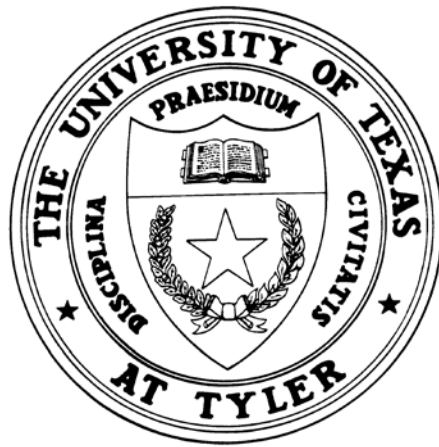


The University of Texas at Tyler

**Executive Travel & Entertainment Audit
Fiscal Year 2017**



August 2017

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

The University of Texas at Tyler
Executive Travel and Entertainment Audit
Fiscal Year 2017

BACKGROUND

Since Fiscal Year (FY) 2013, The University of Texas System (UT System) requested an annual audit be performed of the travel and entertainment expenses of all UT System Institutions' Executive Officers. The travel and entertainment expenses of the executives will be subject to review annually but may not necessarily be selected to be audited every year.

The University of Texas at Tyler (UT Tyler) makes reimbursements to, or payments on behalf of, employees for travel and entertainment expenses that they incur as part of their official duties. Guidance for the Executives 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 *Handbook of Operating Procedures, Management Responsibilities Handbook, and Travel Policies and Procedures*.

AUDIT OBJECTIVE

The objectives of the audit were to determine if the travel and entertainment expenses reimbursed to, or directly paid on behalf of, the executives were appropriate, accurate, and in compliance with applicable policies and procedures.

STANDARDS

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

SCOPE AND METHODOLOGY

This audit was included in the FY 2017 Annual Audit Plan and approved by the Institutional Audit Committee. The scope of the audit included transactions from March 1, 2016 through February 28, 2017. Executives selected for testing included the six Vice Presidents (including interim), six Deans, Vice Provost, and University Attorney.

PROCEDURES

Our procedures included the following:

- ✓ Reviewed direct billed airfare for unusual locations,
- ✓ Reviewed UT Tyler policies for travel and entertainment expenses, reimbursements, travel card and procurement card use,
- ✓ Obtained detailed transaction information for reimbursements processed through the PeopleSoft Accounting System,
- ✓ Judgmentally selected one travel and one entertainment expense reimbursement for each executive and reviewed for proper approval by the executive's supervisor or his or her delegate,
- ✓ Obtained detailed transactions from the UT Tyler issued travel cards and procurement cards with the assistance provided by the UT System Audit Office Data Analytics Specialist,
- ✓ Reviewed purchasing details for unusual transactions based on amount, vendor name, and merchant type, and
- ✓ Reviewed supporting documentation of selected transactions as deemed necessary for compliance with UT Tyler policies.

The University of Texas at Tyler
Executive Travel and Entertainment Audit
Fiscal Year 2017

AUDIT RESULTS

According to The University of Texas System Audit Office, “A *Priority Finding* is defined as an issue identified by an internal audit that, if not addressed timely, could directly impact achievement of a strategic or important operational objective of a UT institution or the UT System as a whole. *Non-Priority Findings* are ranked as High, Medium, or Low, with the level of significance based on an assessment of applicable Qualitative, Operational Control, and Quantitative risk factors and probability of a negative outcome occurring if the risk is not adequately mitigated.

This audit resulted in no reportable findings. However, we noted isolated issues of non-compliance with travel and entertainment policies from the detailed testing. These have been separately communicated to the responsible parties and their supervisors.

CONCLUSION

Based on the results of the audit procedures performed, the expenses were generally in compliance with applicable policies and procedures.

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