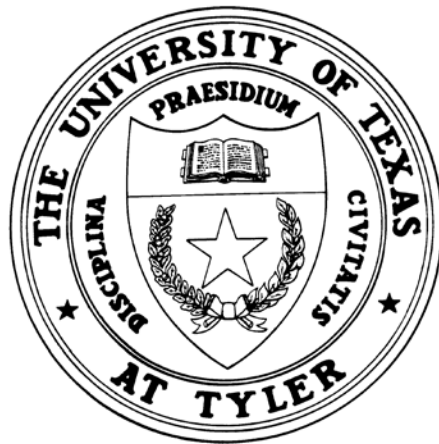


The University of Texas at Tyler

Benefits Proportional by Fund Audit



August 2020

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

The University of Texas at Tyler

Benefits Proportional by Fund Audit Report

BACKGROUND

The General Appropriations Act (86th Legislature), Rider 8, requires each higher education institution to conduct an internal audit of benefits proportional by fund for fiscal years (FY) 2017 through 2019. An internal audit of the benefits proportional by fund FY 2017 was conducted in FY 2018 with no exceptions noted. Therefore, the scope of this audit included only FY 2018 and 2019. This audit was included in the University of Texas at Tyler (UT Tyler) FY 2020 Annual Audit Plan and approved by the Institutional Audit Committee.

AUDIT OBJECTIVE

The objectives of this audit were to:

- verify UT Tyler had a sufficient process in place to prepare the annual reports to ensure benefits funding proportionality was applied according to the guidelines established in General Appropriations Act,
- review the *Benefits Proportional by Fund Reports* (APS 011) for FY 2018 and 2019 and verify the accuracy of each, and
- disclose instances of noncompliance and the status of any resulting reimbursement payments.

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 METHODOLOGY

Our audit procedures were provided by The University of Texas System (UT System) Audit Office and were consistent with the methodology prescribed by the State Auditor's Office. Procedures included:

- reviewing source information obtained from the internal accounting system and the State's Uniform Statewide Accounting System (USAS),
- testing a sample to verify eligibility of employee benefits paid with appropriated funds,
- reviewing the benefits proportionality reporting process, and
- validating the accuracy of information and proportional funding calculations reported to the Comptroller of Public Accounts on the APS 011 reports.

In addition, we relied upon work conducted in previous audits by our office, our external audit firm, and the Texas State Auditor's Office to gain assurance about the reliability of data in the internal accounting system and USAS.

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AUDIT RESULTS

This audit resulted in **no** findings.

Based on audit procedures performed,

- ✓ a sufficient process is in place to prepare the annual reports to ensure benefits funding proportionality was applied according to the guidelines established in the General Appropriations Act,
- ✓ the *Benefits Proportional by Fund Reports* (APS 011) for FY 2018 and 2019 are materially accurate, and
- ✓ there were no identified instances of noncompliance and no reimbursement is due.

CONCLUSION

Based on our review, we found FY 2018 and 2019 APS 011 reports are fairly stated. We appreciate the assistance of the UT System Audit Office and the UT Tyler Accounting and Financial Reporting Office during this audit. We commend the Accounting and Financial Reporting team for their diligent attention to the Benefits Proportional by Fund requirements.