



Internal Audit

Transcript Fees

June 26, 2015

Office of Internal Audit



Missouri State[™]

U N I V E R S I T Y

DATE: June 26, 2015

TO: Rob Hornberger, Assistant Vice President Enrollment Management/Registrar

FROM: Donna Christian, Director of Internal Audit and Compliance
Tami Reed, Senior Internal Auditor

CC: Donald Simpson, Associate Vice President for Enrollment Management and Services
Dr. Dee Siscoe, Vice President for Student Affairs
Clifton M. Smart III, University President

RE: INTERNAL AUDIT: TRANSCRIPT FEES

BACKGROUND

The Office of the Registrar is responsible for providing a transcript to students and former students at their request. A printed transcript, a chronological listing of student's academic record at Missouri State University, is considered official when produced by the Office of the Registrar bearing the University Seal and signature of the University registrar. Graduating students are provided one complimentary transcript along with their diploma.

Effective January 28, 2013, the Board of Governor's approved fee schedule included a \$5 fee for each official transcript ordered by students or former students. Prior to this date, official transcripts were provided free by the University.

Current and former students can request and pay for official transcripts online through an in-house created transcript ordering/cash receipt system. This system was initiated January 28, 2013 when the University began charging for official transcripts. The system also enables a student/former student to purchase a duplicate diploma (\$20) and adds charges for express or overnight shipping. Unofficial transcripts are still available at no charge.

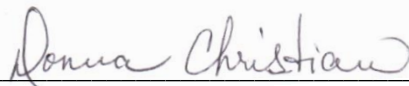
The University has a goal to respond to the requests of students by continuing to increase the number of transcripts delivered via secure, electronic format. The Office of the Registrar indicated in order to implement this, vendor solutions may need to be considered, which would apply a fee of approximately \$3 to \$5 per transcript, in addition to the current \$5 fee.

OBJECTIVE AND SCOPE

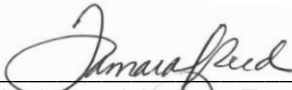
Upon request by the Registrar, a review of the process used for transcript requests was performed. The transcript requests, receipts, and waivers for the fiscal year 2014 and the 11 months ended May 31, 2015 were included in this review.

SUMMARY

The in-house created system appears to adequately provide a secure online method for students to request and pay for official transcripts. The audit report includes recommendations to help improve accountability over all transaction numbers and security over transcript paper.



Donna Christian, CPA, CGFM
Director of Internal Audit and Compliance



Senior Internal Auditor: Tami Reed
Audit Field Work Completed: April 30, 2015

OBSERVATIONS, RECOMMENDATIONS AND MANAGEMENT RESPONSES

The revenue generated from official transcript requests for fiscal years ended 2013, 2014 and the 11months ended May 31, 2015 is as follows:

Fiscal Year	Online Request	Mail/Office Request	Total
11me 5/31/2015	\$100,750	\$19,161	\$119,911
FY 2014	110,545	26,196	136,741
FY 2013*	46,714	15,990	62,704

*- Prior to January 28, 2013, transcripts were provided at no charge.

Transcript requests are initiated and processed through the Official Transcript Request System (an in-house created transcript ordering/cash receipt system). Requests can be made online through the requestor's *My Missouri State* website (former students can also authenticate outside of My Missouri State) or can be requested through the mail or in person by submitting a paper form request. Fees for online requests can be paid by credit card or electronic check through the university's secured website. Mail and in person requests can be paid by check or cash. All requests (mail, in person, or online) are processed through the same Transcript Request System.

The policies and procedures for issuance of official transcripts were reviewed. The following are areas where improvements could be made to the current process:

1. System Reports

System reports accounting for the numerical sequence of all transaction numbers are not generated. When a transcript request is initiated the system immediately assigns a transaction number. In some cases, the initiator does not complete enough of the request to capture any information so the transaction number is abandoned and never reassigned. The current system reports do not include abandoned transactions numbers so there is no means to analyze the disposition of all transactions numbers. Also, transaction numbers for batches of internally generated transcripts are also not included in current reports.

Additionally, some students order and pay for duplicate diplomas several weeks before they graduate. The system holds these orders until after graduation and then processes the order. These orders are immediately assigned a transaction number; however the number is not included on system reports until after the order is processed. As a result, these transaction numbers are out of numerical sequence.

A comprehensive report with all transaction numbers in numerical order would provide a means to ensure the system is properly assigning and accounting for all transaction numbers. The University's Computer Service's Department is currently working to develop this type of report.

Recommendations:

Continue to develop an enhanced report in the Transcript Request System that includes all transaction numbers in numerical order. Periodically review the report to determine if the system is working accurately and all exceptions are properly reviewed.

Management Response:

Computer Services will create two new Transcript Request System transaction reports in addition to the existing weekly reports listing non-electronic payment transactions for reconciliation. These new reports will run on a monthly basis and will list:

- *All transactions (non-electronic, electronic, and waived payment methods) and final disposition (printed, abandoned, cancelled, etc), along with any notes, for the prior month.*
- *All transactions that the Transcript Request system marked as abandoned and then received payment verification from CashNet. These transactions generate emails to the Office of the Registrar when they occur, and each is handled on a case-by-case basis; this report would allow for periodic checking that all such exceptions were correctly processed.*

These reports should provide sufficient information about the transactions to allow the Office of the Registrar to ensure that the system is working accurately and all exceptions are handled correctly, and will be active by August 1, 2015.

2. Physical Security

Official transcripts are printed on safety paper with "Missouri State University" printed in white across the face of the transcript as a safeguard against fraudulent or unauthorized transcripts. The word "COPY" appears when these official transcript are photocopied. The registrar's signature is also printed on the face of the transcript along with the university's seal. These security steps have been established to ensure fraudulent transcripts are not easily printed.

The transcript stock is stored in a locked storage closet and a locked file cabinet; however, keys to the storage closet and the file cabinet are kept in an unlocked file cabinet in a common area in the registrar's office. Although this is not a space where guests are permitted, unauthorized access would be better controlled if the keys were better secured. Additionally, the registrar's stamp and the University seal is also maintained in this unlocked file cabinet with the keys.

Recommendation:

Ensure the keys, registrar's stamp and the University seal are kept in a secure area to ensure no access or unauthorized use.

Management Response:

The Office of the Registrar will purchase a lock box in which we will store the keys to the office storage closet and stamp/seal cabinet. This box will be locked on a daily basis. Appropriate staff will have access to the box via a combination code that can be periodically changed when needed. The backup key to the box will be stored in a supervisor's office, which can be locked. As part of the office's closing procedures, the registrar stamps and University seal will be locked in the current cabinet location in which they are currently stored. The key to this cabinet will be stored in the lock box as well. This new protocol will be in place by August 1, 2015.