




MEMORANDUM

TO: Dr. Vistasp Karbhari
President

FROM: David Price 
Chief Audit Executive

DATE: October 31, 2018

SUBJECT: Senate Bill 20 Annual Reporting Requirement on Procurement Policies

Senate Bill 20 of the 84th Legislative Session (SB 20) made several modifications to existing requirements and added new requirements for state agencies and institutions of higher education related to purchasing and contracting. These requirements were written into the Texas Government Code and/or the Texas Education Code (TEC) and were effective September 1, 2015. TEC §51.9337 requires that, "The chief auditor of an institution of higher education shall annually assess whether the institution has adopted the rules and policies required by this section and shall submit a report of findings to the state auditor."

To satisfy the above requirement, we performed the following:

- Reviewed the TEC Sec. §51.9337, *Purchasing Authority Conditional; Required Standards*.
- Observed documentation, including policies and procedures, supporting compliance with SB 20 and TEC Sec. §51.9337. The policies and procedures reviewed included those relating to ethics and standards of conduct, conflicts of interest and outside commitments, investigation of suspected fraud or fiscal irregularities, best value purchasing, contract management, delegation, and training.

Overall, our review disclosed The University of Texas at Arlington adopted the policies and procedures outlined in Senate Bill 20 and TEC Sec. §51.9337. This certification will be included in the Annual Audit Report to the State Auditor's Office as required under Texas Government Code §2102.

cc: Jean Hood, Vice President for Human Resources
Jennifer Chapman, Executive Director, University Compliance Services
Stephanie Scott, Associate Vice President and Controller
Julia Cornwell, Senior Director, Procurement Services

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