

UT Southwestern Medical Center

**The University of Texas Southwestern Medical Center
Direct Reports' Travel and Entertainment Expenditures
Internal Audit Report 16:21**

June 28, 2016

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Executive Summary

Background

The University of Texas Southwestern Medical Center (UT Southwestern) makes reimbursements to, and payments on behalf of, the President's direct reports for travel and entertainment (T&E) expenses that are incurred as part of their official duties. Guidance on allowable T&E expenses is provided by various Medical Center policies and procedures, including:

- Handbook of Institutional Policies and Operating Procedures FIM-106 Travel
- Handbook of Institutional Policies and Operating Procedures FIM-107 Business Entertainment
- Accounting Administration Office's Prior Approval of Expenditures Policy Matrix

Scope and Objectives

The scope of the audit included a review of fiscal year 2015 Travel & Entertainment expenses for the President's direct reports and others. This year Internal Audit has implemented procedures for selecting individuals who report to the President for review on a bi-annual basis. Internal Audit selected eight of the total of 16 direct reports to perform a review. Additional analytical procedures of all direct report expense transactions were performed.

The primary objective of this audit was to provide the Board of Regents with reasonable assurance that there were adequate and effective controls to ensure the following:

- Expense reports were valid, properly approved, and correctly coded
- Assigned sub ledger accounts for T&E expenses were used appropriately
- Direct bill activity relevant to expense reports was valid and properly approved

We conducted our examination according to guidelines set forth by The University of Texas System Policy 129 Internal Audit Activities, the Regents Rules and Regulations and the Institute of Internal Auditors' International Standards for the Professional Practice of Internal Auditing.

Executive Summary

Conclusion

Overall, the review of the President's direct reports' T&E expenses for fiscal year 2015 found expenses to be supported, processed in a timely manner, and properly recorded in compliance with UT Southwestern policies.

We would like to take the opportunity to thank the departments and individuals included in this audit for the courtesies extended to us and for their cooperation during our review.

Sincerely,



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