

The University of Texas at Tyler

**The Office of
The Vice President for Business Affairs
Change in Management Audit**



August 2015

THE UNIVERSITY OF TEXAS AT TYLER
OFFICE OF AUDIT SERVICES
3900 UNIVERSITY BOULEVARD
TYLER, TEXAS 75799

The University of Texas at Tyler
The Office of The Vice President for Business Affairs
Fiscal Year 2015

BACKGROUND

An audit of The Office of the Vice President for Business Affairs (VPBA) was conducted as a result of the resignation of the VPBA in June 2015. An interim VPBA was appointed in July 2015. The University of Texas at Tyler's (UT Tyler) Institutional Audit Committee (IAC) requests a change in management audit for executive level positions; therefore, this audit was included in the Fiscal Year 2015 audit plan.

AUDIT OBJECTIVES

The objectives of this audit were to conduct a review of the department operations including account transactions and high risk monitoring plans for compliance with State of Texas, University of Texas System, and UT Tyler rules and regulations.

STANDARDS

The audit was conducted in accordance with guidelines set forth in *The Institute of Internal Auditor's Standards for the Professional Practice of Internal Auditing*.

SCOPE AND METHODOLOGY

UT Tyler departments, including Budget and Financial Reporting, Financial Services, Human Resources, and Information Security, have oversight responsibilities related to operations; therefore, areas reviewed by these departments were excluded from the scope of this audit. The Compliance Office conducted a Quality Assurance Review (QAR) in October 2013, which included reviewing departmental accounts for segregation of duties, salaries, receipts, expenditures, and account reconciliations. No weaknesses were noted in these areas. The VPBA had delegated budget authority responsibilities to the Assistant Vice President for Financial Management. Since he did not approve financial transactions for the office, and no weaknesses were noted in prior reviews, detailed testing of department transactions was not included in the scope of the audit.

PROCEDURES

To accomplish the audit objectives, the following procedures were completed:

- Questionnaires were sent to all employees that report directly to the VPBA, and other university employees as deemed appropriate;
- Interviews were conducted with institutional employees as deemed necessary;
- The PeopleSoft accounting system was reviewed to assure the VPBA was not listed as a budget authority for any cost centers; and
- The annual sub certification responses were reviewed for appropriateness.

The University of Texas at Tyler
The Office of The Vice President for Business Affairs
Fiscal Year 2015

AUDIT RESULTS

According to the University of Texas System Audit Office, “A *Priority Finding* is defined as an issue identified by an internal audit that, if not addressed timely, could directly impact achievement of a strategic or important operational objective of a UT institution or the UT System as a whole. Standard factors for determining a *Priority Finding* have been established in three categories: namely, *Organizational Controls, Quantitative Risks, and Qualitative Risks*”. Priority Findings are reported to the UT System Audit, Compliance, and Management Review Committee. This audit resulted in no Reportable or Priority Findings.

CONCLUSION

The Office of the VPBA is generally in compliance with rules and regulations related to compliance with the State of Texas, University of Texas System, and UT Tyler rules and regulations. No other information was brought to our attention during this engagement that would indicate non-compliance or inappropriate fiscal management within the Office of the VPBA.

We appreciate the assistance of the VPBA employees during this project.