
FISCAL UPDATE Article

Fiscal Services Division

October 6, 2017



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AUDIT — UNI CAMP ADVENTURE YOUTH SERVICES PROGRAM

Audit Report. The Auditor of State released a report on October 3, 2017, on a review of the University of Northern Iowa's (UNI) Camp Adventure Youth Services Program for the period of July 1, 2010, through June 30, 2016. The review was requested by UNI officials to determine if the Program was complying with University policies and procedures and was operating efficiently.

Background on Program. The Program was founded at the University of Oregon in 1985 and moved to UNI in 1991. Various branches of the United States military, embassies, and corporate clubs located around the world contract with the Program to provide a variety of programs for the children of their personnel.

The Program recruits and trains college students from around the United States to provide services established by the contracts. The Program is funded by revenue from the contracts and from tuition and fees paid by the college students who enroll. New undergraduates must enroll in three classes totaling 12 credit hours. Returning undergraduates and graduate students may enroll in up to 12 credit hours.

Students are charged the full tuition rate set by UNI for the number of credits for which they register. Adjustments are then applied to the students' accounts to bring the tuition to a net amount established by Program staff. The adjustments are considered unfunded scholarships, and UNI officials said these are the only unfunded scholarships at the University. The net tuition charged is intended to cover the Program's costs not covered by the contract revenue.

Findings. The Auditor reported that the Program consistently operated in a deficit position during the period under review. The Program pays all costs up front from general unrestricted University funds. Reimbursement from contracting entities is not received until services are completed. In some cases, contractor delays have resulted in reimbursement to UNI up to a year after services were completed. While awaiting reimbursement, the funds used to cover costs are not available for other University needs.

The Auditor also reported that Program and University officials were unable to provide documentation to show that the rates charged in the contracts and the tuition and fees charged to students are sufficient to cover the direct and indirect costs of administering the Program. The University charged the Program an indirect cost rate of 10.0%, instead of the 33.8% charged to other University programs and grants. The University is working with the Program to increase the indirect cost rate.

The Auditor also identified several concerns related to security of student records, the use of storage units, and the use of email and database programs not supported by the University.

Recommendations. The Auditor recommended that Program staff prepare a cost analysis to ensure all Program costs are recovered and implement procedures to ensure the Program is self-sufficient. The Auditor also recommended that the reimbursement terms of the contracts be reviewed in order to decrease the amount of time that University general unrestricted funds are committed to the Program for cash flow.

More Information. The full audit report is available from the Auditor's website [here](#).

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