




OFFICE OF INTERNAL AUDITS
THE UNIVERSITY OF TEXAS AT AUSTIN

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MEMORANDUM

To: Mr. Darrell Bazzell
Senior Vice President and Chief Financial Officer

From: Mr. Michael Vandervort, CPA
Chief Audit Executive 

Subject: UT Austin Financial Statement Certification Letter

Date: October 28, 2016

We have reviewed UT Austin's Monitoring Plan and subcertification, and validated the assertions on segregation of duties and reconciliation of accounts. Our objectives were to determine whether:

- UT Austin followed its monitoring plan for segregation of duties and reconciliation of accounts;
- Account owners submitted subcertifications in a timely manner; and
- Assertions of segregation of duties and account reconciliations were valid.

Our office used the following five FY2016 Change in Management audits as our sample to conduct this review:

1. Center for STEM Education – Due to a transitional period, some reconciliations were overlooked, and thus not all accounts were certified. There was proper segregation of duties. Internal Audits will follow-up with the department as part of the Change in Management audit process.
2. Department of Physics – All accounts were certified. There was proper segregation of duties.
3. McDonald Observatory – All accounts were certified. There was proper segregation of duties.
4. Center for Space Research – All accounts were certified. Due to staff shortages, opportunities for improvement were noted regarding separation of duties. Internal Audits will follow-up with the department as part of the Change in Management audit process.
5. Department of Petroleum and Geosystems Engineering – All accounts were certified. There was proper segregation of duties.

Overall, we determined that UT Austin is implementing its Monitoring Plan.

We appreciate the assistance provided by the Office of Accounting and other personnel. We hope this information is helpful.

MWV: cmh

cc: Dr. Gregory Fenves, President