

## 23-100 Conflict of Interest

### EXECUTIVE SUMMARY

Auditing & Advisory Services (A&AS) has completed an assurance engagement around faculty conflicts of interest. This engagement was performed at the request of the UTHealth Houston Audit Committee and was conducted in accordance with the *International Standards for the Professional Practice of Internal Auditing*.

#### Background

UTHealth Houston recognizes the benefits of employees sharing their expertise and interacting with organizations and industries within our local community and globally. HOOP 20 *Conflict of Interest, Conflict of Commitment, and Outside Activities* provides guidance regarding the review and management of financial disclosures and potential conflicts of interest. The Conflict of Interest (COI) Office reviews financial disclosures and outside activity requests and facilitates quarterly meetings of the Institutional Conflict of Interest Committee (ICOIC).

#### Objectives/Scope

Our objective was to determine whether controls around faculty COI disclosures and management plans are adequate and functioning as intended. Specifically, to determine if:

- COI disclosures are properly submitted, reviewed, approved, and monitored.
- Management plans are properly submitted, reviewed, and approved.
- Outside activities are properly submitted, reviewed, approved, and monitored.

#### Scope Period

August 1, 2020 – August 1, 2023

#### Conclusion

Overall, controls around faculty COI disclosures and management plans are adequate and functioning as intended; however, we noted management is still developing a strategy for conducting reviews of elevated access to the UTStart COI module which was implemented in January 2023.

We would like to thank the COI Office staff and management who assisted us during the engagement.



---

Daniel G. Sherman, MBA, CPA, CIA  
Vice President & Chief Audit Officer

**23-100 Conflict of Interest**

**NUMBER OF PRIORITY OBSERVATIONS REPORTED TO UT SYSTEM**

Not applicable.

**MAPPING TO A&AS FY 20XX RISK ASSESSMENT**

Reference	Risk
FIN 121	Faculty are not fully disclosing their conflicts.

**DATA ANALYTICS UTILIZED**

Not applicable.

**ENGAGEMENT TEAM**

VP/CAO - Daniel G. Sherman, MBA, CPA, CIA

Supervisor - Brook Syers, CPA, CIA, CISA, CFE

Lead - Shara Vialva

**END OF FIELDWORK DATE**

September 21, 2023

**ISSUE DATE**

October 12, 2023

**REPORT DISTRIBUTION**

Audit Committee

Kevin Dillon

Dr. Kevin Morano

Dr. Vyju Ram

Dr. Sujatha Sridhar

Ana Touchstone