

## MEMORANDUM

Date: September 24, 2024

To: Shannon Davidson, Executive Director, STEM Academy

From: Dyan Hudson, CIA, CISA, CFE, CRMA  
Interim Chief Audit Executive 

Cc: Dr. Sandra K. Woodley, President

RE: STEM Academy Expenditure Review for fiscal year ended August 31, 2023

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The Office of Internal Audit has completed its review of STEM Academy expenditures for the fiscal year ended August 31, 2023. The *Agreement Between Ector County ISD and University of Texas Permian Basin* (Agreement) requires that the operating partner, UTPB, submit to the school district annually an audited financial report. The STEM Academy is a departmental unit within UTPB and, as such, is included in financial reporting and related audits of UTPB. Individual department financial report audits are not performed.

UTPB was included in the following audits for the fiscal year ended August 31, 2023:

Audited Annual Financial Report – UTPB, the operating partner per the Agreement, is included in the Consolidated Annual Financial Report of The University of Texas System, audited annually by Deloitte & Touche LLP. The report for the fiscal year ended August 31, 2023, is available at <https://www.utsystem.edu/documents/docs/report-state/2023/consolidated-annual-financial-report-fy-2023>

Single Audit – As an entity of the State of Texas, UTPB is included in the State of Texas Statewide Single Audit performed annually by the Texas State Auditor's Office. The report is available at <http://sao.texas.gov/Reports>. The report for the fiscal year ended August 31, 2023, is report number 24-555.

The objective of this review was to determine whether STEM Academy expenditures complied with the terms of the Agreement. Based on a detailed review of expenditures, discussion with knowledgeable staff, and limited testing, STEM Academy expenditures for the fiscal year ended August 31, 2023, were allowable per the terms of the Agreement.

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STEM Academy - Cost Center 31000157  
Fiscal Year 2023 (9/1/2022-8/31/2023)  
Expenditures by PEIMS Category

Payroll Costs (61xx)	\$588,287.20
Professional and Contracted Services (62xx)	\$256,819.28
Supplies and Materials (63xx)	\$32,492.52
Other Operating Costs (64xx)	\$3,779.84
Capital Outlay - Land, Buildings, and Equipment (66xx)	\$47,860.42
<b>Total</b>	<b>\$929,239.26</b>