HOUSING & HOSPITALITY SERVICES

HOUSING ASSIGNMENT OFFICE

AUDIT REPORT #18-2203

Audit & Advisory Services

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# Background

In accordance with the UCLA Administration fiscal year 2017-18 audit plan, Audit & Advisory Services (A&AS) performed a review of the Housing Assignment Office (HAO).

The HAO is responsible for offering and assigning housing to eligible applicants (undergraduate students, graduate students, faculty, and select others). There are multiple housing options available, such as residence halls, suites, plazas, and apartments. Information from the housing application is used to determine the best possible room type, building, and roommate match for students. The HAO also coordinates room changes or cancellations, and maintains housing waiting lists.

For the academic year 2017-18, the HAO issued offers to 17,011 undergraduate students for 14,514 spaces. A total of 14,903 students were assigned to and moved into specific rooms at any point in the year. The HAO is managed by an Assistant Director with eight full-time equivalent (FTE) staff and currently utilizes StarRez, the UCLA Housing Online Services system, for automated offers, assignments, and to generate various reports. A database team of seven FTEs, including an Associate Director oversees the administration of the StarRez System. The HAO and database team work closely together to manage housing assignments, and both the Assistant Director and the Associate Director report to the Director of Housing Services.

# Purpose and Scope

The primary purpose of the review was to determine whether the HAO’s structure and controls, and the related systems and procedures are conducive to accomplishing its business objectives. The secondary purpose was to evaluate the adequacy and efficiency of internal controls over the assignment process. Where applicable, compliance with University policies and procedures was also evaluated.

The scope of the audit focused on the following activities:

Student Housing Master Plan

Housing Eligibility

Housing Applications

Housing Offers and Acceptances

Housing Assignment Changes and Contract Terminations

The review was conducted in conformance with the *International Standards for the Professional Practice of Internal Auditing* and included interviews, tests, and other procedures considered necessary to achieve the objective.

# Summary Opinion

Based on the results of the work performed within the scope of the audit, the HAO’s overall structure and controls are generally conducive to accomplishing its business objectives. Also, the HAO staff appear to be experienced and knowledgeable of the University’s policies and procedures. There were no significant control weaknesses identified during the audit.

The audit results are detailed in the following sections of the report.

Audit Results and Recommendations

## Student Housing Master Plan

A UCLA Student Housing Master Plan has been established. The plan, which outlines a set of long-term strategic aspirations for the housing program at the University, was recently reviewed and revised. Audit work included discussions with the HAO and review of the plan. A&AS determined that a housing supply and demand analysis was conducted in 2016 to assess changes in critical assumptions concerning campus enrollment projections, available student housing inventory, and occupancy expectations.

Review also indicated UCLA has recently gained approval to build up to three new residence halls and two apartment complexes to absorb the increased enrollment. The initiative would add about 6,900 beds to the Hill and guarantee students more years of housing. Three new residence halls will be built on the Hill: one located near Tom Bradley International Hall and Strathmore Drive; another located on a parking lot between Saxon and Hitch Residential Suites, Lot 15 site, (1,800 beds); and the third located near the upper edge of Drake Stadium (1,100 beds). The sites for the two apartment buildings are on the UCLA Extension Office building site, UNEX site, at the intersection of Le Conte, Gayley, and Levering avenues (1,200 beds). The remaining apartment complex would demolish Warren Hall, a laboratory and office building built in 1961, Warren site (2,200 beds). At this time, housing has specific plans to develop three of the five sites: Lot 15 site, UNEX site, and Warren site. Based on further massing and development plans, housing anticipates increasing current inventory by approximately 5,200 beds. The development of the remaining sites are still in the planning phases and have yet to be determined if developments will be pursued.

There were no significant control weaknesses noted in this area.

## Housing Eligibility

For new students admitted for fall quarter 2018, freshmen are eligible and are guaranteed three consecutive years of on-campus single student housing, and transfer students are eligible and are guaranteed one year of single student university housing. Review of housing eligibility for students indicated the following:

### New Residents - Eligibility

Admitted freshmen students for fall 2018 are eligible and guaranteed three consecutive years of on campus single student accommodations if they:

* Submit a Statement of Intent to Register (SIR) to the Admissions Office on time.
* Submit the on-line application and a $30 non-refundable application fee by the May 1st deadline.
* Make the subsequent initial payment and all remaining payments by the deadlines stated on the on-line offer.
* Agree to the terms and conditions as stated in the Academic Year Contract.

The eligibility requirements to qualify for the housing guarantees noted above are clearly documented and available on the UCLA Housing website for new students applying for housing.

Audit work included leveraging data analytics to compare the list of all new freshmen students who were offered housing for the 2018-19 academic year to the list of eligible freshmen students admitted to UCLA, noting all of the 6,453 freshmen students offered housing were eligible.

There were no significant control weaknesses noted in this area.

### Returning Residents - Eligibility

The number of years students are guaranteed housing is tracked by the HAO through use of Enrollment Codes (ECs), which consist of a combination of letters and numbers. The letters classify a student as either a new, returning, or transfer student; and if they qualify for guaranteed housing, or are a lottery applicant, and will only receive a housing offer, if space is available. The numbers in the ECs refers to the number of years of eligibility.

Audit work included discussions with HAO management on how housing guarantees are tracked, and a review of policies and procedures related to ECs. The HAO reviews and updates the ECs for each upcoming academic year for all returning students/residents. For example, the classification for undergraduate first year residents would be, “N – 1st Year Student,” and returning for their second academic year, the EC will be updated to “R2 – First Year Returner 2nd Year.” Additionally, an Enrollment Record Exceptions report is reviewed daily by the HAO for students who have started or submitted an application but do not have an EC code for that term.

There were no significant control weaknesses noted in this area.

### Existing Residents - Eligibility

Undergraduate students must be enrolled in at least 12 units each quarter to continue to be eligible for on-campus housing. UCLA Residential Life is responsible for checking the continued eligibility of undergraduate students and notifying the HAO of students who become ineligible for on-campus housing. On a quarterly basis, the HAO provides a report to Residential Life that compares the residents in StarRez to their class enrollment status in the student information system and identifies all residents not enrolled in at least 12 units.

A&AS verified that eligibility reports for undergraduate students were generated and provided to Residential Life for the fall, winter, and spring quarters during the 2017-18 academic year.

There were no significant control weaknesses noted in this area.

## Housing Applications

Newly admitted freshmen students who would like to live in University housing for the upcoming academic year, which starts in September, must submit their application for housing before May 1st. In mid-March, the HAO will send a mass email to all newly admitted freshmen students that includes a link to the housing options at UCLA, the on-line housing application, and communication regarding the deadline for when they must submit their housing application. Review of housing applications indicated the following:

### Notification of Housing Application Deadlines

Utilizing data analytics, A&AS verified for the 2018-19 academic year that out of 6,662 freshman students eligible for housing on May 8, 2018, a total of 6,608 students were notified as part of the mass email sent on March 19, 2018, that they must submit their housing application by May 1, 2018. Weekly emails are automatically sent to students to remind them to submit their housing application before the deadline. The remaining 54 students were admitted to UCLA after March 19, 2018, and were notified of the housing application deadline as part of the weekly reminder emails from the HAO.

There were no significant control weaknesses noted in this area.

### Housing Application - Required Information

Housing applications are available on the UCLA Housing website and must be completed and submitted on-line. Audit work included discussions with HAO management and review of application instructions to determine whether controls are in place to ensure that all required information is obtained in order to assign housing.

A&AS reviewed the “Joe Bruin Undergraduate First Year Application Walkthrough Guide,” noting that controls have been programmed into the on-line application that prevents applicants from proceeding without providing all required information such as their email address, mailing address, phone number, emergency contact, lifestyle preferences, and room type preferences. In addition, the Assignment Area Manager reviews a StarRez housing application exception report on a daily basis, which identifies information missing or errors with applications. One error that occasionally occurs is that students complete all steps of the application; however, they do not click the final “Submit” button to finish the application. The HAO will review these errors and help the students submit their applications. The combination of the controls programmed into the on-line application and the daily review of the application exception report ensure that HAO obtains all necessary information to provide the students with a housing offer that best match their needs.

There were no significant control weaknesses noted in this area.

## Housing Offers and Acceptances

Undergraduate freshmen students who submit their housing application before the May 1st deadline and pay the application fee are guaranteed an on-campus housing offer. Offers are issued the second week of May and applicants are notified via email and can login to their Housing account on-line to accept their offer. The following were noted:

### Housing Offers

Audit work included leveraging data analytics to compare the list of admitted undergraduate freshmen students for academic year 2018-19, against the students that applied for and were offered housing. Of the 6,464 undergraduate freshmen students that applied for housing, 13 subsequently declined their admission to UCLA, thus were not offered housing. All the remaining students were offered housing.

There were no significant control weaknesses noted in this area.

### Special Allocation Departments and Groups

Each academic year, Housing Services allocates a portion of its housing inventories to various programs and departments on campus, which they can use to prioritize University housing and offer additional years guaranteed housing to students they nominate. For example, special allocations are provided to athletes, former foster youth, veterans, undocumented students, and regent scholars. In addition, some academic departments are also provided special allocations including Arts & Architecture, Engineering, Math, and Theatre, Film, & Television. Approximately 1,400 students were provided housing as part of the special allocation program for the academic year 2017-18.

Audit work included discussions with HAO management to determine whether programs and departments that are provided special allocations of housing are approved. For each upcoming academic year, programs and departments select the students for the special allocation program, and assigned contacts within the departments provide a list of nominees to the HAO. Housing Assignment Office management indicated that the programs and departments provided special allocations have been in place for a long time and the number of allocations is consistent from year to year. A list of these authorized programs and departments are listed in the HAO Special Allocation Group Standard Operating Procedure. The Area Assignment Manager and the Assistant Director Assignment Services’ review the number of nominees submitted, to determine if they appear reasonable. The responsibility to determine which students qualify for special allocations is determined and managed at the program and department level. Additionally, the HAO meets with Student Affairs annually to discuss any updates on students who will no longer need a special allocation or changes to the key contacts for the programs and departments that participate in the special allocation process.

There were no significant control weaknesses noted in this area.

### Assignment of Roommates

Lifestyle preferences are requested as part of the housing application and considered when assigning roommates to help improve the experience of living in UCLA housing and reduce roommate conflicts. Lifestyle preferences include study habits, smoking, sleeping, drinking, neatness, guests, bedtime, and temperature. Students are also assigned housing based on mutual requests to be matched as roommates. A&AS reviewed the undergraduate housing application walkthrough, Auto Allocate Assignment procedures, and assignment reports, noting that students are assigned roommates based on gender and life style preferences.

There were no significant control weaknesses noted in this area.

### Rental Contract

There is a standard rental contract that must be reviewed and accepted by all students as part of the on-line offer acceptance process. All students are required to acknowledge that they have read and agree to the terms and conditions of their rental contract and must type in their name and email address as their electronic signature. Students cannot continue with the offer acceptance until this step is complete. If the student is under 18 years old, a parent or guardian also needs to sign the contract by entering their name and email address in the online offer acceptance form.

There were no significant control weaknesses noted in this area.

## Housing Assignment Changes and Contract Terminations

Students who wish to request a change to their room assignment can complete and submit a Change of Assignment Request (CAR) form on-line. Room assignment changes are granted primarily based on room availability.

The housing rental contract for undergraduate students is for a full academic year, which is September through June. If a resident wishes to terminate their rental contract early, depending upon the reason for the early termination, different departments are responsible for reviewing and approving the requests. The following were noted:

### Change of Room Assignments

Change of Assignment Requests are utilized to increase student satisfaction with their housing assignment. Based on a review of ten CARs submitted during the 2017-18 academic year, A&AS verified that the CAR forms were completed and approved.

There were no significant control weaknesses noted in this area.

### Termination of Housing Rental Contracts

If a resident wishes to terminate their rental contract early, depending upon the reason for the early termination, different departments are responsible for reviewing and approving the requests. All medical appeals are to be submitted and reviewed by the Center for Accessible Education. All roommate issue appeals must be first submitted to the Resident Director or Resident Service Coordinator before being forwarded to HAO. Financial appeals must be reviewed and approved by an Appeal Board. There are some appeals that can be directly submitted to and approved by the HAO such as withdrawal from the University, leave of absence, Education Abroad Program, early graduation, and military leave. All appeals must be submitted in writing and include applicable supporting documentation.

Audit work included reviewing a judgmental sample of ten housing rental contract terminations in the 2017-18 academic year, noting that all ten terminations were properly approved, and included a written request with a documented reason why an early termination was needed.

There were no significant control weaknesses noted in this area.

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