



**UNIVERSITY OF CALIFORNIA, MERCED  
AUDIT AND ADVISORY SERVICES**

September 3, 2019

To: Charles Nies, Vice Chancellor for Student Affairs  
Jill Orcutt, Associate Vice Chancellor for Enrollment Management  
David Dunham, Director, Recreation and Athletics

RE: Undergraduate Admissions Audit, Report No. M19A009

Vice Chancellor Nies, Associate Vice Chancellor Orcutt, and Director Dunham:

Phase I of the Undergraduate Admissions Audit as part of a University of California systemwide audit has been completed and the Systemwide Audit of Undergraduate Admissions report was issued by UCOP (University of California Office of the President) on June 22, 2019. The audit report contained observations applicable to all UC campuses. The management action plans prepared by UC Merced in response to the systemwide audit, are enclosed here as Attachment A.

UC Merced Audit and Advisory Services did not identify any additional observations that applied specifically to the Merced campus.

Our audit work was conducted in accordance with the Institute of Internal Auditor's *Standards for the Professional Practice of Internal Auditing* and the University of California Internal Audit Charter.

Thank you to the staff of the Office of Admissions and Outreach and Recreation and Athletics for their cooperative efforts throughout the audit. Please do not hesitate to call on Audit and Advisory Services if we can be of further assistance in this or other matters.

Respectfully reported,

A handwritten signature in cursive script that reads 'Sheryl Ireland'.

Sheryl Ireland  
Interim Director

Attachment A

cc: Senior Vice President and Chief Compliance and Audit Officer Alex Bustamante  
Interim Chancellor Nathan Brostrom  
Associate Chancellor and Senior Advisor Luanna Putney  
Interim Director Dustin Noji

**Attachment A**  
**Systemwide Audit of Undergraduate Admissions Management Corrective Actions – UCM**

<b>Recommendation</b>	<b>Management Corrective Action</b>	<b>Target Date</b>
<p>1.1 Document any local policies and develop detailed procedures for all aspects of the application evaluation and admissions process, to include the following:</p> <ul style="list-style-type: none"> <li>• Criteria used to evaluate applications, including any qualitative factors considered, consistent with comprehensive review</li> <li>• Minimum documentation requirements to demonstrate application of criteria in the evaluation results</li> <li>• For freshman application evaluations that consider qualitative factors, a requirement that at least two independent documented evaluations support a decision to admit</li> </ul>	<p>The Admissions department will work with administration and faculty to develop, implement and communicate campus policies and written procedures for all aspects of the application process. The campus policies and procedures will include criteria used to evaluate applications and documentation requirements that demonstrate the application of admission criteria in the evaluation results.</p> <p>Our initial scoring is a computer read that takes into consideration quantitative factors. Students that are evaluated on qualitative factors receive both a computer read and a human read.</p>	<p>11/1/2019</p>

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<b>Recommendation</b>	<b>Management Corrective Action</b>	<b>Target Date</b>
<p>1.2 Document all admissions decisions with sufficient detail to:</p> <ul style="list-style-type: none"> <li>• Meet the minimum documentation requirements specified in the policies and procedures described in recommendation 1.1</li> <li>• Indicate the specific individuals and/or committees that were involved in the evaluation of the application and the final decision</li> </ul>	<p>The developed campus policies and procedures will include guidance and criteria for documentation requirements, including responsible decision-makers.</p>	<p>11/1/2019</p>
<p>3.2 Clearly identify and track all applicants that departments recommend on the basis of special talent.</p>	<p>These applicants come from the recommendations of two departments at UC Merced – Athletics and the Center for Educational Partnerships. Admissions has set up procedures for identifying and tracking these applicants during the evaluation process.</p> <p><b><i>MCA was completed before report was issued.</i></b></p>	<p>7/31/20019</p>

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<b>Recommendation</b>	<b>Management Corrective Action</b>	<b>Target Date</b>
3.3 Establish and document the minimum requirements for documented verification of special talent for each department. These minimum requirements should identify the types of information and trusted sources that can be used to confirm qualifications or credentials for a specific sport or talent. Requirements for documented verification of athletic qualifications could be limited to non-scholarship prospective student-athletes.	Admissions will work with the departments to develop the minimum requirements for documented verification of special talent. The written procedures will incorporate the types of information and trusted sources that can be used to confirm qualifications or credentials for a specific sport or talent.	11/1/2019

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<b>Recommendation</b>	<b>Management Corrective Action</b>	<b>Target Date</b>
<p>3.4 Require a two-step verification process for any recommendation for admission on the basis of special talent that includes the following:</p> <ul style="list-style-type: none"> <li>• The initiator of the recommendation must document and attest, under penalty of disciplinary action, that they have performed an assessment and determined that the level of special talent warrants a recommendation for admission</li> <li>• An individual in a supervisory capacity must approve the recommendation</li> </ul> <p>For athletics, this process could be limited to non-scholarship prospective student-athletes.</p>	<p>As a short-term solution, the Admissions department will verify and document that the required documentation for any admissions on the basis of special talent from the initiator and approver is completed and maintained.</p> <p>After the OnBase system is fully implemented at UC Merced, Admissions will work with the Office of Information Technology to utilize the workflow of approvals in the OnBase system to manage this two-step verification process, and will ensure appropriate documentation and attestations of special talent are incorporated in the workflow</p>	<p>11/1/2019</p>
<p>3.5 For all non-scholarship prospective student-athletes recommended for admission by athletics, require that the athletics compliance office verify the qualifications of the recommended applicant, in accordance with the requirements referenced in recommendation 3.3.</p>	<p>Athletics will develop a written process for complying with the requirements for qualifying recommended applicants. Athletics will maintain documentation as evidence for verification by Athletics compliance.</p>	<p>1/15/2020</p>

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<p>3.6 Require all admissions decisions for applicants recommended by departments on the basis of special talent to be approved by the admissions director or a member of senior leadership external to the recommending department.</p>	<p>The Admissions Director currently approves all decisions for applicants recommended by departments on the basis of special talent.</p> <p><b><i>MCA was completed before report was issued.</i></b></p>	<p>7/31/2019</p>
<p>4.2 Establish a local campus policy that outlines acceptable rationale and the required evaluation process for admissions by exception. At a minimum, this policy should ensure that an individual who identifies a candidate for admission by exception cannot make the final admission decision.</p>	<p>UC Merced admissions will revise and expand on their policy and procedures to better outline the admissions by exception evaluation process, including evaluation and scoring criteria for each type of admissions by exception applicant, as well as controls for final decision. The procedures will specifically require that individuals that identify candidates for admissions by exceptions can not make the final admission decision.</p>	<p>11/1/2019</p>
<p>4.3 Establish controls to ensure that an acceptable rationale for identifying an applicant to be considered for admission by exception is documented for each applicant being considered under the policy.</p>	<p>UC Merced admissions will revise and expand on their policy and procedures to ensure that an acceptable rationale for identifying an applicant for admissions by exception is documented and that the procedures includes independent confirmation of the acceptable rational.</p>	<p>11/1/2019</p>
<p>4.4 Establish local procedures to annually monitor compliance with the campus percentage limits for admissions by exception established by Regental policy.</p>	<p>UC Merced Admissions has already established local procedures to annually monitor compliance with these Regental requirements. Admissions annually reports the campus percentage to the UC Office of the President.</p> <p><b><i>MCA was completed before report was issued.</i></b></p>	<p>7/31/2019</p>

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<b>Recommendation</b>	<b>Management Corrective Action</b>	<b>Target Date</b>
<p>5.1 Establish documented conflict of interest policies and procedures that cover all individuals who are involved in reviewing admissions applications or making admissions decisions, including external readers. At a minimum, these policies and procedures should require that such individuals annually:</p> <ul style="list-style-type: none"> <li>• Disclose the nature of their acquaintance with known applicants, their families or any other potential conflict of interest and attest, under penalty of disciplinary action, that they have recused themselves from reviewing applications associated with these potential conflicts</li> <li>• Attest that they are not aware of any attempt to improperly influence an admissions decision.</li> </ul>	<p>The Admissions department will develop new campus conflict of interest policies and procedures to cover all individuals who are involved in reviewing admissions applications or making admissions decisions, including external readers.</p> <p>Admissions will prepare the new policies and procedures and have them reviewed and implemented with the Admissions and Financial Aid Subcommittee (AFAS) of the Academic Senate.</p>	<p>11/1/2019</p>

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<b>Recommendation</b>	<b>Management Corrective Action</b>	<b>Target Date</b>
<p>5.2 Provide regular training to all individuals who are involved in reviewing admissions applications or making admissions decisions, including external readers, regarding conflicts of interest and associated requirements. This training should include, but not be limited to, the definition of improper influence and provide examples of improper influence in the context of admissions.</p>	<p>The requirements of the new approved conflict of interest campus policies and procedures will be added to the regular training. This training will also include definitions and examples of improper influence in the context of admissions.</p>	<p>11/1/2019</p>
<p>5.3 Establish controls requiring external readers to disclose any current affiliations with high schools or community colleges and preventing those who have such affiliations from being assigned an application of a student from that high school or community college for review.</p>	<p>All readers will complete an annual conflict of disclosure certification that will be maintained by the Admissions department. Controls will be established and documented to prevent external readers from being assigned an application where there may be a perceived conflict.</p>	<p>11/1/2019</p>
<p>5.4 Establish controls preventing individuals who perform outreach from reviewing applications from individuals with whom they have had more than routine contact.</p>	<p>All readers will complete an annual conflict of disclosure certification that will be maintained by the Admissions department. Controls will be established and documented to prevent individuals performing outreach from being assigned an application where there may be a more than routine contact.</p>	<p>11/1/2019</p>

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<b>Recommendation</b>	<b>Management Corrective Action</b>	<b>Target Date</b>
<p>6.1 Implement controls to periodically review admissions IT system access to ensure that the level of access is aligned with job responsibilities including, at a minimum, a review of user access before each annual admissions cycle begins.</p>	<p>The Admissions department has already set up a control where a manager reviews system access to ensure that the level of access is aligned with job responsibilities. Access is reviewed at least at the end of every semester.</p> <p><b><i>MCA was completed before report was issued.</i></b></p>	<p>7/31/2019</p>
<p>6.2 Implement controls to log activity in admissions IT systems and periodically review high-risk changes, such as admissions decision changes, for appropriateness. Campuses should define high-risk changes to review and monitor.</p>	<p>Admissions management will determine which transactions are considered high-risk changes. The system will be set up to log these high-risk changes in order to properly monitor for unapproved changes.</p>	<p>12/1/2019</p>
<p>7.1 If the campus maintains a limit for athletics admissions slots, implement a process for a department independent of athletics to perform a regular documented review of the limit for appropriateness, based on established criteria, to ensure that athletics is not allocated an excessive number of slots, and adjust the limit as necessary. This review should be performed at least every two years and should assess the limit for each sports program if separate limits are established for each program.</p>	<p>Admissions and Athletics will recommend the current number of athletics admissions slots based on established criteria and provide to the Admissions and Financial Aid Subcommittee for Academic Senate (subcommittee) for independent evaluation and approval. Additionally, the subcommittee will perform and document review of the number of slots at least every two years to ensure the number allocated is appropriate and not excessive.</p>	<p>11/1/2019</p>

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<b>Recommendation</b>	<b>Management Corrective Action</b>	<b>Target Date</b>
<p>8.1 Establish a policy addressing conflict of interest requirements for athletics personnel including, at a minimum, a requirement to formally disclose and review any known existing relationship between a member of the athletics staff and a prospective student athlete or their family to determine if a potential conflict of interest exists and whether it should be addressed with a management plan.</p>	<p>Athletics will develop new conflict of interest campus policies and procedures to address conflict of interest requirements for athletics personnel. These policies and procedures will include, at a minimum, a requirement to formally disclose and review any known existing relationships between a member of the athletics staff and a prospective student athlete or their family, and if a potential conflict of interest exists, whether it should be addressed with a management plan.</p>	<p>11/1/2019</p>
<p>8.2 Perform an analysis to identify categories of third parties who contact the athletics department regarding prospective student-athletes that are unusual or at a higher risk of inappropriately influencing admissions decisions, such as donors, admissions consultants, and athletic recruiting/scouting services not approved by the NCAA. Establish a requirement for all athletics personnel to document all contact from these categories in a central repository. Athletics compliance should at least annually review this list and investigate any questionable contact.</p>	<p>Athletics will perform an analysis to identify categories of third parties who contact the athletics department regarding prospective student-athletes that are unusual or at a high risk of inappropriately influencing admissions decisions. Athletics employees will document and the athletics department will maintain all contact documentation in a system. Athletics compliance will review all maintained documentation at least annually.</p>	<p>11/1/2019</p>

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<b>Recommendation</b>	<b>Management Corrective Action</b>	<b>Target Date</b>
8.3 Provide regular training to athletics personnel on the conflict of interest requirements discussed in recommendations 8.1 and 8.2.	The new conflict of interest policy requirements will be incorporated into the regular training of Athletics employees.	11/1/2019
9.1 Establish a policy requiring a minimum of one year of participation in an athletic program for non-scholarship student-athletes recommended for admission by the athletics department. This policy should include: <ul style="list-style-type: none"> <li>• Any exceptions to this requirement</li> <li>• Approval requirements for any exceptions to the policy</li> <li>• Consequences for violating the policy</li> </ul>	Athletics will develop, implement and communicate a campus policy that outlines requirements for participation in an athletic program for non-scholarship student-athletes recommended for admissions by the athletics department, including exceptions to policy, approval requirements for exceptions to policy, and consequences for violating the policy.	1/15/2020
9.2 As a condition of admission, require non-scholarship athletes recommended for admission to sign an agreement that they will comply with the minimum participation requirement, subject to the consequences established in the policy.	Procedures for complying with the new campus policy will be established, implemented, and communicated, and the documentation will be maintained by the Athletics department.	1/15/2020
9.3 Establish controls to ensure records supporting ongoing participation in athletics are kept current throughout the season.	Procedures, including established controls for complying with the new campus policy, will be formalized, implemented, and communicated, and the documentation will be maintained by the Athletics department.	1/15/2020

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<b>Recommendation</b>	<b>Management Corrective Action</b>	<b>Target Date</b>
9.4 Establish controls to independently monitor compliance with the one-year minimum participation requirement for non-scholarship student-athletes recommended for admission.	Procedures, including established controls for complying with the new campus policy, will be formalized, implemented and communicated, and the documentation will be maintained by the Athletics department. The Athletics Compliance Officer will meet with the Chief Ethics and Compliance Officer (CECO) on a regular basis and will be required to provide data on the one-year minimum participation requirement at least annually. The data will be independently verified by the office of the Chief Ethics and Compliance Officer (CECO).	1/15/2020
9.5 Provide regular training to athletics staff on the minimum participation policy requirements.	The new participation policy requirements will be incorporated into the regular training of Athletics employees.	1/15/2020
10.1 Restructure the reporting relationship of the campus athletics compliance officer to add a direct reporting line to the campus chief ethics and compliance officer.	UC Merced is part of the National Association of Intercollegiate Athletics (NAIA) which has few compliance requirements compared with the NCAA. Managing compliance is 20% of one Assistant Director's job duties. Athletics has begun meeting periodically with the campus Chief Ethics and Compliance Officer (CECO) to monitor compliance. A dotted line reporting relationship has been established between athletics compliance and the CECO.  <b><i>MCA was completed before report was issued.</i></b>	7/24/2019

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<b>Recommendation</b>	<b>Management Corrective Action</b>	<b>Target Date</b>
<p>11.1 Establish a policy limiting communication between development personnel and the admissions office regarding admissions matters. At a minimum, any communication regarding the admission status of specific applicants should be prohibited.</p>	<p>The Admissions department will develop, implement and communicate a campus policy regarding communication of the admission status of specific applicants</p>	<p>11/1/2019</p>
<p>11.2 Perform a review prior to admission for each non-scholarship recruited athlete to identify any donations from any known relatives of the recruited athlete, or anyone that the athletics department knows to be acting on behalf of the family. A member of senior leadership independent of the athletics department or an existing athletics admissions oversight committee should oversee this review process, including determination of any due diligence required when donations are identified, and approval of any admissions decisions for which donations were identified.</p>	<p>The Admissions department will incorporate into policies and procedures and establish controls that fully implement the requirement. Athletics compliance will work closely with the campus Chief Ethics and Compliance Officer (CECO) to complete and oversee these reviews for identifying donations which could create a conflict of interest during the admissions process.</p> <p>Documentation for this review and approval by the CECO will be maintained by Athletics.</p>	<p>11/1/2019</p>