

**UNIVERSITY OF CALIFORNIA, SAN FRANCISCO
AUDIT AND ADVISORY SERVICES**

**School of Nursing Special Studies, Visiting Scholars and Post-Master's Program
Student Records Security and Financial Administration Review**

Project #18-083

July 2018

University of California
San Francisco



Audit and Advisory Services

July 31, 2018

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**SUBJECT: School of Nursing Special Studies, Visiting Scholars and
Post-Master's Program Student Records Security and
Financial Administration Review**

As a planned internal audit for Fiscal year 2018, Audit and Advisory Services ("A&AS") conducted a review of student record security and financial administration for the School of Nursing Special Studies, Visiting Scholars and Post-Master's Programs. Our services were performed in accordance with the applicable International Standards for the Professional Practice of Internal Auditing as prescribed by the Institute of Internal Auditors (the "IIA Standards").

Our review was completed in June 2018 and the preliminary draft report was provided to department management in June 2018. Management provided us with their final comments and responses to our observations in July 2018. The observations and corrective actions have been discussed and agreed upon with department management and it is management's responsibility to implement the corrective actions stated in the report. In accordance with the University of California audit policy, A&AS will periodically follow up to confirm that the agreed upon management corrective actions are completed within the dates specified in the final report.

This report is intended solely for the information and internal use of UCSF management and the Ethics, Compliance and Audit Board, and is not intended to be and should not be used by any other person or entity.

Sincerely,

A handwritten signature in black ink, appearing to read 'Irene McGlynn', is written over a light blue horizontal line.

Irene McGlynn
UCSF Audit & Advisory Services Director

UCSF Audit and Advisory Services

EXECUTIVE SUMMARY

I. **BACKGROUND**

As a planned audit for Fiscal Year 2018, UCSF Audit & Advisory Services (A&AS) completed a review of student records security and financial administration procedures for the School of Nursing's (SON) Special Studies Program, which provides academic opportunities for non-matriculated students in three main areas: Custom Special Studies, Post-Master's Studies, and short-term international collaborations related to the SON Center for Global Health (CGH)¹.

Applications to the Custom Special Studies and Post-Master's programs are coordinated by the SON Office of Academic Programs (OAP). This office receives the applications and works with program and specialty personnel to process the applications, follow-up with applicants regarding any application issues, and notify students who are accepted into the programs. OAP also tracks student enrollments, fee payments, and course completion, and provides additional administrative support related to student attendance in these programs. For SON Global Health visitors, most of these duties are performed by CGH, although OAP processes student payments for these individuals as well.

Each of the three program areas has a separate fee structure that is published on the SON website. Special Studies has established an internal allocation process to distribute revenues collected between OAP and the department where the student/visitor is based. These allocations are currently recorded at the time of each financial transaction related to student accounts (payments, stipend transfers, credits, etc.)

The University of California and UCSF have established and implemented various policy requirements related to financial and administrative management and mandates that department managers to implement effective controls in their respective program areas including: cash handling and depositing, employee training, general ledger review and reconciliation, financial reporting and monitoring, access to information technology resources, and record retention.

II. **AUDIT PURPOSE AND SCOPE**

The purpose of this review was to assess controls related to student records security and financial administration in the School of Nursing's Special Studies Program.

Procedures performed as part of the review included: interviewing School of Nursing personnel; reviewing program procedure documentation, student records, and financial transactions; observing record storage areas; and examining institutional records related to training and background examinations. Fieldwork was completed in June 2018. For more detailed steps, please refer to Appendix A.

¹ Custom Special Studies is an individualized curriculum tailored to the needs of the participant allowing for audit-level participation in regularly scheduled SON courses. Post-Master's Studies is intended to provide an academic experience to individuals seeking certification by the state in a particular specialty area. Specialties are located in the departments of Psychological Nursing (PN), Community Health Systems (CHS), and Family Health Care Nursing (FHCN). The SON Global Health program invites visitors from around the world to conduct site visits of UCSF clinical programs, exchange training expertise, and share research projects and build partnerships.

Work performed was limited to the specific activities and procedures described above and in Appendix A. As a result, this report is not intended to and cannot be relied upon to provide an assessment of compliance beyond those areas specifically reviewed.

III. SUMMARY

Based on work performed, our review identified multiple areas where SON has implemented controls and is in compliance with UC and UCSF policies, including:

- Effective separation of duties implemented between depositing and recording cash deposits;
- General ledger verifications are conducted and approved timely;
- Background checks are conducted for cash handlers, who are also registered with the Controller's Cash & Controls Team;
- Records are retained in compliance with the department's internal checklists; and
- Security of physical student records is appropriate.

We also identified the following areas where process and controls improvements are recommended in order to mitigate potential adverse effects:

A. Financial Management

- The current separation of duties for Special Studies and Post-Master's programs is insufficient to provide effective control over revenues;
- Cash handling requirements are not consistently met;
- Internal program revenue allocation calculations are not applied consistently;
- Payments may not always be collected and/or documented appropriately;
- The process for documenting waiver approvals to Special Studies and Post-Master's fee payments appears ad hoc and inconsistent;

B. Records Management

- The process for documenting waiver approvals to Special Studies and Post-Master's program entry requirements appears ad hoc and inconsistent;
- Physical student records are vulnerable to loss and lack of access in the event of catastrophic events (e.g. theft, earthquake, fire, flood);
- There is no process in place for conducting regular reviews of user access permissions to shared network drive locations; and
- Special Studies and Post-Master's student information is retained for a longer period than designated by institutional policy.

Further details on specific observations and management corrective actions are set out in Section IV, "Observations and Management Corrective Actions ("MCA")".

Additional opportunities for process improvements are suggested in the areas of optimizing program revenues, review of current allocation methodologies, data consolidation, payment tracking, and processing and reporting of internal allocations. These suggestions are further detailed on Section V, "Opportunities for Improvement".

A. Financial Management

<u>No</u>	<u>Observation</u>	<u>Risk/Effect</u>	<u>Recommendation</u>	<u>MCA</u>
1.	<p><i>The current separation of duties for Special Studies and Post-Master’s programs is insufficient to provide effective control over revenues.</i></p> <p>OAP had effectively implemented separation of duties to ensure that cash deposits and journal preparation and approval were conducted by different individuals. However, we identified situations where individuals were performing incompatible duties, including:</p> <ul style="list-style-type: none"> • receiving checks and posting payments to student accounts, and • receiving checks and preparing the deposit. <p>Separation of duties is a fundamental component of an effective internal control structure. Separation reduces opportunities for misuse of an organization’s assets by ensuring that no one person has sole control over all aspects of a transaction and also by increasing the likelihood that any errors or inappropriate activities are detected by other individuals with shared responsibility for processing or reviewing those transactions.</p>	<p>Without sufficient separation of duties, a single individual can control multiple facets of a transaction, making misappropriation or recording of inappropriate activities or transactions easier to conduct and conceal.</p>	<p>1.1 The department should review its current assignment of duties and implement separation as a preventive control to ensure that incompatible duties are not performed by the same individual.</p> <p>If effective separation cannot be maintained due to the number of personnel available or for other factors, additional reviews and monitoring steps can be implemented as detective controls in the process.</p> <p>1.2 Consider leveraging expertise in other units such as the Office of the Registrar and Controller’s Office for responsibilities related to student enrollment and cash handling/allocation.</p>	<p>1.1 The Office of Academic Programs will review current job assignments related to these processes and will determine and implement a separation of duties structure that provides effective control.</p> <p>Responsible Party: Associate Dean, Administration and Finance</p> <p>Target Date: September 30, 2018</p> <p>1.2 Explore and initiate move of Special Studies Registrar function from School of Nursing to Campus Office of the Registrar.</p> <p>Responsible Party: Associate Dean, Administration and Finance</p> <p>Target Date: March 31, 2019</p>
2.	<p><i>Cash handling requirements are not consistently met.</i></p>	<p>Not following cash handling</p>	<p>2.1 Ensure that all cash handlers complete the</p>	<p>2.1. Will require all cash handlers to take current</p>

<u>No</u>	<u>Observation</u>	<u>Risk/Effect</u>	<u>Recommendation</u>	<u>MCA</u>
	<p>Several requirements from UCSF Policy 300-14: "Cashiering" and UC Policy BUS-49: "Policy for Cash and Cash Equivalents Received" were not being met consistently, including</p> <ul style="list-style-type: none"> • current procedures do not include opening mail or preparing deposits in joint custody; • supporting documentation related to some deposits indicates that checks are retained in excess of the required deposit timeline; and • although each of the cash handlers identified had completed required cash handling training, it was not re-taken on an annual basis. <p>In addition, UCSF Controller's Office guidance on "Preparing Cash Receipt and Credit Card Journals" states that journals "should be prepared and approved within 5 business days of cash deposit". Of the 21 deposit journals reviewed, 6 (29%) were prepared and 11 (52%) were approved more than 5 working days after the date on the deposit slip. We noted that two of these journals were impacted by external circumstances (fiscal year close, wire transfer information) that contributed to the delay.</p>	<p>requirements bears numerous risks including:</p> <ul style="list-style-type: none"> • potential loss or misappropriation of cash/cash equivalents • understating University assets on the general ledger • not identifying inappropriate activities and irregularities if reconciliation and review are not conducted as required • lack of awareness of new policy and procedure requirements 	<p>required Cash Handling training on an annual basis.</p> <p>2.2 Implement procedures related to cash handling requirements to ensure that these requirements will be met.</p> <p>2.3 Consider leveraging expertise in other units such as the Office of the Registrar and Controller's Office for responsibilities related to student enrollment and cash handling/allocation.</p>	<p>training by August 31 and then recurring training annually.</p> <p>Responsible Party: School of Nursing Student Funding Manager</p> <p>Target Date: August 31, 2018</p> <p>2.2 Document procedure for separation of duties and train staff to new procedure. Also implement signage and notification to students to direct payment to appropriate staff member.</p> <p>Responsible Party: Associate Dean, Administration and Finance</p> <p>Target Date: September 30, 2018</p> <p>See Action Plan for 1.2</p>

<u>No</u>	<u>Observation</u>	<u>Risk/Effect</u>	<u>Recommendation</u>	<u>MCA</u>
3.	<p><i>Internal program revenue allocation calculations are not applied consistently.</i></p> <p>In a sample of 30 students, allocation amounts calculated using the published allocation rate differed from the amounts recorded for 5 (17%) students. Since individual student fee payment information was not available, we based our calculations on a comparison of student invoices with the supporting documentation attached to cash deposit and stipend journal entries posted within our scope period. Allocation differences were identified in the following student groups:</p> <ul style="list-style-type: none"> • for 1 of the 19 (5%) students who were assessed full fees and who made their own payments. The variance appears related to a visa fee. We determined that OAP was over-allocated by \$325 and FHCN is under-allocated by \$325. • for each of the 2 (100%) students who received fee waivers. We determined that OAP was under-allocated \$2,040, PN was over-allocated \$645, and FHCN was over-allocated \$1,395. • for 2 of the 7 (29%) students who received stipends. We determined that OAP was over-allocated \$186 and CHS was under-allocated \$186. <p>We noted that the supporting documentation related to the stipend transfers indicates the stipends are allocated between OAP and the department on a 35%/65% basis rather than the 25%/75% basis used for revenue from non-stipend-supported students. Additionally, some stipend amounts exceeded the total course fees, resulting in a credit balance that is not refunded but is applied to future sessions.</p>	<p>OAP and/or departments may not be receiving the funds to which they are entitled.</p>	<p>3.1 Document and communicate the methodology for allocations to increase transparency and allow for reconciliation.</p> <p>3.3 Consider leveraging expertise in other units such as the Office of the Registrar and Controller's Office for responsibilities related to student enrollment and cash handling/allocation.</p>	<p>3.1 Allocation methodologies to be documented and distributed to all departments involved with Post Masters students.</p> <p>Responsible Party: Associate Dean, Administration and Finance</p> <p>Target Date: September 30, 2018</p> <p>See Action Plan for 1.2</p>

<u>No</u>	<u>Observation</u>	<u>Risk/Effect</u>	<u>Recommendation</u>	<u>MCA</u>
4.	<p><i>Payments may not always be collected and/or documented appropriately.</i></p> <p>Based on the difference between the amounts invoiced and the amounts included in supporting documentation for cash deposit journals posted during our sample period, 15 students were identified with outstanding balances as of February 26, 2018 (the most current deposit journal included in our review) totaling \$108,279.30².</p> <p>Due to these outstanding balances, we were unable to validate the appropriateness of the allocation amounts for 15 of the 30 (50%) students in our sample in the following groups:</p> <ul style="list-style-type: none"> • for 8 of the 19 (42%) students who were assessed full fees and were expected to make their own payments; • for 5 of the 7 (71%) students who were assessed full fees and received stipends; and • for each of the 2 (100%) students whose invoices were sent to BCHO for payment. 	<p>OAP and/or departments may not be receiving the funds to which they are entitled.</p> <p>Asset misappropriation may be able to occur without being detected.</p>	<p>4.1 Review the outstanding balances and evaluate the root causes and/or collectability of those outstanding balances.</p> <p>4.2 Conduct a review at the conclusion of each session to confirm that all expected payments were received and that all allocations between OAP and departments were calculated and posted correctly.</p> <p>4.3 Consider leveraging expertise in other units such as the Office of the Registrar and Controller's Office for responsibilities related to student</p>	<p>4.1 Review outstanding balances to determine collectability of outstanding balances. Determine root cause of error.</p> <p>Responsible Party: Associate Dean, Administration and Finance</p> <p>Target Date: October 31, 2018</p> <p>4.2 Conduct a review at the conclusion of each session to confirm that all expected payments were received and that all allocations between OAP and departments were calculated and posted correctly.</p> <p>Responsible Party: Associate Dean, Administration and Finance</p> <p>Target Date: October 31, 2018</p> <p>See Action Plan for 1.2</p>

² A&AS also could not identify application fee payments for 4 of the 13 (31%) students in our sample who started in the Post-Master's program in Fall 2017.

<u>No</u>	<u>Observation</u>	<u>Risk/Effect</u>	<u>Recommendation</u>	<u>MCA</u>
			enrollment and cash handling/allocation.	
5.	<p><i>The process for documenting waiver approvals to Special Studies and Post-Master's fee payments appears ad hoc and inconsistent.</i></p> <p>Departments sometimes offer fee waivers and discounts to program participants. However, the process used to document these discounts and communicate the approval to personnel involved in the fee assessment and collection process is not consistent.</p> <p>Our review identified 2 students who received fee waivers: one was documented in the student's acceptance letter and the other was documented in email correspondence between OAP and department personnel. Neither waiver was included in the students' physical files.</p>	The lack of a consistent process for documentation approval of reducing or eliminating payment requirements may result in program offices failing to meet estimated revenue targets.	5.1. Develop a process where waiver approvals are documented after being authorized by appropriate personnel. This process should ensure that waivers are not granted without this authorization and that a copy of the documentation related to any waiver approval(s) is maintained in the student's file.	<p>5.1 Implement procedure to review and authorize issuance of waivers prior to granting to student. A copy of the documentation related to any waiver approval(s) to be maintained in the student's file.</p> <p>Responsible Party: Associate Dean, Administration and Finance</p> <p>Target Date: October 31, 2018</p>

B. Records Management

<u>No</u>	<u>Observation</u>	<u>Risk/Effect</u>	<u>Recommendation</u>	<u>MCA</u>
6.	<p><i>The process for documenting waiver approvals to Special Studies and Post-Master's program entry requirements appears ad hoc and inconsistent.</i></p> <p>Review of current student records revealed instances where program entry requirements listed in the "Guidelines for Enrollment and Appointment of Non-Degree Program Students" had been waived but that waiver was not formally documented in the student's file.</p>	The lack of a consistent process for documentation of reducing or eliminating application requirements may result in students being admitted to programs without sufficient preparation or skill sets.	6.1. Develop a process where waiver approvals are documented after being authorized by appropriate personnel. This process should ensure that waivers are not granted without this authorization and that a copy of the documentation related to any waiver	<p>6.1 Implement procedure to review and authorize issuance of waivers prior to granting to student. A copy of the documentation related to any waiver approval(s) to be maintained in the student's file.</p> <p>Responsible Party: Associate Dean, Administration and Finance</p>

<u>No</u>	<u>Observation</u>	<u>Risk/Effect</u>	<u>Recommendation</u>	<u>MCA</u>
	<p>For example, 6 out of 35 files (17%) did not include letters of reference and 13 out of 35 files (37%) did not include an official transcript indicating that a prior Master's degree had been awarded. (However, 8 of these 13 transcripts (62%) were either submitted through an electronic system that is no longer accessible or were for students who received their Master's degree from UCSF, which could be confirmed by program personnel via the UCSF Registrar's Staff Portal website.)</p>		<p>approval(s) is maintained in the student's file.</p>	<p>Target Date: October 31, 2018</p>
<p>7.</p>	<p><i>Physical student records are vulnerable to loss and lack of access in the event of catastrophic events (e.g. theft, earthquake, fire, flood).</i></p> <p>Physical student records are stored in compliance with security requirements. However, other than the individual student grade summary reports maintained electronically on a shared network drive, other student records are only maintained in paper format.</p> <p>Additionally, some electronic information is only stored in a single user's email account.</p>	<p>In the event of loss of physical student records or temporary lack of access caused by a catastrophic event, the lack of an alternative access process or backup/recovery solution may prevent access to or recreation of student academic history and an inability to verify student attendance and program completion.</p> <p>If employees with access are not available when the information is needed, it may not be possible to produce this information timely.</p>	<p>7.1. All required student records received in electronic format should be saved to a shared drive accessible to appropriate program personnel.</p> <p>7.2. Where hard copy records are received, they should be scanned to a shared network location.</p>	<p>7.1 All required student records received in electronic format should be saved to a shared drive accessible to appropriate program personnel.</p> <p>Responsible Party: Associate Dean, Administration and Finance</p> <p>Target Date: October 31, 2018</p> <p>7.2 Where hard copy records are received, they should be scanned to a shared network location.</p> <p>Responsible Party: Associate Dean, Administration and Finance</p> <p>Target Date: October 31, 2018</p>

<u>No</u>	<u>Observation</u>	<u>Risk/Effect</u>	<u>Recommendation</u>	<u>MCA</u>
8.	<p><i>There is no process in place for conducting regular reviews of user access permissions to shared network drive locations.</i></p> <p>Our review included two shared drive locations where student and financial reconciliation information is stored. In neither case could we identify a process for recurring review of access permissions. It was mentioned that SON personnel had requested the data needed to conduct this review from IT in 2015 but were told that the information could not be produced.</p> <p>During this review, access was identified as unnecessary and removal has been requested for 11 of the 20 (55%) users with access to student grade files and 9 of the 14 (64%) users with access to reconciliation files.</p> <p>UCSF Policy 650-16, Addendum A: "UCSF Roles and Responsibilities for Securing Electronic Information Resources" states that department officials are responsible for "administering data access policies and permissions", which includes authorization to access shared drive locations.</p>	<p>Inappropriate access to locations where electronic student records and financial information are stored may lead to unauthorized release of sensitive information as well as unauthorized changes to or deletion of data stored in those locations.</p>	<p>8.1. Identify shared drive locations where sensitive data is stored and conduct an immediate review of users with access to that data.</p> <p>8.2. Establish a process and schedule for recurring reviews of individuals with access to shared drive locations in order to determine if designated access remains appropriate.</p>	<p>8.1 Identify shared drive locations where sensitive data is stored and conduct an immediate review of users with access to that data.</p> <p>Responsible Party: Associate Dean, Administration and Finance</p> <p>Target Date: October 31, 2018</p> <p>8.2 Implement procedure to annually review individuals with access to shared drive locations in order to determine if designated access remains appropriate.</p> <p>Responsible Party: Associate Dean, Administration and Finance</p> <p>Target Date: October 31, 2018</p>
9.	<p><i>Special Studies and Post-Master's student information is retained for a longer period than designated by institutional policy.</i></p> <p>The current "Completion of Program" record checklist includes items that are not required for confirmation purposes, including transcripts from other institutions, copies of completion certificates, and other information.</p>	<p>Maintaining records for a longer period than administratively required can result in the University incurring excess storage and other related costs.</p> <p>Additionally, retaining records containing</p>	<p>9.1. Review the current Special Studies and Post-Master's program checklist requirements and revise items required for retention as needed.</p>	<p>9.1 Check records retention guidelines with Campus retention policies and adjust where necessary. Update post masters checklist to document revised policy.</p> <p>Responsible Party: Associate Dean, Administration and Finance</p>

No	Observation	Risk/Effect	Recommendation	MCA
	<p>In addition, we observed documents retained in completed student files beyond those included in the department's current list of documents required for retention, including course checklists and other non-essential information.</p> <p>UC policy requires retaining student records related to personal data for 1 year after administrative use ceases (0011A1), student academic progress for 5 years (0011A3), and student academic records and completion data permanently (0011A5).</p> <p>The UC record retention schedule regarding student records focuses on matriculated students; however, it is essential for the Special Studies and Post-Master's programs to retain completion information for their non-matriculated students in a similar fashion as the records retained by the Registrar's office in order to confirm course completion. Additionally, some personal student information may also be required in order to verify identity at a later date, and therefore must be retained.</p>	<p>personal information may expose the University to risks related to privacy and related security concerns if records are inadvertently released or lost.</p>	<p>9.2. Adhere to the revised retention checklist and associated policies when preparing and transferring student records to storage.</p> <p>9.3. Consider leveraging expertise in other units such as the Office of the Registrar for responsibilities related to student record retention.</p>	<p>Target Date: October 31, 2018</p> <p>See Action Plan for 9.1</p> <p>See Action Plan for 1.2</p>

V. OPPORTUNITIES FOR IMPROVEMENT

No	Observation	Risk/Effect	Recommendations
1.	<p><i>The department may not be optimizing revenue collection as follows:</i></p> <ul style="list-style-type: none"> • <i>Post-Master's tuition rates are based on comparative market analysis instead of UCSF cost recovery requirements,</i> • <i>students may audit classes without paying any enrollment or registration fees,</i> • <i>there is no assessment of late fees if tuition is not paid prior to stated deadlines, and</i> 	<p>UCSF may not be fully recovering the costs incurred in offering its programs. In addition, the University may lose opportunities for collecting student revenues if the existence of an outstanding receivable cannot be readily determined or if fees earned for</p>	<p>1.1. Conduct a review of program costs to determine if fees are being set at the appropriate levels.</p> <p>1.2. Establish a fee structure that includes all variants of attendance (audit, etc.)</p> <p>1.3. Develop a process where both fees and payments are</p>

No	Observation	Risk/Effect	Recommendations
	<ul style="list-style-type: none"> <i>the current fee payment process does not automatically identify outstanding receivables.</i> <p>The most recent analysis of Post-Master’s program fees (conducted in February 2014) included a comparison of UCSF’s fee schedule with those of other institutions. However, an analysis of program costs has not been conducted in order to identify the University’s own revenue requirements.</p> <p>In addition, penalties are not assessed for late payments although no due date is indicated on the invoices sent to Special Studies and Post-Master’s students.</p> <p>Finally, student account information is maintained in spreadsheets that are separated by quarter and are not linked to payments due. This makes determination of outstanding receivables difficult.</p>	<p>late payments are not assessed.</p>	<p>tracked in a manner where totals paid and any outstanding amounts can be readily identified.</p> <p>1.4. In addition to application and program fees, add late fee charges to student accounts in the event payments are not received by posted due dates.</p>
<p>2.</p>	<p><i>The Special Studies and Post-Master’s internal revenue allocation methodology has not been reviewed recently to determine if the allocation rates currently in use remain appropriate.</i></p> <p>The allocation percentages currently used to record revenue sharing between OAP and SON departments is approximately 3-5 years old and the calculations that resulted in the percentages are unknown.</p> <p>We understand that discussions have begun to relocate some duties to the UCSF Office of the Registrar, which would also likely impact current allocation percentages based on shifting workloads.</p>	<p>The internal allocation of revenues received may not be appropriate related to the area where work is performed and where expenses are generated/realized.</p>	<p>2.1. Conduct a review of internal allocation percentages and workloads to determine if revenue allocated to OAP and departments is appropriate in relation to the work performed.</p>
<p>3.</p>	<p><i>Student enrollment and payment data is maintained in different locations and formats</i></p> <p>Currently, student application and enrollment-related information is stored in a variety of locations and formats (paper files, electronic files (Word, Excel, other), individual email accounts, etc.). Separate data sets are maintained for ‘completed’ vs ‘in progress’ students. Invoices are generated through a mail merge. Records of fee payments are maintained in separate spreadsheets by quarter. In addition,</p>	<p>Storing data in different locations and formats can lead to tracking and reporting issues due to a lack of a uniform, consolidated data source.</p> <p>We were notified of various issues that have already been encountered, including:</p>	<p>3.1. Assess the benefits and requirements for implementing a database or similar solution to record and track student enrollment and payment information.</p> <p>3.2. Evaluate workbook(s) used currently to provide supporting</p>

No	Observation	Risk/Effect	Recommendations
	<p>revenues are only posted on the general ledger up to the amount of the student payment, with no tracking or reporting of losses due to discounts, waivers, or other credits.</p> <p>The fragmented nature of this data may reduce accessibility to information and complicate efforts to produce complete and accurate reports related to student information, revenue totals, allocations, outstanding balances, and related information.</p>	<ul style="list-style-type: none"> • Inconsistent data reporting (between the program office and University Registrar), resulting in a federal agency inquiry (financial aid issue), • Department chairs do not receive financial reports that allow them to determine all funding received, • Difficulties in identifying historical trends and projecting future revenue expectations and expense requirements <p>Management should have access to the most complete and accurate information possible in order to monitor current status and plan for future needs. Without this information, analyses and assumptions may be incorrect or incomplete.</p>	<p>documentation of payments/allocations and consider standardizing to ensure:</p> <ul style="list-style-type: none"> • consistent data entry onto these workbooks • ease of identifying departments and related revenue allocations • possible combination of individual workbook sections into consolidated report that could be distributed on a recurring (monthly, quarterly, etc.) basis
<p>4.</p>	<p><i>Different revenue types are posted to general revenue accounts and project codes, complicating internal reporting and reconciliation back to source documentation.</i></p> <p>Revenues of different types (tuition, application fees, visas and other fee payments, etc.) are currently recorded to account '42101' ("Educational – other") rather than accounts that may be more specific to each type (e.g. 40401 – "Application for admission"). In addition, revenues are internally allocated to departments in project code '111111' ("General Unspecific") even though project codes currently related to both Special Studies and Post-Master's activities.</p>	<p>Recording revenue using general or generic accounting codes reduces the visibility into the details behind these transactions and may complicate efforts to reconcile back to the original payments.</p>	<p>4.1. Review the current process to determine if it is possible to make better use of the existing accounting system. For example:</p> <ul style="list-style-type: none"> • consider posting individual program fees to separate accounts and projects already designated for these purposes.

No	Observation	Risk/Effect	Recommendations
			<ul style="list-style-type: none"> • consider recording deposits to a holding account and then allocating to OAP/departments from this location (potentially self-reconciling if this account should always have a \$0 balance). • consider recording financial losses due to fee waivers and discounts.
<p>5.</p>	<p><i>The current revenue allocation process requires calculating allocations at the time individual fee payments are deposited or when related financial transactions are processed, which may not fully account for the variety of financial transactions related to each student's account.</i></p> <p>Internal revenue allocations are posted to the SON's ledgers as part of the various financial transactions related to student fee assessments and payments, including: recording payments, applying stipends, issuing refunds, processing check returns related to insufficient funds, and other fees and charges as may be applicable.</p> <p>The current deposit journal entry process serves both to record the cash deposit and perform the internal revenue allocation for those funds. However, this only accounts for cash transactions. Additional journals and financial entries may be posted for non-cash transactions (e.g. stipends), which also require separate allocation calculations. Although some transactions occur outside of the deposit process, internal allocation calculations need to account for all account-related activities. As a result, multiple calculations may be required to process financial activities for a single student.</p> <p>Calculating the correct allocations can be complicated when, for example, a student makes a partial or discounted fee payment and OAP must account for the fixed campus services fee as well as the proportional OAP/departamental allocations and any prior payments. Additionally, students may receive stipends which reduce or eliminate</p>	<p>Combining the processes of recording the receipt of revenue and transferring a percentage of the revenue in the same transaction may make it difficult to calculate these amounts correctly, reconcile individual revenue transactions, and confirm that departments receive the appropriate revenue allocations.</p>	<p>5.1. Evaluate workbook(s) used currently to provide supporting documentation of payments/allocations and consider standardizing to ensure:</p> <ul style="list-style-type: none"> • consistent data entry onto these workbooks • ease of identifying departments and related revenue allocations • possible combination of individual workbook sections into consolidated report that could be distributed on a recurring (monthly, quarterly, etc.) basis <p>5.2. Review current process inputs and requirements to determine if a recurring, periodic allocation process accompanied by more robust reporting may be a more effective solution for recording internal revenue allocations and providing related financial and enrollment</p>

No	Observation	Risk/Effect	Recommendations
	<p>the need for cash tuition payments. The revenues for all of these activities are pro-rated between OAP and the department.</p> <p>The SON may be better served by combining these processes into a single quarterly or monthly allocation in order to streamline the calculation process and provide clearer reports to departments regarding revenues received.</p>		<p>information to department personnel.</p>
<p>6.</p>	<p><i>The Center for Global Health does not require visitors to complete UCSF paperwork regarding liability, medical status, privacy requirements, or other related information.</i></p> <p>Currently, the SON Center for Global Health does not require, generate, or maintain any records related to the international visitors who participate in the Visiting Scholars program.</p> <p>The UCSF School of Medicine Office of Graduate Medical Education has already developed a visiting scholar information packet that includes checklists and forms related to reporting requirements, health statements, privacy policy, intellectual property, and liability. The SON may want to consider implementing something similar for its own programs involving visiting scholars if their itineraries include clinical sites or patient contact.</p>	<p>The SON may be increasing its exposure to liabilities and claims related to health issues, privacy, and other concerns or non-compliance with regulatory requirements if visitor status and acknowledgements are not obtained and reviewed by department personnel prior to visitor arrival on campus.</p>	<p>6.1. Review information created by the School of Medicine Office of Graduate Medical Education to determine if leveraging this information for SON purposes is appropriate.</p>

APPENDIX A

To conduct our review, the following procedures were performed for the areas in scope:

- Conducting interviews of management and administrative personnel;
- Reviews of procedure documentation;
- Observation of physical student record storage;
- Reviews of current and historical student records;
- Review of financial transactions posted to the SON general ledger;
- Review of documents provided by SON personnel related to student records, payment processing, cash deposits, reporting, and ledger verifications;
- Obtaining cash handler background information from HR and PD; and
- Obtaining authorized user network access information from IT.