



THE UNIVERSITY OF TEXAS AT TYLER

3900 University Boulevard • Tyler, TX 75799 • (903) 877-7528

Internal Audit Department

December 22, 2021

Dr. Kirk A. Calhoun, President
The University of Texas at Tyler
3900 University Blvd.
Tyler, TX 75799

Dr. Calhoun,

We completed an audit of the Family Medicine Residency Program (FMRP) Annual Financial Report (AFR) for Fiscal Year Ended (FYE) August 31, 2021. This audit was completed as part of our Fiscal Year (FY) 2022 Annual Audit Plan to comply with Texas Higher Education Coordinating Board audit requirements. The objective of the audit was to determine if FY 2021 Texas Higher Education Coordinating Board funds awarded to the UT Health Science Center at Tyler FMRP under the State Grant Agreement were appropriately expended as required by program guidelines.

FY 2021 Texas Higher Education Coordinating Board funds awarded to the UT Health Science Center at Tyler FMRP in the amount of \$163,431 were appropriately spent in accordance with applicable guidelines. This audit was conducted in accordance with guidelines set forth in The Institute of Internal Auditor's International Standards for the Professional Practice of Internal Auditing. We appreciate the assistance provided by management and other personnel and hope the information presented in our report is helpful.

Sincerely,

Stephen Ford
Vice President, Chief Audit Executive

Enclosure

cc:

Dr. James Menard, Family Medicine Residency Program Director james.menard@uthct.edu
Dr. Robert Tompkins, Associate Professor and Chair of Family Medicine robert.tompkins@uthct.edu
Ms. Melissa Covington, Family Residence Program Coordinator melissa.covington@uthct.edu
Dr. Julie Philley, Executive Vice President, Health Affairs julie.philley@uthct.edu
Mr. Daniel Deslatte, Senior Vice President, Business Affairs, Chief Operating Officer – Health Affairs daniel.deslatte@uthct.edu
Ms. Kris Kavasch, Senior Vice President, Finance, Chief Financial Officer / Interim Chief Business Officer kris.kavasch@uthct.edu
Dr. Steven Idell, Senior Vice President, Research and Graduate Studies steven.idell@uthct.edu
Ms. Cindy Scott, Senior Vice President, Human Resources and Chief Human Resources Officer cindy.scott@uthct.edu
Dr. Emmanuel Elueze, Vice President of Medical Education and Professional Development ifeanyi.elueze@uthct.edu
Ms. Peggy Pazos, Executive Director of Graduate Medical Education peggy.pazos@uthct.edu
Ms. Panda Powell, Director of Sponsored Programs panda.powell@uthct.edu
Ms. Carrie Boyer, Senior Accountant carrie.boyer@uthct.edu
Dr. John M. Zerwas, UT System Executive Vice Chancellor for Health Affairs jzerwas@utsystem.edu
Mr. Patrick Francis, UT System Associate Vice Chancellor for Health Affairs pfrancis@utsystem.edu
Mr. J. Michael Peppers, UT System Chief Audit Executive systemauditoffice@utsystem.edu
Legislative Budget Board audit@lbb.texas.gov
Governor budgetandpolicyreports@gov.texas.gov
State Auditor's Office jacoordinator@sao.state.tx.us

**Family Medicine Residency Program Annual Financial Report Audit for
Fiscal Year Ended August 31, 2021**



December 22, 2021

INTERNAL AUDIT DEPARTMENT
3900 UNIVERSITY BOULEVARD
TYLER, TEXAS 75799

**The University of Texas at Tyler
Family Medicine Residency Program Annual Financial Report Audit for Fiscal Year Ended August 31,
2021**

AUDIT OBJECTIVE and CONCLUSION

The objective of the audit was to determine if FY 2021 Texas Higher Education Coordinating Board (Coordinating Board) funds awarded to the UT Health Science Center at Tyler (UTHSCT) Family Medicine Residency Program (FMRP) under the State Grant Agreement were appropriately expended as required by program guidelines.

We verified that the Coordinating Board funding based on the FY 2021 operational grant agreement award in the sum of \$130,745 for Tyler and \$32,686 for Pittsburg, agreed to the amounts that were received and recorded in the general ledger and FMRP Annual Financial Report (AFR) for Fiscal Year Ended (FYE) August 31, 2021. All expenditures from the grant funds were appropriate and made in accordance with program guidelines for FMRP payroll expenses, which totaled \$130,745 for the Tyler program and \$32,686 for the Pittsburg program.

BACKGROUND

The FMRP is a program designed to enhance physician training and provide medical care to the underserved urban and rural areas of Texas. UTHSCT receives funding for the FMRP under the provisions of the Texas Education Code, Chapter 61. The Coordinating Board administers the program and pursuant to their responsibility for administration has issued the *Family Medicine Residency Program Guidelines for Funding Operational and Optional Rotation Programs*. These guidelines include a requirement for submission of an AFR of FMRP revenues and expenditures, along with an internal or independent auditor's opinion by December 31st or on a date established by the Coordinating Board staff and communicated to the program directors. For FY 2021, the Coordinating Board established the due date for the AFR and auditor's opinion as December 31, 2021.

In FY 2021, the FMRP operated on a budget of approximately \$10 million, including \$130,745 for the Tyler program and \$32,686 for the Pittsburg program in grant funding provided by the Coordinating Board. There were 30 residents combined in both programs in FY 2021. The UTHSCT FMRP Program Director for FY 2021 was Dr. James Menard and the Program Coordinator was Ms. Melissa Covington.

STANDARDS

The audit was conducted in accordance with guidelines set forth in *The Institute of Internal Auditors' Standards for the Professional Practice of Internal Auditing* and *Generally Accepted Government Auditing Standards*.

SCOPE AND PROCEDURES

The audit period was September 1, 2020 through August 31, 2021. Audit procedures included a review of the Coordinating Board agreement, pertinent supporting documents, and testing of transactions.