



THE UNIVERSITY OF TEXAS
PERMIAN BASIN

Joint Admission Medical Program (JAMP) Audit

Fiscal Year 2024

November 28, 2023

Office of Internal Audit
4901 E. University Boulevard
Odessa, Texas 79762

Joint Admission Medical Program (JAMP) Fiscal Year 2024

SUMMARY



BACKGROUND AND OBJECTIVE

The Joint Admission Medical Program (JAMP) was created by the Texas Legislature to support and encourage highly qualified, economically disadvantaged Texas resident students pursuing a medical education, and is governed by a council of advisors from medical schools through the state (known as the JAMP Council). UT Permian Basin received a total of \$24,778 from this program in the last biennium, fiscal years 2022 and 2023. Funds are divided between the two years based on an annual program budget and, under the program agreement with the JAMP Council, any unspent funds each year must be returned.

The JAMP Council selects recipient institutions on a rotational basis for audit. The objective of this audit was to determine if UT Permian Basin complies with JAMP program requirements and expenditure guidelines for fiscal years 2022 and 2023. Audit procedures recommended by the JAMP Council were used to complete the engagement, which included review of financial reports, expenditures and supporting documentation, and discussion with knowledgeable staff.

This audit is required under UTPB's agreement with the JAMP Council and was included on the FY 2024 Annual Audit Plan on this basis.

CONCLUSION

UT Permian Basin meets the requirements of its agreement with the JAMP Council, and all expenditures during the period audited comply with program guidelines. (Appendix A)

However, opportunities exist to improve the effectiveness of the JAMP Program through increased utilization of available funds and regular account monitoring.

OBSERVATIONS

- 1 High** Awarded funds should be fully expended to ensure the JAMP Program maximizes its opportunity to help historically underserved students interested in postgraduate medical education.
- 2 Medium** Consistent reconciliation, review, and approval of the JAMP project account is needed to ensure funds are deposited timely and expenditures are recorded correctly.

Management developed action plans that incorporated Internal Audit recommendations to address these observations and anticipates implementation by August 31, 2024.



High

Observation 1: Awarded funds should be fully expended to ensure the JAMP Program maximizes its opportunity to help historically underserved students interested in postgraduate medical education.

The university’s agreement with the JAMP Council allows funds under the program to be used for faculty, staff, and student salaries/wages and benefits, operational costs, equipment, travel, and other costs for the direct and exclusive benefit of the JAMP program. Any unused funds must be returned each year. Historically, UTPB budgets the significant majority of funds for student wages and associated benefits. Fewer students have been hired than budgeted in recent years, resulting in an increasing trend of underspending. As shown in Table 1, almost 70% of fiscal year 2023 awarded funds were unspent and must be returned.

	Budget	Unspent/ Returned
FY 2023	\$ 12,417.00	\$ 8,506.91 69%
FY 2022	12,361.00	5,975.57 48%
FY 2021	12,289.00	5,622.32 46%
FY 2020	12,740.00	5,186.25 41%
FY 2019	11,170.00	- 0%

Table 1: Five-year History, Budget vs. Unspent Funds

If fewer students are needed to support the JAMP program and/or if difficulties in recruiting students are anticipated, other uses of funds should be identified and included in the annual budget to ensure all grant funds are fully utilized.

Full utilization of grant funds toward the purpose of the JAMP program will maximize its effectiveness in helping historically underserved students seek a postgraduate medical education.

Action Plan: Persistent turnover in administrative support for the JAMP Program resulted in a lack of monitoring that would have ensured students budgeted to be paid from JAMP funds were not paid from another source. A newly hired administrative assistant is expected to provide stability in the role and improved monitoring of JAMP expenditures. In addition, beginning with the spring semester, the JAMP Faculty Director will identify situations in which a student position is unfilled by a course instructor so that the position can be reallocated to another course and filled or an alternate use of funds can be found and a budget change requested from the JAMP Office.

Target Implementation Date: August 31, 2024, to demonstrate greater utilization of funds for the full 2023-24 award year.

Responsible Party: JAMP Faculty Director



Medium

Observation 2: Consistent reconciliation, review, and approval of the JAMP project account is needed to ensure funds are deposited timely and expenditures are recorded correctly.

In fiscal year 2022, the entirety of the year's budget (\$12,361) was not deposited into the JAMP account until period 12. In addition, \$1,000 intended for a scholarship was incorrectly deposited into the account and not corrected until the year-end financial report was prepared.

No reconciliations were performed in FY 2022. Ten of 12 months in FY 2023 were reconciled, with eight of the ten approved as required.

Reconciling, reviewing and approving reconciliations monthly will ensure expenditures are recorded correctly and comply with the JAMP Agreement, and grant funds are deposited timely and available when needed.

Action Plan: Persistent turnover in administrative support for the JAMP Program resulted in a lack of regular reconciliation and account monitoring. A newly hired administrative assistant is expected to provide stability in the role and improve compliance with reconciliation requirements and account monitoring.

Target Implementation Date: Immediately and ongoing.

Responsible Party: JAMP Faculty Director

Joint Admission Medical Program (JAMP) Fiscal Year 2024

METHODOLOGY



This audit was conducted in accordance with the *International Standards for the Professional Practice of Internal Auditing* and generally accepted government auditing standards (GAGAS). Those standards require that we plan and perform the engagement to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives. The UTPB Office of Internal Audit is independent per GAGAS requirements for internal auditors.

Scope & Procedures: The scope of the audit included fiscal years 2022 and 2023, as required under UTPB's agreement with the JAMP Council. Suggested audit procedures provided by the JAMP Council were followed, including review of all policies and procedures, budgets, expenditures, and supporting documentation for the scope period and discussion with knowledgeable staff. Audit procedures were conducted in October 2023. We will follow up on action plans in this report to determine their implementation status. Any requests for extension to the implementation dates for observations rated Priority or High require approval from applicable executive officers. This process will help enhance accountability and ensure that timely action is taken to address the observations.

Observation Ratings

Priority	An issue or condition that, if not addressed timely, has a high probability to directly impact achievement of a strategic or important operational objective of UT Permian Basin or UT System as a whole.
High	An issue considered to have a medium to high probability of significant adverse effects to UT Permian Basin as a whole or at the college/department/unit level.
Medium	An issue considered to have a low to medium probability of adverse effects to UT Permian Basin either as a whole or at the college/department/unit level.
Low	An issue considered to have minimal probability of adverse effects to UT Permian Basin either as a whole or at the college/department/ unit level.

Criteria:

- JAMP Expenditure Guidelines
- UT Permian Basin Agreement with the JAMP Council
- UT Permian Basin Segregation of Duties and Account Reconciliation Monitoring Plan

Report Distribution:

To: Dr. Doug Spence, JAMP Faculty Director
cc: Dr. Sandra K. Woodley, President
Dr. Rajalingam Dakshinamurthy, Interim Provost and Vice President for Academic Affairs
Dr. Richard Sax, Interim Dean, College of Arts and Sciences
Cesario Valenzuela, Senior Vice President for Business Affairs and Chief Financial Officer
UT Permian Basin Internal Audit Committee
External Agencies (Texas State Auditor's Office, Governor's Office, Legislative Budget Board)



October 31, 2023

Matthew C. Meeks, Ed.D.
Executive Director, Texas Health Education Service
Joint Admission Medical Program
Attn: FY2022/23 Audit
PO Box 2175
Austin, TX 78768
info@texasjamp.org

Dear Mr. Meeks,

We have completed our audit of expenditures funded by the Joint Admission Medical Program (JAMP) for fiscal years 2022 and 2023, as required under the University of Texas Permian Basin (UTPB) agreement with the JAMP Council. The scope included financial activity for the period September 1, 2021 through August 31, 2023.

The objective of this audit was to determine if fiscal years 2022 and 2023 funds were expended in compliance with the JAMP Agreement and expenditure guidelines. We used the suggested audit program procedures provided by the JAMP Council to determine compliance with requirements and expenditure guidelines. The audit was conducted in accordance with the guidelines set forth in The Institute of Internal Auditors' *International Standards for the Professional Practice of Internal Auditing* and generally accepted government auditing standards.

Based on the procedures performed, UTPB complies with JAMP Agreement requirements and expenditure guidelines. No non-compliance was identified for the period audited. Opportunities for enhancement of internal controls not directly affecting compliance with JAMP Agreement requirements and expenditure guidelines were noted during the audit and communicated to appropriate parties within the institution.

We wish to express our appreciation to the UTPB JAMP Faculty Director and the Office of Accounting for the cooperation extended to us during the audit.

Sincerely,

A handwritten signature in blue ink that reads 'Dyan Hudson'.

Dyan Hudson, CIA, CISA, CFE, CRMA
Interim Chief Audit Executive

cc: Dr. Sandra K. Woodley, President
Dr. Rajalingam Dakshinamurthy, Interim Provost and Vice President of Academic Affairs
Dr. Richard Sax, Interim Dean, College of Arts and Sciences
Dr. R. Douglas Spence, JAMP Faculty Director
Cesar Valenzuela, Senior Vice President for Business Affairs and Chief Financial Officer