

## 19-300C THECB Nursing Shortage “Regular Program” 2015

We have completed our audit of the Texas Higher Education Coordinating Board (THECB) Professional Nursing Shortage Reduction Program (NSRP) – “Regular Program” Annual Financial Report (AFR) from fiscal year 2015 to 2018. This audit is required by the THECB. The audit was conducted in accordance with the *International Standards for the Professional Practice of Internal Auditing*.

### BACKGROUND

THECB provides state appropriated funds to help institutions increase the total number of nursing graduates. We received funds for NSRP “Regular Program”. The funds appropriated to the THECB are divided among eligible institutions based on the number of graduates the institution has each fiscal year. The “Regular Program” is open to all institutions of higher education. The intent of these funds is to assist the institution with enrolling a sufficient number of students to meet the state’s need for registered nurses. The funds can be used for costs related to: enrolling additional students; nursing faculty enhancement; encouraging innovation in the recruitment and retention of students; and identifying, developing, or implementing innovative methods to make the most effective use of limited professional nursing program resources.

### OBJECTIVES

The objective of this review was to determine whether the expenditures from this award meet the expenditure requirements outlined in the Program Announcement for this program.

### SCOPE PERIOD

The scope period was 09/01/ 2015 - 08/31/2018

### METHODOLOGY

The following procedures were performed:

- Reviewed the Professional Nursing Shortage Reduction Program Agreement with the Coordinating Board to gain an understanding of the terms.
- Obtained Professional Nursing Shortage Reduction Program Annual Financial Report. Traced program revenue received and corresponding expenditures to the general ledger and determine whether the funds awarded are accounted for separately
- Selected a sample of expenditures. Reviewed to ensure they are consistent with the program guidelines/contract provisions and meet the definition of program's allowable expenses.
- Selected a sample of payroll transactions to determine whether individuals paid by Nursing Shortage Reduction Program (NSRP) funds worked on the agreement by reviewing time and effort reports for appropriate signatures and approval.

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**AUDIT RESULTS**

Fund expenditures of \$ 1,094,195.74 were used exclusively for the UTHealth School of Nursing faculty salaries, which is an allowable expenditure. The UTHealth accounting system supports expenditures for the NSRP "Regular Program" funds reported on the AFR from fiscal year 2015 to 2018.

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

None

We would like to thank the staff and management within the School of Nursing 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 (Audit requested by THECB)
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**DATA ANALYTICS UTILIZED**

<b>Data Analytic #1</b>	Used IDEA appending Feature to compile reports from different fiscal years.
<b>Data Analytic #2</b>	Used IDEA Summarization Feature to obtain total population of employees paid from the Nursing Shortage program.

**AUDITING & ADVISORY SERVICES ENGAGEMENT TEAM**

<b>Assistant Vice President</b>	Daniel G. Sherman, MBA, CPA, CIA
<b>Auditor Assigned</b>	Diarra Boye, CIA, CFE
<b>End of Fieldwork Date</b>	11/27/2018
<b>Issue Date</b>	12/6/2018

**Copies to:**

- Audit Committee
- THECB
- School of Nursing Dean's Office