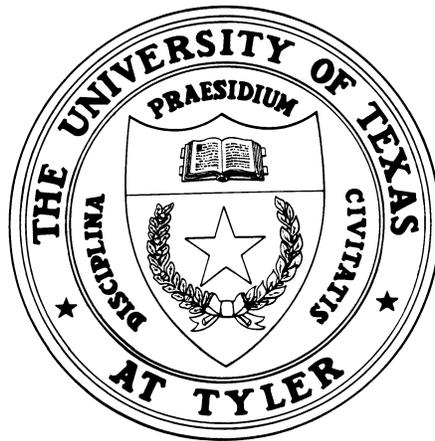


**The University of Texas
at Tyler**

Departmental Account Reconciliations Audit



**For the Fiscal Year Ended
August 31, 2013**

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



The University of Texas at Tyler
Account Reconciliation Audit
Fiscal Year 2013

Executive Summary

The Office of Audit Services completed an audit to evaluate compliance with The University of Texas at Tyler (UT Tyler) policies and procedures for departmental account reconciliations. Adequate testing procedures have been performed to conclude that the account reconciliation process is in compliance with UT Tyler policies except as noted in this report. Opportunities for improvement have been discussed with Executive Management and individual budget authorities.

Background

Departmental accounts should be reconciled in accordance with UT Tyler guidelines. This project was included in the Fiscal Year 2013 Audit Plan as approved by the Institutional Audit Committee. 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*.

Audit Objective

The purpose of the audit was to ensure the account reconciliation process is in compliance with UT Tyler policies and procedures regarding account reconciliations.

Scope and Methodology

To accomplish the audit objective noted above, reconciliations from a sample of 156 unit codes representing 66 budget authorities were tested against the following account reconciliation guidelines:

- Reconciliations should be completed on all accounts in a unit code;
- Accounts should be reconciled within 30 days of the month closing in DEFINE;
- A DEFINE GB4 print screen should be signed and dated by the preparer;
- A DEFINE GB4 print screen should be signed and dated by the approver; and
- A DEFINE GB4 print screen should be marked to indicate if the account had transactions during the month being reconciled.

Audit Results

According to the University of Texas System-wide Internal Audit Charter, there are two types of audit findings and recommendations: reportable and significant. A "reportable" audit finding/recommendation should be included in an audit report if it is material to the operation, financial reporting, or legal compliance of the audited activity, and the corrective action has not been fully implemented. "Significant" audit findings and recommendations are reportable audit findings and recommendations that are deemed significant at the institutional level.

Based on the audit procedures conducted, there were no significant findings.



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Observations related to the account reconciliations are summarized as follows:

Guideline Requirement:	Departments with Exceptions
Reconciliation completed for all accounts within a unit code.	4
Reconciliation completed within 2 weeks after the deadline.	31
Reconciliation signed by the preparer.	0
Reconciliation dated by the preparer.	9
Reconciliation signed by the approver.	1
Reconciliation dated by the approver.	15
Reconciliation marked to indicate each account reviewed.	6

Detailed observations and related recommendations have been communicated to the individual budget authorities and their supervisors.

A recommendation was also made to the Vice President for Business Affairs to communicate the importance of complete and timely reconciliations to budget authorities.

Conclusion

In conclusion, many departments tested are following account reconciliation policies and procedures as required. However, improvements can be made so that reconciliations are in compliance with University guidelines.



Lou Ann Viergever, CPA, CIA, CRMA
Executive Director of Audit and Consulting Services

August 27, 2013
Date