



THE UNIVERSITY OF TEXAS SYSTEM AUDIT OFFICE
Presidential Travel and Entertainment Expenses
Audit Report – UT Austin
Fiscal Year 2022

SUMMARY

BACKGROUND:

The System Audit Office performed this engagement because The University of Texas System (UT System) Board of Regents' *Rules and Regulations*, Series 20205, "Expenditures for Travel and Entertainment by Chief Administrators and for the Maintenance of University Residences" (Rule 20205) requires an audit of these expenses after the first full fiscal year that a new president assumes office.

OBJECTIVE:

The specific objective of this audit at The University of Texas at Austin (UT Austin) was to determine whether travel and entertainment expenses incurred by the president and his spouse were appropriate, accurate, and in compliance with applicable institutional policies and Regents' *Rules and Regulations*.

CONCLUSION

Overall, the travel and entertainment expenses incurred by the president appeared appropriate, accurate, and in compliance with applicable institutional policies and Regents' *Rules and Regulations*.

OBSERVATIONS

 **None**

The System Audit Office has completed an audit of presidential travel and entertainment expenses and found that adequate internal controls are in place and functioning as intended. This audit resulted in no reportable observations.

OBSERVATION RATINGS

Priority
High
Medium
Low

There are no
Priority- or High-rated
audit observations.

The engagement methodology can be found at the
end of this report.



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METHODOLOGY

The System Audit Office conducted this engagement in accordance with the *International Standards for the Professional Practice of Internal Auditing* and generally accepted government auditing standards (GAGAS). Those standards require that we plan and perform the engagement to obtain sufficient, appropriate evidence to provide a reasonable basis for our observations and conclusions based on our objectives. We believe that the evidence obtained provides a reasonable basis for our observations and conclusions based on our objectives. The System Audit Office is independent per GAGAS requirements for internal auditors.

SCOPE AND PROCEDURES

The scope of this audit included travel and entertainment expenses of the president and his spouse incurred from January 1, 2021 through December 31, 2021. UT Austin does not have university residence maintenance expenses.

The audit procedures consisted of reviewing applicable institutional policies and procedures, assessing relevant internal controls, and obtaining a summary of expenses provided by the Office of the President. UT Austin spent approximately \$138,356 on presidential travel and entertainment during the audit scope. The president did not have international travel or spousal expenses.

A sample of expenses was judgmentally selected based on dollar amount, types of expenses, and other inherent risk factors. Substantive testing was performed to determine whether the expenses were properly approved, submitted timely, adequately supported, for an appropriate business purpose, mathematically accurate, within allowable limits, and not a prohibited item.

CRITERIA

Guidance for travel, entertainment, and university residence maintenance expenses is provided by various state laws, rules and regulations promulgated under those laws, and UT System and institutional travel and entertainment policies and procedures including, but not limited to, Rule 20205.

REPORT DATE

June 16, 2022

REPORT DISTRIBUTION

To: Jay Hartzell, Ph.D., President, UT Austin

Cc: Archie L. Holmes Jr., Ph.D., Executive Vice Chancellor for Academic Affairs,
UT System

Darrell L. Bazzell, Senior Vice President and Chief Financial Officer, UT Austin

Sandy Jansen, Chief Audit Executive, UT Austin

UT System Administration Internal Audit Committee

External Agencies (State Auditor, Legislative Budget Board, Governor's Office)