

THOMAS P. DINAPOLI
STATE COMPTROLLER



110 STATE STREET
ALBANY, NEW YORK 12236

STATE OF NEW YORK
OFFICE OF THE STATE COMPTROLLER

February 11, 2025

John B. King, Jr.
Chancellor
State University of New York
SUNY System Administration
State University Plaza
353 Broadway
Albany, NY 12246

Re: Determination of Residency for Tuition
Purposes
Report 2023-F-45

Dear Chancellor King:

Pursuant to the State Comptroller's authority as set forth in Article V, Section 1 of the State Constitution and Article II, Section 8 of the State Finance Law, we have followed up on the actions taken by officials of the State University of New York to implement the recommendations contained in our initial audit report, *Determination of Residency for Tuition Purposes* (Report [2019-S-58](#)).

Background, Scope, and Objective

The State University of New York (SUNY) is the largest comprehensive system of public education in the nation, comprising 64 institutions (four of which are University Centers)—including research universities, academic medical centers, liberal arts colleges, community colleges, and agricultural and technical institutes across the State—and educating approximately 367,000 students with approximately 83,000 faculty and staff. Of the 64 institutions, 28 offer graduate programs. For fiscal year 2022-23, SUNY had an overall budget of \$12.5 billion and revenue of \$14 billion, including State support totaling \$4.3 billion and over \$1.7 billion in tuition and fees.

SUNY's Policy 7810: Residency, Establishment of for Tuition Purposes (Residency Policy) states that each campus is responsible for making the final determination of students' residency status and tuition charges. The Residency Policy also establishes proof of residency requirements. To be considered a State resident and receive in-state tuition, a student must show proof of domicile—defined as a fixed, permanent home to which a person plans to return after an absence—within the State. Proof of domicile includes, but is not limited to, voter registration, driver's license, State tax return, proof of property ownership, and vehicle registration. In order to be considered a State resident, students must have established their domicile in the State for a 12-month period immediately preceding the date of registration. The campus's initial determination of residency status should be based on information provided by the student during the admissions process. All application forms should solicit information relative to the student's principal or permanent home for the previous 12-month period.

The campus should examine the totality of the circumstances in each individual student's case and should have at least three forms of the required documentation to support their residency determination. Campuses are required to keep the student's residency determination and any supporting documentation in the student's permanent file. In addition, SUNY's Records Retention and Disposition schedule requires campuses to maintain documentation relating to residency and residency determinations for a period of 6 years after the student's separation from the campus.

The objective of our initial audit, issued on May 26, 2022, was to determine whether SUNY had adequate assurance that campuses are making accurate residency determinations for students and thus charging the correct tuition rates. Our audit covered the period from June 2015 through September 2019. Overall, SUNY did not have adequate assurance that, at the graduate level, campuses were making accurate residency determinations for students and that students were being charged the appropriate tuition rate. Having greater autonomy in graduate application processing, each of the seven SUNY campuses we reviewed applied its own interpretation of the Residency Policy requirements; and some campus officials were not even aware that there was a policy that applied to graduate students. In many cases, the campuses relied solely on the residency status self-reported by students and did not obtain the proper supporting documentation to verify domicile. Moreover, our review of the seven SUNY campuses found potential undercharges totaling \$1,343,051 for students who were charged the in-state rate as well as potential overcharges totaling \$44,171 for students charged the out-of-state rate. Further, based on a random statistical sample of 1,207 graduate student tuition assessments of the 150,116 total assessments for these seven campuses alone, we identified 421 assessments with either no or inadequate documentation of domicile. Projecting the results of our findings to the total enrollment for each of these campuses, we estimated that at least 52,484 graduate student tuition assessments had unsupported residency determinations.

The objective of our follow-up was to assess the extent of implementation, as of October 2024, of the four recommendations included in our initial audit report.

Summary Conclusions and Status of Audit Recommendations

SUNY officials have made some progress in addressing the problems we identified in the initial audit report; however, additional actions are needed. For example, while SUNY provided all campuses with a flowchart regarding the interpretation of the Residency Policy, the flowchart does not address obtaining sufficient proof of residency. For the four campuses reviewed for our follow-up, we found they could not provide the proper documentation to support the assessed residency status for 85 of 100 (85%) graduate student tuition assessments sampled. Of the initial report's four audit recommendations, one was implemented, one was partially implemented, one was not implemented, and one was not applicable.

Follow-Up Observations

To SUNY Administration:

Recommendation 1

Provide guidance and support to campus officials in interpreting and implementing the Residency Policy to ensure tuition is charged correctly by obtaining sufficient proof of residency for purposes of determining eligibility for in-state tuition.

Status – Partially Implemented

Agency Action – Since our initial audit, SUNY Administration has worked to provide guidance and support to campus officials regarding the Residency Policy. They provided all campuses with a flowchart regarding the interpretation of the Residency Policy as campuses make residency determinations; however, the flowchart does not address obtaining sufficient proof of residency. SUNY still does not agree with OSC’s interpretation of the Residency Policy. SUNY officials stated that the Residency Policy does not mandate—but rather recommends—three forms of documentation and provides for administrators’ decisions to be made on the “totality of the circumstances.” SUNY’s Residency Policy states, “An applicant need not submit all of the above documentation in order to demonstrate a New York State domicile; however, the campus should examine the totality of the circumstances in each individual case and should have at least three forms of the above-referenced documentation.” The use of the word “should” in policy-related documents indicates responsibilities that are presumptively mandatory. These responsibilities are required to be followed by the campuses unless sufficient alternate actions were followed that achieved the desired objectives. In most cases, campuses relied solely on the residency status the student self-reported on their graduate application, which calls into question how administrators were able to make decisions on the “totality of the circumstances” if they did not collect any documentation.

Recommendation 2

Work with campuses to ensure all student residency documents are maintained for at least 6 years from the time the student separates from the campus.

Status – Implemented

Agency Action – In November 2023, SUNY Administration sent an email to all campus Financial Aid Directors, Business Officers, and Bursars reminding campuses that all records should be maintained for a minimum of 6 years from the time the student separates from the campus.

To SUNY Campuses:

Recommendation 3

Ensure tuition is charged correctly by obtaining sufficient proof of residency for purposes of determining eligibility for in-state tuition.

Status – Not Implemented

Agency Action – Our review of four SUNY campuses—University at Buffalo and SUNY College of Environmental Science and Forestry (which we reviewed in our previous audit), SUNY Brockport, and SUNY Delhi—focused on the tuition charges for graduate students. For the fall 2023 semester, there were 13,408 graduate students enrolled across the four campuses. Our sample focused on those students who were newly enrolled in the fall 2023 semester and charged in-state tuition. We selected a random sample of 25 graduate student tuition assessments from each of the four campuses and reviewed the documentation the campuses used to assess residency status as well as billing statements or student account records to verify whether the correct tuition was charged.

We found that the four campuses were still relying solely on the residency status that students self-reported on their application and did not obtain the proper documentation to verify domicile. They could not provide the proper documentation to support the assessed residency status for 85 of 100 (85%) graduate student tuition assessments. Failure to collect and maintain sufficient documentation to support tuition rates resulted in a potential undercharge of \$232,062 for the students charged in-state tuition, as shown below.

Campus	No. Students w/o Documentation	Potential Undercharge
SUNY Brockport	25	\$18,481
SUNY Delhi	25	16,081
University at Buffalo	10	73,205
SUNY College of Environmental Science and Forestry	25	124,295
Totals	85	\$232,062

Further, the campuses' own residency policies did not require obtaining sufficient proof of residency. For example, as long as the student attests to being a New York State resident, SUNY Brockport does not require the student to fill out the residency application or submit proof of residency. Moreover, the University at Buffalo only requires proof of residency to be provided if the graduate student is a new applicant to the school and not continuing from their undergraduate studies. SUNY officials stated that the Residency Policy states that domicile is based on self-reporting on the application, and they do not request additional documentation unless they find any discrepancies. However, our position has not changed from the original audit. The Residency Policy does not limit the determination of residency to the application, and these policies do not align with SUNY Administration's Residency Policy requirement to obtain at least three forms of documentation to support residency determinations.

Recommendation 4

Maintain all student residency documents for at least 6 years from the time the student separates from the campus.

Status – Not Applicable

Agency Action – We are unable to test and determine whether SUNY campuses are maintaining all student residency documents for at least 6 years from the time the student separates from the campus. Because our initial audit report was released in May 2022, we would not be able to test until 2028 to determine whether the recommendation was implemented. Additionally, as noted in Recommendation 3, most of the schools in our sample did not request any documentation. However, the University at Buffalo did maintain student residency documents for the 15 students they requested documentation from. We continue to recommend that all student residency documents are maintained as required.

Major contributors to this report were Jessica Kirk, Lauren Magur, Lydia Johnson, and Matthew Helfant.

SUNY officials are requested, but not required, to provide information about any actions planned to address the unresolved issues discussed in this follow-up within 30 days of the report's issuance. We thank the management and staff of SUNY for the courtesies and cooperation extended to our auditors during this follow-up.

Very truly yours,

Theresa Podagrosi
Audit Manager

cc: Amy Montalbano, State University of New York