

**The University of Texas at Tyler**

**THECB Nursing Shortage Reduction Plan Audit  
Fiscal Year 2011 Over 70 Award Program**



**February 2015**

THE UNIVERSITY OF TEXAS AT TYLER  
OFFICE OF AUDIT SERVICES  
3900 UNIVERSITY BOULEVARD  
TYLER, TEXAS 75799

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**Fiscal Year 2015**

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***Background***

The Texas Legislature appropriated funds to the Texas Higher Education Coordinating Board (THECB) in August 2009 for the Professional Nursing Shortage Reduction Program (NSRP). The Regular Program distributes funds to state's public and private nursing programs that show an increase in the total number of nursing graduates at the associate, baccalaureate, master's and doctoral level. The Over 70 Award Program distributes funds to institutions with a graduation rate of 70% or greater.

The institutions had four years after receipt of the awards to expend the funds. They were required to submit annual reports of expenditures for each award year until all funds had been expended or returned. According to Texas Administration Code Rule 22.508, "Institutions that receive an award of \$500,000 or more shall submit an independent audit report for that award to the Coordinating Board within six months after the end of the fiscal year in which that award's funds have completely been expended."

During Fiscal Year (FY) 2011, THECB awarded The University of Texas at Tyler (UT Tyler) College of Nursing and Health Sciences \$687,734 in the Over 70 Program. These funds were fully expended in FY 2014. THECB authorized the UT Tyler Internal Audit Department to perform this audit. This project was included in the Fiscal Year 2015 Audit Plan and approved by the Institutional Audit Committee.

***Audit Objective***

The primary objective of this audit was to provide assurance that expenditures reported to THECB were in compliance with the program requirements as specified in the program announcements.

***Standards***

The audit was conducted in accordance with guidelines set forth in *The Institute of Internal Auditor's Standards for the Professional Practice of Internal Auditing*.

***Scope and Methodology***

The scope of the audit included financial activity related to the FY 2011 Professional Nursing Shortage Reduction Program - Over 70 Program. We performed the following procedures to provide an opinion:

- Reviewed the Program Announcements and interviewed personnel in the College of Nursing and Health Sciences as well as in the Office of Business Affairs as appropriate;
- Obtained a download of program transactions from DEFINE and PeopleSoft (UT Tyler's Accounting Systems);
- Verified the award amounts posted in the accounts agreed to the awards allocated by THECB;
- Tested on a sample basis, whether non-salary expenditures had supporting documentation and complied with the expenditure guidelines; and
- Determined whether salary expenditures complied with program requirements.

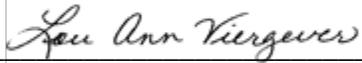
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***Audit Results and Conclusion***

Based on the results of the audit procedures performed, the expenditures appear to be in compliance with program requirements. All funds awarded by THECB were expended and no funds were required to be returned.

We appreciate the courtesy and cooperation we received from the College of Nursing and Health Sciences and from the Budget and Financial Reporting Office.



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