



# **MITIGATING ENROLLMENT FRAUD:** *INSTITUTIONAL PRACTICES & REPORTING OBLIGATIONS*

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# Background

These past three years have presented numerous challenges as staff have continued supporting admissions, enrollment, and general student services throughout the pandemic.

The increase in remote course delivery has, unfortunately, contributed to an increase in external efforts by bad actors to undermine cyber integrity and has led to an increase in fraudulent activity. The Washington State Board for Community and Technical Colleges (SBCTC) is committed to fraud detection and prevention while minimizing the potential impact to students and staff.

SBCTC Student Services, Business Operations, and Information Technology divisions, as well as Instruction Commission leadership, collaborated to develop the guidance and technical measures for fraud mitigation and prevention as outlined below.

This guidance document outlines the types of fraud currently affecting the system, the role the colleges and SBCTC play in fraud detection and mitigation, and the partnership required to ensure fraud prevention protocols are not inadvertently harming students.

Refer to the [Report Fraud](#) SBCTC web pages for additional resources.

## Types of Fraud

SBCTC is aware of the increase in application fraud over the past few years and has been working to increase the guidance and technical security measures for fraud mitigation and prevention.

As part of the continued effort to characterize fraud, three related but different types of fraudulent activity have been identified:

### Admissions application fraud

The act of creating a ctclink account, applying via the Online Admissions Application Portal (OAAP), and completing the application process with the college without the intent to attend college for educational purposes.

### Enrollment fraud

The act of registering for classes without the intent to legitimately attend follows admissions application fraud and can only occur once a college has accepted the admissions application and enabled access to registration.

### Financial aid fraud

Financial aid-related fraud occurs after a college has accepted a fraudulent admissions application, allowed the fraudulent student to register for classes, and begins the process of disbursing local, state, and/or federal financial aid.

# Institutional Practices

While there is a human interface to admissions and financial aid activities, fraud prevention also includes technology solutions and processes designed to note suspicious patterns. Fraud detection relies on college employees for:

- Early identification of fraudulent accounts
- College confirmation of suspicious student accounts
- Reporting non-responsive students and a lack of participation in enrolled course(s)

[What to do when a fraudulent admissions or financial aid application is suspected.](#)

## Fraud Detection & Mitigation Strategies

Enrollment fraud detection requires colleges working across departments—from admissions to financial aid to faculty noting classroom attendance and participation—to root out fraudulent students.

### *College leadership*

College leaders and staff should actively provide updates on the process and timelines for reporting inactive enrollments at the beginning of each term, including posting this information in an easily accessible and high-traffic location.

Meaningful engagement with students prior to these deadlines improves retention and support for real students and removes non-students early enough to allow real students to enroll.

### *Best practices*

Faculty should be aware of their college processes, procedures, and deadlines for reporting inactive enrollments by the census date. Meeting these deadlines significantly reduces the likelihood that financial aid is disbursed fraudulently or that colleges receive state funding fraudulently.

[Faculty and staff share critical roles in enrollment fraud mitigation](#)

# What To Do When Admissions, Enrollment or Financial Aid Fraud is Suspected

It is crucial that colleges have in place local protocols to both:

- Review and process admissions and financial aid applications.
- Confirm student identity before releasing any financial aid.

## Verify suspicious student identity

If an admissions or financial aid application is suspected to be fraudulent, the college is responsible for trying to verify the student's identity.

Contact the student to schedule an in-person or virtual meeting. The student should be asked to submit additional documents to verify their identity. This documentation may include, but is not limited to:

- Driver’s license, state-issued identification card, passport, or visa
- Official transcripts from any other institution of higher education the student has previously attended
- Proof of residency at address listed on the student’s records
- Employment Authorization document

### ***If student does not comply***

If no response is obtained, or insufficient information is provided, the applicant/student must be reported to SBCTC in the ticketing system, as outlined in Reporting Requirements.

The college must immediately apply the “Under Investigation for Fraud” (SXI) service indicator in SolarWinds (ctcLink ticket system), indicating the application/student is being investigated.

ctcLink Support is creating a job set to copy this service indicator across all institutions which will be released in late May 2023. See “Report to ctcLink Support” below.

## **How Colleges are Required to Report Fraud**

When a fraudulent admissions or financial aid application is suspected, enrollment fraud detection relies on college staff and faculty to identify, confirm, and report.

### **Reporting Requirements**

1. If a [suspicious admissions or financial aid application is determined to be fraudulent](#), the **fraudulent student account** must be reported to [ctcLink Support](#).
2. If there is **documented monetary loss** (financial aid or other) colleges must follow [State Reporting Requirements](#) and report to:
  - a. Washington State Auditor's Office, **and**
  - b. SBCTC Business Operations
3. If the **monetary loss is federal financial aid fraud**, the college must follow [Federal Reporting Requirements](#) and report to the Department of Education Office of Inspector General (OIG).

### **Report to ctcLink Support**

The college's local security administrator must lock the fraudulent student account and place the “Fraudulent Account” (SXF) service indicator on the account.

The college files a ticket in SolarWinds. Find complete instructions in the [Reporting Fraudulent Applications and Student Accounts to SBCTC](#) Quick Reference Guide (QRG).

### **State Reporting Requirements**

Instances of financial fraud (monetary loss of any amount) must be reported to **both** the Washington State Auditor's Office (SAO) and SBCTC Business Operations with documentation.

#### ***Washington State Auditor's Office***

All state agencies must immediately notify the SAO of any fraud, loss of public resources, or suspected illegal activity targeting public resources. There is no monetary threshold that waives this

requirement so any real or suspected fraudulent applications or real or attempted fraudulent access to financial aid must be reported. [[RCW 43.9.185 Loss of public funds—Illegal activity—Report to state auditor's office.](#)]

[Submit Fraud Report to Washington State Auditor's Office](#)

## **SBCTC Business Operations**

After completing a report to the SAO, complete the online form to notify SBCTC Business Operations, including a description of the information provided to the SAO.

[Submit Fraud Report to SBCTC Business Operations](#)

## **Federal Reporting Requirements**

Any instance of federal financial aid fraud requires reporting to the Department of Education Office of Inspector General (OIG). See [Fraud Reporting Requirements: A Guide for Federal Program Participants and Auditors.](#)

[Submit Fraud Report to OIG](#)

# **Campus Fraud Mitigation**

## **Faculty and Staff Share Critical Roles in Fraud Mitigation**

As required by the [SBCTC Policy Manual](#), the colleges are required to eliminate inactive enrollments by the enrollment census date (usually the 10<sup>th</sup> day, but as early as the 8<sup>th</sup> day during short quarters). See [Chapter 5: Enrollment Reporting and Tuition and Fees.](#)

Inactive enrollments are defined as students:

- Identified as a no-show
- Officially withdrawn from the course
- Dropped from the course(s) due to no longer participating
- Excessive unexcused absences

## **Faculty Play a Key Role in Defense**

At most colleges, faculty have the responsibility to verify student attendance and provide the college financial aid office with the last date of attendance if the student does not participate the entire term.

Verification for both in-person and online classes takes place through a variety of means of contact between the instructor and student, such as:

- Class attendance
- Class participation
- Direct engagement with the instructor for asynchronous courses
- Completion of assignments
- General communication through any medium

## Cooperation is Essential

### *College leaders and staff role*

At the beginning of each term, college leaders and staff should proactively update staff and faculty on local processes and deadlines to report inactive enrollments.

This information should be available in an easily accessible and high-traffic location. Ideally, faculty will also receive instructions directly.

### *Faculty role*

Faculty should be aware of their college's processes and deadlines for reporting inactive enrollments by the census date. Meeting these deadlines significantly reduces the likelihood financial aid is disbursed fraudulently or colleges receive state funding fraudulently.

Engaging with students prior to the census deadlines improves retention and support for *real students* and eliminates fraudulent non-students early enough to allow real students to enroll.

## How is Fraud Data Used?

These metrics will be used to assist in detecting trends in fraudulent activity, monitoring the impact of implemented mitigation efforts, and appropriately direct future investments to reduce and eliminate fraud across Washington's community and technical colleges.

Considering ongoing investigations, and the potential for further harm to our systems from public disclosure of the information requested here, the SBCTC Executive Director's Office will protect this information from public disclosure to the full extent allowed by law. We also request that community college districts and their agents similarly protect this information.

The SBCTC Executive Director's Office remains committed to ensuring that any individual seeking a postsecondary education or training within the state has access to the system. Ensuring that real students can successfully navigate various system and local processes requires attentiveness to their journeys, regardless of what they look like, how old they are, where they live, or what modality preferences they have (i.e., online, hybrid, HyFlex or face-to-face courses).

## Student-Centered Approach

As we work to improve our fraud prevention and mitigation strategies, it is important to make explicit that ***students are not committing fraud***.

Bad actors looking to take advantage of the system, and obtain financial resources meant for students, are committing fraud. It is therefore critical that any fraud prevention or mitigation approach aims to prevent harm to real students. With this in mind, we recommend engaging with students in authentic, meaningful, and diverse ways. A multi-layered and varied approach to student engagement is an important strategy that facilitates support for real students while establishing multiple data points for identifying inactive or suspicious student participation.

A brief list of recommended strategies includes:

- Proactively reach out to students that have not engaged prior to dropping them from the course

- Hold and encourage early attendance in virtual office hours
- Review, at least briefly, any work submitted prior to census date to ensure it matches the subject matter being taught or relates in other ways to the assignment the student was to complete.
- Be aware of oddities in enrollment, such as multiple students with the same phone number.
- Review student engagement and login frequency data in Canvas for online courses.
- Include real-time or near real-time interaction with students either during or outside of class
- For larger online classes, consider activities that are harder to automate responses to, including those that are separate from the course delivery platform, e.g., incorporating polling questions or using options within your local Learning Management System, such as a Canvas quiz.





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Washington State Board for Community and Technical Colleges