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August 26, 2015

Dr. Jane Close Conoley, President  
California State University, Long Beach  
1250 Bellflower Boulevard  
Long Beach, CA 90840-0115

Dear Dr. Conoley:

**Subject: Audit Report 15-45, Admissions, California State University, Long Beach**

We have completed an audit of *Admissions* as part of our 2015 Audit Plan, and the final report is attached for your reference. The audit was conducted in accordance with the Institute of Internal Auditors' *International Standards for the Professional Practice of Internal Auditing*.

There were no reportable observations revealed during the review. The final audit report has been posted to the Office of Audit and Advisory Services' website.

I wish to express my appreciation for the cooperation extended by the campus personnel over the course of this review.

Sincerely,

  
Larry Mandel  
Vice Chancellor and Chief Audit Officer

c: Timothy P. White, Chancellor

**CSU Campuses**

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## **ADMISSIONS**

**California State University,  
Long Beach**

Audit Report 15-45  
August 26, 2015

## EXECUTIVE SUMMARY

### OBJECTIVE

The objectives of the audit were to ascertain the effectiveness of operational, administrative, and financial controls related to the admissions function and to ensure compliance with relevant governmental regulations, Trustee policy, Office of the Chancellor (CO) directives, and campus procedures.

### CONCLUSION

Based upon the results of the work performed within the scope of the audit, the operational, administrative, and financial controls related to the admissions function in effect as of July 17, 2015, taken as a whole, were sufficient to meet the objectives of this audit.

The audit did not reveal any significant internal control problems or weaknesses that would be considered pervasive in their effects on admissions operational, administrative, and financial controls. Overall, we found that controls over the admissions function were sound, policies and procedures were well documented, and staff were knowledgeable in carrying out their job duties. We did note an opportunity to improve procedures addressing the transmission of data sent to the CO for systemwide reporting; however, this was addressed with the campus during the review.

There were no reportable observations revealed during the review.

## GENERAL INFORMATION

### BACKGROUND

The California Master Plan for Higher Education, originally adopted in 1960, established a framework for higher education in the state of California that differentiated the functions of the three segments – the California Community Colleges, the California State University (CSU) system, and the University of California system – and established the principle that California high school graduates would have access to at least one of these segments. According to the plan, the top one-third of graduating California high school students, as determined by systemwide screening criteria such as grade point average and completion of specific course subjects, would be eligible for admission to the CSU system.

In recent years, due to both a lack of state funding and an increase in student admission demand, a number of campuses have not had the capacity to accommodate all CSU-eligible students who apply. This can occur at the campus level or in a specific program or major and is designated as impaction. Campus-level impaction restricts admissions to the campus for a specific enrollment category (e.g., first-time freshmen or transfer students), based on the instructional resources and physical capacity available at the campus. Program or major impaction restricts admission to a designated discipline, division, or major. In both cases, more rigorous supplementary screening criteria are used for admissions decisions. Before declaring impaction at the campus, program, or major level, or before making significant changes to its screening criteria, a campus must provide a series of public hearings and notifications and obtain approval from the CO. As of fiscal year 2015/16, 17 of the 23 CSU campuses were impacted at the first-time freshmen level, and 14 campuses were impacted at the upper-division transfer level.

The Student Transfer Achievement Reform Act (STAR Act), signed into legislation in 2010, focuses on admission for students who wish to transfer from a community college to the CSU. This bill created new Associate in Arts and Associate in Science degrees that can be earned at a community college and are designed to provide a clear pathway to a CSU degree. Students who have earned these degrees are eligible for admission with junior standing into the CSU system, and upon enrollment, are eligible to graduate once they complete 60 semester units in their chosen major. Students are guaranteed admission to the CSU system, but not to a specific CSU campus or major. However, they are given priority admission consideration to their local CSU campus and to a program or major that is similar to their transfer degree.

Systemwide, for the fall 2014 semester, there were approximately 785,056 duplicated applications (a number that includes applications from the same student to multiple campuses) processed for new undergraduates, which resulted in approximately 115,778 new undergraduates enrolled. Total enrollment for the CSU system in the 2014 fall semester was approximately 460,200.

At California State University, Long Beach (CSULB), admissions is highly competitive, as the campus is impacted at both the freshman and transfer levels, and in all programs and majors. In addition to meeting CSULB-specific screening requirements, applicants are also generally ranked and admitted based on space available, depending on the program or major to which they have applied. Preference is also provided to students from the local area, except for students applying to highly impacted majors. CSULB also participates in the Long Beach

College Promise, a unique partnership between the campus, Long Beach City College, and the City of Long Beach.

## SCOPE

We visited the CSULB campus from June 22, 2015, through July 17, 2015. Our audit and evaluation included the audit tests we considered necessary in determining whether operational, administrative, and financial controls are in place and operative at CSULB. The audit focused on procedures in effect from January 1, 2013, through July 17, 2015. Our review did not consider graduate programs, continuing and extended education, or international students.

Specifically, we reviewed and tested:

- Admission evaluations for first-time freshmen and upper-division transfer students.
- Approval and documentation of admissions exceptions.
- Processes for the notification and approval of impact decisions.
- Residency determinations and processing of residency exceptions and fee waivers.
- Controls surrounding application fee processing and the granting of fee waivers.
- Processes to ensure that admissions data reported to the CO is current and accurate.
- Protection of application and admission records.

As a result of changing conditions and the degree of compliance with procedures, the effectiveness of controls changes over time. Specific limitations that may hinder the effectiveness of an otherwise adequate system of controls include, but are not limited to, resource constraints, faulty judgments, unintentional errors, circumvention by collusion, and management overrides. Establishing controls that would prevent all these limitations would not be cost-effective; moreover, an audit may not always detect these limitations.

Our testing and methodology was designed to provide a review of key operational and administrative controls, which included detailed testing on a limited number of transactions. Our review did not examine all aspects of the admissions process.

## CRITERIA

Our audit was based upon standards as set forth in CSU Board of Trustee policies; CO policies, letters, and directives; campus procedures; and other sound administrative practices. This audit was conducted in conformance with the Institute of Internal Auditors' *International Standards for the Professional Practice of Internal Auditing*.

This review emphasized, but was not limited to, compliance with:

- Executive Order (EO) 523, *Modified Eligibility Indices for Admission to the CSU*
- EO 563, *Impacted Programs and Campuses*
- EO 796, *Privacy and Personal Information Management – Student Records Administration*

- EO 962, *Undergraduate Admissions Exceptions*
- Coded Memorandum Academic Affairs (AA) 2006-30, *Identification and Classification of CSU Students Not Required to Pay Non-Resident Fees*
- AA 2010-10, *Transfer Grade Point Averages and the Enrollment Reporting System*
- AA 2010-20, *CSU Local Admission Areas and Designated Service Areas for School College Relations*
- AA 2011-17, *Admissions Appeals Process*
- AA 2012-22, *Impacted Programs, 2014-15*
- AA 2014-20, *Admission Exception Allocations, 2014-15 and 2015-16*
- Integrated California State University Administrative Manual §8000, *Information Security*
- California Code of Regulations, Title 5, Division 5, Chapter 1, Subchapter 3, *Admission Requirements*
- Education Code (EC) §66201-§66207, *Donahoe Higher Education Act – Admissions*
- Assembly Bill 2402, *CSU Admissions Procedural Requirements*, codified in EC §89030.5
- Senate Bills 1440 and 440, *Student Transfer Achievement Reform Act*, codified in EC §66745-§66749
- EC §68000-§68134, *Uniform Student Residency Requirements*

## AUDIT TEAM

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