



**McAllen Family Practice Residency Program
Operational Grant Audit**

Report No. 22-REQ-28

December 24, 2021

Office of Audits & Consulting Services

EXECUTIVE SUMMARY

Overall Assessment:

The FY 2021 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) McAllen 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.

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 McAllen 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 2021, the McAllen FPRP operated on a budget of approximately \$3.0 million, including \$92,611 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, 2020, eighteen (18) full-time family medicine residents were physically present at the residency program and contractually obligated to train in the program in FY 2021 for a minimum of six months.

Objectives: 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 2021.

Engagement conducted in accordance with the Institute of Internal Auditors' *International Standards for the Professional Practice of Internal Auditing and Generally Accepted Government Auditing Standards.*

APPENDIX I

Report Distribution & Audit Team

Report Distribution

Dr. Michael B. Hocker, Dean of School of Medicine
Mr. Michael Patriarca, Senior Associate VP for Health Affairs and Executive Vice Dean for School of Medicine
Ms. Melba Sanchez, Assistant VP for Finance and Administration
Dr. Nausheen Jamal, Associate Dean for Graduate Medical Education
Dr. Sunand Kallumadanda, McAllen 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

Audit Team

Eloy R. Alaniz, Jr., Chief Audit Officer
Norma Ramos, Director of Audits
Cecilia I. Sánchez, Senior Auditor