

**The University of Texas**  
**Rio Grande Valley™**

**Office of Global Engagement Audit**

**Report No. 19CF-AEN-13**

**April 27, 2020**

**Office of Audits & Consulting Services**

April 27, 2020

Dr. Guy Bailey, President  
The University of Texas Rio Grande Valley  
2102 Treasure Hills Blvd., Suite 3.115  
Harlingen, TX 78550

Dear Dr. Bailey,

The Office of Audits & Consulting Services has completed the Office of Global Engagement Audit. The objectives of this audit were to:

- Review internal controls regarding the control environment, segregation of duties, approvals and authorizations, safeguarding of assets, and monitoring, to provide reasonable assurance that existing internal controls are adequate.
- Review controls that ensure compliance with relevant governmental regulations, policies, and procedures related to international programs.
- Review the admission process of international students to ensure compliance with applicable policies, laws, and procedures.

This audit was conducted in accordance with The University of Texas System's (UTS) Policy 129 *Internal Audit Activities*, the Institute of Internal Auditors' *International Standards for the Professional Practice of Internal Auditing (Standards)* and *Generally Accepted Government Auditing Standards (GAGAS)*. The *Standards* and *GAGAS* set criteria for internal audit departments in the areas of independence, professional proficiency, scope and performance of audit work, and management of audits. We are required to adhere to these *Standards* and UTS 129.

We concluded that the Office of Global Engagement did not adhere to all policies and procedures and internal controls over revenue and expenditures need improvement.

Office of Audits and Consulting Services

---

Vaquero Plaza C, 1.412  
One West University Blvd.  
Brownsville, Texas 78520-4933  
(956) 882-7023

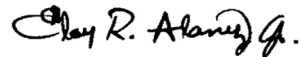
Sugar Road Annex 1.101  
1201 West University Drive  
Edinburg, Texas 78539-2999  
(956) 665-2110

[utrgv.edu](http://utrgv.edu)

The recommendations in this report represent, in our judgment, those most likely to provide a greater likelihood that management's objectives are achieved. Implementation of the recommendations will strengthen and improve processes within International Programs and Partnerships.

We appreciate the assistance provided by UTRGV's management and other personnel. We hope the information and analyses presented in our report are helpful.

Sincerely,



Eloy R. Alaniz, Jr., CPA, CIA, CISA  
Chief Audit Officer

cc: Dr. Parwinder Grewal, Executive Vice President for Research, Graduate Studies, and New Program Development  
Mr. Alan B. Earhart, Director of International Programs and Partnerships  
Ms. Samantha Lopez, Director of International Admissions and Student Services  
UTRGV Internal Audit Committee  
UT System Audit Office  
Governor's Office of Budget, Planning and Policy  
State Auditor's Office  
Legislative Budget Board  
Sunset Advisory Commission

**Office of Audits and Consulting Services**

---

Vaquero Plaza C, 1.412  
One West University Blvd.  
Brownsville, Texas 78520-4933  
(956) 882-7023

Sugar Road Annex 1.101  
1201 West University Drive  
Edinburg, Texas 78539-2999  
(956) 665-2110

[utrgv.edu](http://utrgv.edu)

**Executive Summary**

**Overall Assessment:**

The Office of Global Engagement did not adhere to all regulations, policies and procedures. In addition, OGE’s internal controls over revenue and expenses needs improvement.

**Risk Levels  
 Appendix I**

<b>Priority</b>
<b>High</b>
<b>Medium</b>
<b>Low</b>

**Background:** The Office of Global Engagement’s (OGE) mission is to globalize UTRGV by identifying, creating, and supporting global initiatives while opening a range of opportunities for the faculty, students, the community, and senior leadership. OGE provides funding, vision, logistics, and other support that helps the University realize its strategic priorities.

The Office of Global Engagement reports directly to the Executive Vice President for Research, Graduate Studies, and New Program Development. The Office of Global Engagement is composed of two departments International Programs and Partnerships (OIPP), and International Admissions & Student Services (IASS).

**Objectives:** Review the admission process of international students to ensure compliance with applicable policies, laws, and procedures.

Review controls that ensure compliance with relevant governmental regulations, policies, and procedures related to international programs.

Review internal controls regarding the control environment, segregation of duties, approvals and authorizations, safeguarding of assets, and monitoring, to provide reasonable assurance that existing internal controls are adequate.

**Scope/Period:** The audit covered the period of September 01, 2017 to May 31, 2019.

**Key Observations:**

- High** 1. International agreements or contracts not properly executed based on Delegation of Authority.
- High** 2. Instances of non-compliance with Regents Rule 40401 as follows:
  - J-1 Visa Processing Fee not approved by president and the OIPP charged approximately \$4,300 in fees.
  - Student fees not spent in accordance with authorized purpose.
  - No institutional guidance for administration, processing, and approval of other fees and charges.

## Executive Summary Continued

- High** 3. Instances of non-compliance with the following regulations:
- 22 CFR §62.13 Notification
  - 22 CFR §62.14 Insurance
  - 22 CFR §62.10 Program administration- English Proficiency, Orientation
- High** 4. Instances of non-compliance with 22 CFR §62.10 Program administration - Retention Records
- Medium** 5. Instances of non-compliance with purchasing and travel policies and procedures as follows:
- Supporting documentation not maintained for some travel, entertainment and operating expenses.
  - Substantiation form not completed for entertainment expenses.
  - Vendor hold verification for credit card purchases not completed.
  - A purchase order created after invoice was submitted.
  - Cost Center manager approved his own entertainment expense reimbursement.
- Medium** 6. A HOP policy related to international student health insurance requirements has not been adopted as required by UT System Policy.

### Root Causes:

1. Lack of awareness of the delegation of authority as well as contracting requirements by OGE and others.
2. Non-compliance due to:
  - No guidance over assessment and approvals of the J-1 processing fees by Regents Rule 40401.
  - Commingling of funds into one account and misunderstanding of fees and charges.
  - Regents Rule 40401 Section 3.1. does not address other fees and charges.
3. Minimal to no oversight of international exchange programs administration and OIPP is not part of the employee separation workflow process.
4. Minimal to no oversight of international exchange programs administration and OIPP is not part of the employee separation workflow process.
5. Trust in employees with minimal to no oversight by management as well as ineffective monitoring and training over purchasing and travel processes.
6. UTRGV makes reference to UT System's Health Insurance policy.

## Executive Summary Continued

### Management Responses/Action Plans:

- 1) The Associate Vice President of Global Engagement will follow the UTRGV approved delegation authority.
- 2) The Office of Planning and Analysis will develop a HOP policy related to assessment, collection, delegation and charges of fees as required by Regents Rule 40401. Additionally, a formal process will be established and communicated to address other fees and charges currently not addressed in Regents Rule 40401.

OIPP has suspended the collection of the \$105 application fee for the J1 Exchange Visitor Program until approval from the UTRGV president's office is attained.

- 3) The Director of International Programs and Partnerships implemented new procedures to address non-compliance with:
  - 22 CFR §62.13 Notification
  - 22 CFR §62.14 Insurance
  - 22 CFR §62.10 Program administration - English Proficiency, Orientation
- 4) A semiannual audit of the J1 program will be carried out by the Director of OIPP each year.
- 5) The Director of International Programs and Partnerships implemented procedures to adhere with purchasing and travel policies and procedures.
- 6) The Director of International Admissions and Student Services will adopt an International Student Health Insurance policy as required by UTS 186 Student Health Insurance.

Detailed Observations	Recommendations	Management Action Plans
<b>Office of Global Engagement</b>		
<p><b>International Agreements and Contracts</b> The Office of Global Engagement did not follow UTRGV’s Delegation of Authority or UT System’s Policy (UTS) 108, Section 5 when executing agreements with foreign institutions. UTRGV’s Delegation of Authority solely gives the president the authority to execute foreign agreements. Additionally, UTS 108 Section 5 <i>Affiliation/Training Letter</i> allows the use of affiliation/training letters without further review only if the program does not involve the exchange of funds. If funds are involved, a contract is required.</p> <p>We reviewed 39 international agreements and found that:</p> <ul style="list-style-type: none"> <li>• The Executive Vice President of Research, Graduate Studies and New Program Development approved six agreements; however, he did not have the delegated of authority to approve these types of agreements.</li> <li>• Cost center 31000941 - Global Engagement Strategic Account received \$53,300 and \$17,400 of non-sponsored billings in FY 2019 and FY 2018, respectively without a required contract.</li> </ul>	<p>1) The Associate VP for Global Engagement should ensure that:</p> <ul style="list-style-type: none"> <li>• The proper delegated authority executes exchange program agreements with foreign institutions.</li> <li>• A contract is properly executed when exchange of funds is involved with foreign institutions.</li> </ul>	<p>1) Office of Global Engagement will follow the UTRGV approved delegation authority. In addition, Office of Global Engagement will follow the Total Contracts Manager process which will have the delegated authority in the workflow process.</p> <p><b>Action Plan owner:</b> Associate Vice President of Global Engagement</p> <p><b>Implementation Date:</b> As soon as Total Contracts Manager is implemented</p>

Detailed Observations	Recommendations	Management Action Plans
<b>Office of Global Engagement</b>		
<p><b>Other Fees and Charges</b> In FY 2017, the Office of International Programs and Partnerships proposed and submitted a new fee of \$105, a processing fee for the exchange visitor program. The fee was initially submitted to the Office of Planning &amp; Analysis but advised that this was considered sales &amp; services of educational activities and needed approval from Academic Affairs. The former provost approved the fee on March 02, 2017.</p> <p>The Office of International Programs and Partnerships charged approximately \$4,300 in processing fees between FY 2019 &amp; FY 2018 to students without authorization from the president.</p> <p>In FY 2018, the Office of International Programs and Partnerships commingled the processing fee with the Study Abroad and International Exchange Program Fee. As a result, the OIPP spent the fees not in accordance with the authorized purpose.</p> <p>While this fee is not subject to the requirements of Regents Rule 40401, <i>Assessment, Collection, Delegation, and Waiver of Tuition, Fees, and Charges</i>, we determined that UTRGV has no guidance for assessment and collection of other fees and charges. In addition, UTRGV has not adopted a HOP policy related to fees and charges as required by Regents Rule 40401 Section 3.</p>	<p>2) The Office of Planning and Analysis should develop a HOP policy related to assessment, collection, delegation and charges of fees as required by Regents Rule 40401. In addition, a formal process should be established and communicated to address other fees and charges currently not addressed in Regents Rule 40401.</p>	<p>2) By March 31, 2020, the Office of Planning &amp; Analysis will prepare and submit a draft Non-Mandatory Fee Approval HOP policy for consideration. This policy will set forth the procedures for proposing and approving fees and charges described in Regents Rule 40401, Section 3. This policy will also provide guidance for proposing and approving charges not addressed in Regents Rule 40401. The exact timeline for full implementation will be dependent on the HOP review process.</p> <p>OIPP has suspended the collection of the \$105 application fee for the J1 Exchange Visitor Program until approval from the UTRGV president's office is attained. Will seek approval from President to charge \$105 or a different amount, based on actual and projected expenses.</p> <p><b>Action Plan Owner:</b> Director of Planning &amp; Analysis</p> <p><b>Implementation Date:</b> August 31, 2020</p>



Detailed Observations	Recommendations	Management Action Plans
<b>International Programs and Partnerships</b>		
<p><b>22 Code of Federal Regulations (CFR) §62.13 Notification Requirements</b>, sponsors must report in the U.S. Immigration and Customs Enforcement Student and Exchange Visitor Information System (SEVIS) any withdrawal from or early completion of an exchange visitor's program that occurs prior to the "Program End Date" listed in SEVIS on the exchange visitor's Form DS-2019.</p> <p>We selected 20 J-1 Visa Exchange Visitor applicants for review and found that notification requirements to the U.S. Department of State were not timely.</p> <p>A research scholar received a faculty appointment for FY 2018, FY 2019 and FY 2020 as a Lecturer I by the Physics Department. The research scholar resigned, and a separation form was completed on July 03, 2018. SEVIS records shows the research scholar with an active status as of June 13, 2019. UTRGV responsible officer updated the SEVIS record on June 18, 2019. In addition, the research scholar had three dependents.</p> <p><b>22 CFR §62.14 Insurance</b>, sponsors must require that all exchange visitors have insurance in effect that covers the exchange visitors for sickness or accidents during the period of time that they participate in the sponsor's exchange visitor</p>	<p>3) The Director of International Programs and Partnerships should develop a process to:</p> <ul style="list-style-type: none"> <li>• Monitor the visitor's stay while in the United States and report change of status timely in SEVIS,</li> <li>• Ensure that the exchange participants and their dependents, if any, are covered by health insurance,</li> <li>• Verify that participants have the education and credentials necessary to carry out the activity for which they are entering the United States and that they have sufficient proficiency in the English language,</li> <li>• Offer appropriate orientation for all exchange visitors and their dependents, if any,</li> <li>• Maintain SEVIS records for a minimum of three years following the completion of each exchange visitor program.</li> </ul>	<p>3) The Director of International Programs and Partnerships implemented new procedures to address the issues revealed by the audit.</p> <p>a) Beginning Fall 2019 monthly, mandatory orientations have been conducted for all incoming J1 scholars. These meetings are led by the Director of OIPP with guest speakers from the Title IX office and Export Control. Attendance is taken at these meetings and noted in each scholar's record in the Sharepoint site used by OIPP to store information for the J1EVP. NOTE: Scholars are only required to attend one orientation. (22 CFR §62.10.)</p> <p>b) The length of stay in the J1EVP at UTRGV was reduced to 12 months. The DS 2019 certificates will only be issued for up to 12 months, with subsequent extensions possible provided that the scholar gives proof of funding, proof of insurance updates home address, and provides a rationale for continuance in the J1EVP at UTRGV. This change has been</p>

Detailed Observations	Recommendations	Management Action Plans
<b>International Programs and Partnerships</b>		
<p>program including accompanying spouses and dependents. International programs did not obtain proof of required insurance for 11 out of 20 files reviewed.</p> <p><b>22 CFR §62.10 Program administration – English Language Proficiency</b>, sponsors must verify an applicant's English language proficiency.</p> <p>International Programs and Partnerships did not have a process in place to comply with code of federal regulations. Therefore, we found no evidence of the English language requirement met for the 20 files reviewed.</p> <p><b>22 CFR §62.10 Program administration – Orientation</b>, a sponsor must offer and record participation in an appropriate orientation for all exchange visitors. Sponsors are encouraged to provide orientation for the exchange visitor's accompanying spouse and dependents, especially for those exchange visitors who are expected to be in the United States for more than one year.</p> <p>International Programs and Partnerships did not provide exchange visitors with a formal orientation required by federal regulations. OIPP was conducting ad hoc orientations for scholars upon arrival.</p>	<ul style="list-style-type: none"> <li>• Timely identify exchange visitors separated from employment via the separation of employment workflow.</li> </ul>	<p>implemented already in the Qualtrix application used to start a new exchange visitor program at UTRGV. More frequent check-ins help avoid the situation where scholars have changed address or left the university without notifying OIPP. (22 CFR §62.13.)</p> <p>c) Procedures for routine SEVIS operations were created in a Microsoft Teams site. These procedures include both <i>generating a new DS2019</i> and <i>validating the JIEVP for a new J1 scholar</i>. The procedures include hyperlinks to resources on the US Dept of State websites for administering the J1 program. The procedures also include links to the documents that we use to create the packets that prospective scholars use to secure their J visa. (22 CFR §62.10.)</p> <p>d) Following the initial audit conference in March 2019, the application process for new J1 scholars was moved from a paper/pdf format to a Qualtrix survey. This has increased the precision of the processing requests. Hosting departments</p>

Detailed Observations	Recommendations	Management Action Plans
<b>International Programs and Partnerships</b>		
		<p>upload all documentation required to bring an individual to UTRGV under the J1 program, including biographical information, passport photo page, proof of English language proficiency, CV/resume, proof of funding. All of this information is downloaded from Qualtrix and stored in the prospective J1 scholar's folder on the Sharepoint site used by OIPP. (22 CFR §62.10.)</p> <p>e) OIPP weekly team meetings now include discussions around J1EVP and new improvements in our procedures. (22 CFR §62.10.)</p> <p>f) Recently two of the Alternate Responsible Officers received SEVIS training from our national organization, NAFSA. More training is being scheduled for intermediate levels. (22 CFR §62.10.)</p> <p>g) Compliance with the insurance requirement for both J1 scholars and J2 dependents is now handled in the following manner. Proof of insurance is required upon arrival to UTRGV. The J1 scholar's program will not be validated without proof of insurance. The</p>

Detailed Observations	Recommendations	Management Action Plans
<b>International Programs and Partnerships</b>		
		<p>expiration date for their insurance coverage is entered into the Sharepoint site, which sends an automatic notification 10 days before the insurance expires. Upon receipt of this notification, OIPP sends a request for updated insurance information to the J1 scholar as well as any J2 dependents. (22 CFR §62.14.)</p> <p>h) The procedures on the Microsoft Teams site list everything that the Responsible Officer or the Alternate Responsible Officers need to do vet a prospective J1 scholar, including checking the CV, English proficiency, and proof of funding. Additionally, the Qualtrix survey has added in the collection and processing of the documents required for issuing a new DS2019 through SEVIS. (22 CFR §62.10.)</p> <p>i) To address the sixth bullet point, OIPP needs to be included in the separation procedures for all J1 visa holders that are employed by UTRGV. The Director of OIPP has requested that <a href="mailto:ipp@utrgv.edu">ipp@utrgv.edu</a> be notified when any J1 scholar separates through the separation</p>

Detailed Observations	Recommendations	Management Action Plans
<b>International Programs and Partnerships</b>		
		<p>PAF process. For those J1 scholars that are visiting scholars and not employed by UTRGV, OIPP has already shortened all programs to 12-month intervals. This will require J1 scholars to check-in with OIPP for renewals or extensions. Also, a reminder has been set in Sharepoint using Microsoft Flow that will notify OIPP 180 days before the program end date. Upon receipt of this email reminder, OIPP will email the J1 scholar asking for an update on how their program is going and for a status update.</p> <p><b>Action Plan owner:</b> Director OIPP</p> <p><b>Implementation Date:</b></p> <ul style="list-style-type: none"> <li>• a) – h) Implemented.</li> <li>• i) requires coordination with Human Resources. The request has already been sent to add <a href="mailto:ipp@utrgv.edu">ipp@utrgv.edu</a> for separation notification. March 30, 2020.</li> </ul>

Detailed Observations	Recommendations	Management Action Plans																						
<b>International Programs and Partnerships</b>																								
<p><b>22 CFR §62.10 Program administration – Retention Records</b>, sponsors must retain all records related to their exchange visitor program and exchange visitors (to include accompanying spouse and dependents, if any) for a minimum of three years following the completion of each exchange visitor program.</p> <p>International Programs and Partnerships did not always maintain evidence of program documentation.</p> <table border="1" data-bbox="205 716 800 1243"> <thead> <tr> <th>Not on File</th> <th>Instance</th> </tr> </thead> <tbody> <tr> <td>Exchange Visitor Program Application</td> <td>1</td> </tr> <tr> <td>Chair or Dean Approval on Application</td> <td>2</td> </tr> <tr> <td>Extension Form</td> <td>3</td> </tr> <tr> <td>Invitation/Employment/Acceptance letter</td> <td>8</td> </tr> <tr> <td>Proof of adequate funding</td> <td>4</td> </tr> <tr> <td>Applicant Resume/C.V.</td> <td>3</td> </tr> <tr> <td>Copy of passport</td> <td>2</td> </tr> <tr> <td>DS 2019, Certificate of Eligibility for Exchange Visitor Status</td> <td>2</td> </tr> <tr> <td>Visa</td> <td>3</td> </tr> <tr> <td>Proof of adequate funding in foreign language</td> <td>1</td> </tr> </tbody> </table>	Not on File	Instance	Exchange Visitor Program Application	1	Chair or Dean Approval on Application	2	Extension Form	3	Invitation/Employment/Acceptance letter	8	Proof of adequate funding	4	Applicant Resume/C.V.	3	Copy of passport	2	DS 2019, Certificate of Eligibility for Exchange Visitor Status	2	Visa	3	Proof of adequate funding in foreign language	1	<p>4) The Director of International Programs and Partnerships should implement a quality assurance review of visitor files for effective management of the exchange visitor program and adherence to records retention requirements.</p>	<p>4) A semiannual audit of the J1 program will be carried out by the Director of OIPP each year. These are scheduled for the first week of July and the first week of January each year. During the audit, the director will randomly select 10 J1 scholars and verify their current status in SEVIS as well as all of the documentation on file in OIPP.</p> <p><b>Action Plan owner:</b> Director OIPP</p> <p><b>Implementation Date:</b> Semiannual audit has already been scheduled in the director’s calendar. The semi-annual audit has been added to the procedures on the Microsoft Teams site used by OIPP. July 2020, January 2021, and semiannually thereafter.</p>
Not on File	Instance																							
Exchange Visitor Program Application	1																							
Chair or Dean Approval on Application	2																							
Extension Form	3																							
Invitation/Employment/Acceptance letter	8																							
Proof of adequate funding	4																							
Applicant Resume/C.V.	3																							
Copy of passport	2																							
DS 2019, Certificate of Eligibility for Exchange Visitor Status	2																							
Visa	3																							
Proof of adequate funding in foreign language	1																							

Detailed Observations	Recommendations	Management Action Plans																																								
<b>International Programs and Partnerships</b>																																										
<p><b>Operating Expenditures</b> We tested a sample of 82 expenditures, including two payroll disbursements, by reviewing supporting documentation for appropriateness, validity and approvals.</p> <p>Fiscal management of operating expenses needs improvement. We observed the following:</p> <p>Student fees totaling \$7,691.14 not spent in accordance with authorized purpose.</p> <table border="1"> <thead> <tr> <th>Expenses</th> <th>Sample Amount</th> <th>Unallowable Amount</th> <th>% Tested unallowable</th> </tr> </thead> <tbody> <tr> <td>Travel</td> <td>\$ 16,058.11</td> <td>\$1,941.92</td> <td>12%</td> </tr> <tr> <td>Entertainment</td> <td>\$ 11,202.27</td> <td>\$5,749.22</td> <td>51%</td> </tr> <tr> <td>Operating Expense</td> <td>\$ 18,588.16</td> <td>\$ 0.00</td> <td>0%</td> </tr> <tr> <td>Total</td> <td>\$ 45,848.54</td> <td>\$7,691.14</td> <td>17%</td> </tr> </tbody> </table> <p>Supporting documentation not on file for entertainment expenses \$7,516.87.</p> <table border="1"> <thead> <tr> <th>Expenses</th> <th>Sample Amount</th> <th>Support not on File</th> <th>% Support not on File</th> </tr> </thead> <tbody> <tr> <td>Travel</td> <td>\$ 16,058.11</td> <td></td> <td></td> </tr> <tr> <td>Entertainment</td> <td>\$ 11,202.27</td> <td>\$ 7,516.87</td> <td>67%</td> </tr> <tr> <td>Operating Expense</td> <td>\$ 18,588.16</td> <td></td> <td></td> </tr> <tr> <td>Total</td> <td>\$ 45,848.54</td> <td>\$ 7,516.87</td> <td>16%</td> </tr> </tbody> </table>	Expenses	Sample Amount	Unallowable Amount	% Tested unallowable	Travel	\$ 16,058.11	\$1,941.92	12%	Entertainment	\$ 11,202.27	\$5,749.22	51%	Operating Expense	\$ 18,588.16	\$ 0.00	0%	Total	\$ 45,848.54	\$7,691.14	17%	Expenses	Sample Amount	Support not on File	% Support not on File	Travel	\$ 16,058.11			Entertainment	\$ 11,202.27	\$ 7,516.87	67%	Operating Expense	\$ 18,588.16			Total	\$ 45,848.54	\$ 7,516.87	16%	<p>5) The Director of International Programs and Partnerships should:</p> <ul style="list-style-type: none"> <li>• Adhere to University purchasing and travel policies, guidelines, and procedures.</li> <li>• Use student fees according to their intended purpose.</li> </ul>	<p>5) As of May 2019, we have hired new personnel and the administrative analyst has implemented various policies to better control the budget for the cost centers. An Office Handbook has also been created and is currently being updated to keep everyone informed of the new processes.</p> <p>The staff has been working together to familiarize themselves with the appropriate cost center to use depending on each transaction. Specialists work closely with Administrative Analyst when an expense is to occur and this method seems to be working now. The office has reduced costs tremendously and has been using the cost center account accordingly, which has controlled the spending.</p> <p>We are also working on making sure the appropriate e-types are used accordingly when submitting requisitions.</p> <p><b>Action Plan owner:</b> Director OIPP</p> <p><b>Implementation Date:</b> May 2019</p>
Expenses	Sample Amount	Unallowable Amount	% Tested unallowable																																							
Travel	\$ 16,058.11	\$1,941.92	12%																																							
Entertainment	\$ 11,202.27	\$5,749.22	51%																																							
Operating Expense	\$ 18,588.16	\$ 0.00	0%																																							
Total	\$ 45,848.54	\$7,691.14	17%																																							
Expenses	Sample Amount	Support not on File	% Support not on File																																							
Travel	\$ 16,058.11																																									
Entertainment	\$ 11,202.27	\$ 7,516.87	67%																																							
Operating Expense	\$ 18,588.16																																									
Total	\$ 45,848.54	\$ 7,516.87	16%																																							

Detailed Observations				Recommendations		Management Action Plans	
<b>International Programs and Partnerships</b>							
Missing receipts for travel, entertainment, and operating expenses \$5,748.30.							
	Sample Amount	Missing Receipts	% Tested Missing Receipts				
Expenses							
Travel	\$ 16,058.11	\$ 3,483.09	22%				
Entertainment	\$ 11,202.27	\$ 85.67	1%				
Operating Expense	\$ 18,588.16	\$ 2,179.54	12%				
Total	\$ 45,848.54	\$ 5,748.30	13%				
Substantiation form not completed for entertainment expenses \$1,805.31.							
	Sample Amount	Substantiation Form Not Completed	% Substantiation Form Not Completed				
Expenses							
Travel	\$ 16,058.11						
Entertainment	\$ 11,202.27	\$ 1,805.31	16%				
Operating Expense	\$ 18,588.16						
Total	\$ 45,848.54	\$ 1,805.31	4%				
Purchase order created after invoice was submitted \$1,800.00.							
	Sample Amount	Purchase Order Created after invoice was submitted	% Purchase Order Created after invoice was submitted				
Expenses							
Travel	\$ 16,058.11						
Entertainment	\$ 11,202.27						
Operating Expense	\$ 18,588.16	\$ 1,800.00	10%				
Total	\$ 45,848.54	\$ 1,800.00	4%				



Detailed Observations				Recommendations	Management Action Plans																				
<b>International Programs and Partnerships</b>																									
<p>Cost Center manager approved his own entertainment expense reimbursement \$258.20.</p> <table border="1"> <thead> <tr> <th>Expenses</th> <th>Sample Amount</th> <th>Cost Manager Approved his own reimbursement</th> <th>% Cost Manager Approved his own reimbursement</th> </tr> </thead> <tbody> <tr> <td>Travel</td> <td>\$ 16,058.11</td> <td></td> <td></td> </tr> <tr> <td>Entertainment</td> <td>\$ 11,202.27</td> <td>\$ 258.20</td> <td>2%</td> </tr> <tr> <td>Operating Expense</td> <td>\$ 18,588.16</td> <td></td> <td></td> </tr> <tr> <td>Total</td> <td>\$ 45,848.54</td> <td>\$ 258.20</td> <td>1%</td> </tr> </tbody> </table>				Expenses	Sample Amount	Cost Manager Approved his own reimbursement	% Cost Manager Approved his own reimbursement	Travel	\$ 16,058.11			Entertainment	\$ 11,202.27	\$ 258.20	2%	Operating Expense	\$ 18,588.16			Total	\$ 45,848.54	\$ 258.20	1%		
Expenses	Sample Amount	Cost Manager Approved his own reimbursement	% Cost Manager Approved his own reimbursement																						
Travel	\$ 16,058.11																								
Entertainment	\$ 11,202.27	\$ 258.20	2%																						
Operating Expense	\$ 18,588.16																								
Total	\$ 45,848.54	\$ 258.20	1%																						

Detailed Observations	Recommendations	Management Action Plans
<b>International Admissions &amp; Student Services</b>		
<p><b>Health Insurance</b>            Regents Rule 50402, <i>Student Health Insurance Requirements</i>, requires international students to have medical insurance compliant with the federal Patient Protection and Affordable Care Act.</p> <p>UTS 186 Student Health Insurance Requirements for International Students, each institution shall adopt a policy on International Student Health Insurance.</p> <p>UTRGV has not adopted a HOP policy related to international student health insurance requirements.</p>	<p>6) The Office of Global Engagement should follow the process towards developing an International Student Health Insurance policy.</p>	<p>6) We will create a Health Insurance Policy for UTRGV basing it on the UTS policy.</p> <p><b>Action Plan owner:</b> Director of International Admissions and Student Services</p> <p><b>Implementation Date:</b> Summer 2020</p>

**APPENDIX I**

**Risk Classifications and Definitions**

<b>Priority</b>	High probability of occurrence that would significantly impact UT System and/or UT Rio Grande Valley. Reported to UT System Audit, Compliance, and Risk Management Committee (ACMRC). Priority findings reported to the ACMRC are defined as <i>“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.”</i>
<b>High</b>	Risks are considered substantially undesirable and pose a significant level of exposure to UT Rio Grande Valley operations. Without appropriate controls, the risk will happen on a consistent basis. Immediate action is required by management in order to address the noted concern and reduce exposure to the organization.
<b>Medium</b>	Risks are considered undesirable and could moderately expose UT Rio Grande Valley. Without appropriate controls, the risk will occur some of the time. Action is needed by management in order to address the noted concern and reduce the risk exposure to a more desirable level.
<b>Low</b>	Low probability of various risk factors occurring. Even with no controls, the exposure to UT Rio Grande Valley will be minimal. Action should be taken by management to address the noted concern and reduce risk exposure to the organization.