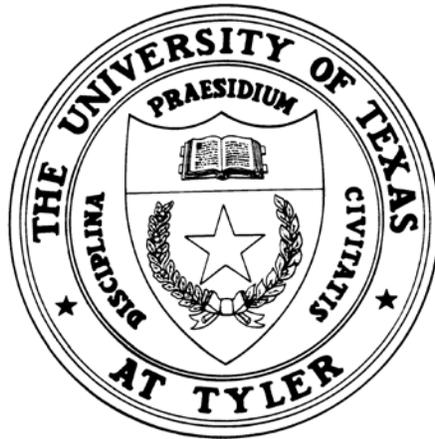


The University of Texas at Tyler

Faculty Travel Audit



August 2019

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

The University of Texas at Tyler
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Fiscal Year 2019

BACKGROUND

The University of Texas at Tyler (UT Tyler) makes reimbursements to, or payments on behalf of, employees for travel and entertainment expenses that they incur as part of their official duties. Guidance for the expenses is provided by various state laws, and rules and regulations promulgated under those laws, as well as UT Tyler policies and procedures included in the *Handbook of Operating Procedures, Management Responsibilities Handbook*, Financial Services website, and *Travel Policies and Procedures*.

Executive management at UT Tyler requested an audit of faculty travel due to the risk of non-compliance with the policies and procedures and the amount of travel expenditures. From January 1, 2018 through December 31, 2018, travel related expenditures for all UT Tyler employees totaled over \$1,018,000, of which over \$910,000 (89%) was for individuals with a faculty appointment. This audit was included in the Fiscal Year 2019 Annual Audit Plan and approved by the Institutional Audit Committee.

AUDIT OBJECTIVE

The objective of the audit was to determine if the faculty travel expenses were appropriate, accurate, and in compliance with applicable policies and procedures.

STANDARDS

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

SCOPE AND PROCEDURES

The scope of this audit included travel expenditures from January 1, 2018 thru December 31, 2018. Audit procedures included discussions with management, reviewing UT Tyler travel policies, and testing a sample of 25 faculty trips which totaled over \$27,700 to verify compliance with related policies. Specific testing was also conducted to verify the use of the university contracted travel agencies to purchase airline tickets and preapproval for the use of a personal vehicle and required documented mileage.

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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. *Non-Priority Findings* are ranked as *High, Medium, or Low*, with the level of significance based on an assessment of applicable *Qualitative, Operational Control, and Quantitative* risk factors and probability of a negative outcome occurring if the risk is not adequately mitigated.”

Finding Level Legend	
Priority	<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>
High	<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>
Medium	<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>
Low	<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.</i>

This audit resulted in identification of isolated and immaterial instances of non-compliance with the policies and procedures. These have been discussed with the traveler, their administrative assistant, supervisor, and budget authority. None were of such significance to indicate the need for enhanced control procedures.

CONCLUSION

Faculty travel is generally in compliance with the required policies and procedures. University-wide mandatory training on travel policies and procedures is being conducted in August and September and will reinforce the importance of complying with required policies. The Office of the Vice President for Budget and Finance is planning to clarify relevant policy documents to further reduce the potential for non-compliance.

We appreciate the assistance of the departmental management and administrative assistants during this project.