

UT Southwestern Medical Center

Direct Reports' Travel and Entertainment Expenditures Audit

Internal Audit Report 17:26

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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 and employees 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 2016 and first half of fiscal year 2017 Travel & Entertainment expenses for the President's direct reports and employees whom have incurred large expenses for the scope period. 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 five of the total of 14 direct reports and five employees with the highest expenses incurred to perform a review. Additionally, analytical procedures on all direct report expense transactions were performed.

The primary objective of this audit was to provide management with reasonable assurance that there were adequate and effective controls to ensure expense reports were valid, properly approved, and correctly coded and 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 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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