

Office of Audit and Advisory Services  
401 Golden Shore, 4th Floor  
Long Beach, CA 90802-4210

562-951-4430  
562-951-4955 (Fax)  
lmandel@calstate.edu

June 1, 2017

Dr. Mildred Garcia, President  
California State University, Fullerton  
800 North State College Boulevard  
Fullerton, CA 92834

Dear Dr. Garcia:

**Subject: Audit Report 17-19, *International Activities*, California State University, Fullerton**

We have completed an audit of *International Activities* as part of our 2017 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*.

I have reviewed the management response and have concluded that it appropriately addresses our recommendations. The management response has been incorporated into the final audit report, which has been posted to the Office of Audit and Advisory Services' website. We will follow-up on the implementation of corrective actions outlined in the response and determine whether additional action is required.

Any observations not included in this report were discussed with your staff at the informal exit conference and may be subject to follow-up.

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

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**The California State University**  
Office of Audit and Advisory Services

# **INTERNATIONAL ACTIVITIES**

**California State University,  
Fullerton**

Audit Report 17-19  
May 5, 2017

## EXECUTIVE SUMMARY

### OBJECTIVE

The objectives of the audit were to ascertain the effectiveness of administrative and operational controls for international activities and to ensure compliance with relevant governmental regulations; Trustee policy; Office of the Chancellor directives; and campus procedures.

### CONCLUSION

Based upon the results of the work performed within the scope of the audit, a few specific control weaknesses were noted; generally, however, controls were adequate, appropriate, and effective to provide reasonable assurance that risks were being managed and objectives were met.

The audit revealed that emergency response procedures for campus participants traveling internationally were not documented. Our observations regarding orientation for international program participants, study-abroad training, and the process for developing international programs stemmed from a lack of records. In addition, written processes addressing the requirements for selecting and approving third-party providers of study-abroad programs were not documented.

Specific observations, recommendations, and management responses are detailed in the remainder of this report.

## OBSERVATIONS, RECOMMENDATIONS, AND RESPONSES

### 1. EMERGENCY PREPAREDNESS

#### OBSERVATION

Emergency response procedures for students and staff traveling internationally were not documented.

We found that the risk management office had processes that addressed required steps to be taken if a student, faculty member, or staff member traveling abroad were to be affected by an overseas emergency, but that the processes were not formally documented.

Establishing formally documented emergency response procedures for students, staff, and faculty traveling internationally helps to ensure their health and safety, and reduces the risk and potential liability to the campus.

#### RECOMMENDATION

We recommend that the campus formally document its emergency response procedures for students and staff traveling internationally.

#### MANAGEMENT RESPONSE

We concur. The university will document its emergency response procedures in writing by July 31, 2017.

### 2. STUDY-ABROAD TRAINING SESSIONS

#### OBSERVATION

Records of pre-departure training provided to faculty who led study-abroad programs were not retained.

Training for faculty leading study-abroad programs was provided by the risk management and study-abroad offices. We reviewed four outbound study-abroad and exchange programs with faculty participants that started between October 2015 and January 2017, and we found that the campus had not retained records showing that faculty who led study-abroad programs had completed training.

EO 1081, *Study Abroad and Exchange Programs*, states that campuses must provide a training session to those leading international activities that covers emergency-response training, communication from abroad, the student conduct code, the alcohol and drug policy, and disciplinary procedures, in addition to other country- or program-specific information.

Documented training for faculty and staff leading study-abroad and other international activities provides greater assurance that these trips will be conducted in a manner that more

fully considers the health and safety of participants, and reduces the risk and potential liability to the campus.

**RECOMMENDATION**

We recommend that the campus retain records showing that all faculty and staff who lead study-abroad programs and other international activities have completed training.

**MANAGEMENT RESPONSE**

We concur. Phase 1 was completed April 28, 2017, via a training acknowledgement form. Phase 2 will be completed ahead of fall 2017 programs (by September 30, 2017) via the transition of the faculty pre-departure orientation to the Terra Dotta online system.

**3. PRE-DEPARTURE ORIENTATIONS**

**OBSERVATION**

The campus had not retained records showing that pre-departure orientation had been provided to outgoing study-abroad students.

Pre-departure orientation for outgoing students is provided by the risk management and study-abroad offices. We reviewed the records of 20 students from six study-abroad and exchange programs that started between October 2015 and January 2017, and we found that the campus had not retained documentation showing that pre-departure orientation had been provided to outgoing study-abroad students.

EO 1081 states that a requirement of any study-abroad program is the provision of a pre-departure orientation that addresses health, safety, security, specific legal exposure or political restrictions, and CSU or campus policies.

Maintaining documentation showing compliance with pre-departure orientation requirements decreases risk should an unforeseen incident result in an adverse situation for the participants, and reduces the risk and potential liability to the campus.

**RECOMMENDATION**

We recommend that the campus retain records showing that pre-departure orientation has been provided to outgoing study-abroad students.

**MANAGEMENT RESPONSE**

We concur. This was completed in January 2017 via the transition of the student pre-departure orientation to the Terra Dotta online system. The finding pertains to programs conducted prior to this date.

#### 4. PROGRAM DEVELOPMENT PROCESS

##### **OBSERVATION**

The campus did not retain records showing that the development process for study-abroad programs and other international activities was followed.

We found that the campus used an International Agreement Approval Request form to gather signature approvals. However, this form did not specifically indicate that the program development process set out in University Policy Statement (UPS) 320.102, *International Education Policy*, was completed.

Retaining documentation showing that the campus development process for study-abroad programs and other international activities has been completed increases assurance that considerations of the academic, risk management, and administrative components of the program were performed.

##### **RECOMMENDATION**

We recommend that the campus retain documentation showing that the development process for study-abroad programs and other international activities was followed.

##### **MANAGEMENT RESPONSE**

We concur. The university will document its program development process in writing by October 31, 2017.

#### 5. STUDY-ABROAD THIRD-PARTY PROVIDER

##### **OBSERVATION**

The campus had not formally documented its process for selecting and approving third-party providers of study-abroad programs.

EO 1081 requires that the campus have a written process for approving study-abroad program providers and deciding whether to enter into an agreement with a program provider.

Documented processes for selecting and approving third-party providers for study-abroad programs provide increased assurance that all requirements for the vetting process have been addressed and provide transparency regarding relationships with third-party providers.

##### **RECOMMENDATION**

We recommend that the campus formally document its process for selecting and approving third-party providers of study-abroad programs.

**MANAGEMENT RESPONSE**

We concur. The university will document its third-party provider selection and approval process in writing by October 31, 2017.

**6. INTERNATIONAL STUDENT ORIENTATION**

**OBSERVATION**

The campus did not always retain records showing that matriculated international students had attended the mandatory orientation.

We reviewed eight first-time freshmen, seven transfer students, and five graduate international students enrolled between the fall 2015 and spring 2016 semesters, and we found that the campus did not have records showing that five first-time freshmen and four graduate international students had attended new-student orientation.

Retaining records showing attendance at new-student orientation ensures compliance with California State University requirements and promotes operational best practices.

**RECOMMENDATION**

We recommend that the campus retain records showing that matriculated international students have attended new-student orientation.

**MANAGEMENT RESPONSE**

We concur. The university will document its process for new-student orientation recordkeeping in writing by September 30, 2017.

## GENERAL INFORMATION

### BACKGROUND

In May 2008, the Board of Trustees adopted *Access to Excellence* as the new strategic plan for the CSU. *Access to Excellence* focuses on the intersection of the CSU with the economic, political, and social environment of the state of California, and among its eight commitments is a goal to enhance opportunities for global awareness. Subsequent reports to the Board of Trustees reflect ongoing initiatives to expand the use of academic technologies to bring global education opportunities into the CSU environment; increase mobility for incoming and outgoing exchange, study abroad, and degree-seeking students; review the safety and security environment for specific regional programs abroad; and establish a framework for international activity to share information and best practices that encourage activities while considering the safety of students and institutions.

In 2012, the Office of the Chancellor (CO) issued new executive orders (EO) that updated requirements for three main areas of international activities: international agreements with overseas educational partners; study abroad and exchange programs for CSU students; and international students hoping to study at a CSU campus. EO 1080, *International Agreements*, requires that all agreements with foreign partners that commit CSU resources must be approved by the campus president after the document is reviewed by designated CO departments. EO 1081, *Study Abroad and Exchange Programs*, and EO 1082, *International Students*, establish requirements for campuses that set up study abroad and/or exchange programs and enroll nonresident international students, respectively, as part of their international activities. The president of each campus is delegated the responsibility for the development, implementation, and oversight of international programs in accordance with these three EOs and other related CSU policy.

All three of the EOs require that international activities be conducted in a manner that demonstrates a clear benefit to the CSU, and that the activities be part of the university's overall mission to educate the citizens of California. The policy on international students further states that recruitment of international students should be part of a broader internationalization strategy that benefits all CSU students, the campus, and international students. The policy regarding study abroad and exchange for CSU students acknowledges the integral role these activities play in the mission of the institution while addressing the importance of minimizing risk to both the participants and the university. In addition to the policies specific to international activities, the CO has related policies addressing risk management concerns for student travelers.

At California State University, Fullerton (CSUF), international activities involving study-abroad, student-exchange, and other student-travel programs are overseen by the university extended education/international programs and global engagement (UEE/IPGE) office in the division of academic affairs. International students attend CSUF either as matriculated students in a degree program or as participants in non-degree educational opportunities, such as the American Language Program. Those seeking admission into degree programs must apply through the same channels as domestic students, via CSU Mentor, and must meet certain federal visa requirements in addition to CSUF and program-specific criteria for admission.

The international admissions and outreach office assists international students and participants with their applications for the admissions and enrollment process, which is handled by the campus office of admissions and records. In addition, the international student services office provides immigration and employment-related advising through orientation, multimodal communication formats, and office hours. Current CSUF students can participate in international experiences through study-abroad programs or international student-exchange agreements. The study-abroad office assists these students in applying for programs, completing travel requirements, and completing training prior to departure.

## SCOPE

We visited the CSUF campus from March 6, 2017, to April 7, 2017. Our audit and evaluation included the audit tests we considered necessary in determining whether administrative and operational controls are in place and operative. The audit focused on procedures in effect from July 1, 2015, through April 7, 2017.

Specifically, we reviewed and tested:

- Campus coverage, or inclusion in the campus strategic plan, of the systemwide mission to enhance opportunities for global awareness.
- International activities administration and organization, including clear lines of organizational authority and responsibility, and current and comprehensive policies and procedures.
- Processes for the development of study abroad or other student-centered international learning experiences, from conceptualization to planning and approval to implementation.
- Study-abroad program administration, including evidence that important safety requirements, such as student orientations and faculty training, have been implemented.
- Study-abroad student participation records to ensure that all participants have met risk management and program requirements.
- Processes to ensure that international agreements, including those with international student recruiters, are properly vetted by appropriate CO divisions and approved by the campus president.
- Campus compliance with requirements to properly select, assess, and approve the use of third-party providers for international student learning experiences, including a review to ensure that the campus does not engage in any prohibited practices.
- International student administration, including confirmation of visa authority requirements, accurate residency determinations, and proper application of admissions requirements.
- Systems and plans in place to provide assurance that the campus has adequate information on the itineraries, locations, and student emergency contacts in the event an emergency situation arises while students are traveling as part of a CSU-affiliated program.

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, which was designed to provide a review of key administrative and operational controls, included interviews, walk-throughs, and detailed testing on certain aspects of the international activities conducted on the campus under review. Our review focused specifically on campus-created international programs and did not specifically include partnerships or consortium programs, nor did it include review of every category of international activities available to students.

## CRITERIA

Our audit was based upon standards as set forth in federal and state regulations and guidance; CSU Board of Trustee policies; Office of the Chancellor 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:

- EO 1041, *California State University Student Travel Policy*
- EO 1051, *Use of Approved Waiver of Liability*
- EO 1062, *Field Trip Policies and Procedures*
- EO 1080, *International Agreements*
- EO 1081, *Study Abroad and Exchange Programs*
- EO 1082, *International Students*
- Coded memorandum Academic Affairs (AA) 2007-25, *Third-Party Program Provider Study Abroad and Administrative Safeguards*
- AA 2015-17, *Non-Resident Tuition Waivers*
- Coded memorandum Risk Management (RM) 2014-01, *High Hazard International Travel*
- RM 2011-02, *Independent International Travel – Students*
- Code of Federal Regulations Title 22, Part 62, *Exchange Visitor Program*
- Code of Federal Regulations, Title 8, Part 214, *Non-Immigrant Classes*
- CSU Admissions Handbook 2015-2016
- Government Code §13402 and §13403
- CSUF UPS 302.102, *International Education Policy*
- CSUF UPS 108.000, *Visiting Scholars and Other Formal Delegations of Visitors*

## AUDIT TEAM

Assistance Vice Chancellor and Deputy Chief Audit Officer: Janice Mirza  
 Audit Manager: Joanna McDonald  
 Senior Auditors: May Flores and Mayra Villalta