Executive Summary

Background
The University of Texas System UTS 142.1 Policy on the Annual Financial Report requires each institution to develop or update a Monitoring Plan to ensure the existence of segregation of duties and performance of accounts reconciliation by each designated ledger account owner. Each risk owner must ensure the adequacy of internal controls within their department. Through a documented annual risk assessment, the Office of Accounting and Fiscal Services (A&FS) and the Academic and Administrative Information Resources (AAIR) Division assist UT Southwestern Medical Center (UT Southwestern) in its compliance requirements. This assessment includes department owner representations on the existence of financial internal controls, validity of segregation of duties, and effectiveness of ledger account review.

Scope and Objectives
The Office of Internal Audit has completed its UT Southwestern UTS 142.1 Compliance and Monitoring Plan (Monitoring Plan) audit. This audit was part of the FY20 Audit Plan as a risk-based audit. The audit objective was to provide reasonable assurance for UT Southwestern compliance with UT System Policy UTS 142.1. An additional objective was to assess the controls and processes that ensure compliance is sustained.

We conducted our examination according to guidelines set forth by the Institute of Internal Auditors’ International Standards for the Professional Practice of Internal Auditing.

Conclusion
Overall, UT Southwestern complies with UTS 142.1 and A&FS is carrying out its responsibilities as presented in the UT Southwestern Risk Assessment and Monitoring Plan. A&FS has an adequate risk assessment process and system for review, including follow up with departments on exceptions to validate assertions made within sub-certifications, and to correct identified deficiencies. There was a minor opportunity communicated to management for follow up.

We would like to take the opportunity to thank the Office of Accounting & Fiscal Services, Hospital Accounting, Provost Office and Academic and Administrative Information Resources teams for the courtesies extended to us and for their cooperation.

Sincerely,

Valla F. Wilson, Vice President for Internal Audit, Chief Audit Executive
Executive Summary

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