



Auditing and Advisory Services

P.O. Box 20036 | Houston, TX | 713-500-3160

23-403 Texas Higher Education Coordinating Board

EXECUTIVE SUMMARY

We have completed our assurance engagement of the Family Practice Residency Program Fiscal Year (FY) 2022. This engagement was performed at the request of the UTHealth Audit Committee and was conducted in accordance with the *International Standards for the Professional Practice of Internal Auditing*.

Background

The Texas Higher Education Coordinating Board (THECB) provides appropriated funds to help operate and maintain Family Practice Residency Programs in Texas. The purpose of these funds is to educate and train family practice residents and encourage them to locate their practices to underserved urban and rural areas of the state, which may ultimately lead to improved medical care for citizens in those areas. The total funding received by the Family Practice Residency Program for FY 2022 was \$180,198. The intent of these funds is to directly support the education and training of 36 full-time family practice residents.

Objectives

Our objective was to provide an opinion regarding revenue and expenditures related to THECB funds awarded during FY 2022 and report on the Family Practice Residency Program FY 2022 Annual Financial Report (AFR).

Scope

The scope period was FY 2022.

Results

Agreement with General Ledger: Auditing and Advisory Services (A&AS) traced amounts reported on the FY 2022 AFR to the general ledger and noted no exceptions.

Capital Expenditures: Our review indicated there were no equipment purchases made during FY 2022.

Non-Payroll Expenditures: A&AS reviewed a random sample of five non-payroll expenses paid from these funds during FY 2022 to determine whether they are consistent with the program guidelines/contract provisions and noted no exceptions.

Payroll Expenditures: A&AS reviewed the two employees paid from these funds during FY 2022 to determine whether the employees worked on the project and noted no exceptions. The individuals paid from the project's funds worked on the project, and their time and effort reports were certified and approved.

Unexpended Funds: A&AS reviewed the treatment of unexpended funds from the prior year and found the Department of Family and Community Medicine had no unexpended funds carried forward from prior year's budget to be expended. A&AS reviewed the FY 2022 AFR and noted all funds were expended with no carry forward to the FY2023 budget.

Conclusion

In our opinion, the AFR reported to the THECB fairly represents revenues and expenditures related to FY 2022 THECB award.

We would like to thank the staff and management within the Family & Community Medicine who assisted us during our review.



Brook Syers, CPA, CIA, CISA, CFE
Audit Director

OBSERVATION RATINGS

Priority	An issue that, if not addressed timely, has a high probability to directly impact achievement of a strategic or important operational objective of UTHealth or the UT System as a whole.
High	An issue considered to have a medium to high probability of adverse effects to a significant office or business process or to UTHealth as a whole.
Medium	An issue considered to have a low to medium probability of adverse effects to an office or business process or to UTHealth as a whole.
Low	An issue considered to have minimal probability of adverse effects to an office or business process or to UTHealth as a whole.

NUMBER OF PRIORITY OBSERVATIONS REPORTED TO UT SYSTEM

None.

MAPPING TO A&AS FY 2023 RISK ASSESSMENT

Reference	Risk
Required Engagements	Not Applicable - This engagement is not risk based. This is an annual engagement required by THECB to provide an opinion on revenue and expenditure reporting of program funds.

DATA ANALYTICS UTILIZED

None.

ENGAGEMENT TEAM

VP/CAO - Daniel G. Sherman, MBA, CPA, CIA
 Director - Brook Syers, CPA, CIA, CISA, CFE
 Supervisor - Kathy Tran, CIA, CISA, CFE, CGAP
 Staff - Chandra Jones, CPA, CIA, CHIAP®

END OF FIELDWORK DATE

December 13, 2022

ISSUE DATE

December 21, 2022

REPORT DISTRIBUTION

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