



**Doctors Hospital at Renaissance Family
Practice Residency Program
Operational Grant Audit**

Report No. 21-REQ-22

February 04, 2021

Office of Audits & Consulting Services

February 04, 2021

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 Doctors Hospital at Renaissance Family Practice Residency Program Operational Grant Audit for the fiscal year (FY) ended August 31, 2020 as required by the Texas Higher Education Coordinating Board. The objective of this audit was to assess whether revenues, expenditures and the unexpended fund balance were reported accurately in the annual financial report and the funds were utilized in accordance with the Texas Higher Education Coordinating Board's *Family Medicine Residency Program Guidelines for Funding Operational and Optional Rotation Programs*.

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.

In our opinion, the FY 2020 Annual Financial Report submitted to the Texas Higher Education Coordinating Board present fairly, in all material respects, its revenues, expenses, and unexpended fund balance, and all expenses were appropriate in support of the University of Texas Rio Grande Valley's (UTRGV) Doctors Hospital at Renaissance Family Practice Residency Program. In addition, all other required reports were fairly stated.

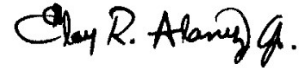
We appreciate the assistance provided by UTRGV's management and other personnel. We hope the information and analyses presented in our report are helpful.

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

Sincerely,



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

cc: Dr. John Krouse, Executive VP for Health Affairs
Mr. Michael Patriarca, Senior Associate VP for Health Affairs and Executive Vice Dean for School of Medicine
Ms. Melba Sanchez, Assistant VP for Finance & Administration
Dr. Nausheen Jamal, Associate Dean for Graduate Medical Education
Dr. Kristan Diaz-Rios, Doctors Hospital at Renaissance Family Practice Residency Program Director
UTRGV Internal Audit Committee
UT System Audit Office
Governor's Office of Budget, Planning and Policy
State Auditor's Office
Legislative Budget Board

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

Executive Summary

Overall Assessment

In our opinion, the FY 2020 Annual Financial Report submitted to the Texas Higher Education Coordinating Board present fairly, in all material respects, its revenues, expenses, and unexpended fund balance, and all expenses were appropriate in support of the University of Texas Rio Grande Valley's (UTRGV) Doctors Hospital at Renaissance Family Practice Residency Program. In addition, all other required reports were fairly stated.

Background: The Family Practice Residency Program (FPRP) is designed to enhance physician training and provide medical care to the under-served urban and rural areas of Texas. UTRGV operates the Doctors Hospital at Renaissance (DHR) FPRP program and receives funding for the program under the provisions of the Texas Education Code, Chapter 61. The Texas Higher Education Coordinating Board (Coordinating Board) issued the Family Medicine Residency Program Guidelines for Funding Operational and Optional Rotation Programs pursuant to their responsibility for administration. These guidelines include a requirement for submission of an annual financial report (AFR) of FPRP revenues and expenditures along with an internal or independent auditor's opinion.

In FY 2020, Doctors Hospital at Renaissance FPRP operated on a budget of approximately \$3.4 million, including \$111,899 in program grant funding provided by the Coordinating Board. The grant amount is based on the residency program director's certification to the Coordinating Board that, as of September 1, 2019, nineteen (19) full-time family medicine residents were physically present at the residency program and contractually obligated to train in the program in FY 2020 for a minimum of six months.

Objective: To assess whether revenues, expenditures and the unexpended fund balance were reported accurately in the annual financial report and the funds were utilized in accordance with the Texas Higher Education Coordinating Board's *Family Medicine Residency Program Guidelines for Funding Operational and Optional Rotation Programs*.

Scope/Period: Coordinating Board Family Practice Residency Program funding and associated expenditures presented within the FPRP annual financial report for FY 2020.

Key Observations: 1) The Doctors Hospital at Renaissance FPRP received \$111,899.
2) Majority of the operational grant spent on Salaries, Fringe Benefits, Insurance, and Fees.
3) All funds expended by 8/31/2020