



Report to the Audit and Compliance Committee of the
UHS Board of Regents on:

UNIVERSITY OF HOUSTON – CLEAR LAKE
PRESIDENT’S TRAVEL AND ENTERTAINMENT, FY 2021
AR2022-04

UNIVERSITY of **HOUSTON** SYSTEM

INTERNAL AUDITING DEPARTMENT

**UNIVERSITY OF HOUSTON – CLEAR LAKE
PRESIDENT’S TRAVEL AND ENTERTAINMENT,
FY 2021**

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EXECUTIVE SUMMARY

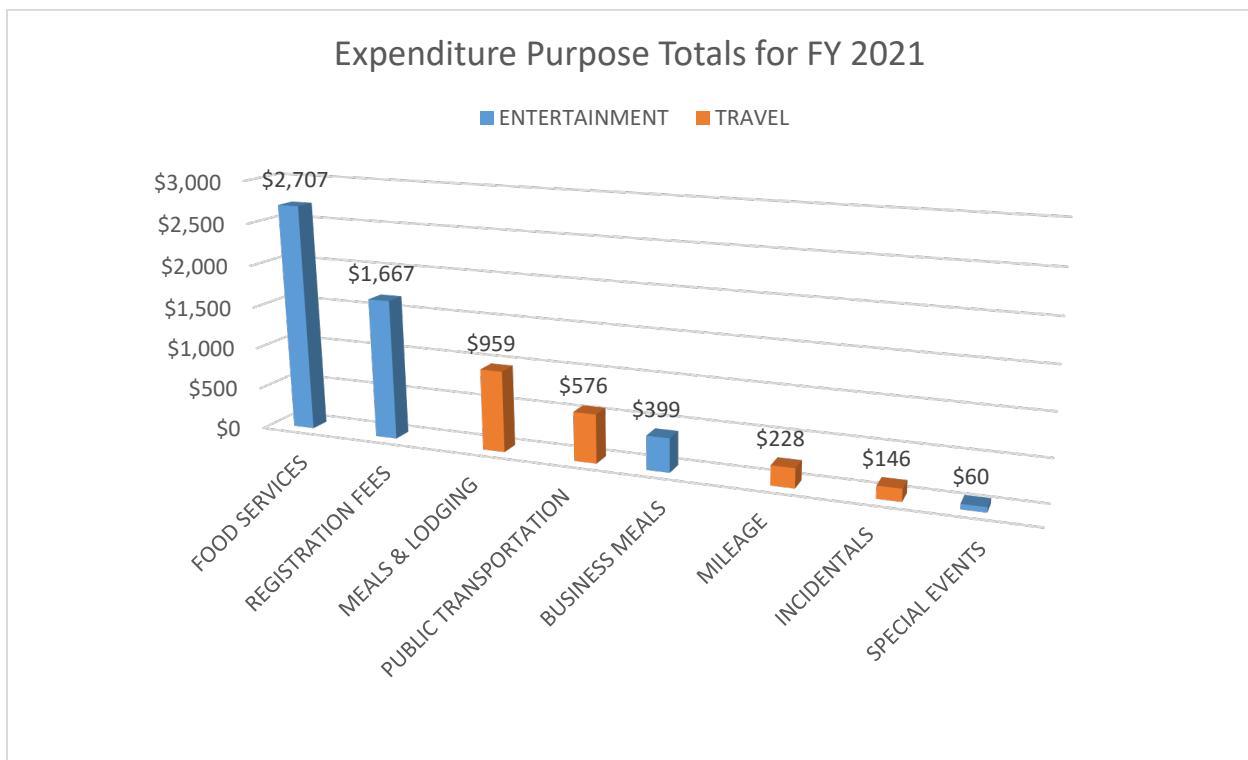
OVERVIEW AND SCOPE

As part of our annual audit plan, we reviewed travel and entertainment expenditures of the University of Houston – Clear Lake (UHCL) President and spouse for fiscal year 2021 funded by accounts of the President’s Office. It should be noted that in some cases, travel and entertainment expenditures for the President and spouse may be funded by accounts other than the President’s Office accounts and by outside organizations. The objective of our review was to determine whether expenditures for travel and entertainment were appropriately documented and allowable under system and university policies.

OBSERVATIONS AND OPINION

In our opinion, the travel and entertainment expenditures of the President and spouse for the year ended August 31, 2021, were appropriately documented and allowable under system and university policies.

The chart below provides the breakdown of FY 2021 travel and entertainment expenditures by expenditure purpose.



UHCL PRESIDENT'S TRAVEL AND ENTERTAINMENT, FY 2021

INTRODUCTION

It is important that the public have confidence that executive expenditures for travel and entertainment are allowable and appropriately documented. In an effort to safeguard assets, the University of Houston System's management has instituted policies related to employee (to include executive) travel and entertainment expenditures. In addition, UHCL's management has instituted policies related to travel and entertainment expenditures.

The Department of Internal Auditing developed an annual audit plan based upon a system-wide risk assessment to identify significant areas of risk facing the System. The audit plan also includes requested and legislatively mandated audits. All the audits on the plan are conducted in accordance with Generally Accepted Government Auditing Standards (GAGAS) and International Standards for the Professional Practice of Internal Audit, published by the Institute of Internal Auditors (IIA).

BACKGROUND

During fiscal year 2021, the UHS Board of Regents requested that the Internal Auditing Department conduct annual reviews of the travel and entertainment expenditures of the UHCL President and spouse. This will be an annual audit going forward and will be included in annual audit plans.

OBJECTIVE AND SCOPE

The objective of this review was to determine whether expenditures for travel and entertainment were appropriately documented and allowable under system and university policies.

The scope of this review was limited to travel and entertainment for the President and spouse that were funded by accounts of the President's Office. It should be noted that in some cases, travel and entertainment expenditures for the President and spouse may be funded by accounts other than the President's Office accounts and by outside organizations.

Information relevant to this audit was obtained through:

- Reviewing UHS and UHCL policies.
- Obtaining travel and entertainment expenditure data from PeopleSoft Finance.
- Reviewing travel and entertainment documentation from PeopleSoft Finance.

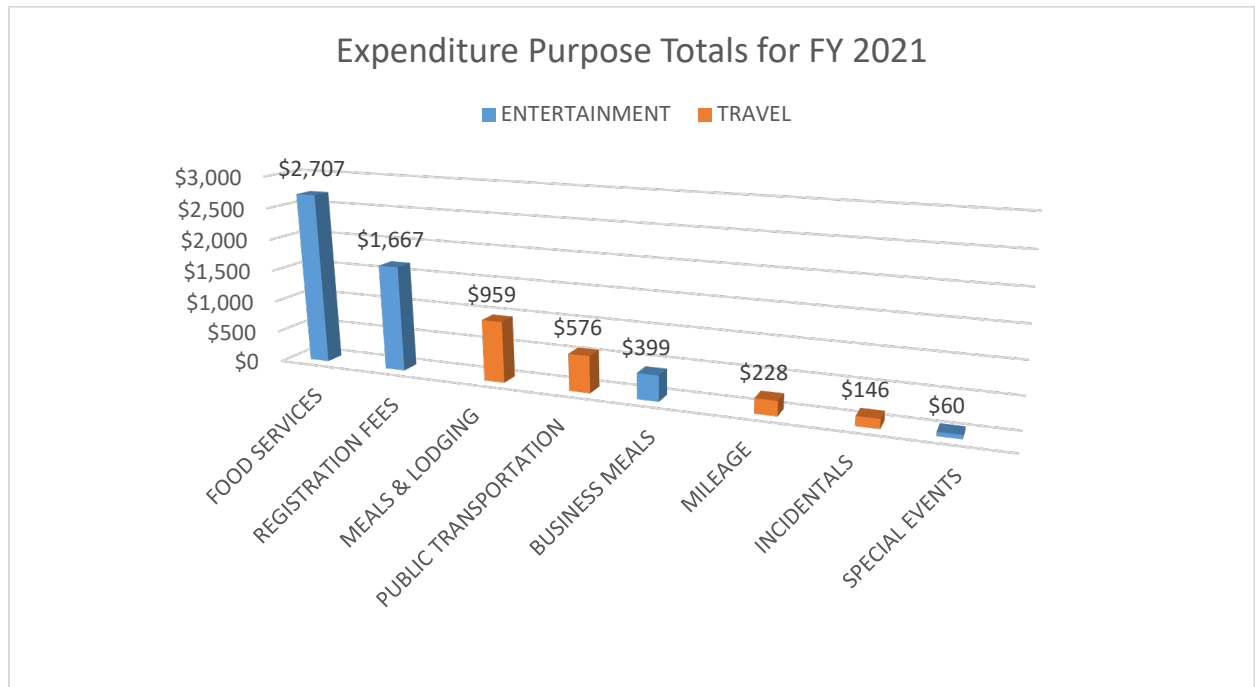
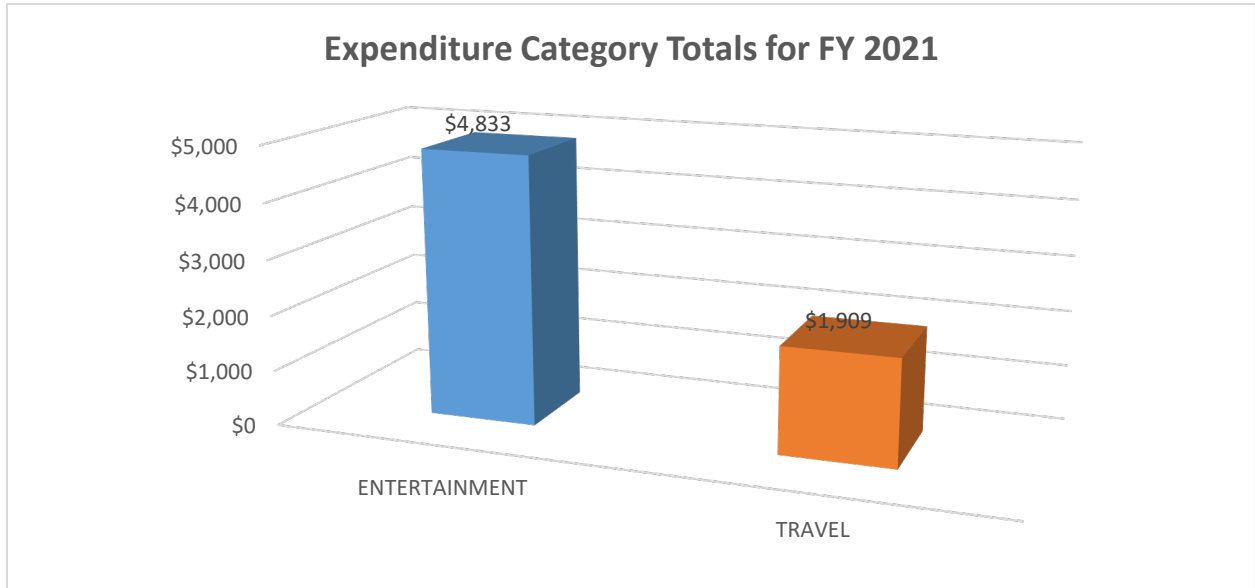
CONCLUSION

We reviewed travel and entertainment expenditures of the President and spouse for fiscal year 2021 funded by accounts of the President's Office. We determined that there were \$1,909 of travel related charges and \$4,833 of entertainment related charges. A breakdown of these expenditures is represented in the exhibit below.

In our opinion, the travel and entertainment expenditures for the fiscal year ended August 31, 2021, were appropriately documented and allowable under system and university policies.

EXPENDITURES EXHIBIT

The breakdown by category and purpose of expenditure is provided in the below charts.



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The UHS Department of Internal Auditing would like to thank the UHCL President's Office for their cooperation and assistance during this audit process.

Sincerely,

Phillip W. Hurd
Chief Audit Executive
University of Houston System

Participating Auditors: Brandee O'Neal, Eric Porter, and Elias McClellan