

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

November 30, 2023

Dr. Ellen J. Neufeldt, President
California State University San Marcos
333 S. Twin Oaks Valley Road
San Marcos, CA 92096

Dear Dr. Neufeldt:

**Subject: Audit Report 23-18, Counseling and Psychological Services,
California State University San Marcos**

We have completed an audit of *Counseling and Psychological Services* as part of our 2023-2024 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: Mildred García, Chancellor
Yammilette Rodriguez, Chair, Committee on Audit
Jean Picker Firstenberg, Vice Chair, Committee on Audit

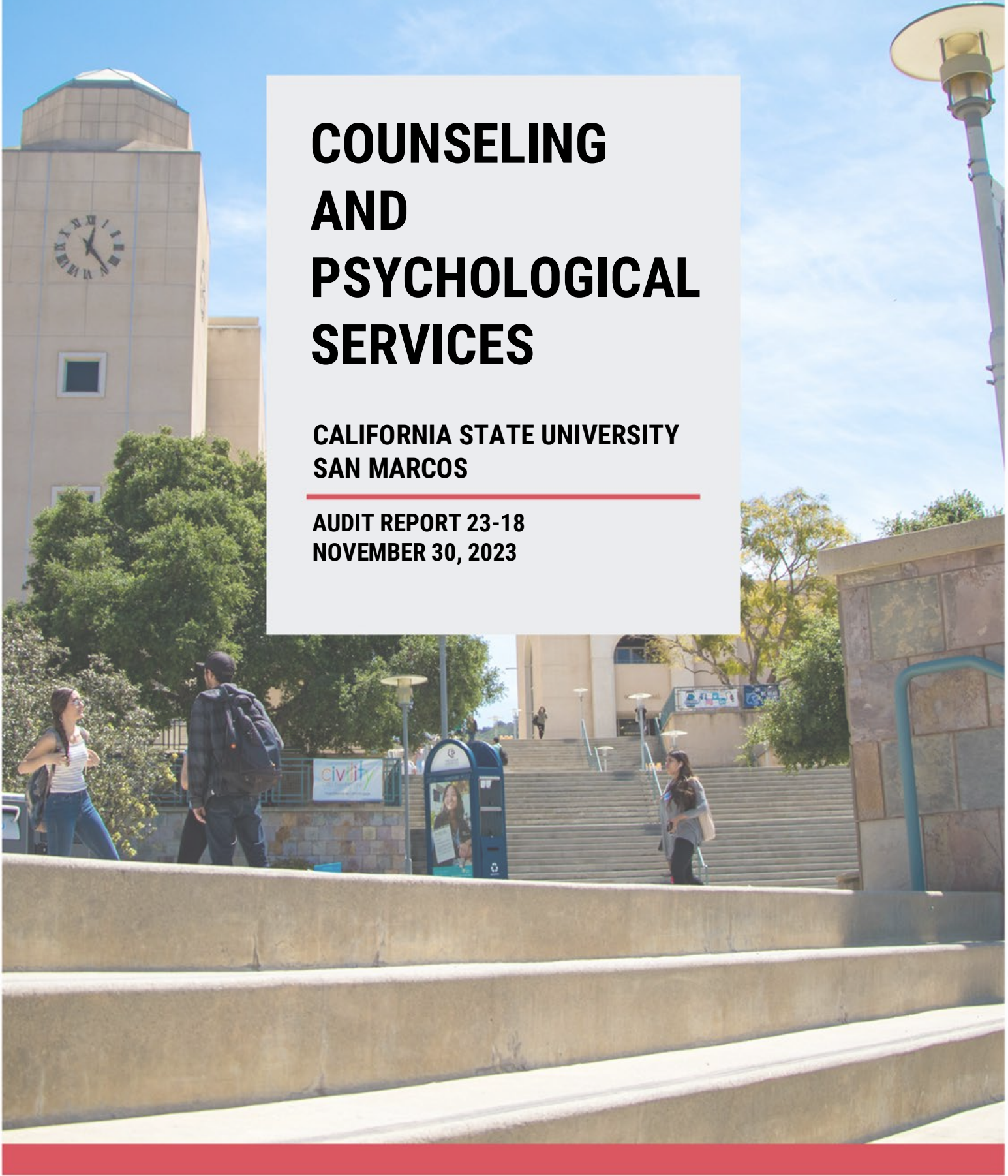
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COUNSELING AND PSYCHOLOGICAL SERVICES

**CALIFORNIA STATE UNIVERSITY
SAN MARCOS**

**AUDIT REPORT 23-18
NOVEMBER 30, 2023**



EXECUTIVE SUMMARY

AUDIT OBJECTIVES AND BACKGROUND

In accordance with the fiscal year 2023/24 Audit Plan, as approved by the Board of Trustees, Audit and Advisory Services performed an audit of Counseling and Psychological Services (CAPS) at California State University San Marcos (CSUSM).

The objectives of the audit were to ascertain the effectiveness of operational, administrative, and financial controls related to CAPS and to ensure compliance with relevant federal and state regulations, Trustee policy, Office of the Chancellor (CO) directives, and campus procedures.

The California State University (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 Executive Order (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 include counseling and psychotherapy, suicide and personal violence services, emergency and crisis services, outreach, mental health consultation, and referral resources. Additional information can be found in the body of this report.

OVERALL 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 September 1, 2023, taken as a whole, provided reasonable assurance that risks were being managed and objectives were met.

AUDIT SCOPE AND RESULTS

In general, we found that CAPS operations were effective and services were provided in compliance with CSU policies and procedures. In our review, we did not note any issues related to the core function of the provision of mental health services at CSUSM. We noted that there were comprehensive policies and procedures for the administration of the main CAPS programs, as well as for the intern training programs. In addition, clinicians were properly licensed and medical health records were properly secured. The campus also performed periodic evaluations of CAPS services to assess need and ensure that adequate services were provided to students.

However, our review did note areas for improvement related to fiscal administration of the CAPS program and the completion of required counseling forms. A summary of the observations noted in the report is presented in the table below. Further details are specified in the remainder of the report.

Area	Processes Reviewed	Audit Assessment
Program Administration	Roles and responsibilities, demand for services and workload scheduling, eligibility, outreach, policies and procedures, accreditation	<i>Effective – no reportable observations noted</i>
Mental Health Professionals	Licensing requirements and procedures	<i>Effective – no reportable observations noted</i>
Training Programs	Evaluation of training programs, accreditation, disclosures to students, selection of trainees	<i>Effective – no reportable observations noted</i>
Fiscal Administration	Establishment and changes of mandatory mental health fees, augmented services fees, fee collections, budgets and financial records, expenditure transaction review	<i>Observation noted in fee collection and tracking</i>
Mental Health Records	Security and confidentiality of electronic and physical records, record retention, consent to release information	<i>Observation noted in completion of counseling forms</i>

The audit focused on procedures in effect from July 1, 2021, through September 1, 2023. Our audit and evaluation included the audit tests we considered necessary in determining whether operational, administrative, and financial controls are in place and operative. 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.

OBSERVATIONS, RECOMMENDATIONS, AND RESPONSES

1. FISCAL ADMINISTRATION

OBSERVATION

Fiscal administration of mental health fees at CAPS needed improvement.

Specifically, we found that:

- Student Health and Counseling Services (SHCS), a combined operation for student health and CAPS services, combined the health services fee and mental health fee into one fund and did not separately track and report expenses associated with mental health services. EO 1053 specifies that fees collected for mental health services must be dedicated to support mental health services operations. However, because expenses related to student health and mental health services were combined, we were unable to confirm whether mental health fees were used specifically to support mental health services as required.
- Extended learning (EL) students were not always charged for CAPS services. Within the audit period, 23 EL students did not pay the mental health fee when they received qualifying services, which equates to \$2,163 in fees that should have been collected but were not. EL students need to opt-in and pay the mental health fee to obtain certain CAPS services, including individual and group counseling. In addition, CAPS did not specify in their policies when fee waivers could be granted for other types of services for EL students. In practice, CAPS does not charge EL students fees for screening and intake visits, consultations, or case management services. However, these exceptions are not explicitly stated in CAPS policies to support that fees were not assessed in these instances.

Proper fiscal administration helps to ensure that all funds are collected, used for appropriate purposes, and managed in accordance with CSU policy. Additionally, separately tracking student health fees and mental health fees enables SHCS staff to identify incorrectly categorized revenues and expenses, overspending, and other accounting trends and anomalies on a periodic basis, and enhance financial planning.

RECOMMENDATION

We recommend that the campus:

- a. Restructure the tracking of the mental health fee to comply with EO 1053.
- b. Implement a procedure to ensure that EL students who obtain CAPS services pay the mental health fee, if required.
- c. Update existing CAPS policies and procedures to reflect fee waivers for EL students.
- d. Communicate and distribute the updated policies and procedures to appropriate personnel.

MANAGEMENT RESPONSE
<p>We concur. The campus will:</p> <ol style="list-style-type: none"> a. Restructure the tracking of the mental health fee to comply with EO 1053.

- b. Implement a procedure to ensure that EL students who obtain CAPS services pay the mental health fee, if required.
 - c. Update existing CAPS policies and procedures to reflect fee waivers for EL students.
 - d. Communicate and distribute the updated policies and procedures to appropriate personnel.
- Implementation date: April 30, 2024

2. MEDICAL RECORDS

OBSERVATION

Administration of the completion of required counseling forms needed improvement.

We reviewed medical records for 30 CAPS appointments from July 1, 2021, to May 31, 2023, and we found that 13 appointments had one or more issues related to completion of required forms. Specifically:

- Of 28 instances in which the *Informed Consent for Counseling* form was required by EO 1053 and CSUSM CAPS policy, nine patients instead completed the *Student Health and Counseling Consent* form that is not specific to CAPS.
- Of six instances in which patients were required to have an appropriate designee to release documents to on the *Authorization to Release Confidential Information* form, two patients listed a department or institution as a designee rather than an identified individual.
- In four instances in which the *Informed Consent for Telehealth* form was required, one patient did not complete it for two appointments.
- In eight instances in which the *Intern-Notification of Supervisors* form was required, six patients did not complete it. For two of these appointments, CAPS management indicated that the form was not required because of the type of visit; however, exceptions for the form were not included in their policy. During fieldwork, CAPS developed a new notification of supervision policy that clarifies when the form is required and updated the form to align with this policy.

During fieldwork, the campus stated that it started engaging in discussions with counselors regarding the consistency needed in completion of the above-mentioned forms.

Effective oversight related to completion of required medical records helps to decrease the risk of noncompliance with systemwide requirements.

RECOMMENDATION

We recommend that the campus:

- a. Reiterate the requirements relating to CAPS appointment and counseling forms to appropriate personnel.
- b. Update existing CAPS policies and procedures to reflect exceptions when forms are not required.
- c. Communicate and distribute updated policies and procedures to appropriate personnel.

MANAGEMENT RESPONSE

We concur. The campus will:

- a. Reiterate the requirements relating to CAPS appointment and counseling forms to appropriate personnel.
- b. Update existing CAPS policies and procedures to reflect exceptions when forms are not required.
- c. Communicate and distribute updated policies and procedures to appropriate personnel.

Implementation date: April 30, 2024

GENERAL INFORMATION

ADDITIONAL BACKGROUND

The basic services each campus must make available in CAPS may be funded using state appropriations or mandatory student fees and are available without additional charge to all matriculated students. The Budget Act of 2021 included ongoing appropriations from the state to the CSU of \$15 million to increase student mental health resources and \$15 million to sustain and expand the CSU Basic Needs Initiative. 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.

At CSUSM, CAPS is part of SHCS, within the Division of Student Affairs. SHCS is committed to recognizing the health needs of the diverse student population and promoting the social, emotional, and physical well-being of the students so that they may achieve their academic goals. The CAPS program provides all required basic services to matriculated students as part of the mandatory student mental health fee and to students enrolled in the College of Extended Learning who have opted in and paid the mental health fee. CAPS provides a full range of psychological and counseling services, including individual, couple, and group counseling; crisis intervention; emergency services; consultation; clinical case management; and psychiatry services. Additionally, CAPS has an accredited psychology internship program that offers a full-time internship to graduate students working toward doctoral degrees in clinical and counseling psychology. CAPS also offers a master's of social work internship training program.

SHCS is accredited through the Accreditation Association for Ambulatory Health Care. CAPS consists of a team of licensed mental health professionals, including five psychologists, two clinical counselors, one clinical case manager, one psychiatrist, and two sexual assault/violence advocates and educators. The team is under the general supervision of the licensed director of CAPS, who reports to the executive director of SHCS (a position that is currently vacant), who reports to the associate vice president of student affairs, who reports to the vice president for student affairs.

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:

- 20 United States Code §1232g; 34 CFR Part 99, *Family Educational Rights and Privacy Act (FERPA)*
- California Civil Code Section 56-56.37, *Confidentiality of Medical Information Act*
- Government Code §13402 and §13403
- International Accreditation of Counseling Services, *Standards for University and College Counseling Services*
- EO 943, *University Health Services*
- EO 1053, *Student Mental Health*
- EO 1102, *CSU Student Fee Policy*

- Integrated California State University Administrative Manual §3000, *General Accounting*
- Coded memorandum Human Resources 2005-16, *Requirements for Protecting Confidential Personal Data*
- CSUSM *Confidentiality of Health Records*
- CSUSM *Eligibility*
- CSUSM *Intake Assessment*
- CSUSM *Unlicensed Provider Notification of Supervision*

AUDIT TEAM

Senior Audit Manager: Hannah Gardener

Senior Auditor: Alexandra Gonzalez