



**Doctors Hospital at Renaissance Family Practice Residency Program
Operational Grant Audit**

Report No. 20-REQ-50

February 28, 2020

Office of Audits & Consulting Services

February 28, 2020

Dr. Guy Bailey, President
The University of Texas Rio Grande Valley
2102 Treasure Hills Blvd., Suite 3.115
Harlingen, TX 78550

Dear Dr. Bailey,

The Office of Audits & Consulting Services has completed the Doctors Hospital at Renaissance Family Practice Residency Program Operational Grant Audit for the fiscal year (FY) ended August 31, 2019 as required by the Texas Higher Education Coordinating Board. The objective of this audit was to assess whether revenues, expenditures and the unexpended fund balance were reported accurately in the annual financial report.

This audit was conducted in accordance with The University of Texas System's (UTS) Policy 129 *Internal Audit Activities*, the Institute of Internal Auditors' *International Standards for the Professional Practice of Internal Auditing (Standards)* and *Generally Accepted Government Auditing Standards (GAGAS)*. The *Standards* and *GAGAS* set criteria for internal audit departments in the areas of independence, professional proficiency, scope and performance of audit work, and management of audits. We are required to adhere to these *Standards* and UTS 129.

In our opinion, the FY 2019 Annual Financial Report submitted to the Texas Higher Education Coordinating Board present fairly, in all material respects, its revenues, expenses, and unexpended fund balance, and all expenses were appropriate in support of the University of Texas Rio Grande Valley's (UTRGV) Doctors Hospital at Renaissance Family Practice Residency Program. In addition, all other required reports were fairly stated.

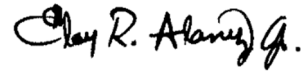
Office of Audits and Consulting Services

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We appreciate the assistance provided by UTRGV's management and other personnel. We hope the information and analyses presented in our report are helpful.

Sincerely,



Eloy R. Alaniz, Jr., CPA, CIA, CISA
Chief Audit Officer

cc: Dr. John Krouse, Executive VP for Health Affairs
Mr. Michael Patriarca, Senior Associate VP for Health Affairs and Executive Vice Dean for School of Medicine
Ms. Melba Sanchez, Assistant VP for Finance & Administration
Dr. Nausheen Jamal, Associate Dean for Graduate Medical Education
Dr. Kristan Diaz-Rios, Doctors Hospital at Renaissance Family Practice Residency Program Director
UTRGV Internal Audit Committee
UT System Audit Office
Governor's Office of Budget, Planning and Policy
Sunset Advisory Commission
State Auditor's Office
Legislative Budget Board

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Executive Summary

Overall Assessment:

In our opinion, the FY 2019 Annual Financial Report submitted to the Texas Higher Education Coordinating Board present fairly, in all material respects, its revenues, expenses, and unexpended fund balance, and all expenses were appropriate in support of the University of Texas Rio Grande Valley's (UTRGV) Doctors Hospital at Renaissance Family Practice Residency Program. In addition, all other required reports were fairly stated.

Background: The Family Practice Residency Program (FPRP) is designed to enhance physician training and provide medical care to the under-served urban and rural areas of Texas. UTRGV operates the Doctors Hospital at Renaissance (DHR) FPRP program and will receive funding for the program under the provisions of the Texas Education Code, Chapter 61. The Texas Higher Education Coordinating Board (Coordinating Board) issued the Family Medicine Residency Program Guidelines for Funding Operational and Optional Rotation Programs pursuant to their responsibility for administration. These guidelines include a requirement for submission of an annual financial report (AFR) of FPRP revenues and expenditures along with an internal or independent auditor's opinion.

Objectives: To assess whether revenues, expenditures and the unexpended fund balance were reported accurately in the annual financial report.

Scope/Period: DHR Family Practice Residency Program funding and associated expenditures presented within the FPRP annual financial report for FY 2019.

Key Observations: 1). Doctors Hospital at Renaissance FPRP operating budget \$2.3 million.
2). Resident, Faculty, and support personnel compensation \$3.4 million.
3). Operating expenses \$60,000.