

Review and Validation

#HSC26AS1046

EXECUTIVE SUMMARY

Auditing & Advisory Services (A&AS) has completed an assurance engagement of Review and Validation. This engagement was performed at the request of the UTHealth Houston (UTHealth) Audit Committee and was conducted in accordance with the Global Internal Audit Standards.

Background

UTS 142.1, Section 7 *Internal Audit Risk Assessment and Certification of the Monitoring Plan*, last amended or reviewed on October 31, 2022, states, "The institutional Chief Audit Executive shall perform an annual risk assessment of the Monitoring Plan. 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/Scope

Our objective was to determine whether UTHealth complies with UTS Policy 142.1 on Review and Validation. Specifically, to determine if:

- UTHealth followed its monitoring plan for segregation of duties and reconciliation of accounts.
- Account owners submitted sub certifications timely.
- Assertions of segregation of duties and account reconciliations are valid.

Scope Period

The scope period was fiscal year 2025.

Conclusion

Overall, we determined UTHealth is in compliance with its monitoring plan for segregation of duties and reconciliation of accounts. We noted a few sub-certification letters that had not yet been received by the deadline. In addition, we obtained reasonable assurance that assertions of segregation of duties and reconciliations of accounts were valid.

In our opinion, UTHealth complies with UTS Policy 142.1 on Review and Validation.

We would like to thank the Finance & Business Services staff and management who assisted us during the engagement.



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

Review and Validation

NUMBER OF PRIORITY OBSERVATIONS REPORTED TO UT SYSTEM

None.

MAPPING TO A&AS FY26 RISK ASSESSMENT

Reference	Risk
50	Potential errors and fraud due to ineffective execution of reconciliations and violations in segregation of duties.

DATA ANALYTICS UTILIZED

None.

ENGAGEMENT TEAM

VP/CAO - Daniel G. Sherman, MBA, CPA, CIA

Supervisor - Brook Syers, CPA, CIA, CISA

Lead - Ricky Phan

END OF FIELDWORK DATE

October 31, 2025

ISSUE DATE

October 31, 2025

REPORT DISTRIBUTION

Audit Committee

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