

## 19-118 Review and Validation

We have completed our audit of review and validation. This audit was performed as required by the University of Texas System (UTS) Policy 142.1 *Policy on the Annual Financial Report* and was conducted in accordance with the *International Standards for the Professional Practice of Internal Auditing*.

### BACKGROUND

UTS 142.1, Section 7 *Internal Audit Risk Assessment and Certification of the Monitoring Plan*, last amended or reviewed on July 2, 2018, states the following:

- “The institutional Chief Audit Executive shall perform an annual risk assessment of the Monitoring Plan including the subcertification process and assertions on segregation of duties and account reconciliations. The institutional Chief Audit Executive will certify within 60 days of the fiscal year end, to the Financial Reporting Officer of U.T. System Administration, whether an audit was performed based on the risk assessment and discussion with the institutional audit committee.”

### OBJECTIVES

The objectives of this audit were to determine whether:

- UTHealth followed its monitoring plan for segregation of duties and reconciliation of accounts;
- Account owners submitted subcertifications timely; and
- Assertions of segregation of duties and account reconciliations were valid.

### SCOPE PERIOD

The scope period was fiscal year 2018.

### METHODOLOGY

Auditing & Advisory Services executed an audit program provided by UT System Audit. The audit procedures included determining whether:

- the monitoring plan was executed,
- account reconciliations were performed,
- segregation of duties were established, and
- subcertification letters were submitted on a timely basis.

### AUDIT RESULTS

Overall, we determined UTHealth is in compliance with its monitoring plan for segregation of duties, reconciliation of accounts, and timely submission of subcertification letters. In addition, we obtained reasonable assurance assertions of segregation of duties and reconciliation of accounts were valid.

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**NUMBER OF PRIORITY & HIGH FINDINGS REPORTED TO UT SYSTEM**

None

We would like to thank the staff and management within Accounting & Budget and Cizik School of Nursing, Management Office who assisted us during our review.



Daniel G. Sherman, MBA, CPA, CIA  
Assistant Vice President

**MAPPING TO FY 2019 RISK ASSESSMENT**

<b>Risk (Rating)</b>	N/A - This audit was performed to ensure compliance with UTS 142.1.
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**DATA ANALYTICS UTILIZED**

<b>Data Analytic #1</b>	None
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**AUDITING & ADVISORY SERVICES ENGAGEMENT TEAM**

<b>Assistant Vice President</b>	Daniel G. Sherman, MBA, CPA, CIA
<b>Audit Manager</b>	Nathaniel Gruesen, MBA, CIA, CISA, CFE
<b>Auditor Assigned</b>	Kathy Tran, CIA, CFE
<b>End of Fieldwork Date</b>	October 29, 2018
<b>Issue Date</b>	October 29, 2018

**Copies to:**  
Audit Committee