

The logo for UCI Irvine, featuring the letters 'UCI' in a large, bold, serif font, followed by 'IRVINE' in a smaller, all-caps, serif font. A vertical line separates the two parts of the name.

UCI IRVINE

The text 'INTERNAL AUDIT SERVICES' in an all-caps, serif font, positioned to the right of the UCI Irvine logo.

INTERNAL
AUDIT SERVICES

Systemwide Donations Review

Internal Audit Report No. I2021-103

July 14, 2021

Prepared By

Bhavna Nakum, Senior Auditor

Reviewed By

Helen Templin, Principal Auditor

Approved By

Mike Bathke, Director

July 14, 2021

**BRIAN HERVEY
VICE CHANCELLOR
UNIVERSITY ADVANCEMENT AND ALUMNI RELATIONS**

**DALE LEAMAN
EXECUTIVE DIRECTOR
OFFICE OF UNDERGRADUATE ADMISSIONS**

**RE: Systemwide Donations Review
Report No. I2021-103**

Internal Audit Services has completed the review of the Systemwide Donations Review and the final report is attached.

We extend our gratitude and appreciation to all personnel with whom we had contact while conducting our review. If you have any questions or require additional assistance, please do not hesitate to contact me.

Sincerely,



Mike Bathke
Director

Attachment

C: Audit Committee
Christie Israel, Controller for UCI Foundation – University Advancement
Patricia Morales, Associate Vice Chancellor – Enrollment Management
Hal Stern, Provost and Executive Vice Chancellor – Office of the Provost and Executive
Vice Chancellor

INTRODUCTION AND BACKGROUND

As part of the annual fiscal year (FY) 2020-2021 audit plan, Internal Audit Services (IAS) completed a retrospective review of donations to UC Irvine (UCI) to identify undergraduate admissions decisions that could have been influenced by these donations. These reviews were initiated in response to a recommendation from the June 2019 systemwide internal audit of undergraduate admissions.

OBJECTIVES AND SCOPE

The overall objective for this project was to review donations to UCI to identify undergraduate admissions decisions that could have been influenced by these donations. The scope of the review included the following:

- Donations received by UCI during the period of January 1, 2017 through October 31, 2020.
- Applications for undergraduate admission submitted from November 1, 2017 through March 31, 2020 for the 2018-19 and 2019-20 academic years (date range includes both the regular and late application periods).

APPROACH

To conduct this review, IAS performed the following procedures:

- Obtained a dataset of donations received during the audit period.
- Obtained a dataset of applications for undergraduate admission submitted during the audit period.
- Performed data analysis to identify admissions of applicants who may be related to donors from the donations dataset. Data fields compared across datasets to identify “matches” included all or a subset of the following: names of donors and donors’ spouses, names of admitted students and parents, addresses, email addresses, phone numbers, foundations or businesses with the same name as the admitted student, and campus ID number. This analysis was limited to cumulative matching donations of \$10,000 or more received during the audit period.
- Reviewed data trends and other available information to assess the risk of questionable admissions decisions (i.e., those at risk of being influenced by donations) for the “matches” identified. Criteria/factors considered as part of this assessment included all or a subset of the following:
 - Dollar amount of the donation
 - Pattern or timing of giving
 - Applicants admitted by exception
 - Applicants admitted to a school with impacted majors
 - Applicants who were recommended for admission on basis of special talent

- Lack of participation in special talent for which the application was recommended
- Low application review scores/ratings
- Provided the results of the risk assessment to the Locally Designated Official to determine whether to further investigate any of the matches.

OVERALL CONCLUSION

IAS's analysis identified eight admissions of applicants who may be related to donors who gave a cumulative amount in excess of \$10,000 during the audit period. Based on the risk assessment performed on those matches, IAS flagged seven admissions for the Locally Designated Official to prioritize for further analysis and/or investigation¹.

¹ Referral to the Locally Designated Official for further analysis is not necessarily indicative of improper influence or inappropriate activities associated with the admissions decision.