

**1. Title**

Audit and Compliance

**2. Rule and Regulation**

Sec. 1 Audit. The Chancellor, as chief executive officer of the U. T. System, is responsible for ensuring the implementation of appropriate audit procedures for the U. T. System. Accordingly, the Chief Audit Executive prepares an executive summary of all internal audit activity by the U. T. System internal auditors and the institutional internal auditors for the Chancellor.

1.1 Chief Audit Executive. The U. T. System Chief Audit Executive is responsible for coordinating the effective auditing of the U. T. System as set out in Section 1.1 (b) below. The Chief Audit Executive provides audit assistance to the Chancellor, the Executive Vice Chancellors, and the Vice Chancellors in the exercise of their responsibilities.

(a) The Chief Audit Executive shall be appointed by the Audit, Compliance, and Management Review Committee after nomination by the Chancellor. The Chief Audit Executive shall hold office without fixed term, subject to the pleasure of the Chancellor. The Chancellor's actions regarding the Chief Audit Executive are subject to review and approval by the Audit, Compliance, and Management Review Committee.

(b) The primary responsibilities of the Chief Audit Executive include developing a Systemwide internal audit plan based on a Systemwide risk assessment and coordinating the implementation of this plan with the institutional internal auditors. This Systemwide audit plan is submitted to the Audit, Compliance, and Management Review Committee for review and approval after the Chancellor's review and approval. Responsibilities of the Chief Audit Executive also include conducting audits of the System including the revenue produced from the Permanent University Fund lands and formulating policies for the internal audit activity at each institution.

1.2 The U. T. System internal auditors are the internal auditors for the U. T. System and augment the audit work of the institutional internal auditor and the State Auditors at the institutions of the U. T. System.

Sec. 2 Compliance. The Chancellor, as chief executive officer of the U. T. System, is responsible for ensuring the implementation of a compliance program for the U. T. System. Accordingly, the Systemwide Compliance Officer prepares an executive summary of all compliance activity of the institutions, UTIMCO, and System Administration.

2.1 Systemwide Compliance Officer. The Systemwide Compliance Officer is responsible, and will be held accountable for, apprising the Chancellor and the Audit, Compliance, and Management Review Committee of the institutional compliance functions and activities at System Administration, UTIMCO, and at each of the institutions as set out in Section 2.1 (b) below. The Systemwide Compliance Officer provides institutional compliance assistance to the Chancellor, the Executive Vice Chancellors, the Vice Chancellors, and the Chief Compliance Officer of UTIMCO in the exercise of their responsibilities.

(a) The Systemwide Compliance Officer shall be appointed by the Chancellor. The Systemwide Compliance Officer is the senior compliance official of the U. T. System; provides assistance and advice covering all institution, UTIMCO, and System Administration compliance programs; and shall hold office without fixed term, subject to the pleasure of the Chancellor.

(b) The primary responsibilities of the Systemwide Compliance Officer include developing an infrastructure for the effective operation of the U. T. System Institutional Compliance Program; chairing the Systemwide Compliance Committee and the Compliance Officers Council; and prescribing the format for the annual risk based compliance plan and the quarterly compliance status reports to be submitted by each institution, UTIMCO, and System Administration.

**3. Definitions**

None

**4. Relevant Federal and State Statutes**

None

**5. Relevant System Policies, Procedures, and Forms**

None

**6. Who Should Know**

Administrators  
Internal Audit

**7. System Administration Office(s) Responsible for Rule**

Audit Office

**8. Dates Approved or Amended**

Editorial amendments made March 17, 2008  
December 10, 2004

**9. Contact Information**

Questions or comments regarding this Rule should be directed to:

- [bor@utsystem.edu](mailto:bor@utsystem.edu)