



Auditing and Advisory Services

P.O. Box 20036 | Houston, TX | 713-500-3160

24-403 Texas Higher Education Coordinating Board

EXECUTIVE SUMMARY

We have completed our assurance engagement of the Family Practice Residency Program Fiscal Year (FY) 2023. This engagement was performed at the request of the UTHealth Houston Audit Committee and was conducted in accordance with the *International Standards for the Professional Practice of Internal Auditing*

Background

The Texas Higher Education Coordinating Board (THECB) provides appropriated funds to help operate and maintain Family Practice Residency Programs in Texas. The purpose of these funds is to educate and train family practice residents and encourage them to locate their practices to underserved urban and rural areas of the state, which may ultimately lead to improved medical care for citizens in those areas. The total funding received by the Family Practice Residency Program for FY 2023 was \$170,511. The intent of these funds is to directly support the education and training of family practice residents.

Objectives/Scope

Our objective was to provide an opinion regarding revenue and expenditures related to THECB funds awarded during FY 2023 and report on the Family Practice Residency Program FY 2023 Annual Financial Report (AFR).

Scope Period

September 1, 2022 – August 31, 2023

Results

Agreement with General Ledger: Auditing and Advisory Services (A&AS) traced amounts reported on the FY 2023 AFR to the general ledger and noted no exceptions.

Capital Expenditures: Our review indicated there were no equipment purchases made during FY 2023.

Non-Payroll Expenditures: A&AS reviewed non-payroll expenses paid from these funds during FY 2023 to determine whether they are consistent with the program guidelines/contract provisions and noted no exceptions.

Payroll Expenditures: A&AS reviewed a random sample of five employees paid from these funds during FY 2023 to determine whether the employees worked on the project and noted no exceptions.

Unexpended Funds: A&AS reviewed the treatment of unexpended funds from the prior year and found the Department of Family and Community Medicine had no unexpended funds carried forward from prior year's budget to be expended. A&AS reviewed the FY 2023 AFR and noted \$24.22 of unspent funds that will be returned to THECB.

Conclusion

In our opinion, the AFR reported to the THECB fairly represents revenues and expenditures related to FY 2023 THECB award.

We would like to thank the Family and Community Medicine staff and management who assisted us during the engagement.



Daniel G. Sherman, MBA, CPA, CIA
Vice President & Chief Audit Officer

OBSERVATION RATINGS

Priority	An issue that, if not addressed timely, has a high probability to directly impact achievement of a strategic or important operational objective of UTHealth Houston or the UT System as a whole.
High	An issue considered to have a medium to high probability of adverse effects to a significant office or business process or to UTHealth Houston as a whole.
Medium	An issue considered to have a low to medium probability of adverse effects to an office or business process or to UTHealth Houston as a whole.
Low	An issue considered to have minimal probability of adverse effects to an office or business process or to UTHealth Houston as a whole.

NUMBER OF PRIORITY OBSERVATIONS REPORTED TO UT SYSTEM

None.

MAPPING TO A&AS FY 2024 RISK ASSESSMENT

Reference	Risk
Required Engagements	Not Applicable - This engagement is not risk-based. This is an annual engagement required by THECB to provide an opinion on revenue and expenditure reporting of program funds.

DATA ANALYTICS UTILIZED

Not Applicable

ENGAGEMENT TEAM

VP/CAO - Daniel G. Sherman, MBA, CPA, CIA
Director - Brook Syers, CPA, CIA, CISA, CFE
Lead - Shara Vialva

END OF FIELDWORK DATE

December 8, 2023

24-403 THECB

ISSUE DATE

December 14, 2023

REPORT DISTRIBUTION

Audit Committee

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