



Office of Internal Audit

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January 5, 2016

Dr. Hobson Wildenthal, President *ad interim*
Ms. Lisa Choate, Chair of the Institutional Audit Committee:

We have completed an audit of the Career Center as part of our fiscal year 2015 Audit Plan, and the report is attached for your review. The audit was conducted in accordance with the Institute of Internal Auditors' *International Standards for the Professional Practice of Internal Auditing*. The objective of our audit was to review the student hiring process, including work-study and the CometCareers system.

Overall, we found that controls and processes over student hiring and CometCareers are working effectively to ensure compliance with policies and procedures and the reliability and integrity of financial and operational information. The attached report details a recommendation to develop a process to ensure employment records are adequately retained.

Management has reviewed the recommendation and has provided a response and an anticipated implementation date. Though management is responsible for implementing the course of action outlined in the response, we will follow up on the status of implementation subsequent to the anticipated implementation date. We appreciate the courtesies and considerations extended to us during our engagement. Please let me know if you have any questions or comments regarding this audit.

Toni Stephens
Institutional Chief Audit Executive

UT Dallas Responsible Parties:

Dr. Amanda Smith, Interim Associate Vice President for Student Affairs and Dean of Students, Director of Student Wellness
Ms. Yolande Evans, Assistant Vice President, Student Transition Initiatives
Ms. Lisa Garza, Director of the Career Center
Bill Howard, Associate Director Student Employment

Members of the UT Dallas Institutional Audit Committee:

External Members:

Mr. Bill Keffler
Mr. Ed Montgomery
Ms. Julie Knecht
Dr. Inga Musselman, Acting Provost
Dr. Calvin Jamison, Vice President for Administration
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Mr. David Crain, Vice President and Chief Information Officer
Dr. Bruce Gnade, Vice President for Research
Dr. George Fair, Vice President for Diversity and Community Engagement; Compliance Officer
Dr. Gene Fitch, Vice President for Student Affairs
Mr. Timothy Shaw, University Attorney

The University of Texas System:

System Audit Office

State of Texas Agencies:

Legislative Budget Board
Governor's Office
State Auditor's Office
Sunset Advisory Commission



Executive Summary

Career Center Audit, Report No. 1611

Audit Objective and Scope: The objective of this audit was to review the student hiring process, including the CometCareers system. Testing was focused on on-campus student workers and work-study students hired during FY 2015.

The following is a summary of the audit recommendations by risk level. See the Appendix for additional details.

Recommendation	Risk Level	Estimated Implementation Date
(1) <i>Develop a Process for Ensuring Hiring Records Are Retained</i>	Medium	August 31, 2016
Responsible Vice President: Dr. Gene Fitch, Vice President for Student Affairs		Responsible Party: <ul style="list-style-type: none"> • Lisa Garza, Director of the Career Center • Bill Howard, Associate Director Student Employment
Staff Assigned to Audit: <ul style="list-style-type: none"> • Brandon Bergman, CFE, Project Leader and Senior Auditor • Ray Khan, Staff Auditor 		



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Background

The Career Center's vision¹ is to be an innovative, centralized, proactive, and exemplary Career Center that empowers its constituents to successfully manage their careers. The Career Center is dedicated to supporting the UT Dallas mission to produce engaged graduates prepared for life, work, and leadership. To achieve this vision, the Career Center assists student and alumni with their career development by offering a verity of services including career coaching, resume and cover letter assistance, internship and on-campus employment opportunity, and the hosting of career expos.

The Career Center is a division of Student Affairs and reports to the Vice President for Student Affairs. The Center's annual budget for FY 2015, including work-study funding, was approximately \$2.5 million. The Center is comprised of 23 full-time employees, 14 peer educators and student employees.

During FY 2015, the Career Center became responsible for processing all on-campus employment opportunities for student workers, including work-study students. The Career Center is also responsible for the tracking of work-study award spending. The Career Center oversaw approximately 350 work study-awards and processed the hiring of about 600 students for on-campus positions. The online recruiting system, CometCareers², is used for posting positions and accepting applications for student employment.

Audit Objective

The objective of this audit was to review the student hiring process, include the CometCareers system.

Scope and Methodology

The scope of this audit was fiscal year 2015, and our fieldwork concluded on December 17, 2015. To satisfy our objectives, we performed the following:

- Gained an understanding of the policies, procedures, and processes regarding student hiring in the Career Center.
- Tested the hiring process for student workers to ensure compliance with applicable policies and procedures, including the following:
 - Student hiring and records management

¹ <https://www.utdallas.edu/career/about/>

² <https://www.utdallas.edu/cometcareers/>



- Student employment compliance with the quantity of work rule (UTDBP3088)³
 - Federal work-study financial aid award tracking
 - Posting positions on the CometCareers system
- Determined if adequate controls existed over employer user accounts within the CometCareers system.

Where applicable, we conducted our examination in accordance with the guidelines set forth in The Institute of Internal Auditor's *International Standards for the Professional Practice of Internal Auditing*. The *Standards* set criteria for internal audit departments in the areas of independence, professional proficiency, scope and performance or audit work, and management of the internal auditing department.

Audit Results and Management's Responses

Controls

Our audit work indicated that the following controls currently exist:

- Procedures exist for student employment, including a "Student Employment Process" guide and other onboarding checklists.
- On-campus student employment positions are posted and available on CometCareers per Career Center position posting requirements.
- Overall, student workers comply with the UT Dallas quantity of work rule.
- Federal Work-Study awards are being properly monitored to ensure students are not over spending their designated work-study awards.
- Criminal background checks and U.S. Citizenship and Immigration Services E-Verify⁴, United States employment eligibility verifications are being performed in a timely manner.

Audit Recommendations

Priority Findings – UT System: A UT System priority finding is defined by the UT System Audit Office as: "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."⁵ We have **no UT System Priority Findings** resulting from this audit.

³ <https://policy.utdallas.edu/utdbp3088>

⁴ <http://www.uscis.gov/e-verify>

⁵ The appendix defines the risk levels for all internal audit recommendations.



However, although the above controls are in place, an opportunity exists to further enhance controls over student employment documentation. Also, a minor recommendation regarding CometCareers employer user account review was discussed with management for their consideration.

(1) **Develop a Process for Ensuring Hiring Records Are Retained**
Risk Rating: Medium ★

Documentation required during the onboarding process for student workers, including work-study students, is not always being retained in the student's employee file. During the testing of hiring documentation, we were unable to locate various forms, including background checks, personal data forms, selective service verifications, and other personnel-related information. Additionally, some student employee files were unable to be located within the Career Center's records.

The records management and retention policy (UTDBP 3001)⁶ requires that all records be maintained for the minimum amount of time depending on the record type. When records are not properly maintained, public records, federal agency, and audit requests may not be satisfied, leading to reputational issues and potential fines.

Although the Career Center has a checklist for the various forms they require, noncompliance with retention guidelines existed primarily due to a lack of a formal process for the retention of student employment records.

Recommendation: The Career Center should review the records retention requirements for hiring documentation and develop a formal retention process for each record type.

Management's Response: *The Career Center assumed responsibility for hourly student employment onboarding processes in February 2015. From that point forward, we've managed the paperwork and retained I-9s as required by policy and law. For the most part, any missing documents were due to the fact that students were hired prior to our office assuming this responsibility (and retention of prior records is not centralized) or due to transitional and communication-related issues during the initial implementation period.*

What still needs to be done is to develop a university-wide procedure for the office that will retain all pieces of the employment record, including how and where files are retained. We agree with the recommendation and will work to develop a formal retention process for each record. Student Employment personnel will collaborate with staff from Payroll and HR in the spring semester to determine the best way to proceed. We will analyze the process that is currently used for full-time staff records to see if a similar process is conducive to our needs. We will look at using OnBase for electronic record keeping.

⁶ <http://policy.utdallas.edu/utdbp3001>



Estimated Date of Implementation: August 31, 2016

Person Responsible for Implementation: Bill Howard, Associate Director

Status of Prior Audit Recommendations

The following is the status of implementation of the recommendations resulting from Internal Audit Report No. 1012, *Career Center*, dated June 29, 2010.

Recommendation	Implemented?
<i>Develop Equal Employment Opportunity Training</i>	No longer applicable as the Career Center is now responsible for posting student positions through the CometCareers system.

Conclusion

Based on the audit work performed, we conclude that overall, controls and processes over student hiring and the CometCareers system are working effectively to ensure compliance with policies and procedures and the reliability and integrity of financial and operational information.

We appreciate the courtesy and cooperation received from Career Center management and staff during the course of this audit.



Appendix: Definition of Risks

Risk Level	Definition
Priority	High probability of occurrence that would significantly impact UT System and/or UT Dallas. Reported to UT System Audit, Compliance, and Management Review Committee (ACMRC). Priority findings reported to the ACMRC are defined as <i>“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.”</i>
High	Risks are considered to be substantially undesirable and pose a moderate to significant level of exposure to UT Dallas operations. Without appropriate controls, the risk will happen on a consistent basis.
Medium	The risks are considered to be undesirable and could moderately expose UT Dallas. Without appropriate controls, the risk will occur some of the time.
Low	Low probability of various risk factors occurring. Even with no controls, the exposure to UT Dallas will be minimal.