



Youngstown State University / One University Plaza / Youngstown, Ohio 44555-0001

Office of the General Counsel

330-941-2340

fax 330-941-2394

www.ysu.edu

January 11, 2013

2013 JAN 14 AM 11:22
OFFICE OF
INSPECTOR GENERAL

Randall J. Meyer, Inspector General
Office of the Inspector General
James A. Rhodes State Office Tower
30 East Broad Street, Suite 2940
Columbus, OH 43215-3414

Re: Report of Investigation File ID No. 2012 CA-00048
Youngstown State University – ARRA Funding

Dear Inspector General Meyer:

This letter is in response to the Office of Inspector General (“OIG”) Report of Investigation conducted of the Youngstown State University Federal Work Study program and the American Recovery and Reinvestment Act of 2009 (“ARRA”) Grant. A Report was generated and sent to the University on November 15, 2012. This is the required response due within 60 days.

The investigation found no violation of the use of the ARRA funds in the Federal Work Study program. However, the report states that the University discovered noncompliance issues relating to the student employment Ohio Public Employees Retirement System (“OPERS”) exemption policy and the existence of incomplete employment forms. Although the Report stated that this finding did not warrant instituting a full investigation, the Report recommended that the University revise its monitoring controls to ensure that all applicable forms are fully completed.

Before describing the University’s response plan, the University would like to take this opportunity to provide additional explanation regarding the employment forms. The University was not provided adequate response time to provide explanation to the investigator in this matter and therefore, is compelled to do so now. The forms reviewed by the OIG were accurately completed with only one (1) exception. The reasons are as follows.

1. The six (6) students cited for failing to be enrolled for six (6) credit hours, required pursuant to the previous policy, were not actually in violation of this policy. See the attached spreadsheet which provides the specific details. Student 1 and 5 worked in the fall of 2009 and were enrolled for fourteen (14) and twelve (12) credit hours, respectively. They both were exempt from paying into OPERS which was permissible. The confusion was that the student signed the OPERS exemption form in July of 2009 in preparation for beginning to work in August of 2009. Admittedly, the students were only enrolled for four (4) and zero (0) credit hours in the summer of 2009; however, those enrollment figures are irrelevant because the students did not work in the summer.

Randall J. Meyer, Inspector General
Office of the Inspector General
January 11, 2013
Page 2

2. There was also no violation for Students 2, 3 and 6 because although they were enrolled for less than six (6) credit hours, they did pay into OPERS. Student 4 was enrolled for six (6) credit hours, properly completed the exemption form and thus, did not pay into OPERS.
3. Of the three students tested and whose forms were found to be incomplete only one of them was a required form that was incomplete. The forms for Students 7 and 8 were incomplete; however, the incomplete documents were never required to be completed. The one (1) instance where the University agrees with the OIG finding is regarding Student 9, wherein a required form was determined to be incomplete.

Regardless, however, the University will be modifying its policy relative to student employment and OPERS forms in order to help clarify the process. The University plans to implement a revised policy that will require students to be enrolled for three (3) credit hours in order to obtain a student job and to be exempt from OPERS, except for regularly scheduled breaks and summer. See the attached DRAFT policy, Employment of Students, No. 9003.02, current and proposed. This should eliminate the need to determine whether a student is eligible for OPERS exemption, since the requirement for obtaining a student job and being eligible for exemption will be the same.

In addition to the above change to the DRAFT policy, the new process will require that students complete the OPERS forms only once when first obtaining employment. Thus, the application for student employment, which includes the OPERS Optional Exemption form and the OPERS History form, will only be completed one (1) time. The DRAFT policy will also mandate that all forms are fully completed before beginning employment.

Thank you for the opportunity to provide further explanation as to the processes and procedures of Youngstown State University in processing student employment forms. If there are additional issues or inquiries, please contact me.

Sincerely,



Holly A. Jacobs
General Counsel

Enc.

cc: Cynthia E. Anderson, YSU President
Jack P. Fahey, YSU V.P. for Student Affairs and Ombudsperson
James Manken, OIG Chief Legal Counsel
Devin Seilhamer, OIG Contractor
Elaine Ruse, Director, YSU Office of Financial Aid and Scholarships

REDLINE VERSION- DRAFT
UNIVERSITY GUIDEBOOK

| | |
|------------------------------|---|
| Title of Policy: | Employment of Undergraduate Students (Other than Work Study) |
| Responsible Division/Office: | Student Life |
| Approving Officer: | Vice President for Student Affairs |
| <i>Revision History:</i> | June 1999; March 2007; December 2010; October 2012 |
| Resolution Number(s): | YR 1999-117; YR 2007-27; YR 2011-64; YR 2013- |
| Board Committee: | University Affairs |
| EFFECTIVE DATE: | |
| Next review: | 2017 |

Policy: ~~While the President has overall responsibility for the management of the University, the responsibility for decisions about the employment of personnel is delegated to the Provost and Vice Presidents. Each divisional executive officer is responsible for making personnel decisions within the described University procedures. Students are eligible to be employed by the University according to federal and state laws~~ State of Ohio and University policy regulations.

Purpose: These procedures are designed to create a fair and equitable process for employment of undergraduate students on campus. All procedures are in compliance with Federal and State of Ohio law ~~including as well as~~ Ohio Public Employment Retirement System ("OPERS") guidelines, and University policy.

Parameters:

- The Executive Director of Student Life is responsible for the ~~administration approval and coordination~~ of the process of employing all student employees except for those employees participating in the ~~federally funded work study program and the~~ employment programs administered by the Graduate School (Graduate Assistants, Teaching Assistants, Research Assistants, etc.). ~~Student employment, like all other employment, is administered by the Office of Human Resources.~~
- Students may be not employed ~~under work study may be employed~~ through hourly student wages or a task-based stipend. In both categories, students are subject to the same eligibility requirements.
- To be eligible for employment under hourly student wages or task-based stipend during the fall or spring semesters, students must be ~~currently~~ enrolled for a minimum of one course and no less than three credits and be in good academic standing.

- To be employed during the summer semester, without ~~summereurrent~~ enrollment, the student must have been enrolled during the previous spring, be currently registered for the upcoming fall semester and be in good academic standing.
- Student employees may elect whether to participate in OPERS or not. Students who are employed during the summer, but not enrolled for a course, are required to participate in OPERS.
- Regulations regarding compliance with the Internal Revenue Service, and OPERS, ~~and starting and ending dates of employment periods~~ are made available to students ~~maintained in by~~ the Office of Student Life ~~and reviewed annually~~.
- ~~Relative to student employment, Appointments to all student employment positions and the effective appointment dates are made by the Office of Student Life.~~

Procedures:

1. All positions for student employment, including Federal work-study, are described in written position descriptions maintained and posted in the Office of Student Life.
2. ~~All available positions for student employment, including Federal work study, are posted through the Office of Student Life.~~
3. Students interested in a posted position apply directly to the employing department or unit. That department or unit makes the offer of employment and submits the required documents for appointment to the position to the Office of Student Life.
4. ~~Appointment to a student employment position requires processing the necessary forms with the Office of Student Life.~~ Actual employment may begin only after these ~~forms~~ required documents have been ~~processed~~ processed and approved by the Office of Student Life. The student is required to complete one (1) OPERS election form during the term of their employment.
5. ~~Appointment to student employment is continuous through the academic year. Reappointment is necessary in accordance with regulations established by the Office of Student Life.~~ Status as a student employee is continuous from the date of initial appointment until the student is terminated by the University. For purposes of this policy, a student who has not been enrolled for two consecutive semesters will be considered terminated, ~~regardless of whether the student resigns.~~ Once a student is hired as a "student employee," that employment status will continue until the student ceases to be enrolled for two consecutive terms. Changing positions of employment or departments does not ~~change~~ impact one's student employment status. Therefore, once a student employee makes their OPERS election, ie., exempt or non-exempt, the student's OPERS status is maintained until terminated by the University as defined above or changes by operation of law.

6. Concerns of student employees or those of their supervisor that cannot be resolved at the department or unit level may be referred to the Office of Student Life.

Youngstown State University's Response to Inspector General Report of Investigation File ID No. 2012 CA-00048

| | Per Payroll | Term Hired | Credit Hours* | | | | Per timesheet | Comments | Conclusion | | | |
|-----------|-------------|------------|---------------|-----|------|------|---------------|-----------|------------|-----|---|--|
| | | | S09 | X09 | F09 | S10 | | | | | | |
| Student 1 | Y00631470 | Fall 09 | 11 | 4 | 14-E | 13-E | BW19 | 8/16-8/29 | 8/19-8/28 | F09 | Exemption form signed 7-8-09 never worked until Fall 09. Fall schedule not requested. | No policy violation for time period tested |
| Student 2 | Y00658194 | Fall 08 | 15-E | 1-A | 15-A | 13-A | BW15 | 6/21-7/4 | 6/22-6/30 | X09 | OPERS withheld X09. Personal History Record on file. | No policy violation for time period tested |
| Student 3 | Y00577598 | Fall 08 | 12-E | 4-A | 12-E | 15-E | BW16 | 7/5-7/18 | 7/6-7/17 | X09 | OPERS withheld X09. Personal History Record on file. Personal History Record supplied was for X09. Exemption form | No policy violation for time period tested |
| Student 4 | Y00407296 | Sum 06 | 12-E | 0-A | 6-E | 9-E | BW19 | 8/16-8/29 | 8/24-8/28 | F09 | on file - not provided to IG. | No policy violation for time period tested |
| Student 5 | Y00636999 | Fall 09 | 16 | 0 | 12-E | 14-E | BW19 | 8/16-8/29 | 8/20-8/29 | F09 | Exemption form signed 7-21-09. | No policy violation for time period tested |
| Student 6 | Y00553053 | Fall 08 | 17-E | 0-A | 14-A | 0 | BW15 | 6/21-7/4 | 6/25-6/30 | X09 | OPERS withheld X09. Personal History Record on file. | No policy violation for time period tested |
| Student 7 | Y00577683 | | | | | | BW19 | 8/16-8/29 | 8/16-8/28 | F09 | Exemption form signed 8-6-09 and was complete. Personal History Record submitted was not for period being tested, however it was incomplete | no exception for period being tested. |
| Student 8 | Y00634435 | | | | | | BW17 | 7/19-8/1 | 8/17-8/27 | F09 | Only has exemption forms, no Personal History Record. | no exception |
| Student 9 | Y00566602 | | | | | | BW19 | 8/16-8/29 | 7/20-7/31 | X09 | Exemption form is complete | exception |
| | | | | | | | | | | | Personal History Record incomplete | |

Semester in which student worked based on sample

* A - Active OPERS History Form on file, OPERS withheld

* E - Exempt - Exemption Form on file, OPERS not withheld

Note: Requested schedules were S09 and X09 and F09 for 4, 5 and 6

UNIVERSITY GUIDEBOOK

| | |
|------------------------------|---|
| Title of Policy: | Employment of Undergraduate Students (Other than Work-Study) |
| Responsible Division/Office: | Student Life |
| Approving Officer: | Vice President for Student Affairs |
| <i>Revision History:</i> | June 1999; March 2007; December 2010 |
| Resolution Number(s): | YR 1999-117; YR 2007-27; YR 2011-64 |
| Board Committee: | Academic & Student Affairs |
| EFFECTIVE DATE: | March 18, 2011 |
| Next review: | 2013 |

Policy: While the President has overall responsibility for the management of the University, the responsibility for decisions about the employment of personnel is delegated to the Provost and Vice Presidents. Each divisional executive officer is responsible for making personnel decisions within the described University procedures.

Purpose: These procedures are designed to create a fair and equitable process for employment of undergraduate students on campus. All procedures are in compliance with Federal and State of Ohio law as well as Ohio Public Employment Retirement System guidelines.

Parameters:

- The Executive Director of Student Life is responsible for the administration of the process of employing all student employees except for those employees participating in the federally funded work-study program and the employment programs administered by the Graduate School (Graduate Assistants, Teaching Assistants, Research Assistants, etc.).
- Students not employed under work-study may be employed through hourly student wages or a task-based stipend. In both categories, students are subject to the same eligibility requirements.

- To be eligible for employment under hourly student wages or task-based stipend, students must be currently enrolled for a minimum of one course and no less than three credits and be in good academic standing.
- Regulations regarding compliance with the Internal Revenue Service, PERS, and starting and ending dates of employment periods are maintained in the Office of Student Life and reviewed annually.

Procedures:

1. All positions for student employment, including Federal work-study, are described in written position descriptions maintained in the Office of Student Life.
2. All available positions for student employment, including Federal work-study, are posted through the Office of Student Life.
3. Students interested in a posted position apply directly to the employing department or unit. That department or unit makes the offer of employment.
4. Appointment to a student employment position requires processing the necessary forms with the Office of Student Life. Actual employment may begin only after these forms have been processed.
5. Appointment to student employment is continuous through the academic year. Re-appointment is necessary in accordance with regulations established by the Office of Student Life.
6. Concerns of student employees or those of their supervisor that cannot be resolved at the department or unit level may be referred to the Office of Student Life.