Fiscal Year 2026 Internal Audit Annual Report

INTERNAL AUDIT DEPARTMENT
3900 UNIVERSITY BOULEVARD
TYLER, TEXAS 75799

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Purpose of the Internal Audit Annual Report

The purpose of this Internal Audit Annual Report is to provide information on the assurance services, consulting services, and other activities of the internal audit function. In addition, the annual report assists oversight agencies in their planning and coordination efforts. The Texas Internal Auditing Act, (Texas Government Code, Chapter 2102), requires that an annual report on internal audit activity be filed by November 1st of each year and submitted to the Governor, the Legislative Budget Board, the State Auditor, and the entities' governing boards and chief executives. The report was prepared using the guidelines provided by the Texas State Auditor's Office. Additional information regarding The University of Texas at Tyler (UT Tyler) Internal Audit Department can be found at the following website: https://www.uttyler.edu/offices/internal-audit/.

I. Compliance with Texas Government Code, Section 2102.015: Posting the Internal Audit Plan and Internal Audit Annual Report on the Website

Texas Government Code, Section 2102.015, requires state agencies and higher education institutions, as defined in the statute, to post certain information on their websites. Below is a summary of the provisions of that statute.

Within 30 days of approval, an entity should post the following information on its website:

- The approved fiscal year 2027 audit plan, as required by Texas Government Code, Section 2102.008
- The fiscal year 2026 internal audit annual report, as required by Texas Government Code, Section 2102.009

The above reports are considered to be approved if they are approved by an entity's governing board or by the chief executive if the entity does not have a governing board.

Texas Government Code, Section 2102.015, also requires entities to update the posting described above to include the following information on their websites:

- A "detailed summary of the weaknesses, deficiencies, wrongdoings, or other concerns, if any, raised by the audit plan or annual report."
- A "summary of the action taken by the agency to address the concerns, if any, that are raised by the audit plan or annual report."

Texas Government Code, Section 2102.015, also specifies that an entity "is not required to post information contained in the agency's internal audit plan or annual report if the information is excepted from public disclosure under Chapter 552 [of the Texas Government Code]."

The UT Tyler Internal Audit Department (IAD) complies with these requirements by posting the Fiscal Year (FY) 2026 Internal Audit Annual Report, FY 2027 Annual Audit Plan, and other audit information on its

website at https://www.uttyler.edu/internal-audit/reports/. Each periodic internal audit report is submitted as required throughout the year.

Texas Government Code Section, 2102.015:
A summary table of audit report recommendations is included on the following pages to fulfill Texas Government Code Section, 2102.015 website posting requirements.

Reference Exhibit B: FY 2026 Audits - Summary of Issues and Current Status

II. Internal Audit Plan for Fiscal Year 2026

FY 2026 Audit Plan	Project No.	Original Budget	Budget Adjustments	Revised Budget	Actual Hours Through 8/31/26	Remaining Budgeted Hours	Status
Assurance Engagements							
Controlled Substance Agreement Audit	26-1	500.0	0.0	500.0	356.00	144.00	Completed
Network Access Control Audit	26-2	500.0	0.0	500.0	413.00	87.00	Completed
Cayuse Review Audit	26-3	500.0	-500.0	0.0	0.00	0.00	Audit removed from FY26 Audit Plan due to implementation delays. Audit moved to FY27 Audit Plan. Hours adjusted and added to the following projects IAC, Quality Initiatives, and IT Support.
Procurement Card Audit	26-4	500.0	0.0	500.0	438.00	62.00	Completed
FY25 Wrap-Up	26-5	200.0	0.0	200.0	199.00	1.00	Hours allocated for the completion of FY25 projects: 25-1, 25-9, and 25-RQ. Completed.
Research Time and Effort Audit Carryforward	25-3	0.0	175.0	175.0	171.50	3.50	Completed
Assurance Engagements Subtotal		**2,200.0**	**(325.0)**	**1,875.0**	**1,577.50**	**297.50**	
Advisory and Consulting Engagements							
UTHSCT & UT Health East Texas Clinical Operations Management Agreement (COMA) Review	26-6	200.0	0.0	200.0	6.50	193.50	Planning Phase
Ad Hoc Consulting and Advisory Services Requested by Management related to Emerging Risks	26-7	300.0	-200.0	100.0	0.00	100.00	Adjustment for additional hours allocated to project 26-20.
Executive Meetings, Meetings with Management, Institutional Committees	26-8	500.0	0.0	500.0	523.75	-23.75	Completed
Data Analytics	26-9	250.0	0.0	250.0	205.00	45.00	Completed
TEC 51.3525 Compliance Review	26-10	200.0	-200.0	0.0	0.00	0.00	Removed - change in risk landscape.
University Advancement Endowment Balances Review	26-11	150.0	0.0	150.0	136.75	13.25	Completed
University Advancement Operating Procedure Review	26-12	150.0	0.0	150.0	128.00	22.00	Completed
IT Device and Software Inventory Consulting Review	26-13	500.0	0.0	500.0	496.25	3.75	Completed
Kinzie Endowment Consulting Review – Attorney-Client Privilege	26-20	0.0	200.0	200.0	200.50	-0.50	Completed
Pulmonary Consulting Review	26-21	0.0	200.0	200.0	108.00	92.00	Completed
Advisory and Consulting Engagements Subtotal		**2,250.0**	**0.0**	**2,250.0**	**1,804.75**	**445.25**	
Required Engagements							
State Institution of Higher Education Contracting Assessment	26-14	75.0	0.0	75.0	63.00	12.00	Completed
Financial Statement Audit Assistance	26-15	50.0	-50.0	0.0	0.00	0.00	Assistance was not requested
THECB Nursing Shortage Reduction Program Audit	26-16	150.0	125.0	275.0	278.75	-3.75	Completed
Joint Admission Medical Program (JAMP) Audit	26-17	150.0	0.0	150.0	150.00	0.00	Completed
Required Engagements Subtotal		**425.0**	**75.0**	**500.0**	**491.75**	**8.25**	
Investigations							
Investigations	26-18	200.0	0.0	200.0	0.00	200.00	
Investigations Subtotal		**200.0**	**0.0**	**200.0**	**0.00**	**200.00**	

The University of Texas at Tyler
Internal Audit Department
Internal Audit Annual Report for Fiscal Year Ended August 31, 2026

FY 2026 Audit Plan	Project No.	Original Budget	Budget Adjustments	Revised Budget	Actual Hours Through 8/31/26	Remaining Budgeted Hours	Status
Investigations Subtotal		**200.0**	**0.0**	**200.0**	**0.00**	**200.00**	
Reserve							
Reserve for Ad-Hoc Engagements	TBD	500.0	-500.0	0.0	0.00	0.00	Adjustment for additional hours allocated to projects 25-3, 26-16, and 26-21.
Reserve Subtotal		**500.0**	**(500.0)**	**0.0**	**0.00**	**0.00**	
Follow-Up							
Implementation Status Tracking	25-19	300.0	0.0	300.0	249.00	51.00	Completed
Follow-Up Subtotal		**300.0**	**0.0**	**300.0**	**249.00**	**51.00**	
Development - Operations							
Annual Risk Assessment and Audit Plan		500.0	0.0	500.0	505.00	-5.00	Completed
Institutional Audit Committee		500.0	100.0	600.0	601.50	-1.50	Completed
Quality Initiatives and Updated Standards		400.0	300.0	700.0	626.00	74.00	Completed
External Reporting/Requests		200.0	0.0	200.0	212.50	-12.50	Completed (Annual Audit Report to State)
Audit Management Software, IT Support, and Website Maintenance		225.0	125.0	350.0	311.75	38.25	Completed
Staff Meetings		400.0	175.0	575.0	570.00	5.00	Completed
CAE Update/Collaborative Meetings		150.0	0.0	150.0	118.50	31.50	Completed
Development - Operations Subtotal		**2,375.0**	**700.0**	**3,075.0**	**2,945.25**	**129.75**	
Development - Initiatives and Education							
System Audit Office Initiatives		300.0	0.0	300.0	270.25	29.75	Completed
Professional Organization/Association Participation		350.0	0.0	350.0	302.00	48.00	Completed
Individual Continuing Professional Education (CPE)		350.0	50.0	400.0	421.75	-21.75	Completed
Institutional Trainings		250.0	0.0	250.0	280.75	-30.75	Completed
Development - Initiatives and Education Subtotal		**1,250.0**	**50.0**	**1,300.0**	**1,274.75**	**25.25**	
Total Budgeted Hours		**9,500.0**	**0.0**	**9,500.0**	**8,343.00**	**1,157.00**	

Senate Bill 20 / Texas Education Code, Section 51.9337:
Senate Bill 20 (84th Legislative Session) made several modifications and additions to Texas Government Code (TGC) and Texas Education Code (TEC) related to purchasing and contracting. Effective September 1, 2015, TEC §51.9337 requires that, "*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*." IAD conducted this required assessment for FY 2026 and found the following:

> Based on review of current Institutional policies and procedures, UT System policies and procedures, and the UT System Board of Regents' *Rules and Regulations*, UT Tyler has generally adopted all the rules and policies required by TEC §51.9337. Review and revision of these policies is an ongoing process. These rules and policies will continue to be assessed annually to ensure continued compliance with TEC §51.9337.

III. Consulting Services and Other Activities Completed

Report Date	Report Title	High-Level Objective	Results
No Formal Report	Ad Hoc Consulting and Advisory Services Requested by Management related to Emerging Risks	To provide ad hoc consulting and advisory services for specific requests on emerging risks.	Internal Audit aided as an advisory in projects that were related to Emerging Risks
No Formal Report	Executive Meetings, Meetings with Management, Institutional Committees	To participate in an advisory role on Executive Management meetings, Institutional Committees, and in meetings held with Management on risk-based items.	Internal Audit served in an advisory capacity on several standing and ad-hoc committees, and workgroups, many of which were reflective of and incorporated the continued integration of various UT Tyler departments.
No Formal Report	Data Analytics Program	To develop and deliver reports using data analytics software for Institutional clients as requested such as Procurement Cards, Journal Entry Approvals, and Duplicate Vendor/Payments.	Internal Audit, with the assistance of the UT System Audit Office, developed and delivered reports using data analytics software for Institutional clients as requested in an advisory capacity.

November 25, 2025	Kinzie Endowment Consulting Review – Attorney-Client Privilege	Perform a review of the Kinzie Endowment Agreement.	Internal Audit performed a limited review as requested of the Kinzie Endowment Agreement to verify compliance for funds being used.
December 9, 2025	Pulmonary Consulting Review	Perform a limited review of UT Tyler Health Science Center (HSC) Pulmonary physician compensation.	Internal Audit performed a limited review of UT Tyler HSC Pulmonary physician compensation.
February 3, 2026	University Advancement Endowment Balances Review	Perform a limited review of the FY 2025 Endowment Compliance Annual Report due to UT System on February 1, 2026, which includes endowment expenditures and balances, for compliance with UT System policies.	Internal Audit conducted a limited review of the FY 2025 Endowment Compliance Annual Report for compliance with UT System policies.
June 23, 2026	University Advancement Operating Procedure Review	Perform a limited review of the processes for depositing checks with the Cashier's Offices. Follow the steps for entering amounts received into the General Ledger (GL). Perform a limited review of the procedures for reconciliation of the "Holding Accounts".	Internal Audit conducted a limited review of the processes for depositing checks with the Cashier's Offices and a limited review of the procedures for reconciliation of the "Holding Accounts".
July 2, 2026	IT Device and Software Inventory Consulting Review	Perform a limited review and analysis of the Information Technology (IT) Department's IT device and software inventory initiative.	Internal Audit conducted a limited review and analysis of the IT Department's IT device and software inventory initiative.

IV. External Audit Services Procured in Fiscal Year 2026

Not applicable, UT Tyler did not have any external audit services procured or ongoing during the fiscal year.

V. External Quality Assurance Review (Peer Review)

Baker Tilly was engaged to conduct an independent validation of IAD's self-assessment with the assistance of an internal audit executive from a peer institution, which was completed in November of 2023. The primary objective of the validation was to verify the assertions made in the self-assessment report concerning adequate fulfillment of the organization's expectation of the internal audit activity and its conformity to the Institute of Internal Auditors' *International Standards for the Professional Practice of Internal Auditing* and Code of Ethics, Generally Accepted Government Auditing Standards, and relevant requirements of the Texas Internal Auditing Act.

Based on Baker Tilly's independent validation of the self-assessment performed by the IAD, the internal audit function received an overall rating of "Generally Conforms" with the Institute of Internal Auditors' *International Standards for the Professional Practice of Internal Auditing* and Code of Ethics. The IIA's *Quality Assessment Manual* suggests a scale of three ratings, "generally conforms," "partially conforms," and "does not conform." "Generally conforms" is the top rating and means that an internal audit activity has a charter, policies, and processes that are judged to be in conformance with the *Standards*. "Partially conforms" means deficiencies in practice are noted that are judged to deviate from the *Standards*, but these deficiencies did not preclude the IA activity from performing its responsibilities in an acceptable manner. "Does not conform" means deficiencies are judged to be so significant as to seriously impair or preclude the IA activity from performing adequately in all or in significant areas of its responsibilities.

Reference Exhibit A: External Quality Assessment Review Executive Summary

VI. Internal Audit Plan for Fiscal Year 2027

The FY 2027 Audit Plan was primarily developed based upon the results of the institution-wide risk assessment completed in FY 2026, which focused on UT Tyler's critical strategic and operational objectives and related risks. To identify audits and projects for the plan, the IAD considered the level of risk for strategic and operational objectives and monitoring activities of the risks performed internally and externally. In addition, audits and projects externally required or requested by UT System or the Board of Regents were also included in the plan.

Fiscal Year 2027 Audit Plan

Project Name	Budget
Assurance Engagements	
Controlled Property Audit	450
Research Invoicing / Collections Audit	450
Travel Expense Audit	450
Cayuse Review Audit	500
Privileged Access Management	500
Third-Party IT Security Audit	500
FY26 Wrap-Up	160
Assurance Engagements Subtotal	**3010**

Project Name	Budget
Advisory and Consulting Engagements	
Ad Hoc Consulting and Advisory Services Requested by Management related to Emerging Risks	300
Executive Meetings, Meetings with Management, Institutional Committees	215
UTHSCT & UT Health East Texas Clinical Operations Management Agreement (COMA) Review	150
Data Analytics	150
University Advancement Endowment Balances Review	150
Information Technology and Information Security Management Meetings and Advisory Services	300
Advisory and Consulting Engagements Subtotal	**1265**
Required Engagements	
State Institution of Higher Education Contracting Assessment	50
Financial Statement Audit Assistance	15
Joint Admission Medical Program (JAMP) Audit	150
Required Engagements Subtotal	**215**
Investigations	
Investigations	200
Investigations Subtotal	**200**
Reserve	
Reserve for Ad-Hoc Engagements	300
Reserve Subtotal	**300**
Follow-Up	
Implementation Status Tracking	200
Follow-Up Subtotal	**200**
Development - Operations	
Annual Risk Assessment and Audit Plan	450
Institutional Audit Committee	450
Quality Initiatives and Updated Standards	250
External Reporting/Requests	150
Audit Management Software, IT Support, and Website Maintenance	150
Staff Meetings	300
CAE Update/Collaborative Meetings	100
Development - Operations Subtotal	**1850**
Development - Initiatives and Education	
System Audit Office Initiatives	200
Professional Organization/Association Participation	150
Individual Continuing Professional Education (CPE)	250
Institutional Trainings	100
Development - Initiatives and Education Subtotal	**700**
Total Budgeted Hours	**7740**

Benefits Proportionality Audit Requirements:

Rider 8, page III-60, the General Appropriations Act (89th Legislature, Conference Committee Report), requires that higher education institutions consider audits of benefits proportionality when developing their annual internal audit plans.

Benefits Proportional was considered when UT Tyler was conducting the annual risk assessment, but due to this being low risk, the decision was made to audit the higher risk areas.

Other High-Level Risks:

Additional critical and high risks that were identified but not included in the FY 2027 Audit Plan are related to the following:

- Administration, strategic planning, and institutional growth
- Compliance with regulations, disclosure requirements, federal funding, and financial stewardship
- Safe campus environment, patient care, housing, public safety, event environments, and victim privacy
- Information technology, cybersecurity, data privacy, and health information management
- Business continuity and infrastructure
- Student success, retention of students, faculty, and staff, and service delivery (advising, financial aid, registration)
- Policy, governance, and process management

While related engagements are currently not part of the FY 2027 Annual Audit Plan, there are other mitigating activities underway that address the objectives at risk.

Risk Assessment Process:

The UT Tyler FY 2027 Audit Plan was prepared using a risk-based approach developed by the University of Texas System to ensure that areas and activities specific to UT Tyler with the greatest risk were identified for consideration to be audited.

The goals for this risk assessment approach were to start with an awareness of critical initiatives and objectives to ensure the risks assessed were the most relevant. The risk assessment approach was based on a top-down process that included conversations and requests for input with risk collaborators, executives, and managers from the various operating areas on campus to review the activities and associated risks in their areas. During the risk assessment, risks associated with accessibility, Artificial Intelligence (AI), research, federal funding, federal efficiency reviews, foreign influence, construction, contracts and procurement, Institutional Compliance Program, account reconciliations/segregation of duties, travel and entertainment expenses, cybersecurity and AI training, Texas Risk and Authorization Management, use of prohibited technologies, Practice Plan, and Benefits Proportionality were considered. An emphasis was placed on collaboration with other functions that assess, handle, or manage risk. The risk assessment and subsequent Audit Plan were reviewed and approved by members of executive

management and the Institutional Audit Committee.

VII. Reporting Suspected Fraud and Abuse

Actions taken by UT Tyler to comply with the following requirements are summarized below:

Sec. 7.09 General Appropriations Act (89th Legislature, Conference Committee Report)
A state agency or institution of higher education appropriated funds by this Act, shall use appropriated funds to assist with the detection and reporting of fraud involving state funds by:

1) *Providing information on the home page of the entity's website on how to report suspected fraud, waste, and abuse involving state resources directly to the State Auditor's Office. This shall include, at a minimum, the State Auditor's Office fraud hotline information and a link to the State Auditor's Office website for fraud reporting; and*
2) *Including in the agency or institution's policies information on how to report suspected fraud involving state funds to the State Auditor's Office.*

The University has a link for fraud reporting on the University's home page at https://www.uttyler.edu/ which provides information on how to report suspected fraud, waste, and abuse involving state resources directly to the State Auditor's Office (SAO). This includes the SAO's fraud hotline, a link to the SAO's website, and UT Tyler's policies for reporting suspected fraud. The Institution has also included information on how to report suspected fraud involving State funds to the State Auditor's Office in its False Claims, Fraud, Waste, Abuse, and Other Misconduct, 1.21, in the Handbook of Operating Procedures (HOP).

Texas Government Code, Section 321.022. Coordination of Investigations

a) *If the administrative head of a department or entity that is subject to audit by the state auditor has reasonable cause to believe that money received from the state by the department or entity or by a client or contractor of the department or entity may have been lost, misappropriated, or misused, or that other fraudulent or unlawful conduct has occurred in relation to the operation of the department or entity, the administrative head shall report the reason and basis for the belief to the state auditor. The state auditor may investigate the report or may monitor any investigation conducted by the department or entity.*
b) *The state auditor, in consultation with state agencies and institutions, shall prescribe the form, content, and timing of a report required by this section.*
c) *All records of a communication by or to the state auditor relating to a report to the state auditor under Subsection (a) are audit working papers of the state auditor.*

UT System has implemented UTS Policy 118, which includes a reference link to the TGC §321.022. This policy is applicable to all UT System institutions, including UT Tyler. The policy states that "Systemwide Chief Inquiry Officer for the U. T. System is the designated investigation coordinator responsible for tracking

and coordinating investigations conducted by U. T. System of allegations of misconduct, Dishonest or Fraudulent Activity, and allegations of misconduct against institutional presidents." The UT Tyler President is knowledgeable about the policy requirements and her reporting responsibilities to the State Auditor. UT Tyler reports such activities to the State Auditor's Office via the following website: https://sao.fraud.texas.gov/.

Reference Exhibit A: External Quality Assessment Review Executive Summary

November 2023

Mr. Stephen Ford Jr., Chief Audit Executive
University of Texas at Tyler

In June 2023, The University of Texas at Tyler (UT Tyler) internal audit (IA) function, the Internal Audit Department, completed a self-assessment of internal audit activities in accordance with guidelines published by the Institute of Internal Auditors (IIA) for the performance of a quality assessment review (QAR). UT Tyler IA engaged an independent review team consisting of internal audit professionals with extensive higher education and healthcare experience to perform an independent validation of IA' QAR self-assessment. The primary objective of the validation was to verify the assertions made in the QAR report concerning IA's conformity to the IIA's *International Standards for the Professional Practice of Internal Auditing* (the IIA *Standards*) and Code of Ethics, Generally Accepted Government Auditing Standards (GAGAS), and the relevant requirements of the Texas Internal Auditing Act (TIAA).

The IIA's *Quality Assessment Manual* suggests a scale of three ratings, "generally conforms," "partially conforms," and "does not conform." "Generally conforms" is the top rating and means that an internal audit activity has a charter, policies, and processes are judged to be in conformance with the *Standards*. "Partially conforms" means deficiencies in practice are judged to deviate from the *Standards*, but these deficiencies did not preclude the IA activity from performing its responsibilities in an acceptable manner. "Does not conform" means deficiencies are judged to be so significant as to seriously impair or preclude the IA activity from performing adequately in all or in significant areas of its responsibilities.

Based on our independent validation of the QAR performed by IA, we agree with IA' overall conclusion that the internal audit function **"Generally Conforms"** with the Institute of Internal Auditors' *International Standards for the Professional Practice of Internal Auditing* and Code of Ethics, as well as with IA' conclusions regarding GAGAS and TIAA requirements. Our review noted strengths as well as opportunities for enhancing the internal audit function.

This information has been prepared pursuant to a client relationship exclusively with, and solely for the use and benefit of, The University of Texas System Administration and UT Tyler and is subject to the terms and conditions of our related contract. Baker Tilly disclaims any contractual or other responsibility to others based on its use and, accordingly, this information may not be relied upon by anyone other than The University of Texas System Administration and UT Tyler.

The review team appreciates the cooperation, time, and candid feedback of executive leadership, stakeholders, and IA personnel.

Very truly yours,

Baker Tilly US, LLP

Baker Tilly US, LLP

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Exhibit B: FY 2026 Audits – Summary of Issues and Current Status

Texas Government Code, Section 2102.015 requires state agencies and institutions of higher education to post to the institution's website:

- A "detailed summary of the weaknesses, deficiencies, wrongdoings, or other concerns raised by the audit plan or annual report."
- A "summary of the action taken by the agency to address concerns, if any, that are raised by the audit plan or annual report."

Report Date	Name of Report	Recommendation	Action Plan	Status/Actions
9/5/2025	Patch and Configuration Management Audit	Excepted from Public Information under Texas Government Code Chapter 552		Completed
9/5/2025	Finance Post-Awards Review Audit	Management should consider developing a unified process to monitor spending deadlines. These procedures will help ensure future awards are fully expended.	Beginning in fiscal 2026 with the UT PeopleSoft Share implementation, Sponsored Programs will have a dedicated subledger on both the academic and health campuses to monitor and manage grants and contracts. This will enhance transparency and allow managers, principal investigators and administrators real time access to grant and contract account information. Principal investigators, managers and administrators also will begin receiving automated monthly budget updates to supplement the real time access function. In addition, SAHARA account reconciliations will be implemented for all grants and contracts accounts with required monthly reconciliation and approval by principal investigators.	Completed
9/5/2025	Finance Post-Awards Review Audit	Management should consider developing a unified process to monitor expenditures and PAFs for externally funded projects/cost centers in accordance with grant documents. This will help ensure future expenditures and PAF amounts are appropriate and accurate.	The UT PeopleSoft Share implementation will create an E-Form process for both the academic and health campuses which will allow for the consistent treatment of personnel actions across both campuses. In addition, the implementation of the Cayuse system in early calendar 2026 will provide a modern time and effort reporting environment for principal investigators and ORSSP staff to consistently and accurately manage personnel actions.	Completed

Report Date	Name of Report	Recommendation	Action Plan	Status/Actions
9/5/2025	Finance Post-Awards Review Audit	Management should consider establishing a unified procedure to close out expired grants promptly at the end of the grant term. Timely closure helps to prevent the risk of unallowed expenditures being charged to an expired grant.	ORSSP and the Grant Accounting Department are collaborating to establish a unified process for grant and contract close out to be implemented after the UT PeopleSoft Share go live in early fiscal 2026.	Completed
9/5/2025	Finance Post-Awards Review Audit	Management should consider enhancing oversight and developing a unified approval process for expenditures to ensure ongoing compliance with grant guidelines.	UT PeopleSoft Share implementation for Health Science Center will allow for more detailed oversight of awards as previous to the implementation only expenses over $1000.00 were processed through ORSSP Post Award. Moving forward all expenses no matter the amount will be processed through ORSSP Post Award group to ensure compliance with granting agency guidelines.	Completed
9/5/2025	Finance Post-Awards Review Audit	Management should consider developing a unified procedure to verify that payroll disbursements charged to grants match the authorized amounts on the eForms/PAFs.	The E-Form for personnel actions will be consistent on both the health and academic campuses with the implementation of the UT PeopleSoft Share system which will improve both transparency and documentation. In addition, time and effort monitoring will be enhanced with the addition of the Cayuse System in early calendar 2026. The SARAH account reconciliation process will also be consistently required across all areas of the institution.	Completed

Report Date	Name of Report	Recommendation	Action Plan	Status/Actions
9/5/2025	Finance Post-Awards Review Audit	Management should consider implementing improved controls and procedures to ensure grant billing is submitted on time and in accordance with the terms and conditions of the grant.	The UT PeopleSoft Share Grants and Contracts subledger contains a billing module which will provide both a streamlined and transparent environment for grant billing and collections monitoring and reporting. Monthly administrative monitoring of grant and contract revenue and collections will be established.	Completed
9/5/2025	Finance Post-Awards Review Audit	Management should consider establishing unified procedures to ensure the accuracy of the billing documents and monitor the timely receipt of payments from the granting agencies.	Unified procedures for billing to and receipt from granting agencies will be established with the implementation of the UT PeopleSoft Share system.	Completed
9/5/2025	Finance Post-Awards Review Audit	Management should conduct a review of the HOP for the Office of Research to ensure it accurately reflects recent organizational changes and clearly identifies the updated responsible parties.	Chief Research Officer and Dean of Graduate School will work with Provost office to update HOP policy.	Completed

Report Date	Name of Report	Recommendation	Action Plan	Status/Actions
10/29/2025	Research Time and Effort Audit	OSP should proactively communicate to PIs and their teams the importance of submitting personnel forms timely for employees working on sponsored projects. Timely submission ensures accurate payroll allocation, supports compliance with grant requirements, and helps maintain the integrity of financial and certification records.	Agreed. The Post Award team has updated the Grant Kick-Off Meeting process to include identification of the individual on the PI's research team responsible for entering eForms. This information will also be included in the summary email sent to all faculty and administrative support staff associated with the grant. The summary email identifies key stakeholders in the award management as well as responsibilities, deadlines, and reporting requirements. The new UT Share implementation for the Health Science Center will enable both campuses to follow the same standardized processes. This standardized process includes the Post Award team having a verification and sign off step in the eForm approval process for all grants. To support administrative research staff, a dedicated Microsoft Teams channel will be launched and maintained by the Post Award team, providing centralized resources and guidance for both campuses. Additionally, the Post Award team will host Award Management Training Sessions and Time/Effort Training Sessions in Fall 2025 and Spring 2026, open to all researchers and research staff from both campuses. Additionally, the training sessions will be recorded and added to the Research website as an available resource.	Completed

Report Date	Name of Report	Recommendation	Action Plan	Status/Actions
10/29/2025	Research Time and Effort Audit	OSP should verify the accuracy and appropriateness of employee assignments to each grant to ensure budget allocations and sponsor requirements align. This oversight helps maintain compliance and supports the integrity of grant-funded activities.	Agreed. The UT Share implementation for the Health Science Center will align processes across both campuses, allowing both to follow the same procedures for Post Award activities, specifically in the handling of eForms. This standardized process includes the Post Award team having a verification and sign off step in the eForm approval process for all grants. This verification step will help ensure accuracy and appropriateness of employee assignments to each grant to ensure budget allocations and sponsor requirements align. Additionally, the rollout of the new Time and Effort system (CAYUSE time and effort) will offer an updated platform for Principal Investigators and Post Award staff to certify time and effort for employees paid from sponsored projects.	Completed
10/29/2025	Research Time and Effort Audit	OSP should review employee personnel forms and related Payroll distribution records to verify that salary charges are accurately allocated to the appropriate grant.	Agreed. The UT Share implementation for the Health Science Center will align processes across both campuses, allowing both to follow the same procedures for Post Award activities, specifically in the handling of eForms. This standardized process includes the Post Award team having a verification and sign off step in the eForm approval process for all grants. This verification step will help ensure that OSP reviews and verifies that salary charges are accurately allocated to the appropriate grant.	Completed

Report Date	Name of Report	Recommendation	Action Plan	Status/Actions
10/29/2025	Research Time and Effort Audit	OSP should consider developing standardized procedures for processing ECRTs to ensure consistency, accuracy, and overall compliance across UT Tyler.	Agreed. The UT Share implementation for the Health Science Center will align processes across both campuses, allowing both to follow the same procedures for Post Award activities. The rollout of the new Time and Effort system (CAYUSE time and effort) will offer an updated platform for Principal Investigators and Post Award staff to certify time and effort for employees paid from sponsored projects. The use of this platform will create a standardized procedure for processing ECRTs across both campuses to ensure consistency, accuracy, and overall compliance. Additionally, the Post Award team will host Award Management Training Sessions in Fall 2025 and Spring 2026, open to all researchers and research staff from both campuses as well as Time and Effort Training sessions in Fall 2025 and Spring 2026. The training sessions will be recorded and added to the Research website as an available resource. To support administrative research staff, a dedicated Microsoft Teams channel will be launched and maintained by the Post Award team, providing centralized resources and guidance for both campuses.	Completed

Report Date	Name of Report	Recommendation	Action Plan	Status/Actions
10/29/2025	Joint Admission Medical Program Audit	Management should consider creating new project codes for each future grant period in PeopleSoft to ensure the funds are appropriately booked and not combined with prior grant award periods.	Agreed. FY25 OSP kept the same project ID number for JAMP from FY24. Moving forward JAMP will be set up as a separate project ID number as to not comingle between budget years. The college will work with Accounting and the OSP to ensure new project codes are created in PeopleSoft for each future grant period. While this is outside the college's ability to directly accomplish, we will work directly with other offices by requesting status updates and sending reminders. These changes will guarantee that funds are appropriately booked and not combined with prior grant award periods, maintaining accurate balances and compliance with JAMP Council requirements. Some historical issues have arisen because the Principal Investigator (PI) was not notified of incoming grant funds or project balances. For example, JAMP funds for FY 2024–2025 (year of this audit), received on September 30, 2024, have still not been loaded to the JAMP Project ID. Procedures will be implemented to prevent similar delays in the future. This improvement will enhance transparency, allow proactive financial management, and prevent delays in fund utilization.	Completed
10/29/2025	Joint Admission Medical Program Audit	Management should consider regular monitoring of purchases to ensure transactions comply with University policies and procedures.	Agreed. The college will implement corrective actions to ensure compliance with ProCard Program Policies and Procedures. Specifically: • Sales Tax Compliance: All ProCard users will receive refresher training emphasizing UT Tyler's exemption from State of Texas sales tax on qualifying purchases. • ProCard Usage Restrictions: Training will also reinforce that ProCards cannot be used for on-campus purchases, including the UT Tyler bookstore. • Monitoring Process: A monthly review of JAMP-related transactions will be conducted by the College ASO on behalf of the Dean to verify compliance with university policies and procedures. Any discrepancies will be addressed immediately.	Completed

Report Date	Name of Report	Recommendation	Action Plan	Status/Actions
10/29/2025	Joint Admission Medical Program Audit	Management should consider fully utilizing budgeted grant funds, when appropriate, to maximize the impact of external funding and preserve University resources for other institutional priorities.	Agreed. The college is committed to ensuring that all JAMP grant funds are fully utilized for allowable activities, eliminating the need to return funds to the granting agency. Beginning in FY 2026, a comprehensive spending plan will be developed at the start of each fiscal year to allocate funds for student support, research awards, promotional materials, conference participation, and other authorized expenditures. The Dean will personally work with the JAMP Director and other relevant offices to guarantee that the spending plan is implemented and followed. The Dean will also take an active role in removing any delays that may arise during the execution of planned expenditures to ensure timely use of funds. Monthly budget-to-actual reviews will be conducted to monitor progress and confirm that funds are being spent as intended. This proactive approach will maximize the impact of JAMP funding and strengthen compliance with grant requirements.	Completed
10/29/2025	Joint Admission Medical Program Audit	If grant funds are not fully expended, Management should ensure that any unspent balances are returned to the granting agency in a timely manner.	Agreed. The college's goal is to fully utilize all JAMP grant funds for allowable activities, and every effort will be made to ensure that no funds remain unspent. In the unlikely event that any balance cannot be used, the college will return those funds to the granting agency promptly and in accordance with established deadlines. The Dean will oversee this process personally to guarantee timely compliance and prevent delays.	Completed
10/29/2025	Joint Admission Medical Program Audit	Management should ensure that account reconciliations are completed and approved on a monthly basis, regardless of limited or absent account activity, to verify that all expenditures are accurately recorded and reported.	Agreed. The college will ensure that all account reconciliations are completed and approved monthly in compliance with HOP 5.07, regardless of whether there is account activity. Reconciliations will be completed by the College Grants Coordinator and approved by the JAMP Director. The Dean will provide oversight to confirm that this process is followed consistently and will intervene if delays occur to guarantee timely completion. This approach will strengthen financial accuracy and accountability for JAMP funds.	Completed

Report Date	Name of Report	Recommendation	Action Plan	Status/Actions
2/4/2026	Nursing Shortage Reduction Program – Regular Program Fiscal Year 2021 Audit	The School of Nursing Management should ensure that when travel expenses are charged to a state cost center (2100), lodging reimbursements do not exceed the GSA rate. Any lodging costs above the GSA maximum should be charged to a university cost center, with documented budget authority approval obtained prior to incurring the expense.	1. Schedule training with Karen Chudej, Director of Internal Audit Department by end of January 2026 with Jenifer Chilton, Margaret Ruelle (NSRP 25 CO PI), Angie McInnis (Associate Dean for Academic Affairs), Melinda Hermanns (Assistant Dean Professional Development), Brittany Ash (Program Manager for NSRP), all administrative assistants, and department coordinators to address compliance with 2100 rules. 2. Update travel approval documents and process for BA – Jenifer Chilton, Angie McInnis, and Maggie Ruelle, Melinda Hermanns. Add training for Assistant Deans, Program Directors, Coordinators, Faculty, and Staff. 3. Under the direction of Margaret Ruelle, Brittany Ash will review all approved travel associated with open NSRP funds to verify compliance that "2100 cost centers are following state travel rules." Generate documentation for leadership.	Completed
2/4/2026	Nursing Shortage Reduction Program – Regular Program Fiscal Year 2021 Audit	The School of Nursing Management should ensure that a screenshot of the applicable GSA lodging rate is saved with the travel documentation as required by the UT Tyler Travel Program Policies and Procedures. This evidence will verify that reimbursements are within the allowable state rate and provide clear support.	Schedule training with Karen Chudej, Director of Internal Audit Department by end of January 2026 with Jenifer Chilton, Margaret Ruelle (NSRP 25 CO PI), Angie McInnis (Associate Dean for Academic Affairs), Melinda Hermanns (Assistant Dean Professional Development), Brittany Ash (Program Manager for NSRP), all administrative assistants, and department coordinators to address GSA documentation in PeopleSoft General Ledger.2. Under the direction of Margaret Ruelle, Brittany Ash will review all approved travel associated with open NSRP funds to verify GSA forms are attached	Completed

Report Date	Name of Report	Recommendation	Action Plan	Status/Actions
2/4/2026	Nursing Shortage Reduction Program – Regular Program Fiscal Year 2021 Audit	The Office of Sponsored Programs (OSP) should establish a review process of the Final Expenditure Report to ensure accuracy based on the PeopleSoft General Ledger prior to submission. OSP should review this discrepancy, and any future discrepancies, to determine appropriate action, inclusive of whether grant funds should be returned.	Agreed. Prior to ASO signing final expenditure reports, OSP will review Peoplesoft General Ledger to ensure that expenses and income match what is reported in the final expenditure report. This will be done in addition to the original report that is obtained from either grant accounting or the department's finance staff. This is a new process that will be implemented in order to create a check and double check method before final expenditure report is signed and submitted.	Completed
2/4/2026	Nursing Shortage Reduction Program – Regular Program Fiscal Year 2021 Audit	The School of Nursing Management, who are responsible for managing this award, through extensive collaboration with UT Tyler Executive Management, should develop a process to monitor spending deadlines and work with OSP to develop a monitoring process. These procedures will help ensure future awards are fully expended appropriately	We meet with the financial team assigned to the SON weekly to discuss SON finances, which includes NRSP funding. Respectfully, we thought this was sufficient tracking for the NSRP; we maintain meeting agendas and minutes. Action items from these meetings are generated. However, moving forward, we will include meeting with OSP quarterly to discuss all NSRP progress.	Completed

Report Date	Name of Report	Recommendation	Action Plan	Status/Actions
2/4/2026	Nursing Shortage Reduction Program – Regular Program Fiscal Year 2021 Audit	OSP should review the monitoring processes throughout UT Tyler to ensure appropriate oversight procedures are in place to monitor the expenditure of awarded funds.	Agreed. A post award matrix of responsibilities is currently being updated in coordination with the Chief Research Officer, AVP Research Administration, and the Director of Sponsored Programs. This matrix of responsibilities will then be converted into a post award monitoring process with a specific process for grants that sit in cost centers instead of projects.	Completed
7/22/2026	Controlled Substance Agreements Audit	A review of the Pain Management Policy and the Pain Management Agreement Template should be performed and each updated to explicitly include all requirements and expectations and should be inclusive of which patients are not subject to the Pain Management Policy. Upon implementation of the updated policy and agreement, it is recommended to provide training and guidance to ensure knowledge of and adherence to requirements.	We corrected the policy prior to the audit beginning to include the appropriate verbiage. We will review and update current policy to best align with monitoring requirements for all of UT health clinics.	In Process

Report Date	Name of Report	Recommendation	Action Plan	Status/Actions
7/22/2026	Controlled Substance Agreements Audit	UT Tyler HSC Management should consider implementing processes that will allow its clinics, providers, and leadership to readily and accurately identify all patients who require a Pain Management Agreement, as per the language in its new policy, in order to monitor which patients will need an agreement upon their next appointment.	We provide this tracking data monthly to our managers. It includes all data including urine drug screens, controlled substance agreements, concomitant use of opiates and benzos, and the most recent PDMP review. We have approached Ardent to get our data imbedded in Epic as a dashboard which would allow providers to access at their leisure but has not been accepted at this time. Ardent is working with SlicerDicer to create their own. Ardent has a PowerBI available with real-time data, however, the report will need to be downloaded by someone with access. As we continue to work with Ardent and EPIC IT to develop a dashboard that would be accessible to clinic leadership for monitoring, we recommend clinic leadership (clinic manager/nurse manager) is assigned as delegate for the clinician within the practice to be able to access PDMP history reports.	In Process
7/22/2026	Controlled Substance Agreements Audit	UT Tyler HSC Management should consider implementing a process for ensuring Pain Management Agreements are signed, current, renewed, and added to the Patient Record as per Policy in the EMR.	We have an updated policy that states these requirements. We continue to educate our providers on best practices regarding this issue. We are planning on rewriting our policy and aligning it with the appropriate documentation to limit multiple interactions on Forms on Demand, thus streamlining the education and completion process.	In Process

Report Date	Name of Report	Recommendation	Action Plan	Status/Actions
7/22/2026	Controlled Substance Agreements Audit	UT Tyler HSC Management should consider implementing a process for documenting PMP checks performed in Epic. As part of this Epic process, Management should work to ensure PMP checks performed are automatically documented in the EMR to provide for an audit trail with the history or PMP checks performed at each instance of prescribing.	Our data pulls the last PDMP check performed and lists it with the patient demographics. There is a report that can be ran in Epic to monitor as well. Unfortunately there is not a way to look at a PDMP check audit while in a patient chart at this time. This is a functionality issue with Epic that will have to be explored based on its limitations. As we continue to work with EPIC IT and Ardent leadership to create a dashboard, assigning PDMP delegate within the clinic leadership will allow on demand PDMP report access.	In Process