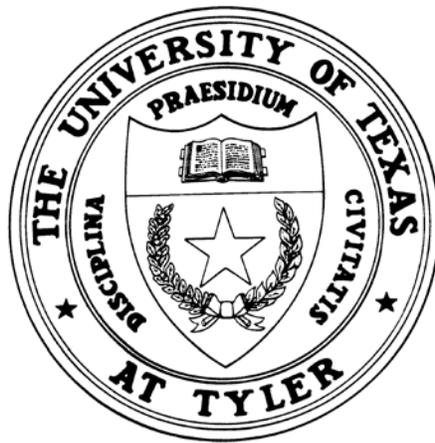


The University of Texas at Tyler

**Executive Management Travel and
Entertainment Expenses Audit**



November 2019

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

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BACKGROUND

The Executive Management Travel and Entertainment Expenses Audit was completed as part of the Fiscal Year (FY) 2019 Audit Plan as a required audit. The “UT System Board of Regents’ Rule 20205: Expenditures for Travel and Entertainment by Chief Administrators and for the Maintenance of University Residences” audit requirements were expanded in 2013 to include an audit of the Executive Travel and Entertainment expenses incurred by each institution’s executives. All executive leaders are currently subject to review bi-annually, with selection for audit based on a risk assessment. The last audit in this area was performed as part of the FY 2017 Audit Plan. Previous audits were required annually and completed in FY 2016 and FY 2015. Minimal findings were identified as a result of these three prior audits.

The University of Texas at Tyler (UT Tyler) makes reimbursements to, or payments on behalf of, executives for travel and entertainment expenses that they incur as part of their official duties. Guidance for the executive’s 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, Travel Policies and Procedures*, and the Financial Services website.

AUDIT OBJECTIVE

The objective of the audit was to determine if the executive travel and entertainment expenses reimbursed to, or directly paid on behalf of, the Executive Officers 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* and *Generally Accepted Government Auditing Standards*.

SCOPE AND PROCEDURES

The scope of this audit included travel and entertainment expenditures from September 1, 2017, thru May 31, 2019. Our procedures included reviews of the following:

- Applicable policies for travel and entertainment expenses, reimbursements, and credit card use;
- Reimbursements, credit card charges, and vendor payments for unusual transactions based on amount, description, vendor name, and merchant type; and
- Supporting documentation of selected transactions for compliance with policies.

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AUDIT RESULTS

This audit resulted in no material findings. Isolated and immaterial instances of non-compliance have been discussed with the executive and their administrative assistant. None were of such significance to indicate the need for enhanced control procedures.

CONCLUSION

Executive management travel and entertainment expenses were generally appropriate, accurate, and in compliance with the applicable policies and procedures. University-wide mandatory training on travel policies and procedures was recently conducted to reinforce the importance of complying with policies. The Financial Services Department is planning to clarify relevant policy documents to increase awareness and compliance.

We appreciate the assistance of the executives and administrative assistants during this project.