UCIRVINE | INTERNAL AUDIT SERVICES

Systemwide Audit of Undergraduate Admissions Phase 2

Internal Audit Report No. I2019-101

March 31, 2020

Prepared By
Larry Wasan, Manager, Technology Audits
Approved By
Mike Bathke, Director

UNIVERSITY OF CALIFORNIA, IRVINE

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March 31, 2020

DALE LEAMAN
EXECUTIVE DIRECTOR
OFFICE OF UNDERGRADUATE ADMISSIONS

CARMEN ROODE
DIRECTOR
ENTERPRISE APPLICATIONS, OFFICE OF INFORMATION TECHNOLOGY

RE: Systemwide Undergraduate Admissions Audit – Phase 2
    Report No. I2020-101

Internal Audit Services has completed Phase 2 of the Systemwide Admissions 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.

Mike Bathke
Director
UC Irvine Internal Audit Services

Attachment A

C: Audit Committee
   Patricia Morales, Associate Vice Chancellor, Enrollment Management
   Hal Stern, Interim Provost and Executive Vice Chancellor

I.   BACKGROUND

In response to the recent Department of Justice's (DOJ) indictment involving several parties accused of misconduct to gain students' unlawful admission to top universities, including the University of California (UC), a systemwide internal audit of admissions was initiated at the request of the UC President. Under the direction of the Office of Ethics, Compliance and Audit Services (ECAS), an independent review and analysis of undergraduate admissions issues, including athletics admissions, was coordinated with campus Internal Audit Departments (IAS) to perform an assessment of our admission practices throughout the UC system using a common systemwide audit program.

II.   PURPOSE, SCOPE, AND OBJECTIVES

The purpose of the systemwide audit was to evaluate processes and controls over admissions and identify opportunities for improvement to ensure compliance with relevant policies and procedures and identify and reduce the risk of fraudulent admissions.

The audit's scope was conducted in two phases. The first phase, which IAS completed in June 2019, consisted of gaining an understanding of the undergraduate general admissions process including policy, procedures and controls in place to prevent or detect fraudulent admissions, and ensuring compliance with relevant policy and regulations.   IAS reviewed the process for admissions from Athletics and other departments, recruited student athletes' participation in athletics programs, the admissions by exception process, and processes to verify application information.

The second phase, which began after completion of the first phase review, started in July 2019. The scope of the second phase assessed the effectiveness of controls identified in the first phase and included an in-depth review through sample testing in selected areas, such as admission of special talent, admission by exception, application verification controls, information technology (IT) system access, and student athlete participation and monitoring.

III.   SUMMARY AND CONCLUSION

While admissions processes vary from campus to campus, IAS observed that, in general, the UC Irvine (UCI) campus does have certain controls over the admissions process to

address compliance with policy. IAS also identified controls within Athletics and Admissions to address admissions fraud risk. However, through our sample testing, IAS identified control weaknesses in the admissions processes, and the results of our testing found that several opportunities exist to strengthen these controls and further reduce the risk of admissions fraud in the following areas:

- Documentation of admissions decisions
- Special talent admissions
- Admissions by exception (A by E)
- Admissions IT system access
- Admissions appeal process

IAS is working with Admissions and Admissions IT to address appropriate management corrective actions (MCAs) and target dates for each applicable recommendation using a standardized template. IAS will coordinate with ECAS to ensure the MCAs are appropriately addressed and resolved in a timely manner. IAS has added these opportunities for improvement and associated recommendations in response to the systemwide audit in the following attachments:

- Attachment A provides a summary of audit procedures performed by IAS, the results of the audit procedures, and where in the systemwide recommendations (Attachment B) these issues were addressed.

- Attachment B shows the systemwide report's campus recommendations, the corresponding UCI management corrective actions, and the target dates for implementation.

ATTACHMENT A – Summary of Audit Procedures and Results

Objective	Summary of Procedures	UCI Results	Reference to UCOP Systemwide Recommendation for Phase II
Special Talent Admissions			
Evaluate the operating effectiveness of identified controls over special talent admissions, which, for the purposes of this audit, consist of admitted applicants who received recommendations based on demonstrated ability in fields such as athletics or the arts.	Determined how the campus identifies and tracks applicants that departments recommend on the basis of special talent; gained an understanding of existing documentation and approval requirements for each type of special talent recommendation; determined whether recommending departments in effect serve as the sole evaluators of the academic qualifications of applicants who they recommend or make admissions decisions for applicants whom they recommend. For a selected sample of Special Talent Admissions, evaluated the sample against existing documentation and approval requirements, and assessed whether the source of the documentation supporting the special talent appeared to be	• Nine (36%) of the 25 students sampled did not have documented Admissions Management approvals. • For five (20%) of the 25 students sampled, management was not able to provide documentation of the students' special talent; all five special talents were in Music. According to management in Music/Arts, they did not retain these documents.	Systemwide Recommendations C.1 and C.2 address the implementation of controls to identify and track applicants recommended based on special talent and record retention practices for related documentation.

ATTACHMENT A – Summary of Audit Procedures and Results

	legitimate, credible, and supported the special talent.		
Admissions by Exception (A by E)			
Evaluate the operating effectiveness of identified controls over A by E, including the rationale by which the campus identified a given applicant for consideration under the policy and the evaluation process.	Gained an understanding of the categories of acceptable rationale for A by E and existing requirements; selected a sample of 25 A by E and evaluated the sample against existing documentation and approval requirements.	• For four (16%) of the 25 students sampled, documentation of rationale for A by E was not available. • For four (16%) of the 25 students sampled, the rationale for A by E were not in compliance with the Board Of Admissions and Relations with Schools (BOARS) A by E policy. All four were noted as veterans, but documentation reviewed did not show them as veterans; three of the four were actually in the Reserve Officer Training Corps (ROTC) program. • For five (20%) of the 25 students sampled, documentation of academic unit/department approvals were not available. • For 13 (52%) of the 25 students sampled, documentation of	Systemwide Recommendation A.1 addresses formal charters for committees charged with making admissions decisions. Recommendation A.2 addresses retention of documentation supporting admission decisions. Recommendations D.1 addresses compliance with BOARS A by E policy and D.3 addresses accurate classification of A by E admits.

ATTACHMENT A – Summary of Audit Procedures and Results

		Admissions management approvals were not available.	
Admissions IT Systems Access			
Evaluate the operating effectiveness of identified controls over access to Admissions IT systems, including basic login access to systems, specific levels of access within those systems, and appropriateness of user changes to data.	Performed a risk analysis to determine in-scope systems for test work. For in-scope systems, evaluated the controls over user access changes; determined whether the campus periodically reviews the appropriateness of authorized user access; and for a sample of system users, determined whether their access was appropriately authorized and their level of access aligned with job responsibilities.	Only one person had primary control of the access, privilege, or deactivation in EASIER (UCI Admissions legacy electronic system), but a secondary or supervisory review has not been performed since June 2014. • EASIER accounts were not deactivated for 11 users who had separated from UCI or transferred to another department. IAS noted that three of 11 users had separated or transferred as far back as 2013. In addition, IAS did not find any payroll or personnel records for one user in Payroll Personnel System (PPS), in which records go back to 1992. Furthermore, IAS noted that only two access deactivation requests were documented and on file and that one of the two deactivation requests was not submitted in a timely manner -	Systemwide Recommendations E.1 and E.2 addresses ensuring access aligns with job responsibilities and ensuring documentation of IT system access provisioning.

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more than eight months after the user separated from Admissions.

- IAS found five users with two or three active accounts that appeared on the EASIER access privileges report. This report identified all current and active user accounts. Even though business processes required that active user accounts be deactivated before new accounts are activated, due to typing errors or name changes, these additional accounts were created.

- Twelve new user access requests and eight system access authorization forms were not documented and/or maintained on file as required by current business practice.

- Although a business process to activate accounts, modify privileges, or deactivate accounts was established, the business process was not detailed and

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| | | formally documented. For example, the EASIER access privilege categories are based on the user's job title/description, but the categories were not formalized or detailed and the categories were not reviewed or revised in the last ten or more years.

• Due to EASIER being an outdated, 40+ year old, homegrown Admissions system, documentation obtained by IAS regarding roles and permission levels were complex and could not be easily deciphered. Consequently, IAS was unable to perform adequate testing to determine whether permission levels were commensurate with job functions.

• New system access request is communicated electronically through EASIER, which does not ensure administrative and security access review and maintenance. | |

ATTACHMENT A – Summary of Audit Procedures and Results

		(Note: Due to a dispute with a contracted vendor, a planned, complete replacement of the Admissions legacy system (EASIER) has been placed on hold, and there is no plan at this time to move forward with a complete replacement.)	
Appeals Process			
Evaluate the design of internal controls over the undergraduate admissions appeals process.	Performed a walkthrough of the appeals process; obtained and reviewed relevant policies and procedures.	• The Executive Director of Admissions makes the final decision on appeals to selection and approves the appeal without reviewing documentation to support the recommendation to appeal. This decision is based on the recommendations made by the Associate Director of Operations, which is verbally discussed with the Executive Director. The only documentation of this decision is an Excel worksheet that the Associate Director of Operations creates to track notes and comments. • The Associate Director of Operations has the capability to	Systemwide Recommendation G.1 addresses additional controls for local procedures related to appeals decisions.

		grant an appeal and admit a student without proper approval and without the required supporting documentation.	
		• There is no paper trail or audit log of final decision on appeals documented in EASIER (Legacy System) as it is currently not possible. The audit log in SLATE (a partially implemented, newer electronic admissions system that replaces some of EASIER's functionality) will hold the appeal submission, documentation, the committee review, and the Executive Director's final decision to approve a recommendation; however, at this time, the Executive Director's final decision to approve a recommendation is currently not utilized in the SLATE system.	
		• In the Legacy System, a single person can grant an appeal (14 different codes) and manually	

| | | admit a student (31 different codes) without detection.

• In the Legacy System, a single person could:
  - change their role in the system (to a counselor or evaluator for example);
  - edit/correct administrative errors;
  - change majors;
  - change transcript information;
  - review required official documentation (also known as "clearing," which is supposed to be done by the evaluation staff). This person could perform these actions without detection or without anyone knowing that changes were made to the student's records. This person could then grant an appeal and admit a student. | |

ATTACHMENT B – Campus Management Corrective Actions

Recommendation	Management Corrective Action	Target Date
A. Documentation Supporting the Admission Process. **A.1** Ensure that any committee charged with making admissions decisions develop a charter that includes, at a minimum, the committee's: • Key objectives or purpose • Authority • Responsibilities • Membership, including term limits and voting privileges • Frequency of meetings • Review criteria • Approval or decision-making process and requirements, including quorum requirements and documentation requirements	The Office of Undergraduate Admissions will, for all committees, develop and document charters that include: • Key objectives or purpose • Authority • Responsibilities • Membership, including term limits and voting privileges • Frequency of meetings • Review criteria • Approval or decision-making process and requirements, including quorum requirements and documentation requirements Committees include but are not limited to: • Comprehensive Review Training • Selection Criteria • Appeals • Admission by Exception • Withdrawal of Offers	6/1/20
A.2 Evaluate current retention practices for admissions documentation, including approval documentation, and ensure documented procedures reflect appropriate retention requirements in accordance with the UC Records Retention Schedule. Provide training to the appropriate personnel on records retention requirements.	The Office of Undergraduate Admissions will review current retention practices for admissions documentation, including approval documentation, and ensure documented procedures reflect appropriate retention requirements in accordance with the UC Records Retention Schedule. The Office will review training materials and processes to ensure a common understanding and adherence, and include training updates in regular training sessions for current employees, and verify and document the inclusion records retention training for all new employees.	5/15/20

ATTACHMENT B – Campus Management Corrective Actions

Recommendation	Management Corrective Action	Target Date
C. Special Talent Admissions ("Special Admissions") **C.1** Implement controls to ensure that applicants recommended on the basis of special talent are identified and tracked in accordance with the guidance to be provided by Systemwide Undergraduate Admissions as recommended in the Phase 1 Audit.	The Office of Undergraduate Admissions, with guidance from Systemwide Undergraduate Admissions, will implement and document controls to ensure that applicants recommended on the basis of special talent are identified and tracked appropriately.	5/15/20
C.2 Evaluate current retention practices for documentation supporting special talent recommendations and ensure documented procedures reflect appropriate retention requirements in accordance with the UC Records Retention Schedule. Provide training to the appropriate personnel on records retention requirements.	The Office of Undergraduate Admissions will review current retention practices for documentation supporting special talent recommendations and ensure documented procedures reflect appropriate retention requirements in accordance with the UC Records Retention Schedule. The Office will review training materials, practices and procedures to ensure a common understanding and adherence, include training updates in regular training sessions for current employees, and verify and document the inclusion records retention training for all new employees.	5/15/20
D. Admission by Exception **D.1** and **D.2** – Recommendations are addressed by Systemwide Undergraduate Admissions in final Phase 2 report **D.3** Implement controls to ensure accurate classification of Admissions by Exception for all students that campuses admit and	The Office of Undergraduate Admissions, with guidance from Systemwide Undergraduate Admissions, will implement and document controls to ensure accurate classification of Admissions by Exception for all students who are admitted and enroll under the policy, including identifying and tracking of student athletes and those designated as "disadvantaged" or "other."	5/15/20

ATTACHMENT B – Campus Management Corrective Actions

Recommendation	Management Corrective Action	Target Date
enroll under the policy, including identifying and tracking of student athletes and those designated as "disadvantaged" or "other."		
E. Admissions IT System Access **E.1** Update admissions IT system user access to ensure that access is appropriately aligned with job responsibilities.	Admissions IT will provide the list of current user access grants for the Admissions Functional team to review and ensure that those grants are valid for the Admissions resources. The Admissions Functional team will request that Admissions IT make additions or changes to the user access permissions, as deemed necessary, to ensure continued alignment with the user's job responsibilities.	5/15/2020
E.2 Document admissions IT system access provisioning processes to ensure that access is only provided to authorized individuals and that access rights are consistent with users' roles and responsibilities. At a minimum, these procedures should require: • Documented justification and authorization for user access to admissions IT systems • Maintenance of a list of authorized users and associated privileges	Admissions IT will create and formalize a policy and procedure document in wiki (our online documentation repository) for user access provisioning to ensure that access is only provided to authorized individuals and that access rights are consistent with users' roles and responsibilities. Admissions IT currently uses a few user access request forms, which include justification and authorization for user access to Admissions IT systems. The policy and procedure document will require that these forms are completed and approved prior to access provisioning and that these forms are retained for audit purposes. The document will also require that Admissions IT provides a list of authorized users and their associated privileges and that the list can be requested by the Admissions functional users on demand and reviewed regularly	5/15/2020

ATTACHMENT B – Campus Management Corrective Actions

Recommendation	Management Corrective Action	Target Date
	(quarterly) by the functional users. Any changes to the user access would need to be requested by the Admissions Functional management team using the current user access forms.	
G. Admissions Appeal Process **G.1** Develop or amend local policies and procedures to address requirements for all appeals decisions. The policies and procedures should include the following: • A requirement that all appeal reviews be fully documented, including analyses, recommendations, decisions, and individuals involved. • A requirement that at least two individuals or a committee be involved in appeals reviews, and if final decisions are contrary to initial recommendations, the rationale for final decisions must be documented.	The Office of Undergraduate Admissions will develop and implement local policies and procedures to ensure: • All appeal reviews and decisions are fully documented, including analyses, recommendations, decisions, and individuals involved. • At least two individuals or a committee will be involved in the appeals review, and if the final decision is contrary to the initial recommendation, the rationale for the final decision must be documented.	5/1/20