

Compliance Audits and CSIET Listing session



**Friday, October 24, 2008
3:15 to 4:30pm**



Introductions and Overview

- John Doty, Pacific Intercultural Exchange
- Margie Eulner Ott, Youth For Understanding USA

History and Timeline (JH)

- **March of 2007** – Board voted to restructure the review process and accept the compliance audit process in lieu of the former CSIET application for the 2007-08 interim listing cycle.
- **2007-08 Interim Listing Cycle** – All programs that completed an audit in 2008 were given a listing for the 2008-2009 academic year on the same basis as their prior listing.



History and Timeline (con't)

- The purpose of this change was to avoid redundancy and duplication since DOS announced that its intention to change its re-designation process by requiring statutory audits.
- In March of 2008, the Board created an Audit Review Subcommittee to review the most-recently completed round of audits and to make recommendations for a new review system.



History and Timeline (con't)

- August 8th, two Board memo were distributed to all CSIET-listed programs and potential applicants.
- September 2008 – 2008/09 Audit Templates Distributed

Audit Findings and Review (JD)

- ❑ Audits reports were similar and of high quality, and organizations and auditors queried found the template relatively straightforward.
- ❑ All parties are to be congratulated on their successful handling of this program requirement.
- ❑ The new audit procedure maintains CSIET mission of ensuring listed programs meet standards.
- ❑ Audit sample sizes varied widely.
- ❑ Inconsistencies in how deficiencies were addressed.

Board Guidance For Auditors (JD)

Sampling

- Based on review of all audits, an average of 10% sampling (with a cap of 125 files) is a reasonable and appropriate sample.
- For small programs, auditors might wish to increase the sample size to a minimum level of 20 files (or all participants if fewer than 20) which should provide statistically valid results.
- Further, some auditors found it useful to review slightly higher numbers of files. This might only be necessary where a pattern of problems exists and it's necessary to “pull additional files” to validate a particular finding.

Board Guidance For Auditors (JD)

In-bound and Outbound Programs

- In cases where an auditor audits both an inbound and outbound program for an organization, the overall sample need be no larger than that outlined earlier.
- Files should be selected proportionally; i.e., if 75% of participants are inbound and 25% outbound, then the sample should be similarly allocated.
- While the sample can be combined as above, CSIET requests that separate reports be prepared for inbound and outbound programs to avoid confusion.

Board Guidance For Auditors (JD)

Deficiency Statements – to achieve uniformity, for every deficiency reported:

- The auditor should state the nature of the deficiency and the program should respond to the deficiency within the Agreed-Upon Procedures report and indicate how it will be fixed for future audits.

Board Guidance For Auditors (JD)

US Government Grants

- ❑ Auditors should make a general statement in a new Section 11 of the addendum that they have reviewed with the programs these grant obligations and have not audited items in those cases that are not the responsibility of placement organizations.
- ❑ Auditors should note in the compliance statement the percentage achievement eliminating from the calculation those files that involve such grants.

Board Guidance For Auditors (JD)

Subset Testing

For testing of random program events (*i.e., double placements, etc.*) if none of these instances are found in the initial sample size, the auditor should request a complete list for each program instance and randomly test 10%. The auditor should then report the number tested in the final report, along with the results of the testing.

New CSIET Review Process (JD)

Step 1: Initial Audit Review and Evaluation

- ❑ CSIET staff will tabulate all audit results to determine which audits fall below the statistical thresholds for full listing.
- ❑ Staff will then have the authority to grant Full or Provisional listing and issue Advisories.

New CSIET Review Process (JD)

Step 1: Initial Audit Review and Evaluation

- All recommendations for either Conditional listing or Denial will be forwarded to the Accreditation Committee for final action.

New CSIET Review Process (JD)

Step 2: Accreditation Committee

- The Accreditation Committee, comprised of five members of the Board of Directors will review all staff recommendations for denial or Conditional listing to determine listing status.

New CSIET Review Process (JD)

Step 2: Accreditation Committee

- Programs will have the opportunity to submit both written and in-person responses for consideration.
- Committee members will be bound by confidentiality/conflict of interest agreements, and programs will also have an opportunity to request that a specific member not review their audit.

New CSIET Review Process (JD)

Appeals Process

- Much of the former appeals process will be maintained by assembling an Accreditation Committee for further review and a Due Process Review Committee to conduct appeals and grant hearings for organizations whose audits fall below the statistical thresholds for full listing.
- The intent of this new system is to conduct a fair and transparent listing process.

New CSIET Review Process (JD)

Due Process Review Committee

- If the Program maintains that the Accreditation Committee did not follow the appropriate process, they can present their case to the DPRC.
- Comprised of five persons, chosen by the Board of Directors from among its members. At least two persons shall represent travel and exchange programs and two shall represent the education community.



Transition Plan for the New Evaluation Process (MO)

The new CSIET audit review process will incorporate the “step-ladder” approach to evaluation utilized by CSIET in the past and clearly provide criteria which must be met for listing. The intent of this new system is to conduct a fair and transparent listing process.

Transition Plan for the New Evaluation Process (MO)

Year 1: (For listing in the 2009/10 *Advisory List*
– 2008/09 program cycle):

- Programs must submit a transition year audit.
- Listing in the 2009/10 *Advisory List* would be conferred upon review.

Transition Plan for the New Evaluation Process (MO)

Year 2: (For listing in the 2010/11 *Advisory List* – 2009/10 program cycle):

Programs must meet each of the following three criteria in order to avoid being issued one or more advisories.

□ **Requirement A:** Programs must score an overall average minimum of 85% or better for all audit questions.

Transition Plan for the New Evaluation Process (MO)

Year 2: (For listing in the 2010/11 *Advisory List*
– 2009/10 program cycle):

□ **Requirement B:** Programs must score an 85% or better on each of the following critical program issues:

- High School Enrollment (for in-bound)
- Host Family Screening - application, CBC, interviews (inbound), references
- Monthly Contact
- Staff/Volunteer Screening, CBC (inbound)

Transition Plan for the New Evaluation Process (MO)

Year 2: (For listing in the 2010/11
Advisory List – 2009/10 program cycle):

□ **Requirement C:** Programs must score a minimum of 75% or above on each individual audit question.



Transition Plan for the New Evaluation Process (MO)

In subsequent cycles, a step ladder approach will be utilized based on Requirements A, B, and C.

Transition Plan for the New Evaluation Process (MO)

Additional Item:

CSIET reserves the option to consider issuing a Conditional listing, or denying listing when an audit includes compliance rates considerably below the above-stated criteria or problems so pervasive, that there is evidence of blatant and/or serious disregard of the standards which could cause harm to students.

Transition Plan for the New Evaluation Process (MO)

Provisional Listing for New Applicants:

- Provisional listing is for new programs or programs which did not submit an audit in February 2008.
- A program can achieve provisional listing by meeting Requirements A, B and C listed in the Year 2 criteria.

Audit Templates and Likely Sources Grids (MO)

- In early October, CSIET distributed the 2008/09 audit templates and related materials for both the Inbound and Outbound programs – two separate sets of audit materials.
- **Per CSIET guidelines, organizations applying for CSIET Listing must submit all of their youth exchange programs for review (inbound and outbound academic year and semester programs).**

2008-09 Application Materials and Next Steps (JH)

Now that we have Board approval of the CSIET listing application, the following will be available for download on the CSIET website **by October 31st**.

1. Application
2. Application Instructions
3. Countries Served Form
4. U.S. States Served Form
5. Host Family Placement Form (new form)

2008-09 Application Materials and Next Steps (JH)

- These application materials are due to CSIET by **November 21, 2008.**
- The compliance audit is due to CSIET by **February 27, 2009.**



Q & A - Discussion
