

Ticket Refund Process

Frank Erwin Center

November 2019



**The University of Texas at Austin
Office of Internal Audits
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OFFICE OF INTERNAL AUDITS
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November 27, 2019

President Gregory L. Fenves
The University of Texas at Austin
Office of the President
P.O. Box T
Austin, Texas 78713

Dear President Fenves,

We have completed our audit of the Frank Erwin Center (ERC). The objective of the audit was to determine whether the ERC has established effective controls for the ticket refund process. The report is attached for your review.

Overall, The University of Texas at Austin ERC has established proper policies, procedures, and controls to effectively manage their ticket refund process.

Please let me know if you have questions or comments regarding this audit.

Sincerely,

A handwritten signature in blue ink that reads "Sandy Jansen".

Sandy Jansen, CIA, CCSA, CRMA
Chief Audit Executive

cc: Mr. Chris Del Conte, Vice President and Athletics Director
Mr. Jimmy Earl, Senior Associate Athletics Director
Ms. Lori Hammond, Sr. Associate Athletics Director
Mr. Carlos Martinez, Chief of Staff, Office of the President
Ms. Christine Plonsky, Executive Sr. Associate AD Chief of Staff and SWA
Ms. Christine Scott-Laakso, Assistant Director



Executive Summary

Ticket Refund Process

Frank Erwin Center

Project Number: 18.004

Audit Objective

The objective of this audit was to determine whether the Frank Erwin Center (ERC) has established effective controls for the ticket refund process.

Conclusion

Overall, The University of Texas at Austin (UT Austin) ERC has established proper policies, procedures, and controls to effectively manage the ticket refund process.

Audit Observations

No recommendations were provided.

Engagement Team

Mr. Brandon Morales, CISA, CGAP, Audit Manager

Mr. Jason Boone, CFE, Auditor III

Mr. Ramiro Munoz, Auditor I



Audit Results

UT Austin ERC has established proper policies, procedures, and controls to effectively manage the ticket refund process.

ERC policy does not allow refunds unless events are canceled. Only two large events were canceled during FY19. As such, less than \$1,500 in cash refunds were distributed in FY19. All types of ticket refunds were properly accounted for and reconciled within Paciolan¹ and *DEFINE².

Background

ERC is owned and operated by UT Austin. The multi-purpose facility is home to the UT Austin Men's and Women's basketball teams, as well as various major concert events and performances. Intercollegiate Athletics has requested an annual review of different sections of ERC business operations. The audit for this year focused on the ticket refund process.

All refunds are based on the original payment method. Because of the variety of events and broad patron base with concert sales, ERC allows cash refunds in limited circumstances. Depending on the number of cash sales for the day, ERC uses its petty cash fund to distribute cash refunds.

Scope, Objectives, Methodology, and Criteria

The scope of this review included policies, procedures, and controls in place from September 1, 2018, to August 31, 2019. The specific audit objective was to determine whether the ERC has established effective controls for the ticket refund process.

To achieve these objectives, Internal Audits:

- Reviewed ERC cash handling policies and procedures
- Conducted interviews with relevant staff
- Reviewed ERC ticket seller training materials and training modules
- Performed testing on a sample of ERC refund transactions

¹ UT Austin ticketing software

² UT Austin accounting system



OFFICE OF INTERNAL AUDITS REPORT: TICKET REFUND PROCESS

The governing policies used as the criteria for this audit were:

- UT Systemwide Policy 166 on Cash Management and Cash Handling³
- Section 6.1.B. of UT Austin's *Handbook of Business Procedures: General Internal Controls*⁴

Report Distribution

The University of Texas at Austin Institutional Audit Committee

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³ <https://www.utsystem.edu/sites/policy-library/uts-policies>

⁴ <https://financials.utexas.edu/hbp/part-6-cash-handling>