

# Youth Camps

Audit Report # 19-117

April 2, 2019



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

"Committed to Service, Independence and Quality"



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April 2, 2019

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

Dear Dr. Natalicio:

The Office of Auditing and Consulting Services has completed a limited- scope audit of Youth Camps. During the audit, we identified opportunities for improvement and offered the corresponding recommendations in the audit report. The recommendations are intended to 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 Professional and Public Programs & Compliance and the Athletics Department staff during our audit.

Sincerely,

A handwritten signature in blue ink, reading 'Lori Wertz', is positioned above the printed name.

Lori Wertz  
Chief Audit Executive

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## **EXECUTIVE SUMMARY**

The University of Texas at El Paso Office of Auditing and Consulting Services has completed a limited scope audit of Youth Camps (Campus Programs for Minors) conducted during Fiscal Year 2018.

During the audit we noted the following:

- Professional and Public Programs (P3) has strong controls and processes in place to ensure minor safety.
- Youth Camps not overseen by P3 do not consistently follow safety/compliance requirements. Exceptions include lack of and/or untimely completion of child protection training, submission of the Department of State Health Services (DSHS) form, and criminal background checks.
- Camps conducted outside of P3 and Athletics do not keep accurate financial records of revenues generated by the camp.

At the beginning of Fiscal Year 2019, the University has authorized P3 to oversee all the Youth Camps held at, sponsored, or supported by UTEP except for Athletics Youth Camps.

## BACKGROUND

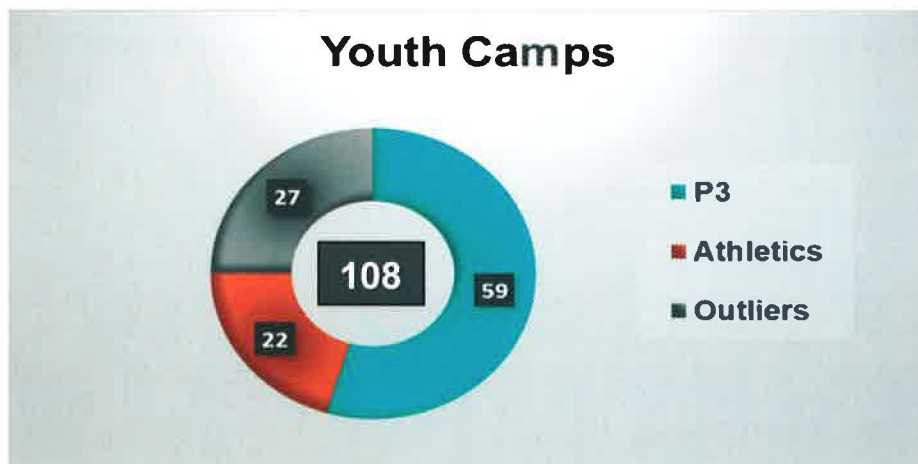
During Fiscal Year 2018, Youth Camps (Campus Programs for Minors) were offered at the University by Professional and Public Programs (P3), Athletics, and by other departments (Outliers).

During the period covered in the audit, there were no University-wide operating procedures; rather, each department was responsible for their own operations.

For purposes of this audit, Youth Camps are those that are:

- Operated by/or held on campus;
- Offered to at least 20 minors (anyone under the age of 18) who are not enrolled at the institution and attended (or temporarily resided at campus) for all or part of at least four days, consecutive or nonconsecutive.

We identified a testing population of 108 Youth Camps. Refer to the breakdown by departments below:



The following state regulations and policies were the basis for testing:

- Texas Education Code (TEC) Section 51.976: *"Training and Examination Program for Employees of Campus Programs for Minors on Warning Signs of Sexual Abuse and Child Molestation"*,
- Texas Administrative Code (TAC) Chapter 265, *Subchapter N: Department of State Health Services (DSHS), Campus Programs for Minors, and*
- University of Texas System (UT System) Policy UTS 124: *"Criminal Background Checks"*.
- *University of Texas at El Paso (UTEP) Handbook of Operating Procedures (HOP) Chapter 12 Criminal Background Checks.*
- *UTEP Business Process Guidelines- Cash Handling*

## **AUDIT OBJECTIVES**

The objective of this audit was to identify Youth Camps sponsored by the University and determine whether safety, compliance, as well as financial policies, procedures, and state regulations were followed.

## **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 was all the Youth Camps sponsored by the University during Fiscal Year 2018.

Audit methodology included the following:

- Interviewing key personnel
- Reviewing policies, procedures, and state regulations
- Observing current practices and processing techniques
- Identifying Youth Camps (P3, Athletics, and Outliers)
- Reviewing supporting documentation of the selected Youth Camps

## 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 that is 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 that is 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.

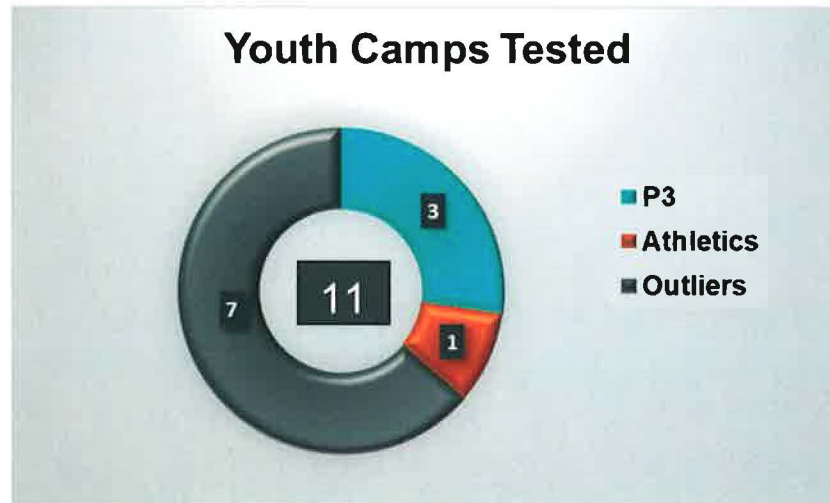
**Low** – A finding identified by internal audit that is considered to have minimal probability of adverse effects to the UT institution either as a whole or to a college/school/unit level.



## AUDIT RESULTS

### A. Safety and Compliance

We selected 11 out of 108 Youth Camps for testing. Our sample was divided into three main categories: P3, Athletics, and Outliers. See breakdown below:



The safety and compliance testing included the following:

- Verification of timely completion of the child protection training and existence of supporting documentation (per employee/volunteer).
- Verification of the accuracy, completeness and timely submission of the DSHS form (per Youth Camp).
- Verification of timely completion of the criminal background checks and existence of supporting documentation (per employee/volunteer)

**P3-** *DSHS form was not submitted in accordance with TAC Chapter 256 requirement;* per testing conducted, it was noted that all the child protection trainings and the criminal background checks were properly completed. Overall, the department has a strong process for record retention and compliance requirements.

**Athletics-** *Some exceptions noted;* per testing conducted, it was noted that the department has Youth Camp procedures in place. However, there is room for improvement.

**Outliers-** *Multiple exceptions noted;* per testing conducted, it was noted that most of the Outlier departments did not have procedures in place or were not aware of the safety/compliance requirements. In addition, we did not receive supporting documentation for 4 out of the 7 Outlier camps selected for testing; consequently, we were unable to perform any further testing.

## A.1. Youth Camps Did Not follow Safety and Compliance Requirements

**Criteria:** Per the TEC §51.976 and TAC Chapter 265 all employees and volunteers have to complete a state approved sexual abuse and child molestation awareness training. The training is required to be reported to the DSHS department on a specified form within 5 days of the start of the program.

UT System Policy 124 Section 2.5 (c) and the UTEP HOP Chapter 12 "Criminal Background Checks" require all employees, volunteers, and student observers to complete criminal background check prior to permitting an individual to work, volunteer, or be present at the Youth Camp.

**Condition/Cause:** Overall, multiple Youth Camps did not follow safety and compliance requirements. The following three main exceptions were noted:

- Lack of and/or untimely completion of child protection training
- Lack of and/or untimely submission of the DSHS form
- Lack of and/or untimely completion of criminal background checks

The exceptions noted above were mainly due to the decentralized process and the lack of uniformity among University records documented and maintained.

### Recommendation:

*Management should ensure that Youth Camps follow the Safety and Compliance requirements by ensuring the following:*

- *Timely completion of Child Protection Training*
- *Timely completion of DSHS reporting*
- *Timely completion of Criminal Background Check*
- *Proper retention of supporting documentation.*

*Starting in Fiscal Year 2019, all Youth Camps (except Athletics) must follow the procedures developed by P3.*

**Level/Effect:** This finding is considered **MEDIUM** because no compliance over Youth Camps safety and compliance requirements could result in minor assault and injury, as well as potential reputational risks associated with lawsuits for incidents, and/or civil penalties.

**Management Response:**

1. *P3 will ensure that Youth Camps follow the Safety and Compliance requirements by:*
  - *Timely completion of Child Protection Training Yearly; New employees or volunteers must complete the training within five days of employment by the youth program.*
  - *Timely completion of DSHS reporting; Documentation will be submitted within five days of the start of all youth programs.*
  - *Timely completion of Criminal Background Check Yearly (CBC); Each CBC must be conducted and cleared five days prior to the start of the youth program.*
  - *Proper retention of supporting documentation in accordance with UTEP Records Management policies and guidelines.*
2. *Effective September 1, 2018, the University authorized P3 to oversee youth camps held at, sponsored, or supported by UTEP in order to eliminate the lack of uniformity across the University and to ensure Youth camps follow the Safety and Compliance requirements, including the following:*
  - *Centralized office to assist University divisions and/or departments with planning, organizing, and coordinating procedures.*
  - *In collaboration with the Department of Human Resources and Office of Institutional Compliance, P3 has developed and put into place the following processes:*
    - a) *UTEP Youth Programs and Camps Guidebook*
    - b) *Online Notification form*
    - c) *Comprehensive Communication/Emergency Plan Template.*
    - d) *Mandatory trainings for key staff that manages youth programs and camps*

**Responsible Party:**

*Stephanie Walton- Director, Professional and Public Programs*

**Implementation Date:**

*09/01/2019*

*Note: These processes are already implemented. However, due to the high volume of youth camps during the summer months, the effectiveness of the new procedures will be determined after the summer.*



**Management Response:**

*Athletics will require all individuals working camps to complete the Safety and Compliance requirements 10 business days prior to a camp starting. All individuals that have not completed, will be disqualified from working the camp.*

**Responsible Party:**

*Daniel Garcia – Associate Athletic Director – Business, Finance and Facilities.*

**Implementation Date:**

*06/01/2019*

**B. Financial**

The same 11 Youth Camps tested for safety and compliance were reviewed to verify revenue was correctly recorded in PeopleSoft and the camps adhered to cash handling policies.

The sample included three camps from P3, one from Athletics, and seven outliers. Departments across the University had different procedures in receiving registration fees. This included accepting cash, checks, money orders, online payments, etc.

**P3-** *No exceptions noted*; per testing conducted, the department's revenue is processed at the Extended University Business Center. Strong controls such as segregation of duties and account reconciliations were noted.

**Athletics-** As the department goes through an annual audit of their Statement of Revenues and Expenses by UT System, no further testing was done in this area. This audit includes camp revenues and no exceptions were found.

**Outliers-** *Multiple exceptions noted*; per testing conducted, it was noted that most of the Outlier departments did not have procedures in place or were not aware of cash handling requirements.

In addition, we did not receive supporting documentation for three of the seven Outlier camps selected for testing and were unable to perform any further testing.

## B.1. Outlier Camps Do Not Comply with Cash Handling Policy

**Criteria:** In accordance with the University's Cash Handling/Change Fund Policy:

- Receipt of cash or checks should be recorded immediately through either pre-numbered receipts or log books
- All cash custodians must ensure that receipts are reconciled to the Statement of Account on a monthly basis
- Accumulations of \$250 or more should be deposited daily and accumulations of less than \$250 be deposited at least weekly
- Departments should maintain a "Departmental Deposit and Pick-up Log"

**Condition/Cause:** Based on the test work performed, Outlier Camps did not keep accurate financial records of revenues generated by the camp.

One of the camps tested collected cash for registration fees even though they did not have an authorized change fund. Consequently, the following issues were noted:

- There was no "Deposit and Pick-up Log" to verify timely deposits
- Cash collected by the camp was not reconciled to PeopleSoft records
- Funds collected for camp registration were not reflected in their account

The exceptions noted above were mainly due to the decentralized process and the lack of uniformity among University records documented and maintained.

### Recommendation:

*As of Fiscal Year 2019, Outlier Camps that accept any form of payment for registration fees must be processed by P3 or use a University approved form of payment to ensure accurate financial records are kept.*

**Level/Effect:** This finding is considered **MEDIUM** because handling cash without authorization and/or training increases the risk of misappropriation of funds.

### Management Response:

*P3 has developed and put into place the following processes to ensure Youth camps comply with the University's Cash Handling/Change Fund Policy:*

- *Online Notification form; this form directly addresses if and how fees are collected. This should be submitted by the responsible person of the Youth Camp no later than three (3) months before the start date of each youth camp.*
- *UTEP Youth Programs and Camps Guidebook; This guidebook outlines Cash/Check/Credit Card Handling & Assessed Registration Fee by stating:*

- a) *When a youth program/camp charges a fee to its youth participants/campers, P3 must provide financial oversight and management of all registrations. P3 will assess a coordination fee in the amount necessary to cover the costs of administering registration and any other service provided.*
- b) *With regard to purchases and in accordance with University policy, all purchases, regardless of dollar amount, require a purchase order or payment using a procurement card, if applicable.*
- *Mandatory trainings for key staff that manage youth camps which inform all attendees of Cash Handling Policy and requirements.*
  - a) *Three trainings have been conducted with a total of 60 attendees during FY 2019. Another training will be held on Wednesday, March 27, 2019.*
  - b) *Trainings will typically be held in October, January and March of each year.*

**Responsible Party:**

*Professional and Public Programs, Stephanie Walton- Director*

**Implementation Date:**

*09/01/2019*

*Note: These processes are already implemented. However, due to the high volume of youth camps during the summer months, the effectiveness of the new procedures will be determined after the summer.*

## **CONCLUSION**

Based on the results of audit procedures performed, we conclude that Youth Camps sponsored by the University do not always follow safety, compliance, and financial policies, procedures, and state regulations.

The following opportunities were identified to enhance and ensure Youth Camp compliance:

- Timely completion of child protection training and criminal background checks.
- Timely submission of the DSHS form.
- Proper retention of safety, compliance, and financial records.

We wish to thank the management and staff of Professional and Public Programs, Compliance, and the Athletics Department for their assistance and cooperation provided throughout the audit.