

# **UT Southwestern**

## Medical Center

### **Travel and Entertainment Expenditures Audit**

**Internal Audit Report 18:17**

**October 4, 2018**

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## **Executive Summary**

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### **Background**

The University of Texas Southwestern Medical Center (UT Southwestern) makes reimbursements to, and payments on behalf of, employees for travel and entertainment (T&E) expenses that incur as part of their official duties. Federal and state regulations, UT System Board of Regents Rules and Regulations, and UT Southwestern policies and procedures govern T&E expenditures.

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 last half of fiscal year 2017 and the first half of fiscal year 2018 Travel & Entertainment expenditures for the President's direct reports and non-direct reports. Thirteen (13) total employees (eight of sixteen direct reports and the top five non-direct reports T&E spenders) were included in the sample selected. 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 that direct bill activity relevant to expense reports was valid and properly approved.

We conducted our audit in accordance with 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**

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### **Conclusion**

Overall, based on the audit work performed, T&E expenditures comply with UT Southwestern policies and procedures and were supported, processed in a timely manner, and properly recorded.

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,

Valla F. Wilson, Associate Vice President for Internal Audit, Chief Audit Executive

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