



THE UNIVERSITY OF TEXAS
AT ARLINGTON

AUDIT REPORT

Texas Education Code §51.9337(h) –
Annual Reporting Requirement On Procurement Policies

October 2025

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Summary And Background – Texas Education Code §51.9337(h) – Annual Reporting Requirement On Procurement Policies

Summary

The Office of Audit and Consulting Services completed the Texas Education Code (TEC) §51.9337 Annual Reporting Requirement on Procurement Policies audit. Our review disclosed The University of Texas at Arlington (UTA) adopted the policies and procedures outlined in Senate Bill 20 and TEC §51.9337, *Purchasing Authority Conditional, Required Standards*. This certification will be included in the Internal Audit Annual Report to the State Auditor's Office as required under Texas Government Code §2102.

Overall, our review disclosed that UTA's procurement policies and procedures comply with Texas Education Code §51.9337. There were no reportable findings noted in this engagement.

Background

Senate Bill 20 of the 84th Legislative Sessions (SB 20) modified existing requirements and created new requirements related to purchasing and contracting for state agencies and institutions of higher education. These requirements were incorporated into the Texas Government Code and/or Texas Education Code effective September 1, 2015, and were not changed during the subsequent Legislative sessions. TEC §51.9337 states, “The chief auditor of an institution of higher education shall annually assess whether the institution has adopted the rules and policies required by this section and shall submit a report of findings to the state auditor.”

Audit Objective, Scope And Methodology

Audit Objective

The audit objective was to help ensure UTA was operating in accordance with TEC §51.9337.

TEC §51.9337 requires state agencies and institutions of higher education to have the following:

- A contract management handbook with consistent guidance on contract review procedures and risk analysis procedures.
- Delegation of contracting authority.
- Training for purchasing and contracting staff.
- Code of ethics; standards of conduct; and policies on conflicts of interest, conflicts of commitment, and outside activities, as well as the use of institutional resources and training.
- Fraud investigation policies and internal audit risk assessment processes.

This audit supports the Finance and Infrastructure initiatives outlined in UTA's 2030 Strategic Plan.

Scope and Methodology

Our audit scope included a review of documents; current policies and procedures; and system reports, as related to purchases during fiscal year 2025. Policies and procedures reviewed included those relating to codes of ethics; standards of conduct; conflicts of interest and outside commitments; fraud policies; contract management; delegation; and training. The audit scope included gathering information from key personnel in Procurement.

Audit methodology included interviewing key personnel, reviewing processes, performing analytical procedures and testing of supporting documentation.

The audit was conducted in conformance with the *Global Internal Audit Standards* published by The Institute of Internal Auditors.

Additionally, we conducted the audit in accordance with *Generally Accepted Government Auditing Standards* (GAGAS). Both standards are required by the Texas Internal Auditing Act, and they require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives. The Office of Audit and Consulting Services is independent in both standards for internal auditors.

We appreciate the outstanding courtesy and cooperation received from Procurement Services during this audit.

Distribution

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