MEMORANDUM

TO: Danny O. Jacobs, MD, MPH, FACS
    Executive Vice President, Provost and Dean of the School of Medicine

FROM: Kimberly K. Hagara, CPA, CIA, CISA, CRMA
    Associate Vice President, Audit Services

DATE: March 24, 2014

SUBJECT: Oversight and Monitoring of Registered Student Organizations
         Audit Control Number 2014-008

Attached is the final audit report regarding the Oversight and Monitoring of Registered Student Organizations. This audit will be presented at the next Institutional Audit Committee meeting.

Additionally, please find attached Audit Services audit recommendation follow up policy. Each of the recommendations is classified by type at the end of its identifying number: Significant (S), Risk Mitigation (R), or Process Improvement (P). As you will note in the policy, the classification of the recommendation determines the frequency of our follow up. All follow up results are reported quarterly to the Institutional Audit Committee.

Thank you for your cooperation and assistance during the course of this review. If you have any questions or comments regarding the audit or the follow-up process, please feel free to contact me at (409) 747-3277.

Attachments

c: Elizabeth J. Protas
   Pamela G. Watson
   James E. Martin
   David W. Niesel
The University of Texas Medical Branch
Audit Services

Audit Report
Oversight and Monitoring of Registered Student Organizations
Audit Control Number 2014-008
March 2014
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Audit Control Number: 2014-008

Background
Student organizations provide opportunities for personal growth and development beyond a school’s formal curriculum. Over 70 registered student organizations continue the University of Texas Medical Branch’s (UTMB Health’s) tradition of service, civic engagement, and cultural opportunities by organizing hundreds of projects for the campus and Galveston community.

Many of UTMB Health’s student organizations are professional and discipline specific, while others are cultural, religious, social, or otherwise represent special interests. Each organization has a faculty advisor volunteering his/her time to provide guidance and support. Additionally, the Office of Student Life (OSL), a division of University Student Services, provides training to ensure compliance with applicable University of Texas (UT) System Board of Regents Rules and institutional policies and procedures. OSL also coordinates student organization access to institutional resources including use of University facilities and equipment, photocopying services, and assistance with program development and event planning.

Registered student organizations are expected to adhere to the following requirements:

- Limit organizational membership to students, faculty, and staff at UTMB Health Galveston and not deny membership on any basis prohibited by applicable law, including but not limited to sex, sexual orientation, race, color, national origin, religion, age, veteran status, or handicap.

- Select qualified officers in good academic standing.

- Establish and have a mission statement, a constitution, authorized officers or representative’s form, a specific faculty/staff advisor, sign a registration agreement; and agree to conduct organization affairs in accordance with institutional regulations.

- Participate in the OSL’s annual orientation session and risk management seminar.

This audit was performed as part of Audit Services on-going review of select decentralized operations within the Academic Enterprise.

Audit Objective
The primary objective of this audit is to assess whether the OSL and faculty advisors are adequately overseeing and monitoring registered student organizations.

Scope of Work and Methodology
The scope of work is current registered student organizations and methodology includes review of policies and procedures, interviews with key personnel, and limited testing.

The audit was conducted in accordance with the International Standards for the Professional Practice of Internal Auditing as promulgated by the Institute of Internal Auditors.

Audit Results
Audit Services reviewed the 2013-2014 Registered Student Organization Handbook as well as the Rules and Regulations of the Board of Regents of the University of Texas System and institutional policies to extract criteria for evaluating and testing whether the OSL and faculty advisors are providing adequate oversight and monitoring of registered student organizations.
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Overall, there appears to be adequate oversight and monitoring activities in place for the registered student organizations.

Creating Student Organizations
The OSL maintains up to date information on each registered student organization, its officers or authorized representatives, its purpose, and its advisor. The OSL provides guidance to the organizations; however, the organizations manage themselves. Audit Services interviews with organization members and faculty advisors were complimentary and appreciative of the services provided by the OSL.

The Registered Student Organization Handbook notes groups may form a new registered organization by completing an application and adhering to various requirements such as membership composition and selection of officers. New organizations affiliated with the School of Health Professions must obtain approval from the Student Affairs Dean; however, similar approval is not required for organizations affiliated with either the School of Medicine or School of Nursing. Final approval of new organizations resides with the OSL. Once approved, organizations continue their registered status by periodically submitting updated documentation to OSL. The current approval process does not include an assessment of whether or not a current registered organization would also meet the applying organization’s mission or provide continuing review for the need/appropriateness of on-going organizations.

During our review of organizations, Audit Services noted one organization serves an umbrella organization for five other organizations, providing “systematic coordination” in an effort to prevent duplication of service projects. Based on discussions with various institutional personnel, it is unclear whether the umbrella organization is providing a valuable service or is itself, a duplication of effort.

Recommendation 2014-008-01-P:
The Associate Vice President, University Student Services, should develop and implement a formalized vetting process for new registered student organizations to reduce the risk of duplicative organizations and consider establishing a periodic review process to assess the continuing need for each registered student organization. The Associate Vice President, University Student Services, should consider including the respective affiliated schools in the vetting and review processes.

Management’s Response:
Office of Student Life will review and compare mission statements of any new organizations to determine repetitiveness or redundancy of the organization’s purpose. If any are found, registration of new organization will not be allowed. During the annual registration period, OSL will review all mission statements of organizations reregistering. If any changes are made from the previous year, the new statement will be compared to other statements to determine repetitiveness or redundancy.

Implementation Date: July 1, 2014
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Faculty Advisor Oversight and Monitoring
Faculty advisors are required for all recognized student organizations providing continuity and serving as a signatory on official forms when other authorized representatives are unavailable. An advisor can also assist in designing and evaluating club goals and activities. OSL leadership indicated although the Student Life Organizational Handbook contains information related to faculty advisors, OSL does not provide formal orientation or training to ensure advisors are aware of the scope of their responsibilities.

Audit Services contacted 13 faculty advisors to determine the level of their engagement and assistance provide to the respective organizations. While a majority of advisors indicated they provide advice, serve as a reference resource, and assist with developing member’s leadership and organizational skills; in one instance, the advisor appeared to be involved “in name only” with support limited to serving as a signatory for various forms.

Recommendation 2014-008-02-P:
The Associate Vice President, University Student Services, should ensure faculty advisor orientation and training is developed, implemented, and required for all faculty advisors to ensure continuity of expectations and performance.

Management’s Response:
OSL will develop a faculty sponsor orientation and training PowerPoint presentation highlighting the requirements of the student organization as well as the expectations of oversight by the faculty sponsor. The presentation will be emailed to all faculty sponsors of continuing organizations at the end of the annual registration period. The presentation will be emailed to faculty sponsor of new organizations once the registration is approved.

Implementation Date: July 1, 2014

Compliance with Key Registered Student Organization Handbook Provisions Special Resource Fund Requests
The Student Government Association (SGA), comprised of representatives from all four UTMB Health schools, receives a percentage of student services fees to improve students’ academic, social, and cultural environments. Registered student organizations request funding for their activities via a “Request for Funding Proposal” (RFP) form.

The SGA recognizes, occasionally, students from a specific school have legitimate needs for funds that could be utilized by only its distinct members. Therefore, the SGA established a Special Resource Fund (SRF) for use by each school. The student governing organizations for each school can access these funds by submitting a “Request for Special Resource Fund” (SRF) form.

The Registered Student Organization Handbook indicates SRF requests must have the signatures of the organization’s president and faculty advisor, where appropriate, with an explanation of the activity requesting funding. Audit Services reviewed the two approved SRF requests submitted during FYs 2013-14 to determine whether student organizations are in compliance with related Handbook guidance. One request form was not signed by the faculty
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sponsor; the second funding request was submitted on a General SGA Request for Funding Proposals (RFP) form rather than on the SRF request form and was not signed by the Student Life Coordinator.

**Recommendation 2014-008-03-P:**
The Associate Vice President, University Student Services, in conjunction with the SGA Budget Committee, should consider requiring a faculty sponsor signature on all SRF requests. Additionally, the Associate Vice President should re-emphasize with the SGA the importance of ensuring proper form submission with appropriate OSL signatures prior to funding approval.

**Management’s Response:**
Student Life Manager will review the process and procedures already in place with Student Life Coordinators and the Student Government Association Executive Treasurer to be sure all guidelines are being followed. In addition, the next edition of the Student Organization Handbook will be revised to reflect that a signature of the Student Affairs Dean is required for requests made by a UTMB school or class.

**Implementation Date:** Immediately

**Travel Reimbursement**
Audit Services reviewed all travel RFP supporting documents from FY 2013 to determine whether student organizations are in compliance with the *Registered Student Organization Handbook* travel reimbursement guidelines. The guidelines state there is an expectation that the traveler will briefly and informally talk about the conference at an SGA Senate meeting. While no issues were noted with individuals providing adequate reimbursement supporting documentation in a timely manner, a review of SGA meeting minutes indicated that only 6 of 16 travelers (38%) presented at an SGA Senate meeting.

**Recommendation 2014-008-04-P:**
The Associate Vice President, University Student Services, should ensure the SGA establishes a mechanism to ensure travelers present on the conference attended at a subsequent SGA Senate meeting.

**Management’s Response:**
Student Life Manager will review the process and procedures already in place with Student Life Coordinators, the SGA Senate Chair, Executive Treasurer and the Executive Secretary to be sure all guidelines are being followed, presentations are made to the SGA and that all presentations are recorded in the minutes.

**Implementation Date:** Immediately

**Use of University Logo**
The *Registered Student Organization Handbook* states organizations may not display the University seal or logo nor use either as a part of any printed material including t-shirts, letterhead, fliers, web pages, external email accounts, etc., unless written authorization is obtained from the Marketing and Communications department. Audit Services interviews with
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Marketing and Communications personnel indicated there were recent instances where student organizations inappropriately displayed the UTMB Health logo on their websites.

**Recommendation 2014-008-05-P:**
The Associate Vice President, University Student Services, should implement a periodic review process to identify non-approved use of the University logo and ensure such use is discontinued.

**Management’s Response:**
OSL will send a reminder email to all student organization officers that UTMB Health logo is not allowed to be displayed on the organization’s website or social media pages. The Student Life Coordinators will review all websites that are recorded in registration forms to ensure compliance after each annual registration period.

**Implementation Date:** Immediately

**Financial Acuity Reporting**
UT System Board of Regents Rule 40201, Registered Organizations, requires registered student organizations file with the Dean of Students or other appropriate official a statement fully disclosing the sources and amounts of money obtained from solicitations during the preceding semester or summer session and fully disclosing the purposes and amounts of the expenditures made during the preceding semester or summer session. The OSL uses the Financial Activity Report contained in the Annual Student Organization Registration Renewal packet to fulfill these requirements.

The Financial Activity Report includes a section to record solicitations; however, the report does not contain a section in which to record expenditures, thus organizations must attach a separate expenditures page to the Registration Renewal packet. Audit Services reviewed ten student organizations’ 2013-2014 Annual Student Organization Registration Renewal packets and noted one organization failed to submit the Financial Activity Report.

**Recommendation 2014-008-06-P:**
The Associate Vice President, University Student Services should ensure all requirements specified in the Board of Regents Rule 40201 are reflected on the Annual Student Organization Registration Renewal forms’ Financial Activity Report page. Additionally, the Associate Vice President should ensure a process is in place to confirm Registration Renewal packets for completeness and obtain any missing information for review.

**Management’s Response:**
OSL will add to the registration packet a section to allow the organizations to record expenditures for the previous year. Because some organizations do not have any funding or expenditures, OSL will also add a line to designate such. This will ensure that all organizations either report something or indicate that they have nothing to report. In addition, Student Life staff will review each page of the registration packet to ensure completeness.
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Conclusion
Overall, the OSL and faculty advisors appear to be adequately overseeing and monitoring registered student organizations. Audit Services noted opportunities for improvement related to faculty advisor training, criteria for creating student organizations, and compliance with Registered Student Organization Handbook guidance.

We greatly appreciate the assistance provided by the OSL and the Department of Marketing and Communication personnel and hope that the information presented in our report is beneficial.

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