



September 13, 2019

Richard C. Benson, Ph.D., President
The University of Texas at Dallas
800 West Campbell Road, AD22
Richardson, TX 75080-3021

Dear President Benson:

As required by The University of Texas (UT) System Board of Regents' *Rules and Regulations* (Regents' *Rules and Regulations*), Series 20205, titled "Expenditures for Travel and Entertainment by Chief Administrators and for the Maintenance of University Residences", the UT System Audit Office has completed the audit of travel, entertainment, and university residence maintenance expenses for selected chief administrators across the UT System.

The general objective of the audit was to determine whether travel and entertainment expenses incurred by the presidents and their spouses and expenses for the maintenance of university residences were appropriate, accurate, and in compliance with applicable institutional policies and Regents' *Rules and Regulations*. The scope of this audit included expenses incurred from March 1, 2018 through February 28, 2019. The audit was conducted in accordance with the guidelines set forth in The Institute of Internal Auditors' *International Standards for the Professional Practice of Internal Auditing*.

The report for UT Dallas is attached for your review. We appreciate the assistance provided by the offices of the president and internal audit in conducting this engagement.

Sincerely,

J. Michael Peppers, CPA, CIA, QIAL, CRMA
Chief Audit Executive

cc: Steven W. Leslie, Ph.D., Executive Vice Chancellor for Academic Affairs, UT System
Terry Pankratz, Vice President for Budget and Finance, UT Dallas
Toni Stephens, Chief Audit Executive, UT Dallas

**The University of Texas at Dallas
Presidential Travel, Entertainment, & University Residence
Maintenance Expenses Audit Report
FY 2019**



SEPTEMBER 2019

THE UNIVERSITY OF TEXAS SYSTEM AUDIT OFFICE
210 WEST SEVENTH STREET
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**The University of Texas System Audit Office
Presidential Travel, Entertainment, & University Residence Maintenance
Expenses Audit – UT Dallas
Fiscal Year 2019**

AUDIT REPORT

September 2019

BACKGROUND

As required by The University of Texas (UT) System Board of Regents’ (Regents) *Rules and Regulations*, Series 20205, titled “Expenditures for Travel and Entertainment by Chief Administrators and for the Maintenance of University Residences” (Rule 20205), the UT System Audit Office has completed the audit of presidential travel, entertainment, and university residence maintenance expenses. Guidance for these expenses is provided by various state laws, rules and regulations promulgated under those laws, and UT System and institutional travel and entertainment policies and procedures including, but not limited to, Rule 20205. While each of the institutional presidents is subject to the annual audit, substantive testing of their expenses is determined on a year-to-year basis. This assessment is made based both on analysis of risk and an element of rotation to ensure audit coverage of all presidents every two years. In addition, expenses will be audited by the first full fiscal year after a new president assumes office.

AUDIT OBJECTIVE

The specific objective of this audit at UT Dallas was to determine whether travel and entertainment expenses incurred by the president and his spouse were appropriate, accurate, and in compliance with applicable institutional policies and Regents’ *Rules and Regulations*.

SCOPE AND METHODOLOGY

The scope of this audit included expenses incurred from March 1, 2018 through February 28, 2019. UT Dallas did not have spousal travel expenses during the audit scope and does not have university residence maintenance expenses.

The audit methodology consisted of reviewing applicable institutional policies and procedures and assessing internal controls. In addition, substantive testing was performed on a sample of travel and entertainment expenses. The audit was conducted in accordance with the guidelines set forth in The Institute of Internal Auditors’ *International Standards for the Professional Practice of Internal Auditing*.

AUDIT RESULTS & CONCLUSION

Overall, the travel and entertainment expenses incurred by the president and his spouse appeared appropriate, accurate, and in compliance with applicable institutional policies and Regents’ *Rules and Regulations*. Adequate internal controls are in place and functioning as intended. Some minor observations were separately communicated to management.

J. Michael Peppers, CPA, CIA, QIAL, CRMA
Chief Audit Executive

Moshmee Kalamkar, CPA, CIA
Director