**UNIVERSITY OF HOUSTON SYSTEM**
**BOARD OF REGENTS AGENDA**

**COMMITTEE:** Audit and Compliance

**ITEM:** Report on External Audit Report – Texas Comptroller of Public Accounts Post Payment Audit of the University of Houston Downtown

**DATE PREVIOUSLY SUBMITTED:**

**SUMMARY:**

The Audit & Compliance Committee Charter and Checklist, item number 13, requires the Committee to review any significant findings and recommendations of the State Auditor and any employed public accounting firm or outside expertise.

The Texas Comptroller's Office audited a sample of payroll, purchase, and travel transactions for the University of Houston Downtown during the period beginning March 1, 2010, through February 28, 2011. The purpose of the audit was to determine whether the university's revenues and expenditures complied with certain state laws and rules concerning expenditures and with the processing requirements of the uniform statewide accounting system. The audit addressed incorrect calculation of overtime pay, missing payroll deduction form, payment in excess of purchase order amount, missing purchase agreement, missing documentation, prompt payment and payment scheduling issues, and control weakness over expenditure processing. Attached is a brief summary of the report, together with the report cover, transmittal letter, and executive summary. The entire report can be viewed on the Internal Auditing Department's web site @

http://www.uh.edu/audit/Documents/External_Reports/Post%20Payment%20Audit%20UHD.pdf

**SUPPORTING DOCUMENTATION:** External Audit Report – Texas Comptroller of Public Accounts Post Payment Audit of the University of Houston Downtown (excerpts)

**FISCAL NOTE:**

**RECOMMENDATION/ ACTION REQUESTED:** Information

**COMPONENT:** University of Houston System

Don Guyton 10/27/11

**CHIEF AUDIT EXECUTIVE** Don Guyton **DATE**

Renu Khator 11/1/11

**CHANCELLOR** Renu Khator **DATE**