

Office of Internal Audit
Fiscal Year 2025
September 19, 2024

Internal Audit Services

- Planned audits to review the adequacy of internal controls in the areas of operations, financial, compliance and information technology
- Investigations of suspected employee misconduct in the areas of fraud, waste and abuse
- Advisory services including serving as liaison between management and external auditors and providing guidance to members of the University community with issues that impact operations and systems of internal control

Audit Resources: Personnel

The Internal Audit audit team (~4.7FTE):

- Chief Audit Executive
- Audit Manager (~.7FTE)
- IT Auditor
- Sr. Auditor
- Auditor

Presented:

- FY 2025 Audit Plan
- FY 22-23 SAO Accountability Audit Exit ([report](#) published August 29, 2024)
- SAO Performance Audit of Running Start and College in the High School: Assessing Dual Credit Transferability ([report](#) published August 27, 2024)

**Washington State University
Office of Internal Audit**

Fiscal Year 2025 Audit Plan

Heather R. Lopez, CIA, CFE
Chief Audit Executive
August 2024

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Introduction

The Office of Internal Audit assists the University and management in accomplishing its mission and strategic goals by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of its risk management, internal control and governance processes.

This year's Audit Plan achieves Internal Audit's goals by using a risk-based approach to provide audit and consulting coverage of several functions and processes with a system-wide focus. The plan considers constraints of available internal audit resources while striving to achieve an optimal balance of assurance and advisory activities that will offer the most value to management and the Board of Regents.

While Internal Audit's primary responsibility is performing audit activities that aim to provide assurance on the adequacy of controls to mitigate risks to university operations, the Audit Plan also recognizes the importance of Internal Audit's role in the following areas:

- Serving in a consulting or advisory capacity by:
 - o Educating and training of the workforce in concepts of fraud detection and awareness and internal control, and
 - o Assisting management in their efforts toward improvement of processes, procedures, and systems.
- Providing coordination and support to various external audit agencies including the State Auditor's Office, Executive Ethics Board, and federal and state agencies in their engagements involving University operations or personnel.
- Conducting follow-up of issues identified during audits and investigations of financial or other irregularities and as related to results of external audits.

The Audit Plan is developed as a result of assessment activity identifying risks faced by Washington State University. This includes risks that are known by this Office as well as those that are communicated by stakeholders during the audit plan development processes. Planned audits that are approved but not able to be conducted during the current year are communicated to senior management and the Board and reevaluated for consideration in the following year's audit plan. Because history has demonstrated how quickly the risk environment can change, we purposely allow for flexibility in our approach to planned audits and other audit services. The CAE is authorized to make changes to the Audit Plan, as deemed necessary, to address changes in identified risks.

Audit Plan Development

Audits and projects in the FY 2025 Audit Plan were primarily identified through an assessment process that includes a planning questionnaire sent to different levels of management system-wide, review of input into the Enterprise Risk Management (ERM) process and Office of the Controller Risk Evaluations and, interviews with key management and leadership to understand their views of the risk environment. We also considered internal and external risk inputs including recent audit results and/or advisories, external examinations, industry risk areas and alerts from sponsoring agencies and stakeholders.

The specific scope and objective of each audit in the Audit Plan is determined once the audit team completes its planning process on each engagement. This planning process includes consideration of the risk management, control, and governance processes in place to meet the following:

- Accountability systems are in place to ensure organizational and program missions, goals, plans and objectives are achieved
- Risks are appropriately identified and managed
- Information is accurate, reliable and timely
- Employee actions are in compliance with policies, procedures and applicable laws and regulations
- Operations are effective and efficient
- Resources are acquired economically, used efficiently, and adequately protected

Overview of Audit Plan

The FY 2025 Audit Plan will be completed with the following resources: four auditors (3.7FTE – three at 1.0FTE each, one at .7FTE based on projected LWOP) and the Chief Audit Executive.

Planned use of available hours is as follows:

	Total Hours	% of Total
Direct Audit Service/Project Hours	7,091	70%
Leave Time and Holidays	1,656	16%
Administration, Development and Other	1,318	13%
Total hours	10,065	100%

Direct Audit Service/Project: includes planned audits, advisory projects, liaison efforts and contingency for investigations.

Leave Time and Holidays: represents 11 University holidays, estimated use of earned and accrued annual and sick leave based on past usage and projected time off activities.

Administration, Development and Other: includes departmental and supervisor staff meetings, and University required training. This also includes time planned to meet or exceed annual continuing professional education requirements of the various professional organizations which internal auditors are members and as required by the Institute of Internal Auditor (IIA).

For the 7,091 hours available for direct audit services/projects, 520 hours are reserved to ensure proper review and supervision of audit activities, with the bulk of the remaining hours as follows:

- Planned Assurance Audits (81%):
 - o 2,915 – risk-based audits
 - o 610 – business unit audits (selected by risk assessment/cycle)
 - o 1,716 – continuous audit program (test of controls/transactions – high risk)
 - o 100 – follow up of prior year recommendations in audits, investigations, external audits
- Unplanned Audit Activities (19%):

- 970 – investigation, advisory, liaison
- 260 – support activities: education and training, quality improvement, committee participation

Our efforts are to ensure broad coverage of audit activity across the University system and include on-site audit engagement at all campuses, as much as possible. Although resources do not permit on-site review every year, the continuous audit program ensures continued test of decentralized transactions, and where feasible, the key controls, in functional areas engaged at all campuses and sites. Where possible, we also seek to leverage the work of external auditors or consultants.

Further, we try to ensure the planned audit coverage broadly covers several categories of risk including: financial, operational, research, information technology and compliance.

FY 2025 Audit Plan

Planned Assurance Audits

Risk-Based Audits (Budgeted 2,915 hours):

- Rollover, complete FY 2024 audits still in progress: Service Center Billing, S&A Fees, Screening, Electronic Record Management
- FERPA
 - Provide assurance of university controls over compliance with FERPA act
- Registered Student Organizations
 - Evaluate fiscal controls in place – all registered student orgs must place funds in university account and have processes to ensure spend in accordance with org member intent
- Petty Cash
 - State requirements for periodic review, tests to confirm reported amounts
- Compensation
 - Scope and objective to be determined as a result of further planning and in coordination with management
- Enrollment Management
 - Scope and objective to be determined as a result of further planning and in coordination with management
- Consulting Agreements
 - Review for compliance with state requirements and terms of agreements
- Tuition Waiver
 - Scope and objective to be determined as a result of further planning and in coordination with management
- IT Security – Remote Work
 - Included in prior year plan but not engaged due to resources, include evaluation of requirements unique to remote work activity

Business Unit audits (Budgeted 610 hours):

- Utilizing a standardized audit program, the goal is an effort to effect the awareness of an Internal Audit function as a key control in the university's control environment. These audits are

purposely higher level and will touch on key functional areas including: assets, purchasing card, travel, payroll, data security, physical security, receipting, fiscal monitoring, compliance and, as needed, unit specific issues.

- Units selected for review: Pharmacy Dean's Unit, Government Relations, Murrow College of Communications

Continuous Audit Program (Budgeted 1,716 hours):

- Increase number of queries in following areas of currently performed high risk transaction testing:
 - o Expenses
 - o Purchasing card
 - o Travel expense
 - o State travel card
 - o Payroll
 - o Benefits
 - o Required training
 - o Revenue streams
 - o Cybersecurity controls – access, admin controls, security configurations

It is anticipated for the Continuous Audit program to continue to grow with tests that will evolve over time as systems mature or change. Focus on transaction allowability, support and emphasis on those activities more susceptible to fraud.

Effort is allocated in the current year to refining these tests and developing more robust methods of visualizing and communicating results on a more timely basis.

Follow up (Budgeted 100 hours):

- Review of prior internal audit recommendations to determine if the formal responses from management were implemented as stated and if the corrective actions adequately address or mitigate the identified risks.

Unplanned Audit Activities (Budgeted 1,230 hours):

- Investigation: Internal Audit investigates financial irregularities and compliance concerns in the areas of Fraud, Waste and Abuse. This is the most difficult category of service to predict effort as it varies from year to year, and engagement causes disruption to the schedule of Planned audits. Time allocated to this area is estimated based on historical experience and known open investigations at the start of plan year.
- External Audit Liaison: This area also is difficult to predict effort but estimates are based off known and expected, scheduled activity. Engagement by the State Auditor's Office (SAO) during FY 2025 is not anticipated to be as significant as prior years with the FY 2024 conclusion of a two year Accountability Audit, state Performance Audit, and no indication that WSU will be included in planned onsite testing for Single Audit. Liaison with SAO has typically accounted for about 90% of all liaison effort.
- Advisory Services: Internal audit staff provide consultative advice on financial, operational and compliance issues.

- Support Activities: This category includes a variety of services for which Internal Audit resources are allocated to fulfill our roles to provide value to University management, and, to support our own processes and initiatives to meet those broader efforts. These services include:
 - o Outreach – Internal Audit develops regular announcements, articles and tips on internal control and fraud risk. Many times these communications are developed in coordination with functions holding responsibility over the subject matter
 - o Committees – members of Internal Audit serve on several University committees, providing informal feedback on internal controls and risk. Participation also provides for greater visibility of Internal Audit as a resource and assists the function in being more timely alerted to nascent issues of concern.
 - o Quality Assurance and Improvement Program – Regular efforts by the Internal Audit function to improve quality of audit services include retrospective evaluation of audit methodologies and processes, client surveys and enhancement of audit tools. In January 2023, the audit management system used for all audit work and issue tracking moved to a cloud-hosted environment. Audit programs, tools and techniques required revision as a result and continue to be improved.

Internal audit activities are conducted in an independent and objective manner and in compliance with the Institute of Internal Auditors' (IIA) International Standards for the Professional Practices of Internal Auditing. Internal Audit achieves organizational independence through a dual reporting structure. The CAE reports functionally to the President and administratively to the Executive Vice President for Finance and Administration. In accordance with the charter and the Board of Regents Bylaws, the CAE also provides regular updates to the committee of the Board of Regents charged with oversight for audits. Those updates include information regarding the audit plan and resource requirements, audit performance relative to the plan, and significant risk exposures and control issues, including fraud risks, governance issues and other matters of importance to senior management and the Board.

Audit Risk Universe

Audit resources limit the number of projects that may be engaged during the year. To best deploy resources in a manner most helpful to management and operations, a listing of risks or risk topics that surface as a result of planning activities is compiled and then subsequently shared with partners for ranking. The results are then evaluated against engaged and planned activities (internal or external) and resource availability.

The IIA requires that senior management and the governing board is informed of the risks/topics that were considered for the annual audit plan but not selected for audit. See [APPENDIX – AUDIT RISK UNIVERSE](#) for the full listing and disposition.

Authority and Criteria

Auditing Standard

The WSU Office of Internal Audit follows standards promulgated by the Institute of Internal Auditors (IIA). In accordance with Standard 1000, the purpose, authority, and responsibility of the internal audit activity is formally defined in the audit charter. The charter includes the mandatory elements of the International Professional Practices Framework (the Core Principles for the Professional Practice of

Internal Auditing, the Code of Ethics, the *Standards*, and the Definition of Internal Auditing). The charter is periodically reviewed for revisions and any changes presented to the President for approval as required.

Standard 1300 requires the CAE to develop and maintain a quality assurance and improvement program (QAIP) that covers all aspects of the internal audit activity. The QAIP includes internal assessments such as regular supervisor monitoring of projects and activities and a newly implemented internal team member assessment of completed projects. External assessment includes a peer review to be conducted at least every five years.

WSU's Office of Internal Audit has not had a peer review. A peer review is critical to ensure the University's Internal Audit function continues to meet its charge for the University. The Fiscal Year 2020 Audit Plan had included planning, budget and time, for a peer review, with a plan for at least two reviewers from two different higher education institutions of similar size and form as WSU. Due to pandemic and impacts to resources this did not occur. FY 2024 Audit Plan included resources towards the Quality Assurance Improvement Program – efforts were dedicated to strengthening methodologies, templates and training in conjunction with the rollout of the updated audit management system in January 2023. Efforts for quality improvement continue to be made in the areas of streamlining audit processes for more efficient and effective audits and communication.

Internal Control Framework

The University follows the COSO control framework and its guiding principles in the establishment of internal controls. The state of Washington has provided greater direction in the implementation of COSO for state agencies within the revised (effective July 1, 2017) Chapter 20 of the State Accounting and Administration Manual. Internal Audit strives to apply the COSO framework in tests of internal controls and provide appropriate direction and guidance to individuals.

Appendix A – Audit Risk Universe

The following risks and risk topics were identified by management during our risk assessment activities. Some are noted as included in the FY 2025 Audit Plan – however, there are additional topics that were not included due to resource constraints, or, process improvements or mitigation plans are in progress deeming an assurance audit at this time would not add value to the topic.

Risk/Risk Topic	Consideration in Audit Plan - in part or in full
GLBA	audited FY 24
Petty Cash	included
RSO - registered student orgs	included
Enrollment Management	included
Compensation	included
Consulting contracts	included
Remote employees	included
FERPA	included
Fiscal [Budget] Controls in Workday	included - Continuous and Dept audits
Vulnerability Management	included - Continuous and Dept audits
Required training	included - Continuous and Dept audits
Payroll	included - Continuous and Dept audits
Inadequate training/assignment of duties	included - Continuous and Dept audits
Vendor management	included - Continuous and Dept audits
Contract delegation	included - Continuous and Dept audits
CTA	included - Continuous audits
ECM - External committee member	included - Continuous audits
Asset management	included - Dept audits
Public Records - Retention	Included - Electronic Records Management audit
Background checks	included - Screening audit
Athletics	included, in part - petty cash, Continuous audit
Net Tuition Revenue	included, potentially - Tuition Waiver
Risk assessment/ System security	included, potentially - IT remote work
ADA - Digital Accessibility	not included
Program Participation	not included
Budget - deficit planning/management	not included
Ability to adapt to external pressures	not included
Policy Review	not included
Buying power	not included
Cougar card center	not included
Alumni Association	not included
Purchase Order	not included
Enterprise licenses	not included
Federal posting	not included
Student health billing	not included
Bank accounts	not included
Facilities: deferred maintenance, O & M	not included



Office of the Washington State Auditor

Pat McCarthy

Exit Conference: Washington State University

The Office of the Washington State Auditor's vision is increased trust in government. Our mission is to provide citizens with independent and transparent examinations of how state and local governments use public funds, and develop strategies that make government more efficient and effective.

The purpose of this meeting is to share the results of your audit and our draft reporting. We value and appreciate your participation.

Audit Reports

We will publish the following reports:

- Accountability audit for July 1, 2021 through June 30, 2023 – see draft report.

Audit Highlights

- All University employees that we worked with during the audit were professional and responsive to our audit requests.
- We appreciate the audit liaison's prompt assistance to connect us with the appropriate employees for each audit section and obtaining documents and other support to complete our audit.

Recommendations not included in the Audit Reports

Exit Items

We have provided exit recommendations for management's consideration. Exit items address control deficiencies or noncompliance with laws or regulations that have an insignificant or immaterial effect on the entity, or errors with an immaterial effect on the financial statements. Exit items are not referenced in the audit report.

Finalizing Your Audit

Report Publication

Audit reports are published on our website and distributed via email in a .pdf file. We also offer a subscription service that notifies you by email when audit reports are released or posted to our website. You can sign up for this convenient service at <https://portal.sao.wa.gov/SAOPortal>.

Management Representation Letter

We have included a copy of representations received from management.

Audit Cost

At the entrance conference, we estimated the cost of the audit to be \$135,000 and actual audit costs will approximate \$120,000.

Your Next Scheduled Audit

Your next audit is scheduled to be conducted in 2026 and will cover the following general areas:

- Accountability for public resources for fiscal years 2024 and 2025

[Working Together to Improve Government](#)

Audit Survey

When your report is released, you will receive an audit survey from us. We value your opinions on our audit services and hope you provide feedback.

[Questions?](#)

Please contact us with any questions about information in this document or related audit reports.

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AUDIT RESULTS

Results in brief

This report describes the overall results and conclusions for the areas we examined. In those selected areas, University operations complied, in all material respects, with applicable state laws, regulations, and its own policies, and provided adequate controls over the safeguarding of public resources.

In keeping with general auditing practices, we do not examine every transaction, activity, policy, internal control, or area. As a result, no information is provided on the areas that were not examined.

About the audit

This report contains the results of our independent accountability audit of the Washington State University from July 1, 2021 through June 30, 2023.

Management is responsible for ensuring compliance and adequate safeguarding of public resources from fraud, loss or abuse. This includes the design, implementation and maintenance of internal controls relevant to these objectives.

This audit was conducted under the authority of RCW 43.09.310, which requires the Office of the Washington State Auditor to examine the financial affairs of all state agencies. Our audit involved obtaining evidence about the University's use of public resources, compliance with state laws and regulations and its own policies and procedures, and internal controls over such matters. The procedures performed were based on our assessment of risks in the areas we examined.

Based on our risk assessment for the years ended June 30, 2023 and 2022, the areas examined were those representing the highest risk of fraud, loss, abuse, or noncompliance. We examined the following areas during this audit period:

- Cash receipting – timeliness and completeness of deposits, voids and adjustments
- Accounts payable – travel expenditures and electronic funds transfers
- Compliance with RCW 28B.15 – services and activities, and other student fees
- Contract compliance – cash receipting and deposit timeliness
- Selected IT security policies, procedures, practices, and controls protecting financial systems – patch management
- Tuition waivers – eligibility, review, approval, and reconciliation
- Payroll – gross wages and overtime

- Receiving and tracking of inventory items – WSU Creamery, Veterinary Hospital, and Veterinary Microbiology and Pathology
- Procurement – purchases
- Open public meetings – compliance with minutes, meetings and executive session requirements

RELATED REPORTS

Financial

We perform an annual audit of the statewide basic financial statements, as required by state law (RCW 43.09.310). Our opinion on these financial statements is included in the Annual Comprehensive Financial Report (ACFR). The ACFR reflects the financial activities of all funds, organizations, agencies, departments and offices that are part of the state’s reporting entity. The results of that audit are published in a report issued by the Office of Financial Management in December of each year and can be found at www.ofm.wa.gov.

Federal programs

In accordance with the Single Audit Act, we annually audit major federal programs administered by the state of Washington. Rather than perform a single audit of each agency, we audit the state as a whole. The results of that audit are published in a report issued by the Office of Financial Management in March of each year.

Performance audits

Initiative 900, approved by voters in 2005, gives the State Auditor’s Office the authority to conduct independent performance audits of state and local government entities. Performance audits may include objective analysis on ways to improve program performance and operations, reduce costs and identify best practices.

We issued the separate performance audit report, Running Start and College in the High School: Assessing dual credit transferability, which is available on our website, <http://portal.sao.wa.gov/ReportSearch>.

INFORMATION ABOUT THE UNIVERSITY

Founded in Pullman in 1890 as the state’s land-grant research university, the Washington State University-System has campuses in Pullman, Spokane, Tri-Cities, Vancouver, Everett, and online (Global Campus). The nearly 26,490 students are served by over 2,300 faculty, 1,500 graduate assistants and 4,500 staff members. Among the University’s faculty are members of the National Academy of Sciences, the National Academy of Engineering, and the Institute of Medicine. The Carnegie Foundation classifies the University as one of 108 U.S. public and private universities with very high research activity.

The University has eleven academic colleges plus the Graduate School. The colleges include Agricultural, Human and Natural Resource Sciences, Arts and Sciences, Business, Communication, Education, Engineering and Architecture, Honors, Medicine, Nursing, Pharmacy and Pharmaceutical Sciences, and Veterinary Medicine. The University offers more than 200 fields of study including 95 majors, 86 minors, 79 master’s degree programs and 63 doctoral degree programs. Professional degrees are offered in medicine, pharmacy and veterinary medicine. During fiscal year 2023, 7,475 degrees, including bachelors, masters, professional and doctoral degrees, were conferred.

The University’s researchers tackle complex problems with the goal of improving the quality of life and fueling prosperity for residents in the Pacific Northwest and beyond. The University focuses its research expertise on health and well-being; equitable and thriving communities; next-generation materials and technologies; energy and the environment; and agriculture, food, and nutrition. Research stations are located in Lind, Long Beach, Mount Vernon, Othello, Prosser, Puyallup and Wenatchee. There are extension offices in all 39 Washington counties.

The University is governed by an 11-member Board of Regents, one of whom is a faculty member, and all are appointed by the Governor and confirmed by the state Senate. Dr. Kirk H. Schulz has served as the 11th president of the University since 2016. The University’s operating and non-operating revenue was \$1.21 billion in fiscal year 2022 and \$1.39 billion in fiscal year 2023. Revenue sources include tuition and fees, federal, state and local grants, contracts and appropriations, gifts and contributions, auxiliary enterprises such as housing and dining, parking, the Student Recreational Center, intercollegiate athletics and the Compton Union Building. The total state operating budget was \$245.7 million in fiscal year 2022 and \$251.8 million in fiscal year 2023.

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Information current as of report publish date.

Audit history

You can find current and past audit reports for the Washington State University at <http://portal.sao.wa.gov/ReportSearch>.



August 23, 2024

Office of the Washington State Auditor
3200 Capitol Blvd
P.O. Box 40031
Olympia, WA 98504-0031

To the Office of the Washington State Auditor:

We are providing this letter in connection with your accountability audit of the Washington State University for the period from July 1, 2021 through June 30, 2023. Representations are in relation to matters existing during or subsequent to the audit period up to the date of this letter.

Certain representations in this letter are described as being limited to matters that are significant. Information is considered significant if it is probable that it would change or influence the judgment of a reasonable person.

We confirm the following representations made to you during your accountability audit, to the best of our knowledge and belief, and based on appropriate inquiries to support them. If we subsequently discover information that would change our representations related to this period, we will notify you in a timely manner.

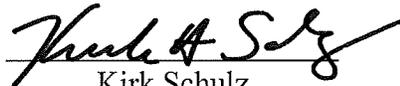
General Representations:

1. We have provided you with unrestricted access to people you wished to speak with and made available all requested and relevant information of which we are aware, including:
 - a. Financial records and related data.
 - b. Minutes of the meetings of the governing body or summaries of actions of recent meetings for which minutes have not yet been prepared.
 - c. Internal audits performed pursuant to the State Agency Accounting Manual (SAAM) or other internal or external audits, examinations, investigations or studies that might concern the objectives of your audit, and the corrective action taken to address their significant findings and recommendations.
 - d. Communications from regulatory agencies, government representatives or others concerning possible noncompliance, deficiencies in internal control or other matters that might concern the objectives of your audit.
 - e. Results of our internal assessment of business risks and risks related to financial records and related data, compliance and fraud, as determined under SAAM section 20.20.

2. We acknowledge our responsibility for compliance with requirements related to confidentiality of certain information. We have notified you when an Agency Data Sharing/Safeguarding Agreement or special handling may be necessary between our

agencies to help clarify expectations of both parties to secure and protect private information in records provided for audit.

3. We acknowledge our responsibility for compliance with applicable laws, regulations, contracts and grant agreements in the areas covered by your audit.
4. We have complied with all significant aspects of laws, regulations, contracts and grant agreements in the areas covered by your audit.
5. We acknowledge our responsibility under SAAM section 20.10 for establishing and maintaining effective internal controls over compliance with applicable laws and regulations and safeguarding of public resources, including controls to prevent and detect fraud, in the areas covered by your audit.
6. We have established adequate internal controls to provide reasonable assurance of achieving the objective of safeguarding public resources and compliance with applicable laws and regulations in the areas covered by your audit.
7. Except as reported to you in accordance with RCW 43.09.185, we have no knowledge of known or suspected loss of public funds or assets or other illegal activity, or allegations of fraud or suspected fraud involving management or employees.
8. All significant events and transactions have been properly recorded in the financial records of Washington State University.



Kirk Schulz
President



Leslie Brunelli
Executive Vice President,
Finance and Administration



Exit Recommendations
Washington State University
Audit Period Ending: 6/30/2023

We are providing the following exit recommendations for management's consideration. They are not referenced in the audit report. We may review the status of the following exit items in our next audit.

Accountability:

EFT Controls

The University should establish and follow procedures to retain documentation showing the method it used to verify the authenticity of banking information change requests.

Student Fees

The University should follow its established procedures to ensure expenditures of Service and Activity (S&A) Fees are supported, approved, and expended for allowable purposes as University policy and state law require (RCW 28B.15.044 and 28B.15.045).

PERFORMANCE AUDIT



Office of the
Washington
State Auditor
Pat McCarthy

Running Start and College in the High School: Assessing dual credit transferability

August 27, 2024

Report Number: 1035324

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Americans with Disabilities

In accordance with the Americans with Disabilities Act, this document will be made available in alternative formats. Please email Webmaster@sao.wa.gov for more information.

Executive Summary

State Auditor's Conclusions (page 23)

Many young Washingtonians opt to earn college-level credits while in high school because doing so allows them to expedite their journey to a college degree and to save tuition costs. High schools across the state offer these dual credit courses and programs, but some students find the credits they earned have not transferred to the colleges or universities in which they later enroll.

By reviewing several universities' and colleges' processes to accept credits from other institutions, this performance audit aimed to find out why some credits earned in dual credit programs are not transferred. We came to a very insightful conclusion.

Although some stakeholders were concerned colleges or universities may not consistently accept credits earned in dual credit programs, the higher education institutions we reviewed did so appropriately. Instead, the main reason credits failed to transfer was because the high school students did not submit their college transcripts to the institutions in which they enrolled.

Identifying this gap in the credit transfer process is beneficial for all parties involved, including high schools, colleges, universities, students and their parents. Because federal law protects personal student information, it is key that students understand that they themselves are responsible for ensuring they submit their college transcripts when they enroll in their college or university.

We offer recommendations to improve communication to students, both to colleges and universities, and to the Office of Superintendent of Public Instruction. By doing so, we hope to support Washington's students as they jump-start their careers and education.

In this report, we use "dual credit" to indicate college credit students earned through Running Start and College in the High School programs before graduating high school, and to differentiate it from college credit earned by college students after graduating high school.

Background (page 6)

Dual credit programs allow high school students to earn credits that can count toward both high school graduation and college-level coursework. Additionally, these programs offer several potential benefits to high school students and their families, such as reducing the time spent in college after high school and the possibility of saving money.

Washington offers six main dual credit programs for students to earn dual credit by either achieving a specific score on an exam or a qualifying grade on a course with the option of earning college credit. Students in course-based dual credit programs can transfer earned credit when they submit their college transcripts to their enrolled institution. College transcripts are not automatically sent from one institution to another due to restrictions set out in the Family Education Rights and Privacy Act (FERPA). Postsecondary schools evaluate dual credit in accordance with state and institution policies. To ease the transferring of credit, Washington colleges and universities are legally required to follow the Policy on Intercollege Transfer and Articulation.

Some stakeholders have concerns about the extent to which institutions accept dual credit. Dual credit programs would offer much less benefit to students if other institutions do not consistently accept credits for transfer. However, little has been done in Washington state recently to evaluate whether institutions of higher education accept credits earned through Running Start and College in the High School when students try to transfer them after high school.

This audit examined transfer of dual credit earned in two programs – Running Start and College in the High School. This audit also examined how postsecondary schools communicate with students around credit transfers. To conduct this audit, we selected eight institutions of higher education – four colleges and four universities – with varying student enrollment sizes and locations in different regions of the state. They are listed in the sidebar.

Eight institutions in this audit

Bellevue College
 Big Bend Community College
 Columbia Basin College
 Olympic College
 Eastern Washington University
 University of Washington
 Washington State University
 Western Washington University

Audited institutions accepted the vast majority of courses with earned credits, provided students submitted their transcripts (page 11)

The main reason students did not receive credit was because they did not submit transcripts, so institutions could not evaluate their dual credits. Most unsubmitted transcripts were for students who had enrolled in College in the High School, and students enrolling at colleges were less likely to submit transcripts than those enrolling at universities. Audited institutions suggested various reasons why students may not submit their transcripts.

However, when students did submit transcripts, audited institutions accepted an average of 95 percent of courses. Bellevue College had the lowest acceptance rate, 85 percent, due to two policy requirements it applied during the credit evaluation process. Additionally, all audited institutions accepted or rejected dual credits in accordance with state and institution policies; the few incorrectly rejected credits were corrected during the audit.

All audited institutions used many required and leading practices to communicate with students about transferring dual credit courses (page 17)

Institutions use many required and leading practices to help students understand how to transfer their dual credits. Most audited institutions followed requirements and leading practices relating to transfer policies and online resources. However, three instances in which they did not follow requirements or leading practices could affect students' successful dual credit transfers. More specifically, some audited institutions did not: advise students that earned credit may not transfer, inform students about their transfer rights and responsibilities, or publish equivalency tables or databases online. Finally, all audited institutions followed all leading practices related to student support and communicating the transcription process.

Recommendations (page 24)

We made a series of recommendations to audited institutions to improve their communication with students around transfer of credit, such as posting or providing a link to the student transfer rights and responsibilities. We also made a recommendation to the Office of Superintendent of Public Instruction to develop and distribute guidance to school districts to ensure students who participated in College in the High School know they have earned college credit and have a college transcript.

Next steps

Our performance audits of state programs and services are reviewed by the Joint Legislative Audit and Review Committee (JLARC) and/or by other legislative committees whose members wish to consider findings and recommendations on specific topics. Representatives of the Office of the State Auditor will review this audit with JLARC's Initiative 900 Subcommittee in Olympia. The public will have the opportunity to comment at this hearing. Please check the JLARC website for the exact date, time, and location (www.leg.wa.gov/JLARC). The Office conducts periodic follow-up evaluations to assess the status of recommendations and may conduct follow-up audits at its discretion. See **Appendix A**, which addresses the I-900 areas covered in the audit. **Appendix B** contains information about our methodology.

Background

Dual credit programs offer several potential benefits to high school students and their families

Dual credit programs allow high school students to earn credits that can count toward both high school graduation and college-level coursework. These programs are offered by many high schools and higher education institutions across the country. Some are college preparatory programs with exams, like Advanced Placement or the International Baccalaureate. Others are dual credit programs, where students either enroll in college courses or take high school courses that provide the option to earn college credit simultaneously.

The main benefit of allowing students to earn both high school and college credits is the strong likelihood it will reduce the time spent in college after high school. Research also shows that students gain significant additional benefits from participating in dual credit programs. They are more likely to graduate from high school, to pursue postsecondary education including attending college, and to complete a degree program. Many educators also promote the benefits to dual credit participation, including Washington's Office of Superintendent of Public Instruction, the State Board for Community and Technical Colleges, and the Council of Presidents, an association representing Washington's six public, four-year, colleges and universities. They note that dual credit programs help students develop good study habits while also exposing them to rigorous, college-level coursework as they explore diverse educational and career options.

Dual credit programs also have the potential to save money for students and their families. In Washington, in the case of Running Start and College in the High School, the savings can be substantial. While Running Start students may have to pay fees, such as technology or lab fees, and costs for books, supplies and transportation, they do not pay for college-level tuition. Until recently, College in the High School students also paid registration and tuition fees to earn credit, although college credits earned through the program cost less than credits earned on a college campus. However, in 2023, the Legislature passed a bill eliminating College in the High School fees for public high school students.

In this report, we use "dual credit" to indicate college credit students earned through Running Start and College in the High School programs before graduating high school, and to differentiate it from college credit earned by college students after graduating high school.

Washington offers six main dual credit programs

Washington offers six main dual credit programs for students to earn dual credit by either achieving a specific score on an exam or a qualifying grade on a course with the option of earning college credit. These programs are listed in **Exhibit 1**. Course-based programs are offered through a higher education institution that partners with the high school. Running Start is the only program where students attend classes on a college or university campus.

Exhibit 1 – List of main dual credit programs offered in Washington

Dual Credit program	Program type	Program location
College in the High School (CIHS)	Course-based	High schools
Running Start	Course-based	Colleges, universities
Career and Technical Education (CTE)	Course-based using articulation agreements	High schools, skill centers
Advanced Placement (AP)	Exam-based	High schools
Cambridge International	Exam-based	High schools
International Baccalaureate (IB)	Exam-based	High schools

Source: Office of Superintendent of Public Instruction.

Dual credit programs have different processes for students to transfer credits to the institution they enroll in after graduating from high school. For exam-based programs, the student earns high school credit upon passing the course; they may receive college credit by achieving a passing score on a standardized exam and submitting the score to higher education institutions. For course-based programs, the student earns high school and college credit upon passing the course. The credits and grades are transcribed to their permanent college transcript, but the student must submit that transcript to their enrolled institution, which will evaluate the course and accept or reject the credit. (The situation is somewhat different for Career and Technical Education courses.) For students enrolled in Running Start and College in the High School programs with the goal of earning college credit, courses are automatically transcribed to both the high school and college transcripts, whether or not the student earned credit.

When dual credit students submit their college transcript, institutions evaluate it in accordance with state and institution policies

To ensure the credits they earned in Running Start and College in the High School are transferred to and recorded by their postsecondary school, students must submit the college transcripts issued by whichever institution granted the credit. College transcripts are not automatically sent from one institution to another due to restrictions set out in the Family Education Rights and Privacy Act (FERPA). FERPA states that students have sole rights to their college transcripts, which means only the student – not a high school or the colleges wishing to send or view a transcript – can initiate the process of submitting college transcripts.

To ease the transferring of credit, including dual credit earned through Running Start and College in the High School, Washington colleges and universities are legally required to follow the Policy on Intercollege Transfer and Articulation (referred to as the “Umbrella Policy”). This policy, and additional policies and practices regarding credit transfer that institutions follow, are outlined in a handbook published by the Intercollege Relations Commission, a voluntary association of accredited institutions in Washington. Several organizations involved in higher education, including the Washington Student Achievement Council, have adopted or endorsed the Umbrella Policy.

In addition to following policies set out in the handbook, postsecondary schools can establish their own transfer credit policies, with more context-specific guidelines and procedures; these, of course, may vary between institutions. That variation between individual institutions’ credit transfer policies makes it essential that students with dual credit receive clear information from each one regarding how and whether their credits will transfer.

Some stakeholders have concerns about the extent to which institutions accept dual credit

Some stakeholders in Washington have expressed concern around issues that include equitable access to dual credit programs and whether credits earned in such programs consistently transfer to the student’s postsecondary school. Dual credit programs would offer much less benefit to students if other institutions do not consistently accept credits for transfer.

Some dual credit programs have been well studied, including the Career and Technical Education program which has the highest student participation in the

state. Similarly, many researchers have published reports examining access and equity. However, little has been done in Washington state recently to evaluate whether institutions of higher education accept credits earned through Running Start and College in the High School when students try to transfer them after high school. Due to these concerns, and in light of existing research, this audit focused on the transferability of dual credit earned in Running Start and College in the High School programs.

Evaluating whether dual credits transferred properly is complex because college transcripts do not distinguish dual credits from other college credits

Evaluating the transfer of credits earned in Running Start or College in the High School would be simple if the source of these dual credits were recorded on the students' college transcripts. Unfortunately, they are not.

Colleges and universities do not mark dual credits earned through Running Start and College in the High School on transcripts. Institutions evaluate dual credit courses recorded on the transcript simply as “college courses,” which they are, and admission staff cannot rely on the transcripts alone to distinguish dual credit students who took college-level courses in high school and transfer students who studied at a different institution after graduating from high school.

Because dual credits are not marked as such on college transcripts, audited institutions could not provide us with lists of students that had participated in Running Start and College in the High School. For this reason, we assembled data from a variety of sources. Our primary resource was a list of dual credit participants who enrolled at our audited institutions supplied by the Education Research and Data Center, which collects statewide educational and workforce data to conduct research and inform lawmakers. We supplemented this data with lists of dual credit participants supplied by audited universities, as well as Central Washington University.

This audit examined transfers of dual credit earned in two programs, as well as communications with students

The purpose of this performance audit was to assess how Washington colleges and universities process dual credit transfers for high school students in two programs, Running Start and College in the High School. To conduct this audit,

we selected eight institutions of higher education – four colleges and four universities – with varying student enrollment sizes and locations in different regions of the state. They are listed in the sidebar. In addition, we also wanted to assess how these institutions communicated with students about transferring their earned credits.

This audit answered the following questions:

1. To what extent do higher education institutions accept dual credit earned in Running Start and College in the High School?
2. Are there differences in dual credit transfer rates between higher education institutions? If so, why?
3. How do higher education institutions communicate with students about the transferability of dual credit courses?

Eight institutions in this audit

- Bellevue College
- Big Bend Community College
- Columbia Basin College
- Olympic College
- Eastern Washington University
- University of Washington
- Washington State University
- Western Washington University

Audit Results

Audited institutions accepted the vast majority of courses with earned credits, provided students submitted their transcripts

Results in brief

The main reason students did not receive credit was because they did not submit transcripts, so institutions could not evaluate their dual credits. Most unsubmitted transcripts were for students who had enrolled in College in the High School, and students enrolling at colleges were less likely to submit transcripts than those enrolling at universities. Audited institutions suggested various reasons why students may not submit their transcripts.

However, when students did submit their transcripts, audited institutions accepted an average of 95 percent of courses. Bellevue College had the lowest acceptance rate, 85 percent, due to two policy requirements it applied during the credit evaluation process. Additionally, all audited institutions accepted or rejected dual credits in accordance with state and institution policies; the few incorrectly rejected credits were corrected during the audit.

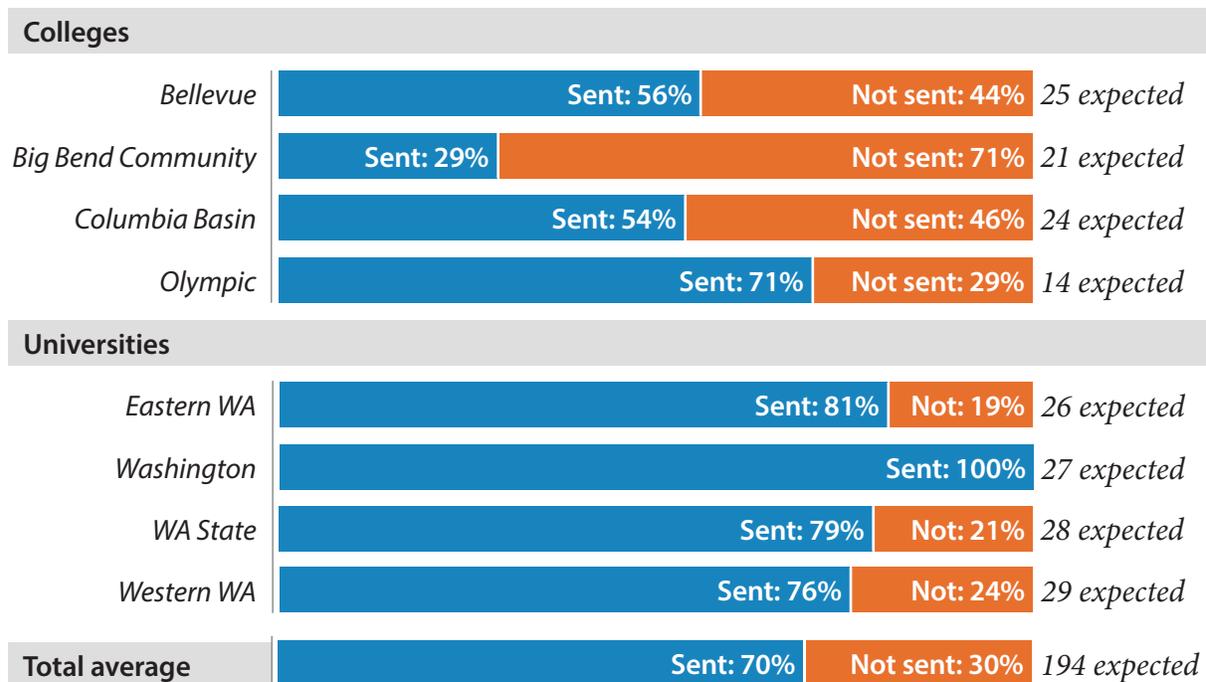
The main reason students did not receive credit was because they did not submit transcripts, so institutions could not evaluate their dual credits

To assess the extent to which colleges and universities accepted dual credits, we chose a random sample of 184 postsecondary students who graduated from high school in the spring of 2021 and enrolled in one of the eight audited institutions that fall. While in high school, these students participated in Running Start or College in the High School classes from any institution in the state that offered either program. From our sample of 184 students, we expected to review 194 transcripts because some students received dual credits from more than one institution. Our numbers do not include transcripts from students who enrolled at the same institution from which they received dual credit, because such credits are not considered transfer credits. For example, a student who attended College in the High School courses provided by the University of Washington and then enrolled at the University of Washington.

However, during our review, we found that students did not submit 59 of the expected 194 transcripts, or about 30 percent. Because the college or university they enrolled in never saw their transcripts, the institutions could not evaluate their dual credits for transfer. Exhibit 2 shows the percent of transcripts students did and did not submit for each institution, based on the number of transcripts we expected to see submitted.

Exhibit 2 – Percent of expected transcripts Running Start and College in the High School students did or did not send for evaluation

Based on the total number expected for each audited institution



Source: Auditor analysis of submitted and unsubmitted transcripts based on samples from audited institutions.

The important consequence of this situation is that institutions cannot evaluate credits for transfer if they do not see the transcripts documenting those credits. The student thus loses a great value of the credits earned, in that those credits will not contribute to meeting their postsecondary goals.

Most unsubmitted transcripts reflected earned credit

We wanted to confirm that, for the 59 unsubmitted transcripts, students earned credit that would be reflected on them. We confirmed that for 44 unsubmitted transcripts, the student earned credit and would have a transcript to submit. The remaining 15 were held by students who participated in dual credit programs sponsored by postsecondary schools that were not part of this audit, so we could not review and confirm their contents.

Most unsubmitted transcripts were for College in the High School courses

Of the 59 transcripts that students did not submit, most (85 percent) were associated with College in the High School students. This difference might be attributed to the program's setting. College in the High School classes are held in the high school, alongside regular high school courses, while Running Start courses take place on a university or college campus. Audited institutions suggested that students enrolled in a College in the High School course may not know that they earned college credit or have a college transcript that they can later transfer. As a result, College in the High School students may not submit their transcripts.

Students enrolling at colleges were less likely to submit transcripts than those enrolling at universities

On average, students entering a community college after high school were less likely to submit their transcripts than those enrolling at a university by a wide margin: 47 percent compared to 16 percent. Staff at audited institutions said that in their experience, students might attend community college for one year and plan to complete their degree at a four-year university. If that is the case, students are less likely to transfer credits earned while in high school to the college, but rather transfer both sets of credits – those earned while in high school and at the community college – to the four-year school together.

Students may not submit their transcripts for various reasons

A large percentage – around 30 percent – of transcripts were not submitted by students for transfer to audited institutions. Due to the scope of our audit, we were not able to interview students to ask about specific reasons. Instead, we asked these institutions why they believe students might not submit all transcripts. They said that students may have their own reasons for not submitting transcripts, which explains at least in part why it is unreasonable to expect that every student will submit every transcript. For example, they said students may:

- Prefer to repeat coursework at the institution they enroll in because they may want to earn a higher grade
- Know they earned grades that do not qualify for transfer
- Know they did not earn credit

However, audited institutions provided other possible reasons why students might not submit a college transcript for transfer credit evaluation. For example, they might:

- Forget to transfer credits
- Not know how to transfer credits

Addressing these issues might provide opportunities to increase the number of transcripts students submit for credit evaluations.

Requiring additional forms could pose an unintentional hurdle for some students

Only two colleges – Olympic and Bellevue community colleges – require students to send an additional document when they are seeking to transfer credit. These colleges require a “transfer evaluation form” along with the transcript itself. Students who fail to submit both documents do not have their credits evaluated by college staff. This happened to three students in our sample: two at Bellevue (each student forgot one or the other document) and one at Olympic (who forgot the form). None of these three students’ credits were evaluated for transfer.

When asked about the purpose of the form, staff at both colleges said the form was useful because it confirmed why the transcript was sent: for transferring credits and not some other purpose, such as identifying course placement. Olympic College also uses the form to track the number of institutions they expect to receive transcripts from for each student. Requiring an additional document adds a step to submitting a transcript that may contribute to reasons why an institution might not evaluate all students’ dual credits.

Audited institutions accepted an average of 95 percent of submitted courses

We found that on average, audited institutions accepted about 95 percent of courses with credit earned from a student’s dual credit institution. Seven of eight institutions accepted more than 93 percent of dual credit courses in our samples, and three accepted 99 percent or more. Bellevue College has the lowest acceptance rate, 85 percent, as shown in Exhibit 3.

Students did not earn credit from their dual credit institution for about 9 percent of all the courses reflected on submitted transcripts, and we did not include these courses in our calculations. Students do not always earn credit for attempted courses, and they may fail or withdraw from the class. However, even when the student does not earn credit for a course, it is still included on the sending institution’s transcript.

Exhibit 3 – Percent of dual credit courses accepted for transfer credit

Audited institution	Percent of accepted courses with earned credit
Bellevue College	85%
Big Bend Community College	100%
Columbia Basin College	100%
Olympic College	99%
Eastern Washington University	95%
University of Washington	93%
Washington State University	97%
Western Washington University	96%

Source: Auditor analysis of acceptance rate for dual credits transferred to each audited institution.

Bellevue College's lower acceptance rate was due to two policy requirements it applied during the credit evaluation process

In assessing Bellevue College's lower acceptance rate, we found two requirements in its transfer credit policy that contributed to lowering its acceptance rate. During its credit transfer evaluation process, Bellevue:

1. **Considers how applicable the transferred credits are to the student's degree program at the time of initial evaluation.** Staff use each student's desired degree to determine which transfer credits to accept. If students change their degree goal, they can ask the college to reevaluate their transfer credits. Staff at Bellevue College explained that they follow this policy because they found it to provide transparency. In their opinion, transferring and transcribing credits that do not apply toward students' chosen degrees during enrollment can lead students to inaccurately judge how many courses they need to complete for graduation.
2. **Limits the maximum number of allowable transfer credits.** The college has set requirements around how many credits must be completed in residence at its institution.

While other audited institutions have similar policies, only Bellevue College applies both requirements during the initial credit transfer evaluation. Moreover, only Bellevue did not transfer courses in our sample for these reasons.

With few exceptions, all audited institutions accepted or rejected dual credits in accordance with state and institution policies

Colleges and universities must follow the statewide Umbrella Policy in addition to policies and practices outlined in the Intercollege Relations Commission handbook. The Umbrella Policy includes guidelines to generally accept college-level courses from "regionally accredited institutions" in Washington, maintaining the number of credits and the same grade during transfer and identifying course equivalents whenever possible. All audited institutions followed these guidelines.

For accepted courses, all audited institutions awarded course equivalencies when appropriate

While some stakeholders expressed concerns that dual credit students do not receive the same type of credit as they originally earned, we did not find this to be the case. The majority of accepted courses were assigned a course equivalent by the receiving institution, assigning equivalents which were similar in content

to courses offered at the receiving institution. They identified course equivalents on a course-by-course basis and assigned equivalency for roughly 73 percent of accepted courses in our sample.

For cases in which the course was not equivalent in content or not offered by the receiving institution, audited institutions still accepted the course and applied the credits to fulfill general education requirements or general electives. For example, Backpacking was accepted as a general elective, and History of American Pop Music was accepted to fulfill general education requirements. Staff explained that they determine how these courses apply to a degree when a student has chosen a major or is about to graduate.

The vast majority of rejected credits were rejected for reasons outlined in state and institution policies

The Umbrella Policy states that institutions can reject for transfer credit certain types of courses including:

- Remedial or college preparatory coursework
- Sectarian religious courses
- Repeated courses
- Courses with a grade below 1.0 GPA

Additionally, postsecondary schools granting baccalaureate degrees can reject courses that are nonacademic, such as professional or technical courses.

Overall, audited institutions rejected an average of 5 percent of sampled courses. Almost all courses were rejected for reasons that are included in the Umbrella Policy or their own credit transfer policies. Common examples of rejected courses include:

- Vocational or technical courses, such as Personal Money Management, Personal Health Science, Microsoft Word and Microsoft PowerPoint
- Remedial courses that fall under college level, such as Math 099
- Repeated courses

While the vast majority of courses were rejected in alignment with state and institutional policies, Western Washington University identified four courses in our sample that were incorrectly rejected. Both an automated review and a subsequent manual review rejected them for transfer credit due to a change in departmental codes by the school producing the transcript. Western Washington University corrected the mistaken rejection for the student in our sample and reviewed the coursework for all students that may have been affected by this change in coding. Western Washington staff said they also revised their rubric for courses from the department at this postsecondary school to help ensure the error does not happen again.

All audited institutions used many required and leading practices to communicate with students about transferring dual credit courses

Results in brief

Institutions use many requirements and leading practices to help students understand how to transfer their dual credits. Most audited institutions followed requirements and leading practices related to transfer policies and online resources. However, three instances in which they did not follow requirements or leading practices could affect students' successful dual credit transfers. More specifically, some audited institutions did not: advise students that earned credit may not transfer, inform students about their transfer rights and responsibilities, or publish equivalency tables or databases online. Finally, all audited institutions followed all leading practices related to student support and communicating the transcription process.

Institutions use many requirements and leading practices to help students understand how to transfer their dual credits

Colleges and universities use many approaches to help them communicate their policies and practices to students seeking to transfer credits from Running Start and College in the High School coursework. Some approaches are required by an accrediting organization; others are highly recommended leading practices. We organized requirements and leading practices regarding how institutions should communicate with students about credit transfers into four areas.

1. **Publicly post their transfer policies.** A policy issued by the Northwest Commission on Colleges and Universities requires accredited institutions to publish transfer policy information on their websites or in other relevant publications. The published information should describe the types of credit the school does or does not accept for transfer; generally advise students that credits earned may or may not be accepted by the receiving institution; and list institutions with which it has articulation agreements. Leading practices suggest institutions should also post course requirements and offerings. Doing so can help students understand each institution's transfer credit requirements and how their prior credit will or will not transfer.

2. **Publish credit transfer resources online.** Such resources should include student Transfer Rights and Responsibilities in Washington State as well as the school's equivalency tables or databases. Posting these resources in an easily accessed location online helps students understand how credits may transfer between institutions to help them with academic planning. Doing so can also increase student access to information about how credits will transfer and improve institutional transparency.
3. **Offer students support in the credit transfer process.** Institutions should support students seeking to transfer credits through practices such as holding orientation programs and advising both prospective and admitted students. They should also collaborate with other schools and colleges which students may transfer to or from. Both practices help ensure students navigate learning pathways efficiently.
4. **Clearly describe the credit transcription process.** Colleges and universities are responsible for clearly describing their own transfer credit processes to prospective students. They should also communicate transfer-related decisions to students in writing. Such communication will help students understand how their credit transfers and inform their next steps in their educational journey.

In the following pages, we describe how well the audited colleges and universities performed both required and leading practices in these four areas.

Most audited institutions followed requirements and leading practices related to transfer policies and online resources

Most audited institutions followed most requirements and leading practices related to posting transfer policy-related information and providing online resources, as summarized in Exhibit 4. For example, all institutions published their criteria for accepting credits from another college or university, and what types of transfer credits they do not accept.

Exhibit 4 – Audited institutions followed most requirements and leading practices

N/A in the table indicates practice did not apply at that school, see Notes

	Colleges				Universities			
	Bellevue	Big Bend Community	Columbia Basin	Olympic	Eastern WA	Washington	WA State	Western WA
Transfer policy requirements								
Publicly disclose the transfer policy, and other transfer-related information	√	√	√	√	√	√	√	√
Advise credits may or may not be accepted by the receiving institution	√	√	√	√	X	√	X	N/A ¹
List institutions with articulation agreements	√	√	√	√	√	N/A ²	√	√
Online resources leading practices								
Post transfer rights and responsibilities online	X	√	√	√	X	X	X	X
Post equivalency table or database online	√	X	X	√	√	√	√	√

Note 1: Western Washington University did not sponsor any dual credit programs during the audit period.

Note 2: University of Washington does not have any articulation agreements in place.

Source: Auditor developed based on audit analyses.

Similarly, all institutions with articulation agreements published a list of their articulation partners. Articulation agreements are developed between two or more institutions to facilitate credit transfers between them. University of Washington staff said it does not have any articulation agreements in place; this is shown in Exhibit 4 as “not applicable.”

Three exceptions to following required or leading practices could affect students' successful dual credit transfers

Two universities did not advise students that credits earned at their university may not transfer

Colleges and universities must advise students that credits earned at their institution may not be accepted by the receiving institution. Failing to do so can give dual credit students a false impression that all completed coursework will transfer, affecting their academic planning in both high school and postsecondary settings. During the academic years we audited, Western Washington University did not sponsor Running Start or College in the High School; this is shown in Exhibit 4 as “not applicable.”

Neither Eastern Washington University nor Washington State University posted information explaining that their credits may not transfer elsewhere. Eastern Washington University staff said they do not publish statements regarding credit transfers for many reasons including the complexity of the process. Instead, they prefer to discuss dual credit transfer options during academic advising sessions with each student; academic advising is mandatory for new students before university orientation. Washington State University did not initially post this information on its website because, according to university staff members, they do not advise dual credit students about how to apply to other institutions. During the audit, however, staff decided to add this advisory language to the university's website.

Five institutions did not inform students of their rights and responsibilities

The Washington Student Achievement Council's Transfer Rights and Responsibilities states that students have rights and responsibilities concerning credit transfers, and it is the responsibility of colleges and universities to communicate and publish this information. For example, students have the right to clear and accurate information about the process, and the right to seek clarification regarding transfer evaluations. Student responsibilities include planning their course of study and meeting requirements for degree programs when changing majors. When institutions do not publish such information, students may be unaware they can ask the institution to reconsider their transfer evaluation or seek resolution. Students also may be unaware of their responsibilities.

We initially found that five institutions did not publish the Washington Student Achievement Council's Transfer Rights and Responsibilities or link to the

document on the Council's website. At three universities – Eastern Washington, Washington State and Western Washington – the problem involved broken links or links to the incorrect document. All three corrected the links during the audit.

Two others – Bellevue College and the University of Washington – do not publish or link to the Council's document. Bellevue College staff said they do not do so because they consider it is more specific to transfer students and “not friendly” to dual credit students. Nonetheless, this document includes rights and responsibilities for all students who are transferring credit, including dual credit students. University of Washington staff could not explain why the university neither posts nor links to this document.

Two colleges did not publish equivalency tables or databases online

Publicly accessible equivalency tables or databases document how a course at one institution will transfer to another. Without such information, students will not know how credits will likely transfer to their enrolled institution until after they have been admitted and the new school has evaluated their official college transcripts.

Six schools in our audit, including a smaller school, publish equivalency tables or databases online. Two colleges – Big Bend Community College and Columbia Basin College – use cross-walk documents showing how courses transfer into their institutions, which are for internal use only. Both schools explained that under-resourcing is a barrier to publishing these tools online.

Big Bend Community College had previously posted a public-facing equivalency table but removed it. College staff said they are developing an equivalency table to post online for students, but the college lacks the resources to complete this project.

Staff at Columbia Basin College also said the college lacks the staff capacity to develop and maintain a public-facing equivalency table. Additionally, they explained that equivalencies change over time: if a student used an equivalency table to choose which courses to take, unpublished changes to equivalency could mean the student does not obtain the expected course equivalent.

All followed all leading practices related to student support and communicating the transcription process

All eight audited institutions implemented all leading practices related to student support by providing academic advising to both prospective and admitted students, and orientation to admitted students. During advising and orientation, students

may learn about transferring credit directly from staff during advising sessions or through presentations. They also collaborated with other higher education institutions and high schools, such as participating in transfer fairs and information sessions and sharing information about credit transfer. During events, prospective students may meet with staff from the institution they plan to transfer to and discuss transferring dual credit.

Additionally, all eight audited institutions offered information to students about the transfer credit process using various approaches. Some of the methods of communication they used included:

- Giving students information about how to submit official college transcripts during the application process
- Giving new students a checklist of tasks to accomplish that included submitting official college transcripts for transfer credit evaluation
- Reminding students by email to submit their official college transcripts to have college credit earned in high school evaluated for transfer credit

Finally, all institutions notified students, by email or through their student portal, when their credit transfer evaluation has been completed and how to review the results.

State Auditor's Conclusions

Many young Washingtonians opt to earn college-level credits while in high school because doing so allows them to expedite their journey to a college degree and to save tuition costs. High schools across the state offer these dual credit courses and programs, but some students find the credits they earned have not transferred to the colleges or universities in which they later enroll.

By reviewing several universities' and colleges' processes to accept credits from other institutions, this performance audit aimed to find out why some credits earned in dual credit programs are not transferred. We came to a very insightful conclusion.

Although some stakeholders were concerned colleges or universities may not consistently accept credits earned in dual credit programs, the higher education institutions we reviewed did so appropriately. Instead, the main reason credits failed to transfer was because the high school students did not submit their college transcripts to the institutions in which they enrolled.

Identifying this gap in the credit transfer process is beneficial for all parties involved, including high schools, colleges, universities, students and their parents. Because federal law protects personal student information, it is key that students understand that they themselves are responsible for ensuring they submit their college transcripts when they enroll in their college or university.

We offer recommendations to improve communication to students, both to colleges and universities, and to the Office of Superintendent of Public Instruction. By doing so, we hope to support Washington's students as they jump-start their careers and education.

Recommendations

For the Office of Superintendent of Public Instruction

To ensure students who participate in College in the High School know they have earned college credit and should submit their college transcripts to have that credit transferred, as described on pages 11-13, we recommend OSPI:

1. Develop clear guidance for students to ensure they understand they have earned college credit and have a college transcript
2. Distribute this guidance to all school districts

For Eastern Washington University

To ensure students clearly understand that credits earned at Eastern Washington University and reflected on their official transcript may not be accepted by a receiving institution, as described on page 20, we recommend it:

3. Clearly communicate that credits earned through the university's dual credit programs may not transfer to another institution

For Bellevue College and the University of Washington

To ensure students are aware of their transfer rights and responsibilities, as described on pages 20-21, we recommend they:

4. Post or provide a link to the Washington Student Achievement Council's Student Transfer Rights and Responsibilities document on relevant pages of their respective websites

For Big Bend Community College and Columbia Basin College

To provide transparency for students transferring to their institutions and ensure that students have access to resources that help them understand how credits earned may transfer, as described on page 21, we recommend they:

5. Work with comparable institutions that have public-facing equivalency tables or databases to determine the best approaches to developing and maintaining similar tables or databases
6. Evaluate funding priorities and decide how best to allocate resources that will enable them to publish such tables or databases online

Agency Response

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Old Capitol Building
PO Box 47200
Olympia, WA 98504-7200

ospi.k12.wa.us



Washington Office of Superintendent of
PUBLIC INSTRUCTION
Chris Reykdal, Superintendent

August 12, 2024

The Honorable Pat McCarthy
Washington State Auditor
Insurance Building
PO Box 40021
Olympia, WA 98504-0021

Re: Dual Credit Transferability for Running Start and College in the High School

Dear Auditor McCarthy:

We at the Office of Superintendent of Public Instruction (OSPI) appreciate the work done to evaluate the utilization and transferability of college credits earned through Running Start and College in the High School (CiHS) dual credit programs. One of our agency's strategic goals is to support districts in offering rigorous, learner-centered options in every community. One way we support progress in this goal is to increase equitable access to dual credit courses. OSPI is committed to ensuring that all students, regardless of their backgrounds or the schools they attend, are provided with ample opportunities to accelerate their learning and make meaningful progress towards achieving their career or postsecondary goals.

The Office of Superintendent of Public Instruction fully supports all efforts to improve students' understanding of college and university credit transcription and transfer policies. By collaborating with institutions of higher learning and providing support and professional development to high school counseling staff, we will continue to reinforce the importance of this work. OSPI concurs with the audit's recommendation to develop additional guidance for schools and districts to help students identify earned dual credit and understand the policies and procedures governing its transferability. To meet this expectation, OSPI will:

- Incorporate dual credit transcription and transfer practices into program-specific professional development webinars planned for fall 2024.
- Add relevant content to the [CiHS FAQ](#) document co-produced by OSPI, State Board for Community and Technical Colleges (SBCTC), Independent Colleges of Washington (ICW), and the Council of Presidents.

The Honorable Pat McCarthy

August 12, 2024

Page 2

- Address this expectation in a forthcoming OSPI bulletin related to [SHB 1146](#) concerning annual notification of dual credit opportunities.
- Work with the apparent successful bidder for the statewide High School and Beyond Plan platform to explore options for increasing awareness of available dual credit options.
- Encourage school districts to include colleges sponsoring CiHS courses on students' high school transcripts to more clearly identify where students may have earned credit.
- Explore options for revising [WAC 392-415-070](#) on transcript requirements to improve identification of earned dual credit and the institutions associated with it.

Again, we are grateful to the State Auditor's Office for engaging in this work and producing this report. We believe that the findings demonstrate the importance and effectiveness of our state's dual credit programs and that they validate the legislature's continued investment in them.

Sincerely,

Rebecca Wallace

Rebecca Wallace

Assistant Superintendent

Secondary Education and Pathway Preparation



BELLEVUE
COLLEGE

August 15, 2024

Olha Bilobran
Senior Performance Auditor
Office of the Washington State Auditor
PO Box 40021
Olympia, WA 98504

Dear Senior Performance Auditor Bilobran:

Thank you for the opportunity to participate in and respond to the performance audit on Running Start and College in the High School: Assessing Dual Credit Transferability.

Every day we see that dual-credit programs offer educational options that literally change lives. Dual-credit programs open doors of opportunity, broaden horizons, improve college outcomes, support economic growth, and save millions of dollars for students, families, and Washington taxpayers. We share the auditors' desire to ensure that dual-credit programs deliver on their full promise and that credits earned transfer across the state in a streamlined and transparent fashion.

We have already implemented the recommendation to make students more aware of their rights and responsibilities when transferring credits. We have added links to the Student Achievement Council's summary of Transfer Rights & Responsibilities in Washington State to web and print materials for our Bellevue College in the High School and Running Start students, as well to resources for students transferring credit into BC from other colleges and universities. Thank you for this suggestion.

The audit's finding that 30% of students across the state who participated in dual-credit programs did not send their transcripts to colleges or universities after graduating from high school was eye-opening. We are expanding our outreach to students and families about this issue. We are redoubling our efforts to support Bellevue College in the High School students in successfully transferring their credits to expedite their journeys from high school to college to career.

We appreciate your team's thoughtful and thorough research on these issues. Thank you once again for inviting us to participate and respond.

Sincerely,

Michael Reese
Associate Dean, Academic Affairs

Steve Downing
Dean, Enrollment Management

3000 Landerholm Circle SE | Bellevue, WA 98007-6484 | bellevuecollege.edu



Transforming lives through excellence in teaching & learning

FINANCE & ADMINISTRATION OFFICE

August 16, 2024

Honorable Pat McCarthy
Washington State Auditor's Office
PO Box 40021
Olympia WA 98504-0021

Dear Auditor McCarthy:

Thank you for the opportunity to review and respond to the State Auditor's Office performance audit report, "Running Start and College in the High School: Assessing dual credit transferability".

Big Bend Community College appreciates the work of the Washington State Auditor's Office in this performance audit and we agree with the recommendation for how we may better serve our students that have participated in these programs.

We will review how community colleges comparable to Big Bend within our community and technical college system are using public-facing equivalency tables or databases, evaluate our institutional funding priorities, and determine how we may develop and maintain similar tables or databases for publishing online in the future.

We appreciate the thoroughness of the audit team and their efforts to gather and respond to our feedback throughout the process.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Linda J. Schoonmaker', is written over the typed name.

Linda J Schoonmaker
VP Finance and Administration
Audit Liaison to SAO

7662 Chanute Street NE • Moses Lake, WA • 98837-3299
509-793-2002 • <http://www.bigbend.edu>



August 19, 2024

Office of the Washington State Auditor
P.O. Box 40021
Olympia, WA 98504-0021

Dear Washington State Auditor's Team,

Thank you for the opportunity to review and respond to the State Auditor's Office (SAO) performance audit report titled, "Running Start and College in the High School: Assessing Dual Credit Transferability." We appreciate the thorough analysis your team has conducted regarding our services to students. We are committed to addressing your recommendations as outlined below.

Recommendation 1: *Work with comparable institutions that have public-facing equivalency tables or databases to determine the best approaches to developing and maintaining similar tables or databases.*

Columbia Basin College currently collaborates with various colleges and universities to establish articulation agreements that facilitate the seamless transfer of credits for our students. Additionally, we are in the process of implementing a software solution called the Universal Credit Transfer Explorer. This tool is designed to provide students with clear and accessible information on how credits from other colleges and universities can be transferred toward our courses.

Recommendation 2: *Evaluate funding priorities and decide how best to allocate resources that will enable them to publish such tables or databases online.*

Columbia Basin College is participating in a grant-funded program that covers the implementation of the Universal Credit Transfer Explorer system. We are confident that the investment will enhance transparency and ease of access for our students, further supporting their academic success.

Thank you again for your feedback and the opportunity to improve our services.

Sincerely,

Eduardo Rodriguez
Vice President for Administrative Services
Columbia Basin College



1600 Chester Avenue, Bremerton, WA 98337-1699
Tel 360-475-7563 ~ Fax 360-475-7202 ~ www.olympic.edu

August 20, 2024

Honorable Pat McCarthy
Washington State Auditor
P.O. Box 40021
Olympia, WA 40021

Dear Auditor McCarthy:

Thank you for the opportunity to review the State Auditor's Office (SAO) performance audit, *Running Start and College in the High School: Assessing dual credit transferability*. We appreciate the thoroughness of your assessment and the opportunity to review the findings. We have carefully considered the points raised in the audit and would like to offer the response that follows.

We appreciate the audit's recognition of our adherence to ICRC policies in accepting transfer credits. We continuously strive to maintain fairness and consistency in our credit transfer policies. We are committed to reviewing and refining our policies to ensure they are aligned with both ICRC guidelines and our institutional objectives.

In addition, effective communication is a priority for us, and we are pleased to see that the audit recognized our efforts to share transfer-related information online. We are committed to continually improving our communication strategies to ensure that students are well-informed about the transfer process and their specific situations. The audit's feedback will be valuable as we refine our outreach and support services.

We are encouraged by the audit's finding that our controls related to dual credit transfers are generally effective. We will continue to monitor and enhance these controls to address any minor weaknesses identified, ensuring that our processes remain robust and reliable.

In conclusion, we value the insights provided by this audit and will use the findings to strengthen our policies and practices further. Our goal is to ensure that students receive the full benefits of their dual credit achievements and that our institution maintains the highest standards in credit transfer processes.

Please let us know if there are additional steps we should take or if further information is needed from our side.

Sincerely,

A handwritten signature in black ink that reads "Jif Glasier".

Jennifer F. Glasier, Ed.D
Associate Vice President of Student Services
Olympic College



Associate Vice President and CFO
Eastern Washington University
307 Showalter Hall
Cheney, WA 99004-2445

August 16, 2024

Office of the Washington State Auditor
3200 Capitol Blvd
P.O. Box 40031
Olympia, WA 98504-0031

To the Office of the Washington State Auditor:

Eastern Washington University thanks the State Auditor's Office for the comprehensive performance audit of the Running Start and College in the High School programs. We value the auditor's feedback, insights, and recommendations regarding these programs.

Eastern Washington University supports the state's investment in Running Start and College in the High School programs, and we are committed to ensuring their continued effectiveness for students, institutions, and taxpayers.

We are pleased to report that Eastern Washington University has proactively implemented the auditor's recommendation concerning the notification of transfer eligibility. Specifically:

1. The university has updated the language on its EWU in the High School website to indicate that credits earned as part of the College in the High School program may not be treated similarly at all institutions and that some receiving institutions may not accept the credits reflected on a student's university transcript.
2. The university has updated language in two locations within the EWU in the High School student handbook to include language that matches the language published on the university website.

Eastern Washington University appreciates the collaboration with the State Auditor's Office in the completion of this performance audit.

Sincerely,

Toni Habegger
Associate Vice President and Chief Financial Officer

voice: (509) 359-6373 thabegger@ewu.edu

*EWU expands opportunities for personal transformation through excellence in learning.
Eastern Washington University is committed to affirmative action and equal opportunity.*



Academic and Student Affairs

UNIVERSITY of WASHINGTON

Executive Office of the President and Provost

August 16, 2024

Honorable Pat McCarthy
Washington State Auditor
P.O. Box 40021
Olympia, WA 98504-0021

Dear Auditor McCarthy:

Thank you for the opportunity to participate in and to review and respond to the Running Start and College in the High School: Assessing Dual Credit Transferability performance audit. The University of Washington is very appreciative of the efforts of the audit team to research, understand, and analyze the administration of dual-credit programs and transfer credit policies and procedures, while collaborating with higher education professionals from around the state.

At the University of Washington, we welcome students who have chosen to begin college coursework for college credit while still in high school, whether through the UW in the High School program or other dual-credit programs throughout the state. These programs are challenging and demanding, and we believe they provide excellent preparation for university study.

The University of Washington is committed to awarding as many credits as possible, within the boundaries of our published transfer credit policies, for college courses transferred to UW from other institutions. We would like to reiterate that the same transfer credit policies apply to college coursework, whether taken through Running Start, College in the High School, or completed after a student has left high school.

We are gratified that the audit confirmed that the University of Washington, along with colleges and universities around the state, fairly, consistently, accurately, and appropriately awards transfer credit for college courses taken through dual-credit programs when students submit official college transcripts. We will continue to work on ways to remind and encourage students to submit official college transcripts for coursework taken from dual-credit programs.

We agree with the recommendation provided to UW to link to the Washington Student Achievement Council's "Transfer Rights and Responsibilities in Washington State" document. That document is now linked on the University's transfer credit policies webpage and the general transfer admission page.

Thank you, again, for this opportunity and thanks to the audit team for the enormous amount of work performed to research and understand dual-credit programs and transfer credit policies and practices from around the state.

Sincerely,

Philip J. Reid, Vice Provost, Academic and Student Affairs
University of Washington

Box 351237 | 1704 NE Grant Lane Gerberding Hall #340 | Seattle, WA 98195 | 206.221.3821 | uw.edu/asa



WASHINGTON STATE
UNIVERSITY

Office of the President

August 14, 2024

Honorable Pat McCarthy
Washington State Auditor
P.O. Box 40021
Olympia, WA 98504-0021

Dear Auditor McCarthy:

Thank you for the opportunity to review and respond to the State Auditor's Office (SAO) performance audit on dual credit enrollment programs.

Dual credit enrollment programs provide opportunities to Washington students and parents to help students get a head start with their college education by earning college credit while still in high school. We appreciate how your audit team worked with Washington State University and the other educational institutions to provide a comprehensive report on the requirements related to these programs and the unique challenges faced by Washington higher education institutions in ensuring students can reap the full benefits of their efforts.

We further appreciate the audit team's acknowledgement of Washington State University's efforts before and during the audit to ensure communications and programming served the best interest of our students.

We look forward to working with our colleagues in K-12 and at other higher education institutions across the state in the collective efforts to support Washington high school students in their educational careers. As identified in the Auditor's report, an important change that needs to be facilitated is to construct better communication channels between K-12 schools and institutions of higher education to identify students with dual credit. Washington State University stands ready to assist in these efforts.

Sincerely,

A handwritten signature in black ink that reads "Kirk H. Schulz".

Kirk H. Schulz
President



Vice President for Enrollment and Student Services

MEMORANDUM

OM 445, MS 9001
516 High Street
Bellingham, Washington 98225
(360) 650-3839
www.wwu.edu

TO: Office of the Washington State Auditor

FROM: Melynda Huskey, Vice President for Enrollment and Student Services

DATE: August 6, 2024

SUBJECT: Assessing Dual Credit Transferability Audit

A handwritten signature in blue ink, appearing to read "Melynda Huskey".

Thank you for the opportunity to review and respond to the Washington State Auditor's Office (SAO) performance audit, Running Start and College in the High School: Assessing Dual Credit Transferability.

Western robustly supports initiatives to increase dual credit enrollment, including the course-based dual credit opportunities included in this audit. We are committed to awarding students as much credit as they have earned within our published transfer policies. The audit's conclusions confirm what we know to be true: when transcripts are provided by the student, colleges and universities consistently and appropriately award credit earned in dual credit programs.

We would like to encourage stakeholders to recognize that colleges and universities apply the same transfer credit policies whether the credit was earned in a dual credit program or after students have earned their high school diploma or equivalent. Therefore, this audit should provide confidence that colleges and universities adhere to policies that result in the consistent and appropriate awarding of transfer credit.

While there are no specific recommendations for Western, the audit findings have led us to modify our application for first-year admission in order to more easily identify students who participate in College in the High School, as we already do for Running Start students. By sending targeted messaging we hope to encourage students to submit their College in the High School transcripts to Western and receive the credit they have worked so hard to earn.

Thank you for the opportunity to collaborate with your team to ensure that we are well-aligned with the state's expectations in serving Washington high school students as they transition to Western Washington University.

Appendix A: Initiative 900 and Auditing Standards

Initiative 900 requirements

Initiative 900, approved by Washington voters in 2005 and enacted into state law in 2006, authorized the State Auditor’s Office to conduct independent, comprehensive performance audits of state and local governments.

Specifically, the law directs the Auditor’s Office to “review and analyze the economy, efficiency, and effectiveness of the policies, management, fiscal affairs, and operations of state and local governments, agencies, programs, and accounts.” Performance audits are to be conducted according to U.S. Government Accountability Office government auditing standards.

In addition, the law identifies nine elements that are to be considered within the scope of each performance audit. The State Auditor’s Office evaluates the relevance of all nine elements to each audit. The table below indicates which elements are addressed in the audit. Specific issues are discussed in the Results and Recommendations sections of this report.

I-900 element	Addressed in the audit
1. Identify cost savings	No.
2. Identify services that can be reduced or eliminated	No.
3. Identify programs or services that can be transferred to the private sector	No.
4. Analyze gaps or overlaps in programs or services and provide recommendations to correct them	No.
5. Assess feasibility of pooling information technology systems within the department	No.

I-900 element	Addressed in the audit
6. Analyze departmental roles and functions, and provide recommendations to change or eliminate them	No.
7. Provide recommendations for statutory or regulatory changes that may be necessary for the department to properly carry out its functions	No.
8. Analyze departmental performance data, performance measures and self-assessment systems	No.
9. Identify relevant best practices	Yes. The audit identified best practices related to communicating about transferability of dual credit to prospective and new students.

Compliance with generally accepted government auditing standards

We conducted this performance audit under the authority of state law (RCW 43.09.470), approved as Initiative 900 by Washington voters in 2005, and in accordance with generally accepted government auditing standards as published in *Government Auditing Standards* (July 2018 revision) issued by the U.S. Government Accountability Office. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

The mission of the Office of the Washington State Auditor

To provide citizens with independent and transparent examinations of how state and local governments use public funds, and develop strategies that make government more efficient and effective. The results of our work are widely distributed through a variety of reports, which are available on our website and through our free, electronic [subscription service](#). We take our role as partners in accountability seriously. We provide training and technical assistance to governments and have an extensive quality assurance program. For more information about the State Auditor's Office, visit www.sao.wa.gov.

Appendix B: Objectives, Scope and Methodology

Objectives

The purpose of this performance audit was to assess how Washington colleges and universities process dual credit transfers for students who participated in one of two programs, Running Start and College in the High School. It was designed to address the following objectives:

1. To what extent do higher education institutions accept dual credit earned in Running Start and College in the High School?
2. Are there differences in dual credit transfer rates between higher education institutions? If so, why?
3. How do higher education institutions communicate with students about the transferability of dual credit courses?

For reporting purposes, the audit results have been organized into key findings. The messages relate to the original objectives as follows:

- When a student submits their college transcript, the vast majority of courses with earned credits are accepted by the enrolled institution (pages 11-16) – This finding addresses Objective 1.
- We found that acceptance rates of dual credit courses are comparable across audited institutions (pages 14-15) – This finding addresses Objective 2.
- All audited institutions implemented the majority of leading practices to communicate with students about transferability of dual credit courses (pages 17-22) – This finding addresses Objective 3.

Scope

This audit examined the extent to which Running Start and College in the High School credit was accepted at the eight audited institutions for students who had enrolled with them in fall 2021. We randomly selected students who graduated from high school in spring 2021 and enrolled at an audited institution in fall 2021. These students had participated in Running Start during the 2019-20 and 2020-21 school years, or in College in the High School in the 2017-18 through 2020-21 school years.

While we examined reasons why institutions might reject courses and the rate at which institutions assigned course equivalency, we did not evaluate whether institutions assigned accepted courses with the correct course equivalent.

To evaluate why institutions acceptance rates differed, and how they communicate with students to ensure they understand how to transfer their credit between institutions, we judgmentally selected four colleges and four universities from different parts of the state to review. In selecting them, we considered whether they provide Running Start, College in the High School or neither program. Selected institutions also varied in size (shown in **Figure 1**), as indicated by their student enrollment numbers, to ensure we included large, medium and small colleges in the sample.

Figure 1 – Students enrolled at audited institutions

2021-22 school year

Audited institution	Total enrollment
Bellevue College	19,765
Big Bend Community College	3,219
Columbia Basin College	9,600
Olympic College	8,143
Eastern Washington University	8,426
University of Washington	44,090
Washington State University	25,661
Western Washington University	15,223

Sources: Enrollment data from the Washington State Board for Community and Technical Colleges and the Education Research and Data Center websites.

Methodology

To answer our audit objectives, we used a variety of quantitative and qualitative methods. We obtained the evidence used to support the findings, conclusions and recommendations in this audit report during our fieldwork period (May 2023 to mid-April 2024). We have summarized the work we performed to address each of the audit objectives in the following sections.

Objective 1: To what extent do higher education institutions accept dual credit earned in Running Start and College in the High School?

No one source in Washington collects and retains complete dual credit data. Unlike high school transcripts, college transcripts do not indicate which courses a student took through Running Start and College in the High School. Audited colleges and universities could not identify or provide a list of students that had participated in these dual credit programs at other institutions.

For this reason, we relied on data from several sources. The primary source of data, the Washington State Education Research and Data Center (ERDC), was augmented with the data from universities sponsoring Running Start and College in the High School to establish a sample of dual credit students. We then obtained detailed information about students' dual credit reflected on their college transcripts from sending institutions to compare to the receiving institution's student record.

Conducted data reliability tests of ERDC and universities' dual credit data

To address this objective, we requested data from ERDC to identify the population of students who had participated in either College in the High School or Running Start during specific academic years and graduated from high school in spring 2021. We conducted data reliability tests on ERDC dual credit data to ensure it was complete and accurate. However, because staff at ERDC said the

reporting issues had raised questions about the quality of a subset of their dual credit data submitted by universities, we requested dual credit data from all universities that offer dual credit programs: Eastern Washington, Central Washington, University of Washington and Washington State. We used the data sets from each university to supplement data provided by ERDC by merging the data. While these efforts helped address gaps in the data, about a quarter of student records which ERDC data indicated had participated in College in the High School, did not have sufficient data for us to know whether students were seeking to earn college credits and which institution would have granted the credits. This remaining gap affected our ability to determine the total College in the High School student population. For this reason, we did not project our results to the rest of the Running Start and College in the High School population at each audited institution.

Verified accuracy of dual credit data by reviewing sampled students' transcripts and records

Next, we randomly sampled students who participated in Running Start and College in the High School and enrolled at one of the audited institutions. More specifically, we randomly sampled Running Start and College in the High School students proportional to the population of students at each audited institution, as shown in **Figure 2**.

For example, there were double the number of students who participated in Running Start than those who participated in College in the High School and enrolled in Washington State University during the fall of 2021. As a result, we sampled double the number of Running Start students (18 students) compared to College in the High School students (nine students). We ultimately decided not to project results to the student population at each audited institution.

Figure 2 – Number of students sampled at audited institutions

Audited institution	Running Start	College in the High School	Total sample
Bellevue College	14	9	23
Big Bend Community College	2	18	20
Columbia Basin College	4	17	21
Olympic College	8	5	13
Eastern Washington University	20	6	26
University of Washington	19	8	27
Washington State University	18	9	27
Western Washington University	18	9	27

Source: Auditor developed sample data.

Each audited institution was asked to provide data for each of the sampled students. We asked for information about dual credit courses from the students' sending institution transcripts and how the courses transferred to the receiving institution. We also asked them to indicate whether courses were accepted with direct course equivalence and their reasons for not accepting any courses.

We verified their submitted data by reviewing each sampled student's:

- College transcript from the dual credit institution where they earned dual credit
- Transfer credit on student record at the enrolled institution

This allowed us to verify whether a dual credit student's Running Start or College in the High School credit had transferred from the institution where it was earned to their enrolled institution. Staff at audited institutions either presented a computer screen-view to show us relevant documents or securely shared them with us.

For these sampled students, we found that 54 students with 59 expected transcripts did not submit about 30 percent of total expected transcripts. While ERDC data indicated that most of these 54 students earned dual credit, we found this information was not always accurate. To confirm that students who did not submit transcripts did earn credit, as reported by ERDC, we verified this information with our auditees and Central Washington University. We confirmed that 40 out of 54 students with 44 expected transcripts in our sample, who took Running Start or College in the High School at a university or audited college, earned credit and had a transcript to submit. However, 14 students with 15 expected transcripts took dual credit from a college that we did not audit, which is why we could not confirm whether students earned credit in the program as indicated in data from ERDC.

Analyzed dual credit acceptance rate for each audited institution

To determine to what extent audited institutions accepted Running Start and College in the High School credit, we analyzed the data to calculate the percent of courses that had been accepted or rejected at audited institutions for transfer.

For courses that were accepted, we assessed whether audited institutions had implemented Intercollege Relations Commission's (ICRC) policies and practices:

- Accepting transfer courses from regionally accredited institutions in the state
- Maintaining the numerical value of course credit during transfer
- Maintaining the course grade during transfer
- Identifying course equivalencies when possible

Additionally, we calculated what percent of accepted courses were transferred as course equivalents. For courses that audited schools rejected, we assessed their reasons for doing so and compared them to ICRC and their own institutional policies to ensure they applied policies appropriately when rejecting credit. For example, audited institutions rejected remedial courses due to both institutional and ICRC policies.

We also identified other reasons dual credit did not transfer to audited institutions and calculated the percentage of these rejected credits:

- Percent of dual credit courses without earned credit from the dual credit institution, such as failed courses
- Percent of students who did not submit transcripts with earned dual credit to audited institutions

Objective 2: Are there differences in dual credit transfer rates between higher education institutions? If so, why?

To address this objective, we compared audited institutions' acceptance rate for dual credit courses. We had already found that Bellevue College had a lower acceptance rate than other audited institutions, so to understand why this might be, we assessed their reasons for not transferring credit. We identified two requirements in Bellevue College's credit transfer policy that affected its transfer rate. Next, we evaluated whether other audited institutions had similar requirements in their policies. We also discussed these requirements with staff at audited institutions to gain a better understanding of how they applied these policies.

Objective 3: How do higher education institutions communicate with students about the transferability of dual credit courses?

Conducted literature review to determine requirements and leading practices

To address this objective, we reviewed relevant requirements and practices from experts in the field of education, synthesizing the many leading practices we identified into four categories. These include publicly posting transfer policy information, providing resources available to students online, providing student support, and communicating with students about the transfer process and transfer-related decisions.

Assessed whether audited institutions used leading practices to communicate with students about transferring dual credit

We reviewed information found on institutions' websites and in relevant publications, including official transfer policies, catalogs and student handbooks. Next, we interviewed staff from relevant departments at each audited institution to learn about their practices and how they communicate with students about transferring credits. Additionally, we requested and reviewed documentation from each audited institution to support statements they provided in their interviews. For example, we requested documentation of their communication with students, such as checklists and slides for presentations given to students, and we also requested examples of direct communication with students, such as sample emails.

Work on internal controls

We identified key controls and assessed the design, implementation (Objectives 1 and 3) and operating effectiveness of these key controls (Objective 1).

For Objective 1, we identified a small number of instances where weaknesses in institutions' processes led to courses not being accepted. However, this did not rise to the level of deficiency and was not significant to our audit objectives because the small number of instances did not prevent management from achieving the controls objectives and addressing related risks. Given that the vast majority of credits were accepted in line with institutions' policies and ICRC policies and practices, we determined that controls were operating effectively.

For Objective 3, we found that all institutions share their transfer-related information online and determined that controls were well designed and implemented.



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– Pat McCarthy, State Auditor

Washington State Auditor’s Office
P.O. Box 40031 Olympia WA 98504

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1-564-999-0950



Office of the Washington State Auditor
Pat McCarthy