

# Internal Audit Report

Nursing Shortage Reduction Program Awards Audit  
(FY17 Regular and FY17 Over 70 Awards)

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October 2020

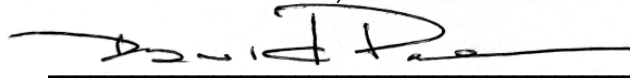
## Distribution – Nursing Shortage Reduction Program (NSRP) Awards Audit

To: Teik Lim *President ad interim, UTA*  
Randal Rose *Audit Committee Chairman*

### Audit Committee:

Pranesh Aswath	<i>Interim Provost and Vice President for Academic Affairs, UTA</i>
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Kelly Davis	<i>Chief Financial Officer and Vice President, UTA</i>
Harry Dombroski	<i>Dean, College of Business, UTA</i>
Stephen Frimpong	<i>Institutional Audit Committee, External Member</i>
Brian Gutierrez	<i>Vice Chancellor for Finance and Administration, Texas Christian University</i>
John Hall	<i>Vice President for Administration and Campus Operations, UTA</i>
Jairo Orea	<i>Chief Information Security Officer, Kimberly-Clark Corporation</i>

From: David Price *Chief Audit Executive, UTA*



cc: Cynthia Blackwell *Director, Business Operations, College of Nursing & Health Innovation, UTA*  
Jennifer Chapman *Compliance Officer, UTA*  
Connie Fox *Director, Academic Resource Planning, College of Nursing & Health Innovation, UTA*  
Jean Hood *Vice President for Human Resources, UTA*  
Elizabeth Merwin *Dean, College of Nursing & Health Innovation, UTA*

Auditor in Charge:  
Cindy Pittman *Senior Auditor II, UTA*

# Executive Summary & Background – NSRP Awards Audit

## Executive Summary

We completed an audit of the Texas Higher Education Coordinating Board (THECB) Nursing Shortage Reduction Program (NSRP) awards. The objective was to help assure The University of Texas at Arlington (UTA) complied with the terms of the NSRP award agreements.

Overall, the program funds awarded and expended during the scope of the audit were in compliance with the requirements as specified by the awards.

**There were no reportable findings noted in this engagement.**

We are grateful for the support extended to us from the College of Nursing and Health Innovation personnel involved throughout this audit.

## Background

The 84<sup>th</sup> Texas Legislature Session appropriated funds to the THECB for fiscal year 2017 for the Professional Nursing Shortage Reduction Program. The NSRP award provides incentive funding to institutions that increase the number of professional nursing graduates and increase enrollments of students seeking initial nursing licensure. The awards are used to supplement current nursing program funding. The intent of these funds is to assist the institution with enrolling a sufficient number of students to meet the state's need for registered nurses. The awards require UTA to submit annual reports of expenditures for each award year until all funds are expended or returned. For awards of \$500,000 or more, an independent audit report is required to be remitted to the THECB within six months after the end of the fiscal year in which the award funds have been fully expended.

The funds can be used for costs related to:

- Enrolling additional students.
- Nursing faculty enhancement.
- Encouraging innovation in the recruitment and retention of students.
- Developing or implementing innovative methods to make the most effective use of limited professional nursing program resources.

# Audit Objective, Scope, Methodology and Work Performed – NSRP Awards Audit

## Audit Objective

- Complete the independent audit required to be remitted to the THECB.
- Help provide assurance that UTA is in compliance with the requirements specified in the program announcements for the NSRP FY 2017 Regular Program Award and the FY 2017 Over 70 Program Award.

## Audit Scope

The scope of the audit focused on the financial activities associated with the FY 2017 Regular Program Award of \$2,453,184.26 and the FY 2017 Over 70 Program Award of \$1,425,329 for the award term of September 1, 2016 through August 31, 2020.

## Methodology

Our examination was conducted in accordance with guidelines set forth in the Institute of Internal Auditors' *International Standards for the Professional Practice of Internal Auditing*.

## Work Performed

- Reviewed all Annual Financial Reports remitted for each award year to determine whether they were accurate and remitted to the THECB as required.
- Verified unexpended funds were returned to the THECB if applicable.
- Confirmed the amount received by UTA for each award agreed to the amount stated in the related NSRP Agreement.
- Reconciled amounts recorded in the expenditure reports to the PeopleSoft Financial Management System.
- Determined whether transactions were reported in the proper period.
- Tested a sample of expenditures to ensure they were accurately reported and complied with applicable standards and guidelines.