

**SHEEO Query RE state study-abroad programs
April 2016**

Query:

Dear SHEEO Academic Officers:
Your colleague in Virginia sends this query:

The Virginia General Assembly passed a bill this year requiring SCHEV "to develop guidelines for study abroad programs." **I'm interested in learning whether any other states have a similar state-level requirement and if so, what those guidelines/policies are like.**

Link and bill text are here:
<https://www.billtrack50.com/BillDetail/676022>

- 23-9.2:19. Study abroad programs; reporting requirements.
A. As used in this section, "study abroad program" means a program sponsored, offered, or approved for credit by an institution of higher education in which program participants travel outside the United States in connection with an educational experience.
B. The Council shall develop guidelines for study abroad programs.

Summary of responses:

State	
Alabama	<p>Thank you for sharing the Virginia General Assembly bill passed this year requiring The State Council of Higher Education for Virginia "to develop guidelines for study abroad programs."</p> <p>The Alabama Commission on Higher Education (ACHE) does not have guidelines for study abroad programs (Alabama students studying abroad). Nor has ACHE been asked by the Alabama legislature to explore or undertake the development of such guidelines.</p> <p>As a general reference, here is the link to the various Chapters of the ACHE administrative code --- http://www.alabamaadministrativecode.state.al.us/docs/hged/index.html(Program review is Chapter 300-2-1).</p> <p>Provisions/specifications regarding study abroad programs are determined at the Alabama individual institution (IHE) level in the context of specific learned society and accreditation guidelines and requirements.</p>
Connecticut	<p>In response to your inquiry, no legislation has been proposed or passed regarding the development of guidelines for study abroad programs in Connecticut.</p>
Idaho	<p>Idaho does not.</p>
Illinois	<p>We do not address this at the state level in Illinois.</p>

Kentucky	<p>Kentucky does not have a legislatively prescribed definition or outline of Study Abroad. However, the Chief Academic Officers of the state have agreed to the following definition that is used in some of our metric gathering processes.</p> <ul style="list-style-type: none"> · <u>Study Abroad/Away</u>: <i>the percent of students graduating within a given year (summer, fall, spring) that have participated in a postsecondary level study abroad experience that would qualify for academic credit, or be involved with a study away experience that results in academic course credit. (Metric measured by each institutions study abroad or education abroad/away office and certified by the provost office).</i>
Massachusetts	<p>In MA guidelines appear to be related to financial aid:</p> <p>STUDY ABROAD PROGRAMS AND ELIGIBILITY FOR MASSACHUSETTS STATE FINANCIAL AID PROGRAMS</p> <p>In order for a student to be considered eligible for Massachusetts state financial aid programs while attending a study abroad program, the four following conditions must be met:</p> <ol style="list-style-type: none"> 1. Student must maintain an “enrolled” status at his/her “home institution” while attending program abroad. “Home institution” is defined as institution that will be conferring undergraduate degree upon the student. 2. “Home institution” must also be eligible to participate in Massachusetts state financial aid programs and have filed a Participation Agreement with the Massachusetts Office of Student Financial Assistance. 3. Financial aid has to be processed by the “home institution.” 4. Credits that the student earns while studying abroad must be transferable to and accepted by the “home institution.”
Minnesota	<p>The following is a response from MnSCU to your query about state level requirements for study abroad.</p> <p>In 2014, the Minnesota Legislature enacted reporting requirements for every Minnesota institution with for-credit study abroad. The focus is on reporting deaths, accidents and illnesses requiring hospitalization that occur as part of study abroad participation. In reporting to the Minnesota Office of Higher Education, the institution also commits to compliance with health and safety standards of the Forum on Education Abroad.</p> <p>Also, MnSCU just completed an internal system audit (see attached) of selected study abroad offices and programs across our colleges and universities. Among the audit recommendations are development or revision of system and institution policies and procedures to address a number of findings, but this is not being driven by state legislation. We currently have limited system policies in place in the study area, mostly focused on travel management, but that will certainly change in response to this audit.</p> <p>SEE ATTACHMENT AT END OF THIS SUMMARY</p>

Mississippi	Those are institution level decisions at our universities.
Nebraska	None in Nebraska.
North Carolina	There are no UNC system guidelines for Study Abroad—just collegial exchange of information and regular professional development through NAFSA and the Forum on Education Abroad. Each campus in the UNC system establishes its own policies and procedures. The one exception being the yet-to-be-approved document “Developing Tools for Education Abroad Risk Management.”
Ohio	Ohio does not have any statewide guidelines related to study abroad.
Oregon	Oregon doesn’t have any state guidelines on study abroad that I can find in statute.
Vermont	We have no state- or system-level requirements.
Wyoming	Wyoming does not have a similar requirement at the state level.

Study Abroad Programs:

Internal Control and Compliance Audit

Office of Internal Auditing

March 2, 2016



Minnesota
STATE COLLEGES
& UNIVERSITIES

Reference Number 2016-01

Report Classification: Public



Minnesota
STATE COLLEGES
& UNIVERSITIES

Study Abroad Programs Internal Control and Compliance Audit

Office of Internal Auditing
Reference Number 2016-01

Public Release Date – March 2, 2016

Members of the MnSCU Board of Trustees
Chancellor Steven J. Rosenstone
College and University Presidents

In June 2014, the Board approved the system audit of Study Abroad programs. This report presents the results of the audit. It contains six findings and one recommendation for long term consideration to assist colleges, universities, and the system office in improving processes, controls, and compliance.

We conducted this audit in conformance with the *International Standards for the Professional Practice of Internal Auditing*.

The results of the audit were discussed with the system office and college and university staff for the eight institutions included in our review on February 23, 2016.

We appreciate the excellent cooperation and assistance that we received from employees at the colleges, universities, and system office.

Eric Wion, CPA, CIA, CISA, CISSP
Interim Executive Director

Executive Summary

Background

- Study abroad programs provide students tremendous learning opportunities; about half of MnSCU’s institutions offer them.
- Programs present health, safety, and other risks.
- Each institution is responsible for developing their own internal controls and risk mitigation strategies for study abroad programs.

Conclusion

There is little MnSCU system guidance related to study abroad programs. As a result, each institution must develop its own policies and procedures to manage risks associated with study abroad programs. However, we noted institutions lacked procedures for some key areas and did not always retain documentation to demonstrate they had properly followed policies and procedures. In addition, we found a few instances of non-compliance with MnSCU system procedures.

Findings

- There is limited system guidance related to study abroad programs. In addition, some institutions did not have their own documented policies or procedures and others did not retain documentation to demonstrate they followed them. (Finding 1)
- Compliance related findings:
 - Approval of student travel (finding 2)
 - Student orientation programs (finding 3)
 - Code of ethics (finding 4)
 - Contract requirements (finding 5)
 - New Minnesota law regarding reporting of study abroad programs (finding 6)

Long Term Consideration

System leaders should consider whether additional guidance is needed for selecting and promoting third party study abroad providers, including consortiums.

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Section I: Background

Background

Study abroad programs provide college and university students learning opportunities and a global perspective to their education. The Institute of International Education reported in its 2014 Open Doors report that during the 2012-13 academic year, a record high of approximately 290,000 students studied abroad, representing about 1.5% of all U.S. students enrolled at institutions in the United States. About 60% of the students participated in a short-term program and only 3% of students were abroad for an entire academic year. Minnesota had approximately 9,000 students that participated in study abroad programs, representing 2.0% of all students enrolled at public and private Minnesota institutions.

As noted in Table 1, study abroad programs can vary greatly. For example, an institution may have a partnership agreement with a foreign institution to exchange students or students may directly enroll at a foreign institution. Institutions may also have faculty lead a study abroad program or institutions may work with a third party to lead the study abroad program. Program duration can vary from an entire academic year, one semester, one week, or several weeks.

**Table 1
Terms Related to Study Abroad Programs**

Term	Definition
Direct Enrollment	Study at an overseas university without the assistance of an external office such as those of a program provider.
Faculty-led/directed Program	A study abroad program directed by a faculty member(s) from the home campus who accompanies students abroad. Usually, though not always, brief in duration.
Student Exchange	A reciprocal agreement of exchanging students between two institutions. May be student-per-student, or a specified number of incoming students may be accepted per outgoing student.
Travel Seminar / Study Travel Program	A program in which students travel to many different cities or countries and receive instruction in each location, often regarding a designated, unifying topic.
Third Party Provider	An institution or organization that offers study abroad program services to students. A program provider may be another college or university, a nonprofit organization, a for-profit business, or a consortium.
Group Travel Provider Model	This model utilizes a third party educational group travel provider who arranges an institution’s study travel program, including service projects. For example, an institution may have a faculty-led student group of 10 participants travel to London and the group may be mixed with other organizations or institutions for the trip.
Program Provider Model	This model uses a third party organization that specializes in placing students at foreign colleges or universities; the organization will provide travel arrangements, student orientation, student housing, excursions, and an onsite director. Institutions may provide a list of program providers for students to select a study abroad opportunity that fits their needs (location and duration). After acceptance to the program, students will participate in the program with students from other institutions.

Source: Auditor prepared from Forum of Education Abroad Education Abroad Glossary www.forumea.org

Study abroad programs are not without risks. Each institution must consider the risks when determining if they should hold a study abroad program and preparing faculty, staff, and students for the trip. Some of the risks include:

- Health risks including infectious diseases,
- Vehicular and other accidents,
- Violent crimes including terrorism and kidnappings,
- Health care systems and providers that differ from the U.S., and
- Foreign legal systems, which may have harsher penalties and fewer individual “rights,” if incidents occur.

Of course, some of the risk items listed above may also occur on local field trips or on campus. However, if an incident occurs during a study abroad trip, distance, foreign laws, language barriers, and other factors can be complicating factors when difficult situations occur.

Overview of MnSCU Study Abroad Programs

To determine the level of MnSCU institution participation in study abroad programs, we surveyed all 37 accredited institutions during the planning stage of the audit. Our survey results showed about half offered credit or noncredit programs for students to study abroad. Table 2 provides summary information about MnSCU institution participation.

Table 2
MnSCU Institution Study Abroad Participation ⁽¹⁾

Offered Study Abroad Programs	Did not Offer Study Abroad Programs
19 Institutions (including all 7 state universities)	18 Colleges
Number of Program Offerings per Year	
<ul style="list-style-type: none"> • 11 institutions offered 1-2 programs • 3 institutions offered more than 2 programs • 5 institutions offered more than 10 programs 	N/A
Estimated Number of Students Participating Each Year	
<ul style="list-style-type: none"> • 3 institutions had 5 or less students • 12 institutions had 7-75 students • 3 institutions had more than 300 students • 1 institution did not provide an estimate 	N/A
Student Participation in Programs at Other Institutions	
12 institutions had students that recently participated in another institution’s study abroad program	2 institutions had students that recently participated in another institution’s study abroad program
Faculty Teaching Outside the U.S.	
10 institutions had faculty that recently taught at an institution outside the U.S.	2 institutions had faculty that recently taught at an institution outside the U.S.

Offered Study Abroad Programs	Did not Offer Study Abroad Programs
Other Non-Student Arrangements	
10 institutions allowed community members (non-students) to participate in their programs	N/A

Source: Auditor prepared from survey of institutions

Note (1) - Table 2 reports information gathered from OIA survey of institutions requesting institutions to approximate programs offered during a typical academic year for credit or non-credit study abroad programs.

Each institution is responsible for developing their own internal controls and risk mitigation strategies for study abroad programs. The system office’s academic and student affairs division and general counsel does provide some guidance. The academic and student affairs division has one employee who spends approximately 10% of time on study abroad-related matters. General counsel has a website related to study abroad and has posted resources such as links to the Forum of Education Abroad Standards of Good Practice and information provided by the National Association of College and University Attorneys related to study abroad. The system office recently purchased a system membership with the Forum of Education Abroad providing access for all institutions to their tools and resources. General Counsel has also provided two international and study abroad webinars in February 2011 and 2015 to provide general guidance to institutions. The webinars included information on employee conflict of interest, contracts and agreements, student applications to programs, alcohol at institution sponsored events, and compliance with a new state law passed in 2014.

In May 2014, the Minnesota legislature enacted a new law requiring all Minnesota institutions to annually report to the Secretary of State certain health and safety information about their study abroad programs. Institutions were required to report its statistics by November 1, 2015 for the period August 1, 2014, through July 31, 2015. Institutions must report any deaths or hospitalizations that occur for its students while participating in study abroad programs, whether offered by the institution or another organization. Institutions must also report whether its study abroad programs comply with health and safety standard set by the Forum on Education Abroad or similar study abroad program standard setting agencies. The Forum on Education Abroad standard for health, safety, security, and risk management includes:

- Prioritize health and safety in program development, implementation, and management,
- Conduct appropriate risk assessments for its sites and activities,
- Maintain written emergency plans,
- Train staff to anticipate and respond responsibility to student health, safety, or security issues,
- Train students to responsibly manage their own health, safety, and security,
- Monitor health, safety, and security issues,
- Maintain appropriate kinds and levels of insurance, and
- Operate in compliance with local laws.

Table 3 provides information reported by institutions to the Minnesota Office of Higher Education on hospitalizations and deaths occurring for the first reporting period.

Table 3
Hospitalizations and Deaths Reported for MnSCU Institutions
August 1, 2014 – July 31, 2015⁽¹⁾

Institution	Participants	Hospitalizations	Deaths
Bemidji State University	36	<10	0
Central Lakes College (Brainerd)	23	0	0
Itasca Community College	14	0	0
Lake Superior College	24	0	0
Minnesota State Community and Technical College	13	0	0
Minnesota State University Moorhead	143	0	0
Minnesota State University, Mankato	312	<10	0
Normandale Community College	41	<10	0
North Hennepin Community College	<10	0	0
Northland Community and Technical College	<10	0	0
Ridgewater College	<10	0	0
Rochester Community and Technical College	*	*	*
St. Cloud State University	343	0	0
Southwest Minnesota State University	*	*	*
Winona State University	418	0	0

Source: Minnesota Office of Higher Education (February 2016) <http://www.ohe.state.mn.us/sPages/SAHS.cfm>

*Listed as “Failed to Report”

Note (1) - Table 3 shows data institutions reported to OHE related to study abroad programs offered or approved for credit during a specific academic year. Institutions not included above reported they did not offer credit based study abroad programs.

Section II: Audit Objectives, Scope, Methodology, and Conclusion

Objectives

Our overall audit objectives were to answer the following questions for the institutions selected to be reviewed:

- Were policies, processes, and practices in place to manage risks, including compliance risks, related to study abroad programs?
- Do opportunities exist for management to improve practices to make them more effective and efficient?

Scope and Methodology

We surveyed each MnSCU institution to gain a better understanding of their participation, if any, in study abroad programs. We selected eight institutions to review internal controls. Areas of focus included institution-specific policies and procedures including the assessment and approval of study abroad programs and steps taken to prepare faculty, staff, and students for their program travel.

We interviewed staff at the eight institutions to identify current internal controls. We reviewed relevant documentation including MnSCU system policies, procedures, and guidelines and any institution specific policies and procedures. In addition, we selected a sample of 14 study abroad programs and reviewed supporting documentation to test whether controls were effective and it complied with policies and procedures.

Our review did not include programs where international students attended MnSCU colleges or universities. We also did not assess the academic rigor or any financial aspects of study abroad programs.

Conclusions

There is little MnSCU system guidance related to study abroad programs. As a result, each institution must develop its own policies and procedures to manage risks associated with study abroad programs. However, we noted institutions lacked procedures for some key areas and did not always retain documentation to demonstrate they had properly followed procedures. In addition, we found a few instances of non-compliance with MnSCU system procedures.

Section III – Audit Findings and Recommendations

- 1. There is limited system guidance related to study abroad programs. In addition, some institutions did not have their own documented policies or procedures and others did not retain documentation to demonstrate they followed them.**

There are no system policies, procedures, or guidelines that specifically address study abroad programs and practices. There are other board policies and procedures that have provisions relevant to study abroad programs including procedures related to conflict of interest, delegations of authority, travel procedures, alcohol use, contracts and procurement, and purchasing cards. Findings 2, 4, and 5 discuss some examples of non-compliance with these system procedures. In addition, there are requirements or best practices that apply to study abroad programs but do not reside in system policy or procedure, including the following examples:

- **Student international accident and illness insurance:** During our planning meetings, we were told students are required to have international accident and illness insurance. Maintaining appropriate insurance coverages is a baseline best practice for the Forum of Education Abroad health and safety standard.
- **Post-secondary enrollment options (PSEO):** Students that participate in PSEO courses generally are not charged most tuition or fees. However, institutions can charge PSEO students for optional field trips and have latitude on deciding which courses are available to PSEO students. One institution thought it would be responsible to cover the entire expense for any PSEO students that participated in study abroad programs.
- **Student disability information:** A general counsel webinar provided guidance that institutions should not request disability information until students have been accepted to the study abroad program. Two institutions' practice was to request the information from students when they applied to the program.
- **Alcohol use:** While there is a system procedure related to alcohol use, 5.18.1 Alcohol Use and Controlled Substances on Campus, it does not clearly indicate it applies to study abroad programs. The procedure applies to any institution-sponsored event on or off campus. One institution required parents to sign a permission form indicating whether they did or did not give permission for their child under age 21 to drink an occasional wine or beer while under the supervision of group leaders during study abroad trips. This type of activity would be considered an institution sponsored event because it includes "supervision" by group leaders and all events that contain alcohol must be approved in advance by the president. Also, procedure 5.18.1 indicates that persons must be of legal age in order to be in possession of alcohol at an institution-sponsored event.

Study abroad requirements that apply to all MnSCU institutions should be in system policy or procedure. Also, a tool such as a checklist may be helpful to remind institutions of applicable procedures, requirements, or best practices.

Given limited system guidance, institutions must develop their own written study abroad-related policies and procedures. Some of the eight institutions reviewed lacked documented procedures and some did not retain documentation to demonstrate they followed their procedures:

- **Program approvals:** One institution did not have documented procedures related to program approvals. Three institutions did not maintain documentation to demonstrate the study abroad programs selected for review had been properly vetted and approved. Institutions should have clear documented procedures for vetting, approving, and documenting new and reoccurring study abroad programs.
- **Risk assessments:** Five institutions considered their program approval process to be their risk assessment. However, the approval processes lacked information and details that should be considered in a formal risk assessment. The approval processes did not identify specific risks associated with the study abroad location and activities, assess risk levels, or identify steps or actions to mitigate the risks.

Program risk assessments are important for institutions to thoroughly consider and assess the risks involved with a study abroad program and determine how those risks should be addressed and mitigated. A detailed risk assessment would include information such as local health issues, transportation, and crime. Institutions should conduct a thorough risk assessment to ensure it has done its due diligence to consider and address potential risks. Finally, Minnesota institutions are required to comply with the Forum of Education Abroad safety and health standard which includes conducting risk assessments as a baseline best practice in meeting the standard.

- **Monitoring for travel advisories:** Six institutions did not have documented procedures for performing and monitoring travel advisories including who should monitor them, the frequency of review, and any documentation requirements. Seven institutions did not have documentation to demonstrate they had performed the required reviews of the U.S. Department of State travel advisory information to determine if travel advisories existed.

MnSCU Procedure 5.19.3 Travel Management applies to all employee and student travel, including international travel. It requires a president or designee to approve student travel. In addition, it requires institutions to determine if a U.S. Department of State travel advisory exists for international destination countries. Institutions are also required to continually monitor for new or revised travel advisories up to the point of departure to determine if the trip should be cancelled or changed in any way. If a travel advisory exists, institutions must seek written approval from the Vice Chancellor – Chief Financial Officer. In addition to MnSCU procedure, the Forum on Education Abroad includes monitoring the U.S. Department of State’s travel advisories and other appropriate resources as a baseline best practice in meeting its health and safety standard.

- **Third party vendors:** As discussed more in the Long Term Consideration section of the report, institutions may utilize third party vendors for some of their study abroad programs. When third party vendors are used, students typically continue to stay

enrolled at their home institutions in order to receive financial aid and credits for terms while traveling abroad. We reviewed a third party arrangement for a student and the institution did not approve the program or student for travel nor did it monitor the country visited for travel advisories because the institution did not think procedure 5.19.3 applied. Procedure 5.19.3 does not indicate that enrolled students utilizing a third party program provider are exempt from the approval or monitoring requirements.

- **Written emergency plans:** Four institutions lacked written emergency plans and three were missing procedures to address missing students or emergency evacuations. Written emergency plans are important because they help institutions prepare for an emergency before it happens. The Forum on Education Abroad includes maintaining written emergency plans and protocols as a baseline best practice in meeting its health and safety standard.

Having written study abroad policies and procedures are important for institutions. They help clarify roles and responsibilities, ensure study abroad programs are properly vetted, address risks and mitigation strategies, and properly prepare faculty, students, and staff.

Recommendations

- *College, university, and system leaders should determine what study abroad-related guidance and requirements should be in system policy, procedure, or guidelines versus institution-specific policies and procedures. Areas for consideration should include:*
 - *Student international accident and illness insurance requirements,*
 - *Post-secondary enrollment options (PSEO),*
 - *Requirements for requesting student disability information,*
 - *Vetting and approving new and repeated study abroad programs,*
 - *Conducting and documenting risk assessments,*
 - *Developing written emergency plans and protocols related to crisis management, emergency evacuations, and missing students, and*
 - *Identifying related procedures or requirements that apply to study abroad programs such as 5.18.1 related to alcohol.*
- *The system office should clarify whether system procedure 5.18.1, Alcohol Use and Controlled Substances on Campus, applies to study abroad programs.*
- *The system office should clarify whether system procedure 5.19.3, Travel Management, applies to all student travel, including study abroad and when enrolled students utilize a third party vendor for its study abroad program.*
- *Institutions should retain sufficient documentation to demonstrate it:*
 - *Thoroughly vetted and approved each study abroad program, including repeat programs, and*

- Continually reviewed the U.S. Department of State travel advisories up to the trip, whether advisories did or did not exist.
- Institutions should address any noted non-compliance and work with general counsel and academic and student affairs to ensure they:
 - Comply with procedure 5.18.1 Alcohol Use and Controlled Substance on Campus, which applies to both on-campus and off-campus, institution-sponsored activities,
 - Comply with Minnesota data practices laws related to requesting student disability information,
 - Charge the appropriate fees to PSEO students for study abroad courses, and
 - Prepare program risk assessments and written emergency plans.

2. Institutions had varying interpretations of how often or when they needed to provide advance approval for students travelling internationally. In addition, three of eight institutions did not have delegations of authority in place for employees that approved international student travel.

MnSCU Procedure 5.19.3 Travel Management requires that faculty and students receive prior written approval for travel outside the U.S. Institutions had procedures in place to obtain advance, individual approval for faculty or staff participating in study abroad programs. However, for students, institutions considered the “program approval” the advance approval rather than approving a specific roster of students for a specific trip.

MnSCU procedure does not clearly define how often or when the advance approval should be provided for students travelling internationally, so the practice of using the program approval may be allowable. However, we noted that program approval might be provided several months in advance of the trip. In addition, three institutions did not require that repeat programs be re-approved at least annually; therefore, approval for students to travel could have been provided years earlier. One institution had a very informal process for approving its programs and did not have documentation or other evidence students had been approved for international travel.

Finally, MnSCU procedure requires the president or designee approve international student travel. Three institutions had not formally delegated the authority to approve international student travel to the persons that were providing them.

Recommendations

- *The system office should clarify system procedure 5.19.3 Travel Management regarding how frequently or close to the dates of departure advance approvals for international student travel should be obtained.*
- *Institutions should ensure that employees that approve international student travel have been delegated the appropriate authority.*

3. Institutions did not always retain documentation to demonstrate faculty and students were properly prepared for study abroad trips. In addition, orientation programs at four institutions did not provide information to students to manage their own health, safety, and security while travelling abroad.

For the programs selected, we reviewed study abroad files to determine if employees and students received training and orientation. We also reviewed study abroad records to determine if students had submitted required program participation forms, permission forms if a student was a minor, written release if travel advisories existed, and students purchased required international accident and illness insurance.

- **Employee training:** Seven institutions were not able to demonstrate faculty and staff received appropriate training to anticipate and respond responsibly to student health, safety, or security issues.
- **Student orientation:** Seven institutions were not able to demonstrate that students had participated in pre-trip or on-site orientation. Pre-departure training and on-site orientation are important to help students achieve academic success and anticipate personal, health, or safety issues that might arise. Documenting the orientation occurs demonstrates institutions have done their due diligence to prepare students for their study abroad experience.
- **International accident and illness insurance:** Two institutions were not able to demonstrate that students had obtained the required international accident and illness insurance. International accident and illness insurance is important in case a student becomes ill, has an accident, or an emergency evacuation is necessary.

Faculty training and student orientation are important to prepare travelers for study abroad trips. Minnesota statute requires that MnSCU institutions comply with the health and safety standard set by the Forum of Education Abroad. The standard includes training employees and students to manage their own health, safety, and security while abroad as a baseline best practice. However, four institutions did not include this information in their orientation program.

Recommendation

- *Institutions should implement procedures to ensure they retain sufficient documentation to demonstrate:*
 - *Faculty participated in training for leading study abroad programs,*
 - *Students participated in pre-trip and on-site orientation, including providing information related to managing their own health, safety, and security, and*
 - *Students purchased required international accident and illness travel insurance.*

4. Two institutions did not have procedures in place to ensure employees leading trips did not receive a personal benefit in violation of the code of ethics.

MnSCU procedure 1C.0.1 Employee Code of Conduct, as well as the State of Minnesota requirements related to the Code of Ethics, require that employees do not receive a benefit not otherwise available to a non-employee. For example, if an employee's spouse or children participated in a study abroad trip and did not incur travel expenses, the employee may have received a benefit from their employment with the institution. During our audit, we discussed institution controls to ensure employees did not receive an unallowable benefit. We noted that one institution did not have procedures in place to ensure employees that participate in study abroad do not receive an unallowable benefit. The institution indicated it was not sure how it would identify that an employee received a benefit. At a second institution, we noted that the institution utilizes a travel company owned and operated by an employee of the institution that works with the study abroad programs.

One institution appeared to have a best practice related to conflict of interest policies. The institution provided information related to the code of ethics and conflict of interest in its Faculty Guide for study abroad programs. The guide provides examples of allowable and unallowable activities.

Recommendations

- *Institutions and the system office should consider whether additional guidance is needed in system policy or procedure to address conflicts of interest related to study abroad programs and participation.*
- *Institutions should develop procedures to identify and resolve potential conflicts of interest.*
- *The institution with a potential conflict of interest should work with general counsel to address it.*

5. Two institutions did not comply with contract requirements.

Institutions may enter into agreements with third party program providers to facilitate the study abroad program. Board Policy 5.14 Contracts and Procurements requires that contracts, including agreements, not prepared on MnSCU templates be reviewed and approved in advance by general counsel or the Attorney General's Office. Some institutions did not think that contract requirements applied to study abroad agreements. Two institutions did not have study abroad agreements reviewed when they were not prepared on MnSCU templates.

Recommendation

- *Institutions should ensure study abroad contracts or agreements with third parties, not prepared on MnSCU templates, are reviewed and approved in advance by general counsel or the Attorney General's Office.*

6. Two institutions did not report student study abroad information to the Minnesota Office of Higher Education¹ as required.

Minnesota Statute 5.41 Study Abroad Programs requires that by November 1 of each year, institutions must report to the Minnesota Office of Higher Education (OHE) data related to deaths and hospitalizations that occurred for the academic year. Institutions must report on incidents that occur for their students whether the student is attending a program they operate or a program operated by third party. Two of the eight institutions we reviewed did not properly report information to OHE. One institution did not report its information. The other institution reported it did not have students that studied abroad, however, this conflicted with information we reviewed during our audit.

Recommendation

- *Institutions should update their procedures to ensure they submit study abroad student data to OHE in a timely manner.*

¹ Minnesota Statute 5.41 requires data to be reported to the Minnesota Secretary of State. However, in January 2015, Minnesota Office of Higher Education issued a report that indicated it would work with the Secretary of State to publish the information.

Section IV – Long Term Consideration

Institutions may enter into agreements with third party providers to facilitate their study abroad programs. As discussed in Table 1, these arrangements can vary depending on the needs of the institution and can offer opportunities to students that are interested in studying in countries other than where they have developed study abroad programs. Third party vendors allow institutions to offer more choices to their students with less administrative and personnel requirements. While third party provider relationships may be valuable, it is not clear how some system procedures may apply to program providers. In addition, institutions may be assuming risk by utilizing or recommending third party providers.

Long Term Consideration: System leaders should consider whether additional guidance is needed for selecting and promoting third party study abroad providers, including consortiums.

There is no system guidance related to creating or providing third party provider lists for students to select their study abroad programs. Institutions indicated students are generally free to choose a provider that fits their needs. However, some institutions provide links to the provider study abroad programs on their websites.

Program providers may offer “benefits” to institutions for using their services. For example, one group travel provider offered one “free enrollment” for six enrolled students and cash stipends when enrollment exceeds six students. In addition, the provider indicates it will supply faculty with comprehensive lesson plans related to the groups travel destinations. A conflict of interest or benefit may exist if the “free enrollment” is not used to reduce the overall cost of the program for the students. Institutions need to ensure they do not utilize these benefits in a manner that would violate the code of ethics, such as utilizing the free enrollment to bring along a spouse or child.

One program provider offers program development funds to its member institutions such as \$2,000 annually for travel to develop a new study abroad course, up to \$1,000 annually for travel to its annual conference, and will pay travel expenses for one employee every three years for a site visit. Again, while these benefits may offer cost savings to institutions, institutions need to ensure any travel paid by a vendor does not violate the code of ethics.

While researching this topic we noted that the California State University system has, in addition to its regular purchasing and contract procedures, defined acceptable practices for approving agreements for study abroad program providers to avoid the appearance of conflicts of interest. For example, their practices included:

- Defining program provider selection criteria to consistently apply criteria for selection, including elements such as program offerings, risk management issues, student support services, and potential benefits to the students and institution,
- Maintaining a list of approved program providers that includes why provider was chosen according to criteria,
- Defining provisions for provider renewals, and

- Define unacceptable practices related to program providers.

System leaders should consider additional system guidance to institutions related to selecting study abroad program providers, including provider consortiums.

Finally, during audit meetings, one institution discussed they preferred using the program provider model because it shifted liability away from the institution. However, the institution also mentioned it helped students vet the list of providers. When institutions provide links to third party vendor sites or lists of third party vendors, parents and students may assume the vendors have been thoroughly vetted by the institution. Research indicated institutions might be assuming some risk when it provides program provider lists to students and assists students in vetting lists. Written guidance should be provided to institutions to discuss risks institutions may be assuming by providing third party lists to students.

Section V – Management’s Response

Management response follows:



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March 1, 2016

Board of Trustees
Chancellor Steven Rosenstone
Minnesota State Colleges and Universities

The Office of the Internal Auditing has completed an internal control and compliance audit of study abroad programs at the System's colleges and universities. We view the completed audit as helpful and informative in better understanding institutional policies and procedures currently in place to provide high quality study abroad programs and, most importantly, to ensure the safety of our students while they study abroad.

It is the auditor's opinion that "institutions had developed some policies and procedures to manage risks associated with study abroad programs; however...they lacked procedures for some key areas and did not always retain documentation to demonstrate they had properly followed policies and procedures." In the course of the audit some instances of non-compliance with MnSCU procedures were noted, as were areas that needed greater system guidance (page 6 of report).

Management of the system office and the colleges and universities will work together to address these findings, to develop collective expectations, and to ensure compliance with all system and institutional policies. In addition, system management will develop further clarity and guidance surrounding system and institutional policy, as well as the use of third party study abroad providers.

Our presidents and the chancellor take very seriously the responsibility for ensuring the safety of our students studying abroad and for having processes and documentation in place to support these programs. The auditor's findings and recommendations are a welcome platform for engaging our colleges and universities in continuous improvement of study abroad policies, procedures, and practices and for elevating the importance of study abroad experiences and the development of the global competencies of our students.

Best regards,

Ron Anderson
Vice Chancellor – Academic and Student Affairs