**3. Update Auditing Strategy**

**Contributors:** Kobi, Sanjana, Anna, Allen

**Advisor:** Laura

**Meetings with Advisor:** 3 Meetings (Intro Meeting, Progress Update Meeting, Final Update)

Meeting Times: Tuesdays 7PM-8PM

**Check-in:** 7/19/21

**Due date:** 8/30/21

**Description:**

During the 2020-21 academic year, we made great strides in building a more robust auditing program and bringing Deputy Auditors onto the board. Our main goal in the next year is to continue building upon this progress and analyzing the past year’s successes and areas we can continue to improve upon. Primary areas to focus on are the continued recruiting and training of Deputy Auditors, the number of clubs to be audited, and the most effective method to audit clubs.

**Minimum Requirements:**

* Analyze the auditing process that was implemented during the past year and determine the most effective aspects of our program, what can be improved, and what should be changed.
* Revisit the application for Deputy Auditors and make updates as deemed necessary. Form strategy and the timeline for recruiting and training of Deputy Auditors in the Fall.
  + Make sure applications are similar, but edit for the new in-person setting
  + Hire and Train in September and Early October, attend events in October/November/December
* Develop a training program for Deputy Auditors that will equip them with the proper knowledge to conduct robust audits.
  + 2 main training sessions (Introduction, Layout) and then quick check ins / discussions every Monday after or before meeting
* Decide upon a number of Deputy Auditors to recruit in the Fall.
  + Looking to hire about 3-4, at most 5 to continuously rotate
  + Rotations are bi-weekly? 2 per every other week (2 per week or 4 per week)
  + There is about 13-14 weeks in the semester
  + Make sure they do equal amount of audits within their schedules, and pairs might be a good idea
  + 4 deputy auditors
    - Attend 2 events per week
    - Every other week, Kobi will attend 1 for you
    - So 3 per 2 weeks for both pairs
* Create an effective method for audit record keeping so that the board can have access to historical audits and reference infractions that clubs have made in the past.
  + Create a google folder in the Auditor folder that keeps records
  + A template that concludes all information gathered and notes down any infractions or further audits that may need to be prioritized
* Provide recommendations to the board on a proper penalty system for clubs that make infractions against the funding guidelines.
  + Very dependent on the situation, but possibly a tier system that defines the type of infraction and a penalty that is fitting
  + I.e Tier 1 - Basic funding error / late budget application, Tier 2 - Lack of professionalism or clear sign of not listening to instructions/guidelines, Tier 3 - Intentional abuse of funding system or recurring error
* (*Additional*)Make a form on GetInvolved for clubs to make changes to the events that they have been funded for so that we can approve changes and prevent unauthorized changes from happening before the event is put on.
* Implement Takeback questions in auditing meeting

**7/6/21**

**Roles:**

* **Sanjana- Lead**
* **Kobi- Vice Lead**
* **Allen- Secretary**
* **Anna- Note Taker**

**July 6 Notes**

* 2-3 deputy auditors, realistically only did 20-35 clubs the entire semester
* Could probably hit 50-60 through the semester with some improvements
* Initially used the Auditing Guideline doc but later the RUSA Audit Document
* Audit - putting clubs that requested money on the spreadsheet; allocate between Auditor and Deputy Auditors, access SABO and send email to club, president, treasurer and CC advisor; send follow up email to set up the meeting
* Meet with the club via Zoom and conduct the audit (through looking at transactions, imp dates) - good for funding questions, changes
* Treasurer needs to send a breakdown of the funds to the email (5 business days)
* Deputy Auditor sends an email to confirm that the audit is completed within 5 business days
* Steps/credentials are on the Auditing procedure doc
* Auditor folder → intake form - filled out during the meeting with the audit info
* Clubs to audit doc with all clubs audited in the past semester
* Last semester audited around 40 clubs
* Random selection process, audit if club may have suspicious activity

**July 13 Notes**

* Two big problems - there was no strategy for auditing initially & clubs were confused/shocked about auditing process since they were not aware
* Deputy Auditor more clubs audited,

| **Pros** | **Cons** |
| --- | --- |
| * Process of auditing clubs is beneficial * Auditing work was done consistently * Frequent meetings with advisors * Detailed Google Drive for future * Auditing process had meaningful conversations, results | * Initially, aiming 40 clubs per week; may actually reach around 4 per week (not going to audit 100 clubs)   + Audited around 40 clubs within the semester * Deputy Auditors may have different approaches for duties * Clubs were not really responsive with emails/following-up |

* Deputy Auditor pair groups for auditing (around 4-5 total Deputy Auditors) - one/two club per week ~ 56 clubs/semester \* 2 semesters = 112 clubs per year
  + Has to be a randomized process (cannot be based on # of events, etc)
* Takeback system/survey - ask the clubs about previous takebacks from spreadsheets and address questions
* Interview during first/second week of fall semester & start program in October
* Meetings last semester - met with Laura biweekly and met with Deputy Auditors every Friday (~30 mins)
* Perhaps have Laura and Deputy Auditors meet once a month
* Deputy Auditors’ timeline from October to May
* If Deputy Auditors is not good/not doing well, they would be told to step down from the position
* Hybrid format for the Deputy Auditors program year - the Deputy Auditors should try to attend the events for the club
  + Each pair has to attend 2 events per week (every other week each pair gets one event off)
* Attending events - anonymous
* Audit attendance - Getinvolved attendance, spreadsheets\*\* (imp)
  + Asking for attendance for the clubs - clubs may not be realistic
  + Can see the timestamps on GetInvolved
* The clubs should not be moving categories (ex. food) within the accounts
* Guidelines: buying gift cards using miscellaneous generated revenue, not allowed to buy E-Board apparel
* Develop a training program -
  + Mention it during treasurer training
* Current process: If clubs don’t respond to the auditing email (sent by Monday 5 pm); if they don’t respond by Wednesday, send a follow-up email that needs to be responded by Friday. Then, call the E-Board members on phone
* Make more awareness about the auditing process - strict guidelines for due dates, etc.
* Intake form - pre-work before the meetings
* Prioritize clubs based on events that would occur for the select week(s)
* Clubs differ with events - i.e. general meetings, debate events
* Good idea to attend clubs events for cultural clubs with higher attendance
* **For next week:**
  + **Look at Deputy Auditor application and add suggestions**
  + **Come up with best strategy for auditing club**
* Meeting for Takebacks along with current meetings (2 hours)

\*SANJANAs Treasurer Training\*

\*New Branding\*

\* Better outreach for board application\*

\* Event planning committee- at-larges\*

Winter Projects Allen

Deputy Auditor requirements include:

* Attend a weekly one-hour meeting with the Auditor
* Help audit a set number of clubs per week as assigned by the Auditor
* Send emails to club officers in order to collect documents or to set up meetings with e-board ≥members
* Attend club events when necessary throughout the semester

1. Please list the following: Name, Year, Major, School within Rutgers University, GPA, Rutgers email address
2. List all commitments (clubs, organizations, extra-curriculars) you are a part of and what position you hold.
3. Why are you interested in this position?
4. What is your availability for next semester? How much time are you able to commit as a Deputy Auditor?
5. What makes you different from other candidates?
6. In your own words please define auditing and the importance it serves to the board. Please also list what you would look for when auditing.
7. What strengths and weaknesses do you believe you possess?
8. Please upload a copy of your resume.

**July 21 Notes**

* Pick people who want to do the job and who are willing to do the job
* New questions to add to the DA Application
  + Experience working with data and/or Microsoft Excel
  + Strengths and weaknesses
* Picking Deputy Auditor who have experience with data, and may join the board in the future
* 7-8 people are interested, 6 of them may apply for the position
* Winter recruitment - have background of finance/econ/comp sci/business
  + Pick more diverse members from different majors, schools, etc
* Marketing strategy for :
* Possible idea for future auditing: filter by club funding and number of strikes on Sheets to know the priority clubs
* Messed up funds - write a paragraph of what they did and they would improve, need to submit in time, otherwise, they don’t receive funding
* Ideas for future
  + Having different types of audit based on different factors such as based on size
  + Audit clubs that want to be audited - less likely
  + Comparison to the previous year semester based on department (fall 2020 vs fall 2019)
  + Clubs that have more impact on Rutgers (possibility for visible bias for cultural/religious clubs)
  + Include in Treasurer Training as a reminder to new treasurers that clubs with a lot of funding will more likely to be audited\*\*
    - Some clubs may be confused, esp cultural clubs since they receive a lot of money
    - Some clubs may not have a lot of funding, but you learn a lot from them
* Mandatory test on Sakai for SABO training (more technical for using the service) & Treasurer Training based on Board rules/guidelines
* SABO - not really connected to the Allocations Board, the Board uses the system for funding/takebacks
* Next steps if the club does not respond
* Strikes are most important factor, then next factor is scale/scope
* Different types of audit
  + Bigger clubs - in-person and virtual
  + Smaller clubs - virtual audit
  + Makes it possible to audit every single club
* Demo - takeback, Treasurer training
* List of clubs with Fall 2021 funding in spreadsheet format within the Drive

Auditing Strategy

Recruit Deputy Auditors

Looking for at least 4 qualified auditors

NOT a part of the actual Allocations Board

Could be more depending on the applicant pool

Application Period -

Aug 16th - Aug 31st

Interviews first week of September

OR

Aug 30th - Sept 13th

Interviews 3rd week of September

Advertise or News Item for Deputy Auditor for Involvement Fair

News item on GetInvolved (Like a blog)

August 30th, 12PM

Possible Scarlet Newsletter

Or Gold Banner on GetInvolved

Possibly do it Aug 16th - Involvement Fair

Longer period and then can train earlier

2 Training Sessions 1st Week after selection

Session 1 - Introduction and Overview

Session 2 - Auditing Instructions

Questions on a Rubric on an excel sheet

Rate 1-5 scale for each question’s answer

Past questions can be found in Berton’s vice chair folder or Google Drive

Grade the application and interview separately

Should be the 4 that have the highest score, remove the highest or lowest

RUSA Allocations Demographics:

Selection of Clubs to Audit

Random clubs are chosen

A pair of 2 deputy auditors should attend an In-Person Audit per week

Each deputy auditor should conduct a virtual audit “twice a week” (or they may do 8 over a month)

Before the weekly bi-weekly

Total 32 Basic Audits a Month

Total 8 Deep Audits a Month

*Process of Audit*

**Types of Audit**

Basic Audit - Not on the priority list, will be virtual

Questions and a virtual meeting, similar to last year

Deep Audit - Priority, will include virtual and in-person audit

Anonymously attend the event

Bring a “checklist” that has basic information such as

Estimated Attendance, Type of food, Efficient use of funds (nothing crazy wasteful)

**Audit Results**

If there are no inconsistencies, errors, or faults, then the organization/group may continue on and will be placed under lower priority throughout the system

ELSE

**Types of Faults**

|  | Tier 1 | Tier 2 | Tier 3 |
| --- | --- | --- | --- |
| Description | Basic funding error or a late budget application | Lack of professionalism or clear sign of not understanding the guidelines or instructions | Intentional abuse of funding system or a recurring error (more than 2 times) |
| Penalty | Verbal warning | 10% cut in future budget | 20% cut and mandatory training |
| Point System | -1 Points | -2 Point | -3 Points |

Strategy Decisions

After an audit, you are given a point system that is continuously tracked over time

A pass is 0 Points

This gets logged down in a sheet and over time they have a score and we can see higher priorities and have a record of how clubs are doing in comparison to the past audits

Post - Audit

Organize Properly -

1. The points system is updated
2. All conflicts are resolved
3. All notes and audit recap is logged down

Create Application (Kobi)

**Next Steps:**

-revamping budget application form-----------side project