

Controls over the cash collection process were inadequate.

The pharmacist is responsible for collection, reconciliation, and delivery of all health center cash receipts, including fees charged for prescriptions and augmented services.

SAM §8080 states that the FISMA Act of 1983 requires the head of each State agency establish and maintain an adequate system of internal control within their agencies. A key element in a system of internal control is separation of duties.

SAM §20003 states that a satisfactory system of internal accounting and administrative control includes a plan of authorization and record keeping procedures adequate to provide effective accounting controls over assets, liabilities, revenues, and expenditures.

The Student Health Center director indicated that limited staffing contributed to having only the pharmacist be responsible for the cash process. The director of student financial services also stated the campus is presently revising cash handling procedures for all satellite cashiering locations.

Inadequate cash controls increase the risk of misappropriation of funds.

Recommendation 6

We recommend that the campus establish procedures to adequately segregate duties within the cash collection process.

Campus Response

We agree. The Pharmacist/Cashier collects payment for lab and augmented services based on charges on the NCR Lab Charge Slip. A copy of patient's receipt and copy of Lab Charge Slip are matched and categorized by day. These are alphabetized by last name in an accordion file. At the end of the day, Pharmacist/Cashier reconciles the cash drawer to the Banner Session Statement. Director will designate a Health Center Staff member (other than Pharmacist/Cashier) to periodically review daily NCR Lab Charge Slip with daily Health Center Transaction detail Cashier Report to verify reconciliation totals of augmented services.

TRUST AGREEMENTS

Trust agreements were not established for mandatory health services and facility fees maintained in trust accounts.

SAM §19440.1 states each trust account established shall be supported by documentation as to the type of trust, donor or source of moneys, purpose of the trust, time constraints, persons authorized to withdraw or expend funds, specimen signatures, reporting requirements, instructions for closing the account, disposition of any unexpended balance, and restriction on the use of moneys for administrative or overhead costs. This documentation will be retained until the trust is dissolved.

The financial services trust accountant indicated that a separate budget is in place for the two accounts, and a need for trust agreements was not determined.

Inadequate documentation of trust fund agreements increases the risk of inappropriate expenditures.

Recommendation 7

Student Health Centers/California State University, Stanislaus/Report No. 00-27

We recommend that the campus establish trust agreements to adequately control health services and facility fees.

Campus Response

We agree and have completed a Trust Account Application.

DATA ACCESS AND PHYSICAL SECURITY

Backup procedures had not been effectively implemented for the Student Health Center local area network (LAN).

We found that backup of the Student Health Center's LAN was performed via a dual internal disk drive and not to an external device to ensure effective recovery.

SAM §4989.7, *Security of Workgroup Computing Configurations*, states that there should be agency policies in operation, which mandate standards for the regular backup of all data; the method and frequency depend on the nature of the data. Additionally, adherence to the policies should be periodically checked.

Backup should be periodically sent to a site that is not located within the same vicinity and subject to concurrent disaster.

The medical secretary indicated that a need for a tape backup system was not determined and that the current backup procedures on a dual, mirror disk drive had been established.

In the event of a disaster or personal computer theft, the Student Health Center could lose important data that could affect operating capacity and efficiency.

Recommendation 8

We recommend that the campus establish effective backup procedures which include, but are not limited to, offsite storage.

Campus Response

We agree and have purchased and installed a backup system. We have established procedures in the Student Health Center that requires data tapes to be stored in the safe at the main Cashier's office.

APPENDIX A: PERSONNEL CONTACTED

<u>Name</u>	<u>Title</u>
Marvalene Hughes	President
Denice Barr	Nursing Supervisor, Student Health Center
Julie Benevedes	Trust Accountant, Financial Services
Michael Brodie	Laboratory Director, Student Health Center
Jean Cox	Laboratory Supervisor, Student Health Center
Pat Clanton	Medical Transcriber, Student Health Center
Teresa Cunningham	Medical Assistant, Student Health Center
Fred Edmonson	Director, Student Health Center
Robert Fisher	Analyst, Office of Information Technology
Robert Harris	Trainer, Physical Education Department
Beckie Holly	Medical Assistant, Student Health Center
David Keymer	Vice President, Student Affairs
Mary Kobayashi Lee	Director, Human Resources
Thomas Lamier	Technical Support Supervisor, MedPro
Joan Michelotti	Continuing Quality Improvement Coordinator, Student Health Center
Ron Misaki	Environmental Health & Safety Officer, Public Safety
Jaclynn Niemeyer	Pharmacist, Student Health Center
LaLisha Norton	Student Peer Health Coordinator, Student Health Center
Marcia Patino	Senior Analyst, Human Resources
Becka Paulsen	Controller, Financial Services
Jim Phillips	Assistant Controller, Financial Services
Kay Redmon	Medical Secretary, Student Health Center
Vickie Rosing	Administrative Assistant, Human Resources
Marie Snoke	Medical Assistant, Student Health Center
Robin Trumbull	Staff Physician, Student Health Center
Loretta Tyler	Receptionist, Student Health Center
Robert Wright	PC Lab Coordinator, Office of Information Technology



CALIFORNIA STATE UNIVERSITY, STANISLAUS

801 West Monte Vista Avenue • Turlock, California 95382-0299

Office of the Vice President for Student Affairs

(209) 667-3177

Date: October 17, 2000

RECEIVED
University Auditor

OCT 26 2000

To: Larry Mandel
University Auditor

The California State
University

From: David K. Keymer
Vice President for Student Affairs

A handwritten signature in black ink, appearing to read 'David K. Keymer'.

Subject: **Campus Response to Recommendations of the Audit Report Number 00-27
Student Health Centers at California State University. Stanislaus**

Enclosed please find California State University, Stanislaus response to your memorandum dated September 19, 2000, titled "Campus Response to Recommendations of the Audit Report Number 00-27 *Student Health Centers at California State University. Stanislaus*".

If you have any questions, please contact Dr. Fred S. Edmondson (Associate Vice President for Student Affairs) or me at (209) 667-3144.

DKK:kar

Cc:

M. Hughes, President
M. Stephens, Vice President for Business and Finance
F. Edmondson, Associate Vice President for Student Affairs
B. Paulsen, Assistant Vice President for Financial Services

THE CALIFORNIA STATE UNIVERSITY

**California State University, Stanislaus
Student Health Center's**

Response to Recommendations of the Audit Report Number 00-27

Recommendation 1

We recommend that the campus strengthen procedures to ensure that students comply with the measles and rubella requirements.

Campus Response

We agree that CSU, Stanislaus needs to strengthen its policy and procedures regarding compliance to measles and rubella requirements and have done so. (See attachment #1)

It is important to note that CSU, Stanislaus is one of two or three CSU campuses that require 2 doses of MMR vaccine. This requirement went into effect in 1995. Although we needed to tighten up existing immunization requirements, most students have had at least 1 dose of MMR. Thus non-compliance with our MMR requirement is not a threat to the health of the campus anymore so than on any CSU that only requires 1 dose of MMR vaccine.

Recommendation 2

We recommend that the campus establish procedures to obtain campus president approval for employee services.

Campus Response

We agree and will secure the president's approval of services provided to employees on or before December 15, 2000. (See attachment #2)

Recommendation 3

We recommend that the campus establish procedures to ensure that compliance with credentialing and peer review requirements is adequately documented.

Campus Response

We agree. CSU, Stanislaus has instituted procedures to comply with the credentialing and peer review process. Heretofore, we will attach the supporting documentation to the Summary of the Peer Review of each care provider. Future staffing of medical doctors will require Board Certification or certification occurring within one year. Those needing Board re-certification will be completed by opening of the Health Center August 15, 2001. The exams are given only once a year in July. The Student Health Center is currently revising and re-writing new employee orientation packets and guidelines to include credentialing and privileging of all employees. It will be in place by January 1, 2001. This will be mandatory for all employees and reviewed and updated at their annual Performance Evaluation review. (See attachments #3.1 - #3.6)

Recommendation 4

We recommend that the campus:

- a. Develop and implement a perpetual inventory system for pharmaceutical items, including periodic physical inventories and reconciliation to perpetual records; and
- b. Establish formalized internal policies and procedures for effective materials management in the pharmacy.

Campus Response

We agree and have developed controls that provide us with accountability. (See Attachment #4)

- a. We will utilize the prior inventory (done June of each year) and roll forward the amount on an annual basis (The monthly ordering list from McKesson and orders from individual Birth Control drug companies [Wyeth, Ortho, and Parke-Davis] are added to annual inventory). We will periodically calculate this inventory count for accuracy. Any prescriptions dispensed or outdated return items will be deducted from annual inventory. (This will be completed on or before 1/1/01)
- b. We have developed procedures for ordering, which includes establishment of a new "Pharmacy Ordering Sheet".

Recommendation 5

We recommend that the campus document approvals from the campus president and strengthen procedures related to the approval process.

Campus Response

We agree and will secure the president's approval for the filling of written or oral prescriptions from off-campus providers on or before December 15, 2000. (See attachment #5)

Recommendation 6

We recommend that the campus establish procedures to adequately segregate duties within the cash collection process.

Campus Response

We agree. The Pharmacist/Cashier collects payment for lab and augmented services based on charges on the NCR Lab Charge Slip. A copy of patient's receipt and copy of Lab Charge Slip are matched and categorized by day. These are alphabetized by last name in an accordion file. At the end of the day, Pharmacist/Cashier reconciles the cash drawer to the Banner Session Statement. Director will designate a Health Center Staff member (other than Pharmacist/Cashier) to periodically review daily NCR Lab Charge Slip with daily Health Center Transaction detail Cashier Report to verify reconciliation totals of augmented services. (See attachment #6)

Recommendation 7

We recommend that the campus establish trust agreements to adequately control health services and facility fees.

Campus Response

We agree and have completed a Trust Account Application. (See attachment #7)

Recommendation 8

We recommend that the campus establish effective backup procedures, which include, but are not limited to, offsite storage.

Campus Response

We agree and have purchased and installed a backup system. We have established procedures in the Student Health Center that requires data tapes to be stored in the safe at the main Cashier's office.

THE CALIFORNIA STATE UNIVERSITY
OFFICE OF THE CHANCELLOR

BAKERSFIELD

CHANNEL ISLANDS

December 22, 2000

CHICO

MEMORANDUM

DOMINGUEZ HILLS

FRESNO

TO: Larry Mandel
University Auditor

FULLERTON

HAYWARD

FROM: Charles B. Reed 

HUMBOLDT

SUBJECT: Draft Final Report Number 00-27 on *Student Health Centers*,
California State University, Stanislaus

LONG BEACH

LOS ANGELES

In response to your memorandum of December 22, 2000, I accept the response as submitted with the draft final report on Student Health Centers, California State University, Stanislaus.

MARITIME ACADEMY

MONTEREY BAY

NORTHRIDGE

CBR/dl

POMONA

Enclosure

SACRAMENTO

cc: Dr. Marvalene Hughes, President

SAN BERNARDINO

SAN DIEGO

SAN FRANCISCO

SAN JOSE

SAN LUIS OBISPO

SAN MARCOS

SONOMA

STANISLAUS