

**Audit and Advisory Services**  
401 Golden Shore  
Long Beach, CA 90802-4210

December 14, 2021

Dr. Mary A. Papazian, President  
San José State University  
One Washington Square  
San José, CA 95192

Dear Dr. Papazian:

**Subject: Audit Report 21-01, Counseling and Psychological Services, San José State University**

We have completed an audit of *Counseling and Psychological Services* as part of our 2021-2022 Audit Plan, and the final report is attached for your reference. The audit was conducted in accordance with the Institute of Internal Auditors' *International Standards for the Professional Practice of Internal Auditing*.

I have reviewed the management response and have concluded that it appropriately addresses our recommendations. The management response has been incorporated into the final audit report, which will be posted to Audit and Advisory Services' website. We will follow-up on the implementation of corrective actions outlined in the response and determine whether additional action is required.

Any observations not included in this report were discussed with your staff at the informal exit conference and may be subject to follow-up.

I wish to express my appreciation for the cooperation extended by the campus personnel over the course of this review.

Sincerely,



Vlad Marinescu  
Vice Chancellor and Chief Audit Officer

c: Joseph I. Castro, Chancellor  
Adam Day, Chair, Committee on Audit  
Jane W. Carney, Vice Chair, Committee on Audit

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# **COUNSELING AND PSYCHOLOGICAL SERVICES**

**San José State University**

Audit Report 21-01  
December 14, 2021

## **EXECUTIVE SUMMARY**

### **OBJECTIVE**

The objectives of the audit were to ascertain the effectiveness of the operational, administrative, and financial controls for the counseling and psychological services (CAPS) program and to ensure compliance with relevant governmental regulations, Trustee policy, Office of the Chancellor (CO) directives, and campus procedures.

### **CONCLUSION**

Based upon the results of the work performed within the scope of the audit, except for the weaknesses described below, the operational, administrative, and financial controls for CAPS as of August 26, 2021, taken as a whole, provided reasonable assurance that risks were being managed and objectives were met.

In general, we noted that the campus had an appropriate framework for the administration of CAPS. However, we found that the campus did not recover the costs of providing services to students enrolled in campus self-support programs. Additionally, the campus was not in full compliance with CO policy regarding documented annual system access reviews of the CAPS electronic medical records (EMR) system, which stored protected health information. Further, the CAPS Clinical Guidelines and Procedures Manual needed to be updated to reflect current practices.

Specific observations, recommendations, and management responses are detailed in the remainder of this report.

## OBSERVATIONS, RECOMMENDATIONS, AND RESPONSES

### 1. COST RECOVERY

#### OBSERVATION

The campus did not recover the costs of providing counseling and psychological services to students enrolled in self-support programs.

At San José State University (SJSU), Professional and Continuing Education (PACE) self-support programs are created and administered by the College of Professional and Global Education (CPGE). These programs include self-support degree programs in which the participants are students enrolled at the university, as well as certificate programs and open university, in which the participants are enrolled in courses but not at the university. SJSU CAPS is fully funded by an allocation from the mandatory student health fee required of all students enrolled at SJSU; however, students in self-support programs are not required to pay the mandatory health services fee.

CAPS management acknowledged that students enrolled in self-support programs had access to some services, including workshops, educational counseling, crisis intervention services, and community referral sessions. However, we noted that:

- CAPS management did not routinely keep track of the self-support students who received services.
- CAPS did not have a cost-recovery agreement with the CPGE to recover the costs of providing services to students enrolled in self-support programs.

During our audit fieldwork, CAPS management reviewed historic information to gain some insight into the number of PACE students who received CAPS services during the past two fiscal years. That analysis indicated that CAPS provided services costing \$8,341 to 165 open university students in fiscal year (FY) 2018/19 and services costing \$13,800 to 273 open university students in FY 2019/20. This analysis captures only PACE students who self-identified as open university students and does not measure students enrolled in other campus self-support programs.

Executive Order (EO) 1000, *Delegation of Fiscal Authority and Responsibility*, states that campus administration is responsible for ensuring that costs incurred for services, products, and facilities provided to other California State University (CSU) funds and auxiliary organizations are properly and consistently recovered with cash and/or a documented exchange of value.

An established cost-recovery plan or schedule allows the campus departments providing services to other entities to identify and recover the costs of these services provided to other CSU departments, as well as to campus entities, and allows for the recovery of such costs.

**RECOMMENDATION**

We recommend that the campus:

- a. Coordinate with CPGE to determine which CAPS services will be provided for students enrolled in self-support programs, and execute an agreement between the parties to outline the benefits and costs to be collected by CAPS for the services.
- b. Implement a procedure to identify and track when self-support students receive CAPS services.
- c. Work with CPGE to ensure that all PACE students are provided clear and comprehensive information regarding the services for which they are eligible.

**MANAGEMENT RESPONSE**

We concur. SJSU will:

- a. Determine which CAPS services will be provided for students enrolled in self-support programs and execute an agreement between the parties detailing the benefits and costs for the services.
- b. Identify and track when self-support students receive CAPS services.
- c. Ensure that all PACE students are provided clear and comprehensive information regarding the services for which they are eligible.

This will be completed by May 28, 2022.

**2. EMR USER ACCESS REVIEW**

**OBSERVATION**

The campus was not in full compliance with systemwide policy regarding documented user access reviews of the CAPS EMR system storing protected health information (PHI).

Specifically, we noted that the campus did not maintain evidence of an annual review of the access roles and permissions in its EMR system. Management indicated the review was generally performed annually just before the start of the fall semester, however the campus had not maintained documentation of the review.

We confirmed during our review that all current EMR system users as of July 2021 were active employees with positions that appeared to need access to perform their job functions.

Integrated California State University Administrative Manual (ICSUAM) §8060.S000, *Access Control Standard*, states that at least annually, appropriate campus managers and/or their designated delegates must review user access rights to information assets containing protected data, and results of the review must be documented.

ICSUAM §8060, *Access Control*, states that campuses are to develop procedures to detect unauthorized access and privileges assigned to authorized users that exceed the required access rights needed to perform their job functions.

Documented management review of user access privileges for the CAPS EMR system containing PHI decreases the risk of mismanagement of PHI and ensures compliance with government regulations and CO regulatory information security requirements.

**RECOMMENDATION**

We recommend that the campus develop and implement comprehensive procedures to address the issues noted above, including an annual documented review of user access roles and permissions to the CAPS EMR system as required by systemwide policy.

**MANAGEMENT RESPONSE**

We concur. SJSU will implement comprehensive procedures to maintain an annual documented review of user access roles and permissions to the CAPS EMR system as required by systemwide policy.

This will be completed by January 31, 2022.

**3. CAPS PROCEDURES MANUAL**

**OBSERVATION**

The CAPS Clinical Guidelines and Procedures Manual, dated November 2015, needed to be updated to reflect current practices.

The manual is a comprehensive handbook that provides staff with guidelines, instructions, and context required to fulfill primary clinical and administrative duties. At the time of our review, the manual did not fully reflect all current CAPS practices.

For example, we noted that:

- The manual still reflects a pre-pandemic policy of not allowing online counseling sessions; in fact, the manual still states that “legal and ethical limitations prevent personal counselors from providing online or distance therapy.” Since the statewide safe-at-home health orders were declared due to the COVID-19 pandemic, CAPS has offered online counseling sessions via the secure, confidential Zoom Telehealth Sessions.
- The manual had not been revised to reflect the new campus limit of eight personal counseling sessions per academic calendar year for all matriculated SJSU students, a change that was implemented to address the increasing demand for mental health services.

A reviewed and updated CAPS manual would decrease the risk of confusion and inconsistent practices within CAPS.

**RECOMMENDATION**

We recommend that the campus review and update the CAPS manual to reflect current practices, and communicate the updated manual to appropriate CAPS staff.

**MANAGEMENT RESPONSE**

We concur. SJSU will review and update the CAPS manual to reflect current practices and will communicate the updated manual to appropriate CAPS staff.

This will be completed by February 28, 2022.

## GENERAL INFORMATION

### BACKGROUND

The CSU offers CAPS to matriculated CSU students to support student learning, well-being, and overall academic success. Provision of mental health services supports the Student Engagement and Well-Being element of the CSU Graduation Initiative.

All campus CAPS programs must adhere to EO 1053, *Policy on Student Mental Health*. This systemwide policy requires that each campus maintain a minimum level of mental health services, including accessible, professional mental health care; counseling, outreach, and consultation programs; and educational programs and services. The basic services each campus must make available to CSU students includes counseling and psychotherapy, suicide and personal violence services, emergency and crisis services, outreach, mental health consultation, and referral resources. Basic services may be funded using state appropriations or mandatory student fees and are available without additional charge to all matriculated students. Campuses may also offer augmented mental health services beyond the scope of the required basic services, such as specialty care appropriate to the mental health needs of students; services to partners or family members of eligible students; and services to students of non-state-supported programs of the university, such as extended education. Augmented services are subject to user fees, the amount of which must be limited to the actual cost of the services provided.

The SJSU CAPS program helps matriculated students meet the personal challenges associated with identifying and accomplishing academic, career, and life goals. The program provides all required basic services to matriculated students as part of the mandatory health services fee, and provides services to students in self-support programs upon request. The CAPS program is overseen by a senior director under the leadership of the executive director of the Student Wellness Center, who reports to the associate vice president of health and wellness, and student services in the Division of Student Affairs. Services are provided by a team of two academic skills counselors, 17 licensed mental health professionals under the general supervision of the licensed CAPS senior director and the CAPS associate director, six clinical doctoral program trainees who are supervised by CAPS licensed counselors, and six professional and student administrative staff. In addition to providing direct client services, which include individual/group counseling, intakes, assessment, crisis intervention, and other clinical services assigned, CAPS counselors develop and participate in outreach and dedicated events tailored to the mental health demographics of the campus. Additionally, the CAPS clinical doctoral training program offers a full-time predoctoral psychology internship and full-time postdoctoral residency training to graduate/postdoctoral students in clinical psychology doctoral programs from other nationally accredited universities. The CAPS clinical doctoral training program is provided and supervised by qualified and licensed CAPS mental health professionals, with significant support provided by the CAPS senior director and associate director.

### SCOPE

Due to temporary operating procedures and limitations resulting from the COVID-19 public health emergency, we performed fieldwork remotely from July 6, 2021, through August 26, 2021. Our audit and evaluation included the audit tests we considered necessary in

determining whether operational, administrative, and financial controls are in place and operative. The audit focused on procedures in effect from July 1, 2019, through August 26, 2021.

Specifically, we reviewed and tested:

- Campus administration of counseling and psychological services, including clear reporting lines, well-defined roles and responsibilities, and maintenance of current program policies and procedures.
- CAPS program external reviews and management responsiveness to recommendations.
- Fiscal administration of fees managed directly by the program and the processing of operating expenditure transactions.
- Establishment of and any subsequent changes to mandatory student mental health services fees for basic services and user fees for augmented services.
- Provision of basic and augmented mental health services offered to students, including eligibility of services.
- Administration of the graduate practicum and post-doctorate training programs, including proper classification and compensation of interns, clinical supervision, program and trainee evaluations, defined policies and procedures, and proper disclosures to students.
- Procedures to confirm licensure status of mental health clinicians and identify potential conflicts of interest.
- Medical records management, including practices to ensure security, confidentiality, access, record retention, and student consent to release medical information.
- Management of third-party vendors and providers to ensure that they have proper contracts and that confidentiality of mental health information is properly defined and established.
- Information security practices to ensure system access controls, information security, and off-site location back-ups.

As a result of changing conditions and the degree of compliance with procedures, the effectiveness of controls changes over time. Specific limitations that may hinder the effectiveness of an otherwise adequate system of controls include, but are not limited to, resource constraints, faulty judgments, unintentional errors, circumvention by collusion, and management overrides. Establishing controls that would prevent all these limitations would not be cost-effective; moreover, an audit may not always detect these limitations.

Our testing and methodology, which was designed to provide a review of key operational, administrative, and financial controls, included interviews and detailed testing on certain aspects of CAPS. Our review was limited to gaining reasonable assurance that essential elements of CAPS were in place and did not examine all aspects of the program. We did not physically visit the counseling center due to pandemic-related restrictions.

## CRITERIA

Our audit was based upon standards as set forth in federal and state regulations and guidance; Trustee policy; Office of the Chancellor directives; and campus procedures; as well as sound administrative practices and consideration of the potential impact of significant risks. This audit was conducted in conformance with the Institute of Internal Auditors' *International Standards for the Professional Practice of Internal Auditing*.

This review emphasized, but was not limited to, compliance with:

- EO 943, *University Health Services*
- EO 1000, *Delegation of Fiscal Authority and Responsibility*
- EO 1053, *Student Mental Health*
- EO 1102, *CSU Student Fee Policy*
- California Civil Code Section 56-56.37, *Confidentiality of Medical Information Act*
- 20 United States Code §1232g; 34 Code of Federal Regulations Part 99, *Family Educational Rights and Privacy Act*
- Coded memorandum Human Resources 2005-16, *Requirements for Protecting Confidential Personal Data*
- ICSUAM §3000, *General Accounting*
- ICSUAM §8000, *Information Security*
- International Association of Counseling Services, *Standards for University and College Counseling Services*
- Government Code §13402 and §13403
- SJSU CAPS Clinical Guidelines and Procedures Manual

## AUDIT TEAM

Senior Audit Manager: Ann Hough  
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