



# UT Tyler

THE UNIVERSITY OF TEXAS AT TYLER

## Internal Audit Department

October 29, 2025

Dr. Julie Philley  
President  
The University of Texas at Tyler  
3900 University Blvd.  
Tyler, TX 75799

Dr. Philley,

We completed the Joint Admission Medical Program (JAMP) Audit as part of the University of Texas at Tyler's (UT Tyler) Fiscal Year (FY) 2026 Audit Plan. The objective of the audit was to provide assurance that the University is in compliance with policies, procedures, laws, and regulations that could have a significant impact on operations and reports. The scope of the audit was for FY 2024 and FY 2025 as required by JAMP.

This audit was conducted in accordance with guidelines set forth in The Institute of Internal Auditors' International Standards for the Professional Practice of Internal Auditing and Generally Accepted Government Auditing Standards. We appreciate the assistance provided by management and other personnel and hope the information presented in our report is helpful.

Sincerely,

Stephen Ford  
Chief Risk Officer & Acting Chief Audit Executive

### Enclosure

cc:

Mr. Daniel Deslatte, Chief Business Officer  
Dr. Amir Mirmiran, Chief Research Officer  
Dr. Neil Gray, Dean, College of Arts and Sciences, and Interim Dean, College of Education and Psychology  
Ms. Lisa Bush, Associate Vice President, Research Administration  
Dr. Rachel Mason, Associate Professor – Chemistry and Biology  
Mr. J. Michael Peppers, UT System Chief Audit Executive  
Legislative Budget Board [audit@lbb.texas.gov](mailto:audit@lbb.texas.gov)  
Governor [budgetandpolicyreports@gov.texas.gov](mailto:budgetandpolicyreports@gov.texas.gov)  
State Auditor's Office [jacoordinator@sao.state.tx.us](mailto:jacoordinator@sao.state.tx.us)

**Joint Admission Medical Program Audit**



**October 29, 2025**

INTERNAL AUDIT DEPARTMENT  
3900 UNIVERSITY BOULEVARD  
TYLER, TEXAS 75799

**AUDIT OBJECTIVE**

The objective of the audit was to provide assurance that the University is in compliance with policies, procedures, laws, and regulations that could have a significant impact on operations and reports.

**CONCLUSION**

This audit identified four (4) opportunities for improvement to strengthen controls and processes related to the Joint Admission Medical Program (JAMP) Grant.

**OBSERVATIONS**

<b>This audit identified the following opportunities for improvement:</b>		
1	High	<i>Properly Setup FY 2025 JAMP Project Code</i>
2	High	<i>Appropriate Spending and Monitoring of Grant Funds</i>
3	High	<i>Budget vs. Actual Expenditure Variances</i>
4	High	<i>Account Reconciliations Performed Appropriately</i>

**#1: Properly Setup FY 2025 JAMP Grant Project Code**

**High:** Not setting up a separate JAMP account runs the risk of overspend of expenditures since balance may be inaccurate.

The JAMP Grant for FY 2025 was not set up into a separate JAMP account. The JAMP Council requires that an account is to be properly set up and the associated revenue posted accurately to the accounting system. This prevents funds from being combined with other amounts and provides the department with an accurate balance at all times.

It was observed that the revenue for the FY 2025 JAMP Grant was received and recorded under the General Revenue cost center using the account code designated for Legislative Appropriation Increase, rather than being posted to the JAMP project code.

**Opportunity for Improvement:** Management should consider creating new project codes for each future grant period in PeopleSoft to ensure the funds are appropriately booked and not combined with prior grant award periods.

**Management Response:**

General Audit Response: The College acknowledges the audit findings and appreciates the hard work of our audit team. We also appreciate the opportunity to strengthen compliance and operational efficiency. One significant challenge identified during recent discussions with the JAMP Faculty Director is the scope of responsibilities currently assigned to this role. In addition to directing JAMP, the individual serves as Chief Health Professions Advisor and Director of the Academy of Future Health Professionals (AFHP). As the university has grown, advising needs and AFHP activities have expanded significantly, now encompassing all post-graduate health programs beyond pre-medical tracks.

To address this, the College will restructure responsibilities to ensure adequate focus on JAMP compliance and program success. The JAMP Director will concentrate exclusively on JAMP and report directly to the Dean. Separate leadership will be designated for AFHP and health professions advising. This change will improve oversight, enhance student support, and ensure adherence to grant requirements.

**Response to #1:** Properly Setup FY 2025 JAMP Grant Project Code:

Agreed. FY25 OSP kept the same project ID number for JAMP from FY24. Moving forward JAMP will be set up as a separate project ID number as to not comingle between budget years.

The college will work with Accounting and the OSP to ensure new project codes are created in PeopleSoft for each future grant period. While this is outside the college's ability to directly accomplish, we will work directly with other offices by requesting status updates and sending reminders. These changes will guarantee that funds are appropriately booked and not combined with prior grant award periods, maintaining accurate balances and compliance with JAMP Council requirements.

Some historical issues have arisen because the Principal Investigator (PI) was not notified of incoming grant funds or project balances. For example, JAMP funds for FY 2024–2025 (year of this audit), received on September 30, 2024, have still not been loaded to the JAMP Project ID. Procedures will be implemented to prevent similar delays in the future. This improvement will enhance transparency, allow proactive financial management, and prevent delays in fund utilization.

**Responsible Person(s):** Grant Accounting and Angela Nunez, College Grants Coordinator (Shelby Carter), Dean of College of Arts & Sciences (Neil Gray), JAMP Faculty Director (TBD).

**Anticipated Implementation Date:** Immediately

**#2: Appropriate Spending and Monitoring of Grant Funds**

**High:** If grant funds are spent inappropriately and against state regulation or University policy, the grant would not be in compliance with the executed agreement.

During FY 2024, 2 purchases made with JAMP funding was inclusive of State of Texas sales tax. These transactions were processed using a University procurement card (ProCard). According to the Procurement Procedures Manual and the Procurement Card Program Policies and Procedures, UT Tyler, as an agency of the State of Texas, is exempt from paying State of Texas sales tax on qualifying purchases. Therefore, sales tax should not have been applied.

Additionally, a separate purchase was made using the ProCard at the UT Tyler bookstore. Per the same policies and procedures, the ProCard is not authorized for use in making payments to the University for on-campus purchases.

These instances reflect non-compliance with established ProCard guidelines and may require corrective action to ensure proper use of JAMP funds and adherence to institutional policies.

**Opportunity for Improvement:** Management should consider regular monitoring of purchases to ensure transactions comply with University policies and procedures.

**Management Response:**

Agreed. The college will implement corrective actions to ensure compliance with ProCard Program Policies and Procedures. Specifically:

- **Sales Tax Compliance:** All ProCard users will receive refresher training emphasizing UT Tyler's exemption from State of Texas sales tax on qualifying purchases.
- **ProCard Usage Restrictions:** Training will also reinforce that ProCards cannot be used for on-campus purchases, including the UT Tyler bookstore.
- **Monitoring Process:** A monthly review of JAMP-related transactions will be conducted by the College ASO on behalf of the Dean to verify compliance with university policies and procedures. Any discrepancies will be addressed immediately.

**Responsible Person(s):** Dean of College of Arts & Sciences (Neil Gray), JAMP Faculty Director (TBD), and College Grants Coordinator (Shelby Carter).

**Anticipated Implementation Date:** Immediately

**#3: Budget vs. Actual Expenditure Variances**

**High:** If funds are returned consistently, future funding could be reduced or eliminated.

Funds allocated for the JAMP Grant in FY 2024 and FY 2025 were not expended as originally anticipated based on approved budgets. For FY 2024, a total of \$14,146.00 was received, of which \$9,982.23 was returned to the granting agency. It was noted that the return of funds occurred on

August 1, 2025, although the remittance was due by March 1, 2025, per the invoice issued by JAMP. For FY 2025, \$13,531.00 was received, and \$9,513.60 is anticipated to be returned due to unspent funds. The funds have not yet been returned.

The expenditures incurred during FY 2024 and FY 2025 using JAMP funding were not within a 10% budget to actual expenditure testing threshold. These variances were due to not hiring student workers or clerical assistance, not purchasing promotional materials or giving additional research awards, and for not attending conferences.

**Opportunity for Improvement #1:** Management should consider fully utilizing budgeted grant funds, when appropriate, to maximize the impact of external funding and preserve University resources for other institutional priorities.

**Management Response:**

Agreed. The college is committed to ensuring that all JAMP grant funds are fully utilized for allowable activities, eliminating the need to return funds to the granting agency. Beginning in FY 2026, a comprehensive spending plan will be developed at the start of each fiscal year to allocate funds for student support, research awards, promotional materials, conference participation, and other authorized expenditures. The Dean will personally work with the JAMP

Director and other relevant offices to guarantee that the spending plan is implemented and followed. The Dean will also take an active role in removing any delays that may arise during the execution of planned expenditures to ensure timely use of funds. Monthly budget-to-actual reviews will be conducted to monitor progress and confirm that funds are being spent as intended. This proactive approach will maximize the impact of JAMP funding and strengthen compliance with grant requirements.

**Responsible Person(s):** Dean of College of Arts & Sciences (Neil Gray), JAMP Faculty Director (TBD), and College Grants Coordinator (Shelby Carter).

**Anticipated Implementation Date:** Immediately

**Opportunity for Improvement #2:** If grant funds are not fully expended, Management should ensure that any unspent balances are returned to the granting agency in a timely manner.

**Management Response:**

Agreed. The college's goal is to fully utilize all JAMP grant funds for allowable activities, and every effort will be made to ensure that no funds remain unspent. In the unlikely event that any balance cannot be used, the college will return those funds to the granting agency promptly and in accordance with established deadlines. The Dean will oversee this process personally to guarantee timely compliance and prevent delays.

**Responsible Person(s):** Dean of College of Arts & Sciences (Neil Gray), JAMP Faculty Director (TBD), and College Grants Coordinator (Shelby Carter).

**Anticipated Implementation Date:** Immediately

**#4: Account Reconciliations Performed Appropriately**

**High:** Failure to complete monthly reconciliations may result in undetected errors, lack of spending, misstatements, or delayed corrective actions.

According to HOP 5.07 Account Reconciliation, 100% of accounts are required to be reconciled on a monthly basis to ensure financial accuracy and accountability. For FY 2024, 6 out of 10 monthly reconciliations were auto approved by the system due to no activity. In FY 2025, 1 out of 8 monthly reconciliations was auto approved for the same reason, while 5 out of the 8 months were neither reconciled nor approved.

**Opportunity for Improvement:** Management should ensure that account reconciliations are completed and approved on a monthly basis, regardless of limited or absent account activity, to verify that all expenditures are accurately recorded and reported.

**Management Response:**

Agreed. The college will ensure that all account reconciliations are completed and approved monthly in compliance with HOP 5.07, regardless of whether there is account activity. Reconciliations will be completed by the College Grants Coordinator and approved by the JAMP Director. The Dean will provide oversight to confirm that this process is followed consistently

and will intervene if delays occur to guarantee timely completion. This approach will strengthen financial accuracy and accountability for JAMP funds.

**Responsible Person(s):** College Grants Coordinator (Shelby Carter), JAMP Faculty Director (Dr. Rachel Mason), and Dean of College of Arts & Sciences (Neil Gray).

**Anticipated Implementation Date:** Immediately

**The University of Texas at Tyler  
Joint Admission Medical Program Audit**

---

**BACKGROUND**

The Joint Admission Medical Program (JAMP) was created by the Texas Legislature to support and encourage highly qualified, economically disadvantaged Texas resident students pursuing medical education. The University of Texas at Tyler (UT Tyler) was selected by the JAMP Council for an audit for Fiscal Year (FY) 2024 and FY 2025. UT Tyler was awarded \$14,146, expended \$4,163.77, and returned \$9,982.23 for the FY 2024 program. UT Tyler was awarded \$13,531, expended \$4,017.40, and will return \$9,513.60 for the FY 2025 program.

**STANDARDS**

The audit was conducted in accordance with guidelines set forth in *The Institute of Internal Auditors' International Standards for the Professional Practice of Internal Auditing* and *Generally Accepted Government Auditing Standards*.

**SCOPE AND PROCEDURES**

The scope of the audit was for FY 2024 and FY 2025.

To achieve the audit objective, we:

- Reviewed the JAMP Agreement, Expenditure Guidelines, budgets, and financial reports;
- Verified revenue was received and properly recorded;
- Tested expenditures, including payroll, for appropriate approvals, supporting invoices, and compliance with guidelines;
- Determined the method of monitoring and reporting; and
- Verified unexpended funds were returned.

**OBSERVATION RANKINGS**

Internal audit departments across the University of Texas System use a consistent process to evaluate audit results based on risk factors and the probability of a negative outcome.

<b>Legend</b>	
<b>Priority</b>	<i>A finding is defined as an issue that if not addressed immediately, has a high probability to directly impact achievement of a strategic or important operational objective of UT Tyler.</i>
<b>High</b>	<i>A finding that is considered to have a <u>medium to high probability</u> of adverse effects to UT Tyler as a whole or to a significant college or department.</i>
<b>Medium</b>	<i>A finding that is considered to have a <u>low to medium probability</u> of adverse effects to UT Tyler as a whole or to a college or department.</i>
<b>Low</b>	<i>A finding that is considered to have a <u>minimal probability</u> of adverse effects to UT Tyler as a whole or to a college or department. These findings are communicated separately to management.</i>