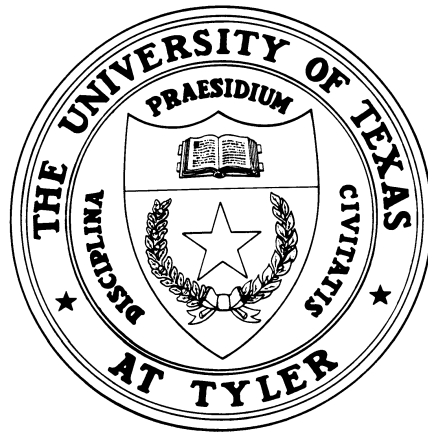


**The University of Texas at Tyler**  
**Executive Management Travel and  
Entertainment Expenses Audit Report**  
**Fiscal Year 2014**



**June 2014**

OFFICE OF AUDIT SERVICES  
3900 UNIVERSITY BLVD.  
TYLER, TEXAS 75799

**The University of Texas at Tyler**  
**Executive Management Travel and Entertainment Expenses Audit**  
**Fiscal Year 2014**

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**Background**

Since Fiscal Year (FY) 2007, The University of Texas (UT) at Tyler Audit Office has been conducting audits of the travel, entertainment, and University residence maintenance expenses for which the President and his spouse have been reimbursed or that have been directly paid on their behalf. This audit is required by the University of Texas System (UT System) Board of Regents' *Rules and Regulations*, Series 20205 (Rule 20205): Expenditures for Travel and Entertainment by Chief Administrators and for the Maintenance of University Residences. To further enhance transparency and accountability, the Chancellor of UT System requested that an annual audit also be performed of the travel and entertainment expenses of all UT System Institutions' Executive Officers (Executive Officers) beginning in FY 2013.

Executive Officers selected for testing included those who were recently appointed to an executive position or had risk factors including frequency and locations of travel. The selection was discussed with the Institutional Audit Committee and included the following:

- Vice President for Business Affairs;
- Assistant Vice President for Academic Innovation and Student Success;
- Dean of the College of Pharmacy;
- Executive Director of the Office of International Programs; and
- Executive Director of the Cowan Fine and Performing Arts Center.

The travel and entertainment expenses of three deans were also included in the change in management audits completed during FY 2014. As required by UT System, the Executive Officers' travel and entertainment expenses will be subject to review annually but may not necessarily be selected to be audited every year.

UT Tyler makes reimbursements to, or payments on behalf of, the Executive Officers for travel and entertainment expenses that they incur as part of their official duties. Guidance for the Executive Officers' 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 UT Tyler *Handbook of Operating Procedures, Management Responsibilities Handbook, and Travel Policies and Procedures*.

**Audit Objective, Scope and Methodology**

The objective of the audit was to determine whether the travel and entertainment expenses reimbursed to, or directly paid on behalf of, the Executive Officers are appropriate and accurate. The audit scope included activity for the period September 1, 2013 through March 31, 2014. The audit procedures involved selecting a sample of expenses to test controls to determine whether applicable policies and procedures were properly followed and to perform substantive tests to determine whether expenses were appropriate and accurate. When applicable, the sample included state, national, and international travel expenditures.

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

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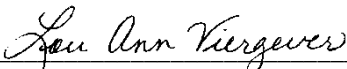
**Results**

We tested 60 payments representing 184 transactions totaling \$24,194. Internal controls are functioning to ensure that applicable laws, UT System, and UT Tyler policies and procedures are being followed. We noted the Executive Officers' travel and entertainment expenses were appropriate, accurately recorded with supporting documentation, and properly approved with only isolated, immaterial exceptions. These exceptions have been discussed with responsible parties who agree to implement recommendations immediately.

**Conclusion**

Overall, the Executive Officers' travel and entertainment expenses are appropriate and accurate and the internal controls in place are properly functioning to ensure that applicable state laws and UT Tyler policies and procedures are being followed.

We would like to thank the staff from the various departments of the Executive Officers and the Office of the President for their support and assistance during this audit.

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