Student Employment

Audit Report # 20-108
August 31, 2020

The University of Texas at El Paso

Office of Auditing and Consulting

"Committed to Service, Independence and Quality"

The University of Texas at El Paso
Office of Auditing and Consulting Services

500 West University Ave.
El Paso, Texas 79968
915-747-5191
WWW.UTEP.EDU

August 31, 2020

Dr. Heather Wilson
President, The University of Texas at El Paso
Administration Building, Suite 500
El Paso, Texas 79968

Dear Dr. Wilson:

The Office of Auditing and Consulting Services has completed a limited- scope audit of Student Employment. During the audit, we identified opportunities for improvement and offered the corresponding recommendations in the audit report. We intend the recommendations will assist the department in strengthening controls and help ensure that the University's mission, goals and objectives are achieved.

We appreciate the cooperation and assistance provided by Human Resources and Budget Office staff during our audit.

Sincerely,

Lori Wertz
Chief Audit Executive

Report Distribution:

University of Texas at El Paso:

Ms. Andrea Cortinas, Vice President and Chief of Staff

Mr. Mark McGurk, Vice President for Business Affairs

Dr. Gary Edens, Vice President for Student Affairs

Ms. Sandy Vasquez, Associate Vice President for Human Resources

Ms. Joanne Richardson, Assistant Vice President for Budget & Personnel

Ms. Mary Solis, Director and Chief Compliance and Ethics Officer

University of Texas System (UT System):

System Audit Office

External:

Governor's Office of Budget, Planning and Policy

Legislative Budget Board

Internal Audit Coordinator, State Auditor's Office

Audit Committee Members:

Mr. Joe R. Saucedo

Mr. Fernando Ortega

Mr. Daniel Garcia

Dr. Giorgio Gotti

Dr. John Wiebe

Auditors Assigned to the Audit:

Christy Marquez

Diana Villegas

TABLE OF CONTENTS

EXECUTIVE SUMMARY

The Office of Auditing and Consulting Services has completed a limited scope audit of student employment. The objective of the audit was to determine if the University complies with established policies and procedures for employing students by verifying:

- the eligibility of students,

- the hiring process is followed, and

- the monitoring process is effective for continued eligibility.

During the audit we noted the following:

- Student employment is not monitored for eligibility:
    - Non-students occupy student positions[1]

    - Non-student hired in student role

    - Students do not meet minimum SCH and/or GPA

- Student employment policies are general and guidelines are not consistent or clear.

- The Office of the Provost implemented an effective monitoring process that was discontinued in 2018, due to a change in management.

With the exceptions noted above, we conclude that student employment guidance is provided through various platforms; however, opportunities exist in updating and centralizing the guidelines and to provide hiring managers the necessary tools for an effective monitoring process.

---

[1] All non-student issues were resolved prior to the publication of this report.

BACKGROUND

The University of Texas at El Paso (UTEP) strives to hire students as a way to contribute to the community by exposing students to professional environments, networking, developing essential transferable skills, and earning money to offset educational costs.

UTEP offers 13 different student employee positions, such as Work Study, Undergraduate Assistant I, Masters Research Assistant, and PhD Teaching Assistant. UTEP employed 4,126 students, who earned approximately $36.9 million, from September 1, 2018 through December 31, 2019.

UTEP's Handbook of Operating Procedures (HOP) and the University Student Employment Guideline outline minimum eligibility criteria that students must meet in order to qualify for a student employee position. Eligibility criteria includes enrollment at UTEP, minimum scheduled credit hours (SCH) and grade point average (GPA).

Student hiring decisions are made at the departmental level and hiring managers are responsible for verification of students' eligibility at initial hire and rehire from term to term. Human Resources (HR), Employment Data Management (EDM), and Budget are responsible for completing/updating the student employee profile in PeopleSoft. In the past, monitoring of student employment eligibility was conducted by the Office of the Provost, but the process was discontinued in 2018.

Because of the high value UTEP puts on student employees, a monitoring system of initial and continued eligibility will ensure UTEP provides quality student employment opportunities consistent with required guidelines.

Total # of UTEP Student Employees

- Undergraduate 66%
- Masters 20%
- PhD 15%

4,126
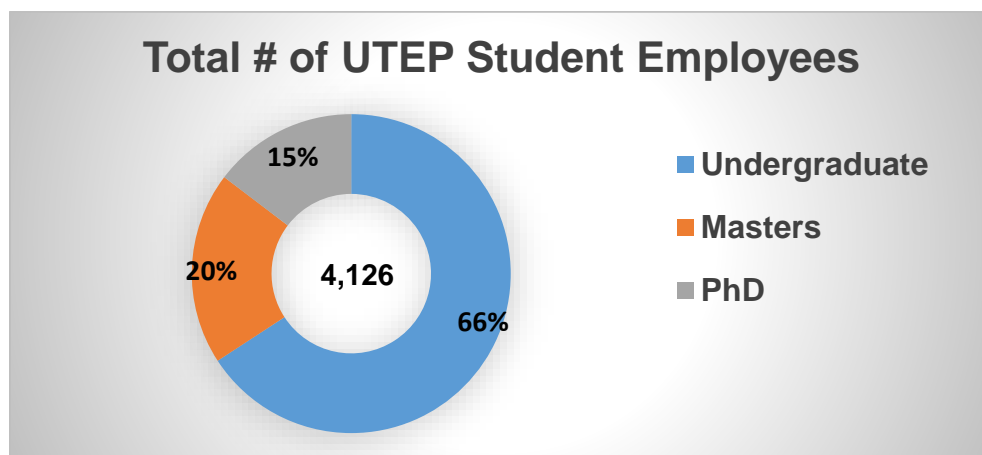
Source: Payroll data dated September 1, 2018 – December 31, 2019

AUDIT OBJECTIVES

The objective of this audit was to determine if the University complies with established policies and procedures for employing students by verifying:

- the eligibility of students,

- the hiring process is followed, and

- the monitoring process is effective for continued eligibility.

SCOPE AND METHODOLOGY

The audit was conducted in accordance with the *International Standards for the Professional Practice of Internal Auditing* and the authoritative guidelines of the *International Professional Practice Framework* issued by the Institute of Internal Auditors.

The scope of the audit includes student enrollment/employment records and corresponding payroll transactions from September 1, 2018 through December 31, 2019.

Audit methodology included research, management interviews, obtaining and reviewing Information Technology (IT) student eligibility exception reports, and data analytics. Eight of the 13 student job codes were included in the total population for testing[2].

---

[2] Work Study Students were excluded due to additional federal requirements. Masters Assistants, Masters Assistant Instructors, PhD Research Associates, and PhD Assistant Instructors were excluded based on total percent of population and/or earnings.

RANKING CRITERIA

All findings in this report are ranked based on an assessment of applicable qualitative, operational control and quantitative risk factors, as well as the probability of a negative outcome occurring if the risk is not adequately mitigated. The criteria for the rankings are as follows:

Priority	An issue identified by an internal audit that, if not addressed timely, could directly impact achievement of a strategic or important operational objective of a UT institution or the UT System as a whole.
High	A finding identified by internal audit considered to have a medium to high probability of adverse effects to the UT institution either as a whole or to a significant college/school/unit level.
Medium	A finding identified by internal audit considered to have a low to medium probability of adverse effects to the UT institution either as a whole or to a college/school/unit level.
Low	A finding identified by internal audit considered to have minimal probability of adverse effects to the UT institution either as a whole or to a college/school/unit level.

AUDIT RESULTS

A. Student Employment Eligibility

UTEP HOP Section V Chapter 1.4 defines a student employee as *"a person who is enrolled full-time in a degree or certificate program at the University and is also employed part-time by the University at any time during the period of enrollment".* The Student Employment Guidelines provide additional detail of the eligibility requirements for undergraduate and graduate student employees. Minimum eligibility requirements include: [3]

- enrolling as a full time student at the University,
- enrolling in a minimum number of scheduled credit hours (SCH), and
- maintaining a minimum grade point average (GPA).

We tested 159 student employees from the following sources:

Source	*Population	Tested	% Tested
Student Employee Exception Report	83	83	100%
Banner: Student employees with graduation records	226	16	7%
PeopleSoft: Student employees from payroll data	3,825	60	2%
Total Tested		**159**	

* Scope period Sept 1, 2018 - December 31, 2019

A.1. Student employment is not monitored for active enrollment or eligibility	Medium Risk

Fifty-three out of 159 (33%) student employees tested did not meet minimum eligibility requirements, earning $232,962.

- Twenty of the 53 (38%) exceptions are still actively employed in student positions as of 5/31/2020.

Reasons for ineligibility include:

- Non-students continue to work in student positions

---

[3] Undergraduates must be enrolled in a minimum of 12 SCH and maintain at least a 2.0 GPA.
Graduate students must be enrolled in a minimum of 9 SCH and maintain at least a 3.0 GPA.

- Non-student hired in student role
- Student minimum SCH and/or GPA not met

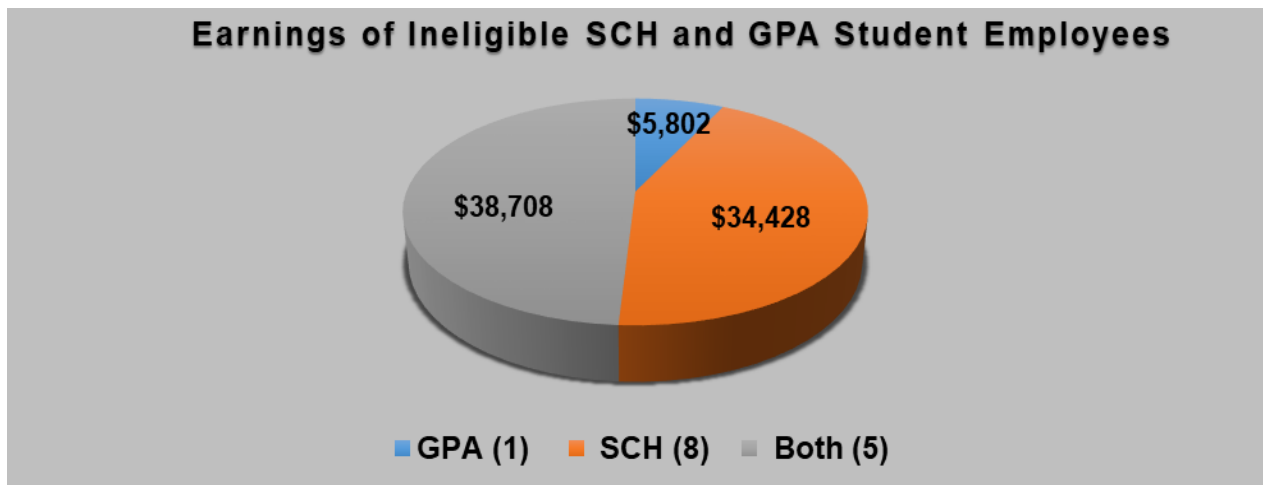See breakdown of exceptions below:

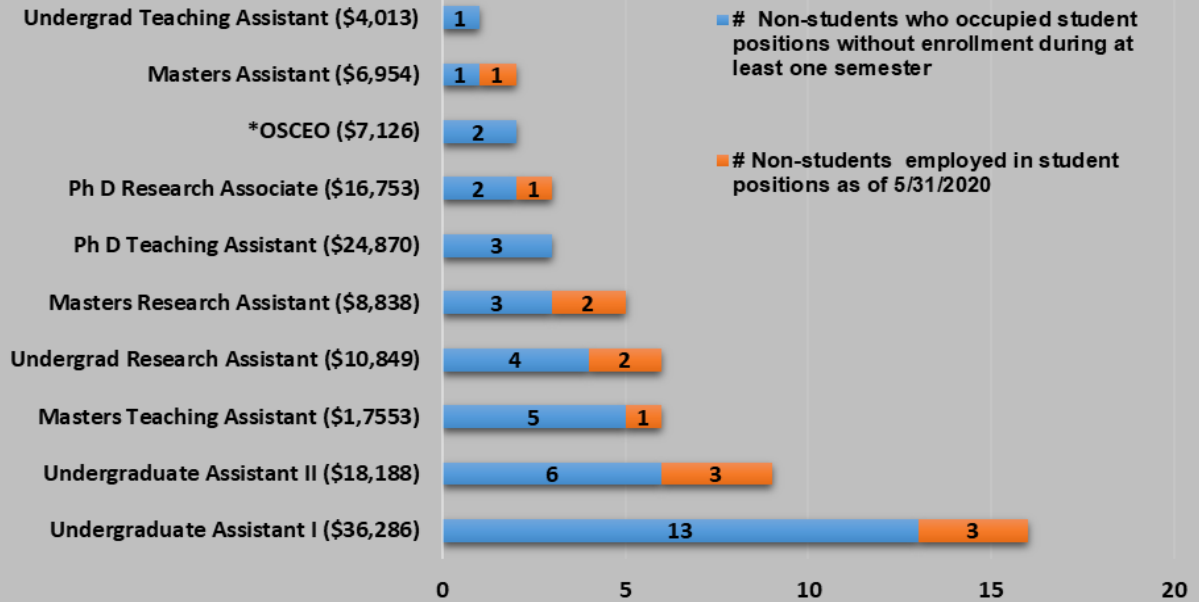| Reason for Ineligibility	Tested	# of Exceptions	% Exceptions	Earnings During Exception Terms	# of Exceptions That Are Still Employed (As of 5/31/2020)
Student employees not enrolled during at least one term	83	38	46%	$ 151,430	13
Non-student hired in student employee role post-graduation	16	1	6%	$ 2,594	1
Did not meet minimum SCH and/or GPA	60	14	23%	$ 78,938	6
Totals	159	53	33%	$ 232,962	20

Cause(s)

- Hiring officials do not always verify or monitor student eligibility at initial hire or rehire dates from term to term.
- Departments/Colleges and upper management are not receiving, communicating, or monitoring the Student Exception Report, an existing tool that helps identify both non-enrolled and ineligible student employees.

The University is reducing available student positions by employing ineligible students; therefore not supporting its purpose to provide students with essential job skills and offsetting educational costs to those who qualify. The impact to the University is $232,962 in paid earnings to ineligible student employees.
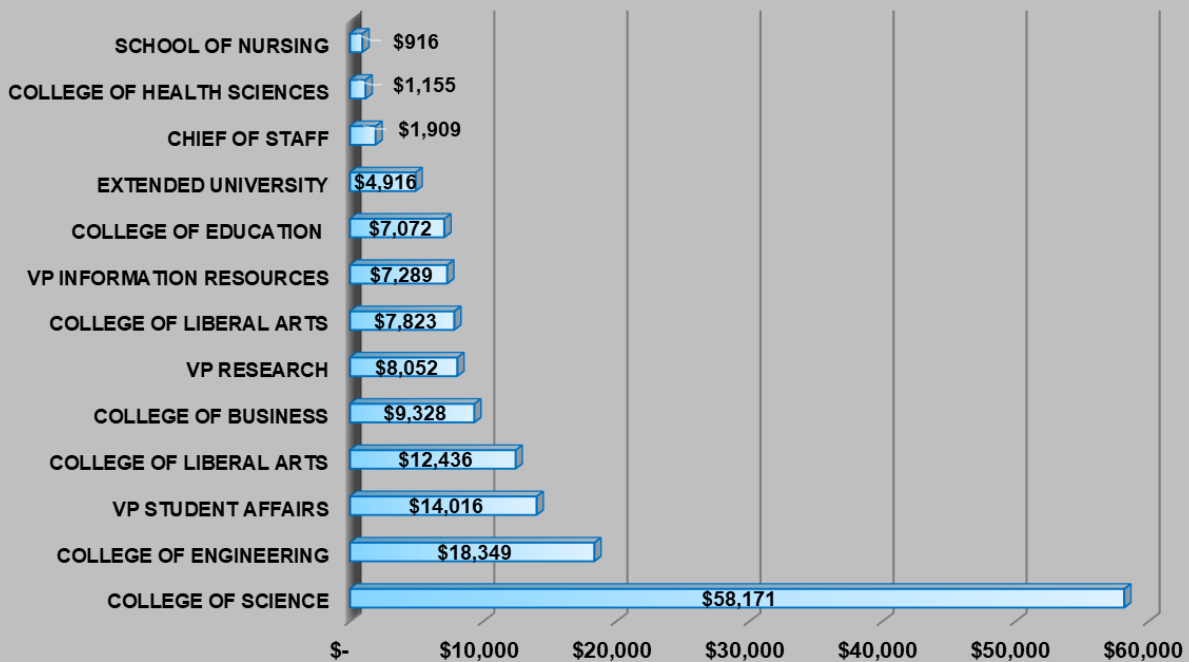
See additional graphs of exceptions noted below:

Earnings of Ineligible SCH and GPA Student Employees

$5,802

$38,708

$34,428

■ GPA (1)   ■ SCH (8)   ■ Both (5)

Non-Students Working in Student Positions

Legend:
- # Non-students who occupied student positions without enrollment during at least one semester
- # Non-students employed in student positions as of 5/31/2020

Categories (left axis):
- Undergrad Teaching Assistant ($4,013): 1
- Masters Assistant ($6,954): 1, 1
- *OSCEO ($7,126): 2
- Ph D Research Associate ($16,753): 2, 1
- Ph D Teaching Assistant ($24,870): 3
- Masters Research Assistant ($8,838): 3, 2
- Undergrad Research Assistant ($10,849): 4, 2
- Masters Teaching Assistant ($1,7553): 5, 1
- Undergraduate Assistant II ($18,188): 6, 3
- Undergraduate Assistant I ($36,286): 13, 3

* Of the 38 exceptions, two students were also employed as Undergraduate Assistant I and II during the scope period.

Non-Students Working in Student Positions by College/Business Unit

- SCHOOL OF NURSING: $916
- COLLEGE OF HEALTH SCIENCES: $1,155
- CHIEF OF STAFF: $1,909
- EXTENDED UNIVERSITY: $4,916
- COLLEGE OF EDUCATION: $7,072
- VP INFORMATION RESOURCES: $7,289
- COLLEGE OF LIBERAL ARTS: $7,823
- VP RESEARCH: $8,052
- COLLEGE OF BUSINESS: $9,328
- COLLEGE OF LIBERAL ARTS: $12,436
- VP STUDENT AFFAIRS: $14,016
- COLLEGE OF ENGINEERING: $18,349
- COLLEGE OF SCIENCE: $58,171

Recommendation

We recommend the University:

- *Establish a monitoring process for the eligibility of student employees.*
- *Distribute existing preventative tools, such as the Student Employee Exception Report at least once per semester to effected departments to assist in managing their student employees.*
- *Require supporting documentation to verify student enrollment on student appointment E-forms.*
- *Require justification and approval of those not meeting the eligibility requirements for continued employment.*

Management Response:

Human Resources will provide assistance and collaborate with Provost Office, Graduate School, Undergraduate Studies and Budget Office to monitor the process and educate hiring departments on the student employment guidelines. A section has been included in the New Hire Information sheet in which hiring departments will need to acknowledge they have reviewed the student employment guidelines and confirmed the student is eligible for employment.

Audit Response:

During reporting, audit confirmed the 13 exceptions with non-enrolled students still employed have been resolved.

Responsible Party:

Sandy Vasquez, Associate Vice President Human Resources

Implementation Date:

December 31, 2020

B. University Student Employment Policies and Guidelines

We obtained current employment policies, student employment guidelines, and internal processes to evaluate the effectiveness of the guidance provided to hiring managers at initial hire and monitoring for continued eligibility.

The following observation is noted below:

B.1. Student employment policies are general and guidelines are not consistent or clear	**Medium Risk**

- HOP Section 5, Chapter 1.4: Student Employees defines student employees, hourly workload, and general benefit eligibility but refers users to the University Student Employment Guidelines for eligibility detail.

- Division of Student Affairs (DOSA) and HR websites provide separate and contradicting Student Employment Guidelines for undergraduate and graduate students.

- Only the HR guideline includes the monitoring process and assigns accountability, although the section appears to be outdated.

Examples of discrepancies include:

- Undergraduate Summer Enrollment: Both HR and DOSA undergraduate policies require and do not require undergraduate enrollment. The guideline is unclear and the reader may interpret it differently.

- Graduate Summer Enrollment: Student employment guidelines on the DOSA website require a minimum of 3 hours summer enrollment; HR guidelines do not.

- HR guidelines include the monitoring process but the DOSA does not.

The inconsistent guidelines are not centralized and are posted on multiple websites. Inconsistent and decentralized guidelines may lead to confusion on the eligibility and monitoring responsibilities of student employees depending on which guideline is accessed; therefore, ineligible students are hired/rehired for student positions, and accountability is ad hoc.

Recommendation

We recommend the University expand HOP to include minimum student employment requirements and that the University Student Employment Guidelines be updated, centralized, and available as an additional resource to hiring managers.

Management Response:

The Division of Student Affairs (DOSA) website has been updated to link their website to Human Resources (HR). The HR website will now be the main source of information. This will avoid any inconsistencies and centralize the location of the information students and the hiring departments will need to review in regards to student employment. The Human Resource Office is in the process of reviewing HOP policies and will make necessary revisions.

Responsible Party:

Sandy Vasquez, Associate Vice President Human Resources

Implementation Date:

December 31, 2020

CONCLUSION

Based on the results of audit procedures performed, we conclude that the University is not in compliance with established policies and procedures for employing students by verifying:

- the eligibility of students,

- the hiring process is followed, and

- the monitoring process is effective for continued eligibility.

HR has been proactive in updating HOP and Student Employment Guidelines; however, HR and Budget can strengthen student employment policies and guidelines by providing monitoring support to hiring departments.

We wish to thank the management and staff of Human Resources and Budget for their assistance and cooperation provided throughout the audit.