

20-107 Texas Higher Education Coordinating Board

We have completed our audit of the Family Practice Residency Program Fiscal Year 2019 Annual Financial Report (AFR). This annual audit is required by the Texas Higher Education Coordinating Board (THECB). This audit was performed at the request of the UTHealth Audit Committee and was conducted in accordance with the *International Standards for the Professional Practice of Internal Auditing*.

BACKGROUND

THECB provides appropriated funds to help operate and maintain Family Practice Residency Programs in Texas. The purpose of these funds is to educate and train family practice residents and encourage them to locate their practices to underserved urban and rural areas of the state, which may ultimately lead to improved medical care for citizens in those areas. The initial funding for the Family Practice Residency Program was \$231,765 with an additional \$11,204 reallocation of funds provided. The total funding received by the Family Practice Residency Program for FY 2019 was \$242,969. The intent of these funds is to directly support the education and training of 36 full-time family practice residents.

OBJECTIVES

The objective of this audit was to provide an opinion regarding revenue and expenditures related to THECB funds awarded during FY 2019 and report on the Family Practice Residency Program FY 2019 AFR.

SCOPE PERIOD

The scope period was FY 2019.

METHODOLOGY

Audit procedures included a review of the agreement and test of transactions.

AUDIT RESULTS

Agreement with General Ledger: Auditing and Advisory Services (A&AS) traced amounts reported on the FY 2019 AFR to the general ledger and noted no exceptions.

Capital Expenditures: Our audit work indicated there were no equipment purchases made during FY 2019.

Non-Payroll Expenditures: A&AS reviewed a random sample of five non-payroll expenses paid from these funds during FY 2019 to determine whether they are consistent with the program guidelines/contract provisions and noted no exceptions.

Payroll Expenditures: A&AS reviewed a random sample of five employees paid from these funds during FY 2019 to determine whether the employees worked on the project and noted no exceptions. The

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individuals paid from the project’s funds worked on the project, and their time and effort reports were certified and approved.

Unexpended Funds: A&AS reviewed the treatment of unexpended funds from the prior year and found the Department of Family and Community Medicine had no unexpended funds carried forward from prior year’s budget to be expended. A&AS reviewed the FY 2019 AFR and noted funds totaling \$2,906 reported as unexpended. These funds are to be returned to the THECB.

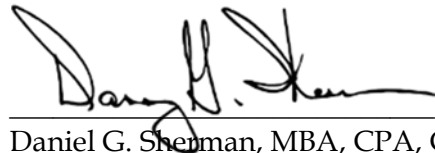
CONCLUSION

In our opinion, the AFR reported to the THECB fairly represents revenues and expenditures related to FY 2019 THECB award.

NUMBER OF PRIORITY FINDINGS REPORTED TO UT SYSTEM

None

We would like to thank the staff and management within the Family & Community Medicine who assisted us during our review.



Daniel G. Sherman, MBA, CPA, CIA
Associate Vice President & Chief Audit Officer

MAPPING TO FY 2020 RISK ASSESSMENT

Risk (Rating)	Not Applicable - This audit is not risk based. This is an annual audit required by THECB to provide an opinion on revenue and expenditure reporting of program funds.
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DATA ANALYTICS UTILIZED

Data Analytic #1	None
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AUDITING & ADVISORY SERVICES ENGAGEMENT TEAM

AVP/CAO	Daniel G. Sherman, MBA, CPA, CIA
Audit Manager	Nathaniel Gruesen, MBA, CIA, CISA, CFE
Auditor Assigned	Casandra Wiley
End of Fieldwork Date	December 12, 2019
Issue Date	December 13, 2019

Copies to:

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