

President's Travel, Entertainment, and Housing Expenses Audit Report



Audit Report # 13-02

November 20, 2012

Office of Auditing and Consulting Services

"Committed to Service, Independence and Quality"

THE UNIVERSITY OF TEXAS AT ELPASO



Office of Auditing and
Consulting Services

November 20, 2012

Dr. Diana Natalicio, President
The University of Texas at El Paso
Administration Building, Suite 500
El Paso, Texas 79968

Dear Dr. Natalicio:

The Office of Auditing and Consulting Services at the University of Texas at El Paso has completed the audit of the President's Travel, Entertainment and Housing Expenses for the FY 2011 - 2012 in compliance with UT System Board of Regents' Rule 20205.

We appreciate the cooperation and assistance provided by the Financial Services Department and your staff during our review.

Sincerely,

A handwritten signature in black ink that reads 'William A. Peters'. The signature is written in a cursive, flowing style.

William A. Peters

Director

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Office of Auditing and Consulting Services
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Auditors Assigned to the Audit:

The audit work was conducted by the following members of the Office of Auditing and Consulting Services staff:

Lori Wertz (Project Manager)

Sharon Delgado (Lead Auditor)

BACKGROUND

The University of Texas System (UT System) Board of Regents' Rule 20205 *Expenditures for Travel, Entertainment, and Housing by Chief Administrators* was approved on May 11, 2006. The purpose of this *Rule* is to "prescribe, clarify, and provide uniformity in the approval, review, and audit process for travel, entertainment, and housing expenses incurred by the Chancellor and presidents". Further, the *Rule* states that an audit of the travel, entertainment, and housing expenses of the president must be performed within 90 days after the end of each fiscal year and the results submitted to the System Audit Office, appropriate Executive Vice Chancellor and the Audit, Compliance, and Management Review Committee. This report includes the results of that audit.

AUDIT OBJECTIVES

The objectives of this audit were to determine that:

- The President's travel, entertainment, and housing expenses are in compliance with policies, procedures, laws, and regulations of the University of Texas at El Paso (the University), UT System, and the State of Texas.
- The expenses have an adequate and appropriate business purpose, and are necessary to conduct business for benefit of the University.
- The expenses are processed in a timely fashion, properly approved, and supported by the appropriate documentation.

SCOPE AND METHODOLOGY

The audit was conducted in accordance with the *International Standards for the Professional Practice of Internal Auditing* issued by the Institute of Internal Auditors.

The scope of the audit included a sample of the President's travel, entertainment, and housing transactions during FY 2011 – 2012. Audit testwork included a review of applicable policies, procedures, laws, and regulations, interviews with key personnel, and the verification of a sample of travel, entertainment, and housing expenses through inspection of supporting documentation.

AUDIT RESULTS

We concluded that the President's travel, entertainment, and housing expenses were in compliance with applicable policies, procedures, laws, and regulations of the University, UT System, and the State of Texas. The documents reviewed during our sample testing had an adequate and appropriate business purpose, were processed in a timely manner, properly approved, and supported by appropriate documentation.

Again, we appreciate the consideration and assistance provided by the Financial Services Department and the President's Office staff during our review.