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**Committee Meeting:** 8/19/2009  
Austin, Texas

*R. Steven Hicks, Chairman*  
*Paul Foster*  
*Janiece Longoria*  
*Robert L. Stillwell*

	<b>Committee Meeting</b>	<b>Board Meeting</b>	<b>Page</b>
<b>A. CONVENE IN OPEN SESSION</b>	9:00 a.m. <i>Chairman Hicks</i>		
<b>B. RECESS TO EXECUTIVE SESSION PURSUANT TO TEXAS GOVERNMENT CODE, CHAPTER 551</b>			
Personnel matters relating to appointment, employment, evaluation, assignment, duties, discipline, or dismissal of officers or employees - <i>Texas Government Code Section 551.074</i>	9:00 a.m. <b>Report</b> <i>Mr. Eloy Alaniz,</i> <i>U. T. Pan</i> <i>American</i> <i>Mr. Chaffin</i> <i>Mr. Plutko</i>		
<b>Discussion with institutional auditors and compliance officers concerning evaluation and duties of individual U. T. System Administration and institutional employees involved in internal audit and compliance functions</b>			
<b>C. RECONVENE IN OPEN SESSION TO CONSIDER AGENDA ITEMS</b>			
1. <b>U. T. System: Report on the internal audit plan for the Fiscal Year 2009 U. T. System Consolidated Annual Financial Report</b>	9:15 a.m. <b>Report</b> <i>Mr. Chaffin</i>		<b>9</b>
2. <b>U. T. System: Discussion and appropriate action on independent financial audit of the U. T. System Consolidated Annual Financial Report</b>	9:20 a.m. <b>Action</b> <i>Chairman Hicks</i>	<b>Action</b> <i>Chairman Hicks</i>	<b>9</b>
3. <b>U. T. System: Report on the Systemwide annual audit plan process</b>	9:30 a.m. <b>Report</b> <i>Mr. Chaffin</i>		<b>10</b>
4. <b>U. T. System: Report on the Systemwide internal audit activities, including the audit of internal controls over the Permanent University Fund and audits of financial controls at the institutional police departments; and Internal Audit Department report for U. T. Pan American</b>	9:35 a.m. <b>Report</b> <i>Mr. Eloy Alaniz,</i> <i>U. T. Pan</i> <i>American</i> <i>Mr. Chaffin</i>		<b>12</b>
5. <b>U. T. System: Report on the Systemwide Compliance Office work plans for Fiscal Years 2010 and 2011</b>	9:40 a.m. <b>Report</b> <i>Mr. Plutko</i>		<b>17</b>

	<b>Committee Meeting</b>	<b>Page</b>
6. <b>U. T. System: Report on efforts to update and enhance research conflicts of interest policies, procedures, and enforcement at U. T. System institutions</b>	<i>9:50 a.m.</i> <b>Report</b> <i>Mr. Plutko</i> <i>Mr. Burgdorf</i>	<b>17</b>
7. <b>U. T. System: Report on Systemwide institutional compliance activities</b>	<i>9:55 a.m.</i> <b>Report</b> <i>Mr. Plutko</i>	<b>17</b>
<b>D. ADJOURN</b>	<i>10:00 a.m.</i>	

1. **U. T. System: Report on the internal audit plan for the Fiscal Year 2009 U. T. System Consolidated Annual Financial Report**

REPORT

Mr. Charles Chaffin, Chief Audit Executive, will present the internal audit approach and plan for conducting the Fiscal Year 2009 U. T. System Consolidated Annual Financial Report audit including background, overview, and methodology.

**Supplemental Materials: PowerPoint presentation on Pages 22 - 28 of Volume 2.**

BACKGROUND INFORMATION

In November 2003, the U. T. System Board of Regents approved an initiative to implement the "spirit" of the Sarbanes-Oxley Act as a good faith effort toward manifesting financial accountability and compliance in the public sector. As a result, in June 2004, the Board of Regents sought proposals for a comprehensive annual financial statement audit by an independent certified public accounting firm to obtain assurance that U. T. System has a sound financial base and adequate resources to support the mission of the organization and the scope of its programs and services.

A contract with Deloitte & Touche, LLP, was negotiated to provide an audit of the U. T. System Consolidated Financial Statements for the fiscal year ended August 31, 2005. The contract commenced on August 30, 2004, and terminated on April 1, 2006. On March 28, 2006, the Board authorized a renewal of the contract for the fiscal year ended August 31, 2006. The contract commenced on April 1, 2006, and terminated on April 1, 2007. On April 16, 2007, the Board of Regents voted not to renew the contract for the fiscal year ended August 31, 2007, but expressed confidence in the financial audit work that could be performed by the institutional and U. T. System Administration auditors. As a result of that decision, the U. T. System Audit Office put together a plan to oversee and coordinate the internal audit of the U. T. System Consolidated Financial Statements for Fiscal Year 2007 and 2008 and will conduct this process again for the internal audit of the Fiscal Year 2009 U. T. System Consolidated Financial Statements.

2. **U. T. System: Discussion and appropriate action on independent financial audit of the U. T. System Consolidated Annual Financial Report**

PURPOSE

Committee Chairman Hicks will lead a discussion with Committee members on the question of whether to hire an external auditor to conduct an independent financial audit of the U. T. System Consolidated Annual Financial Report for Fiscal Year 2010.

## BACKGROUND INFORMATION

At the August 2008 Audit, Compliance, and Management Review Committee meeting, Committee members agreed to revisit each August the question of hiring an independent financial auditor to audit the U. T. System Consolidated Annual Financial Report.

### **3. U. T. System: Report on the Systemwide annual audit plan process**

#### REPORT

Mr. Charles Chaffin, Chief Audit Executive, will present the process for developing the Fiscal Year 2010 U. T. Systemwide Annual Audit Plan (Audit Plan), which is a blueprint of the internal audit activities that will be performed by the internal audit function throughout U. T. System. A timeline chart is set forth on Page 11.

Individual annual audit plans are prepared at U. T. System Administration and each institution in July and August with input and guidance from the U. T. System Audit Office, the Offices of Academic or Health Affairs, and the institution's management and Internal Audit Committee. Development of the annual audit plans is based on risk assessments performed at each institution to ensure areas/activities specific to each institution with the greatest risk are identified to be audited. The Chief Audit Executive provides direction to the internal audit directors prior to the preparation of the annual audit plans and provides formal feedback through "audit hearings" with each institution. After the review process, each institutional Internal Audit Committee formally approves its institution's annual audit plan in August.

Upon recommendation by the Audit, Compliance, and Management Review Committee, the U. T. System Board of Regents will be asked to approve the proposed Audit Plan at a special called meeting in October 2009. Implementation of the Audit Plan will be coordinated with the institutional auditors.



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# Annual Audit Plan Approval Process

Board of Regents (October/November)

Audit, Compliance, and Management Review Committee (October)

Institution Internal Audit Committees (August)  
(includes Chief Administrator)

System Administration - Audit Plan Hearings (August)  
Institution Internal Audit Directors meet with the:  
Chief Audit Executive (and/or delegate), Institutional Liaison, and  
a representative from Health Affairs or Academic Affairs

System Administration and Internal Audit Directors coordinate the  
preparation of their risk-based audit plans (June & July)

4. **U. T. System: Report on the Systemwide internal audit activities, including the audit of internal controls over the Permanent University Fund and audits of financial controls at the institutional police departments; and Internal Audit Department report for U. T. Pan American**

REPORT

Mr. Eloy Alaniz, Director of Internal Audits, U. T. Pan American, will report on the significant audit finding related to account reconciliations from the Fiscal Year 2008 Annual Financial Report audit.

Mr. Charles Chaffin, Chief Audit Executive, will report on the audit performed of the Fiscal Year 2009 internal controls over financial reporting for the Permanent University Fund (PUF) managed by The University of Texas Investment Management Company (UTIMCO).

Then, Mr. Chaffin will report on the financial controls audits of the institutional police departments.

Additionally, Mr. Chaffin will report on the implementation status of significant audit recommendations. The third quarter activity report on the Implementation Status of Outstanding Significant Findings/Recommendations is set forth on Pages 13 - 14. Satisfactory progress is being made on the implementation of all significant recommendations. Additionally, a list of other audit reports issued by the Systemwide audit program and the annual internal audit plan status as of May 31, 2009, follow on Pages 15 - 16.

**Supplemental Materials:**

- **PowerPoint presentation on Pages 29 - 38 of Volume 2.**
- **UTIMCO PUF Internal Controls audit report on Pages 39 - 43 of Volume 2.**

BACKGROUND INFORMATION

Significant audit findings/recommendations are tracked by the U. T. System Audit Office. Quarterly, chief business officers provide the status of implementation, which is reviewed by the internal audit directors. A quarterly summary report is provided to the Audit, Compliance, and Management Review Committee of the U. T. System Board of Regents. Additionally, Committee members receive a detailed summary of new significant findings and related recommendations quarterly.

**THE UNIVERSITY OF TEXAS SYSTEM**  
**Implementation Status of Outstanding Significant Findings/Recommendations**

U. T. SYSTEM AUDIT		Institution	Audit	2nd Quarter 2009		3rd Quarter 2009		Targeted Implementation Date	Overall Progress Towards Completion (Note)
Report Date	Ranking			# of Significant Findings	Ranking	# of Significant Findings			
2007-06	UTARL	UTARL	Implementation Progress of UTS163: Guidance on Effort Reporting Policies		1		1	10/31/2009	Satisfactory
2007-07	UTARL	UTARL	Protecting the Confidentiality of Social Security Numbers		1		0	3/31/2009	Implemented
2008-01	UTARL	UTARL	Systems Security Audit		1		1	12/31/2009	Satisfactory
2007-06	UTAUS	UTAUS	UTS163: Guidance on Effort Reporting Policies		1		0	4/30/2010	Satisfactory
2007-08	UTAUS	UTAUS	Payment Card Industry Data Security Standard (PCI DSS)		1		0	12/31/2009	Implemented
2004-03	UTB	UTB	FY 2004 Contracts and Grants Audit		1		0	5/31/2009	Implemented
2008-08	UTB	UTB	UTS165: Protecting the Confidentiality and Integrity of Digital Research Data Follow Up		2		2	12/31/2009	Satisfactory
2009-02	UTB	UTB	2008 Physical Plant Audit		1		1	8/31/2009	Satisfactory
2009-02	UTB	UTB	FY 2008 Student Fees Audit		1		1	8/31/2009	Satisfactory
2009-02	UTB	UTB	2008 Special Request - International Technology Education Commerce Campus Lease Agreements		3		3	8/31/2009	Satisfactory
2007-01	UTD	UTD	Annual Financial Report Audit		1		1	7/31/2009	Satisfactory
2007-02	UTEP	UTEP	Campus wide Information Technology Applications		3		3	11/30/2009	Satisfactory
2007-11	UTEP	UTEP	Decentralized Server Security		4		4	12/31/2009	Satisfactory
2008-05	UTEP	UTEP	University Residence Life-Miner Village		1		1	12/31/2009	Satisfactory
2008-10	UTEP	UTEP	Emergency Management Plan		1		0	3/31/2009	Implemented
2009-05	UTEP	UTEP	Faculty Visas				1	8/31/2009	Satisfactory
2008-01	UTPA	UTPA	Confidentiality of Social Security Numbers		1		1	8/31/2009	Satisfactory
2008-12	UTPA	UTPA	FY 2008 Annual Financial Review		1		1	7/3/2009	Satisfactory
2007-08	UTPB	UTPB	UTS163: Guidance on Effort Reporting Policies		1		1	7/31/2009	Satisfactory
2008-08	UTPB	UTPB	Annual Financial Report Audit FY 2007		2		1	8/31/2009	Satisfactory
2008-12	UTPB	UTPB	Annual Financial Report Audit FY 2008		5		4	8/31/2009	Satisfactory
2004-09	UTSA	UTSA	Research Compliance - Time and Effort Reporting		1		0	5/31/2009	Implemented
2009-03	UTSA	UTSA	Banner User Access (Security)				1	12/31/2010	Satisfactory
2008-09	UTSA	UTSA	Information Technology Change Management Audit		1		1	9/30/2009	Satisfactory
2008-09	UTT	UTT	State and Federal Grant Awards Fiscal Year 2008		1		1	8/31/2009	Satisfactory
2008-11	UTT	UTT	Annual Financial Report for the Year Ended August 31, 2008		1		1	8/31/2009	Satisfactory
2008-12	UTT	UTT	Enrollment Management Department		3		3	8/31/2009	Satisfactory
2009-03	UTT	UTT	College of Business and Technology - Office of Dean and Assistant Dean				3	8/31/2009	Satisfactory
2009-04	UTT	UTT	Audit of Cash Handling Procedures				2	8/31/2009	Satisfactory
2008-04	UTMB - Galveston	UTMB - Galveston	PeopleSoft Application		1		0	3/31/2009	Implemented
2008-05	UTMB - Galveston	UTMB - Galveston	Information Systems Change Management Process		2		2	8/31/2009	Satisfactory
2008-05	UTMB - Galveston	UTMB - Galveston	Information Security Action Plan		2		2	2/28/2010	Satisfactory
2008-08	UTMB - Galveston	UTMB - Galveston	Data Retention and Records Management		4		3	8/31/2009	Satisfactory
2008-11	UTMB - Galveston	UTMB - Galveston	Remote Vendor Access		1		1	7/31/2009	Satisfactory
2009-05	UTMB - Galveston	UTMB - Galveston	Decentralized Information Technology Operations Security Process Review				1	8/31/2009	Satisfactory
2009-02	UTHSC - Houston	UTHSC - Houston	Medical Service, Research, and Development Plan		1		1	11/30/2009	Satisfactory
2007-09	UTHSC - San Antonio	UTHSC - San Antonio	Research Compliance Program		1		0	5/29/2009	Implemented
2008-10	UTHSC - San Antonio	UTHSC - San Antonio	Texas Administrative Code Section 202- Information Security Program		1		1	8/31/2009	Satisfactory
2007-08	UTMDACC - Houston	UTMDACC - Houston	Lotus Notes Environment		1		1	5/31/2009	Satisfactory
2007-06	UTMDACC - Houston	UTMDACC - Houston	Conflict of Interest		1		1	8/31/2009	Satisfactory
2007-09	UTMDACC - Houston	UTMDACC - Houston	Maintenance and Security of Biological Research Materials		1		1	8/31/2009	Satisfactory
2007-10	UTMDACC - Houston	UTMDACC - Houston	Research Compliance Design Review		1		1	11/30/2009	Satisfactory
2008-05	UTMDACC - Houston	UTMDACC - Houston	Lab Safety		1		0	2/28/2009	Implemented
2008-05	UTMDACC - Houston	UTMDACC - Houston	Clinical Trial Research		1		1	8/31/2009	Satisfactory
2008-05	UTMDACC - Houston	UTMDACC - Houston	Advance Beneficiary Notice Implementation Review		1		1	5/31/2009	Satisfactory
2009-03	UTMDACC - Houston	UTMDACC - Houston	Spirit of Sarbanes-Oxley				1	8/31/2009	Satisfactory

**THE UNIVERSITY OF TEXAS SYSTEM**  
**Implementation Status of Outstanding Significant Findings/Recommendations**

Report Date	Institution	Audit	2nd Quarter 2009		3rd Quarter 2009		Targeted Implementation Date	Overall Progress Towards Completion (Note)	
			Ranking	# of Significant Findings	Ranking	# of Significant Findings			
2009-03	UTMDACC - Houston	Wireless and Firewall Remote Access Security Assessment				4	8/31/2011	Satisfactory	
2009-03	UTMDACC - Houston	A Review of Patient History Oracle Database Security				3	5/31/2009	Satisfactory	
2009-03	UTMDACC - Houston	A Review of Patch Management				1	11/30/2009	Satisfactory	
2009-03	UTMDACC - Houston	A Review of Performance and Capacity Monitoring				4	8/31/2009	Satisfactory	
2005-04	UTHSC - Tyler	Texas Administrative Code 202 Compliance Audit		1		1	8/31/2009	Satisfactory	
2005-12	UTSYS ADM	System wide Financial Audit FY 2005		1		1	9/30/2009	Satisfactory	
2006-06	UTSYS ADM	UTMCO Institutional Investment and Compliance Audits		1		1	12/31/2009	Satisfactory	
2008-08	UTSYS ADM	FileNet Audit		1		1	9/30/2009	Satisfactory	
2008-12	UTSYS ADM	Consolidated Annual Financial Report FY 2008		1		1	10/31/2009	Satisfactory	
2009-03	UTSYS ADM	UT Federation Operating Practices and Procedures				1	12/31/2009	Satisfactory	
<b>Totals</b>							<b>65</b>		<b>76</b>

**STATE AUDITOR'S OFFICE AUDITS**

2007-03	UTPB	Federal Portion of the Statewide Single Audit Report for the Year Ended August 31, 2006		1		1	8/31/2009	Satisfactory	
2009-03	UTPB	Federal Portion of the Statewide Single Audit Report for the Year Ended August 31, 2008				3	9/30/2009	Satisfactory	
2009-03	UTSA	Federal Portion of the Statewide Single Audit Report for the Year Ended August 31, 2008				0	2/28/2009	Implemented	
2009-03	UTSMC - Dallas	Federal Portion of the Statewide Single Audit Report for the Year Ended August 31, 2008				0	2/9/2009	Implemented	
2009-04	UTSMC - Dallas	Financial Portion of the Statewide Single Audit Report for the Year Ended August 31, 2008				0	4/1/2009	Implemented	
2009-04	UTHSC - Houston	Financial Portion of the Statewide Single Audit Report for the Year Ended August 31, 2008				0	6/30/2009	Implemented	
2009-02	UTHSC - San Antonio	Financial Portion of the Statewide Single Audit Report for the Year Ended August 31, 2008				1	10/31/2009	Satisfactory	
2009-02	UTHSC - San Antonio	Federal Portion of the Statewide Single Audit Report for the Year Ended August 31, 2008				0	2/28/2009	Implemented	
2007-05	UTSYS ADM	Charity Care at Health-Related Institutions		1		1	12/31/2009	Satisfactory	
<b>Totals</b>							<b>2</b>		<b>6</b>

**Color Legend:**

- Either a new significant finding for which corrective action will be taken in the subsequent quarter or a previous significant finding for which no/limited progress was made towards implementation.
- Significant finding for which substantial progress towards implementation was made during the quarter that the significant finding was first reported.
- Significant finding for which substantial progress towards implementation was made during the quarter.
- Significant finding was appropriately implemented during the quarter and will no longer be tracked.

**Note:**

- Implemented** - The Internal Audit Director deems the significant finding has been appropriately addressed/resolved and should no longer be tracked.
- Satisfactory** - The Internal Audit Director deems that the significant finding is in the process of being addressed in a timely and appropriate manner.
- Unsatisfactory** - The Internal Audit Director deems that the significant finding is not being addressed in a timely and appropriate manner.



**OTHER U. T. SYSTEM AUDIT REPORTS RECEIVED BY SYSTEM AUDIT 3/2009 THROUGH 5/2009**

<b>Institution</b>	<b>Audit</b>
UTAUS	Change in Management – Department of Asian Studies
UTAUS	Change in Management – Jackson School of Geosciences
UTAUS	Change in Management – College of Pharmacy
UTAUS	Change in Management – Jack S. Blanton Museum of Art
UTAUS	Department of History – Information Resources Use and Security Policy
UTAUS	Marine Science Institute Purchasing Audit
UTAUS	Liberal Arts Career Services - Procard
UTAUS	International Office
UTAUS	Change in Management - University of Texas Police Department
UTAUS	Change in Management – Department of Mathematics
UTAUS	Change in Management – Department of Educational Administration
UTAUS	Change in Management – Student Financial Services
UTAUS	Change in Management – Performing Arts Center
UTAUS	Change in Management – School of Undergraduate Studies
UTAUS	Change in Management – Hogg Foundation
UTAUS	Change in Management – University Charter School
UTAUS	Change in Management – Cockrell School of Engineering
UTAUS	National Automated Clearing House Association (NACHA) Rules - eChecks
UTAUS	Facilities Services
UTAUS	Fully Integrated and Automated Technology (FIATECH)
UTEP	Cost Sharing
UTEP	Conflict of Interest
UTEP	Human Subject Research
UTPA	Wellness Complex Director
UTPB	Center for Energy and Economic Diversification
UTSA	National Collegiate Athletic Associations (NCAA)
UTSA	Advanced Research/Technology Program Report
UTTY	Audit of the Enrollment Management Department
UTTY	Audit of the Office of Dean for the College of Business and Technology
UTSMC - Dallas	UTS166: Cash Handling and Cash Management Policy
UTSMC - Dallas	Medical Equipment - University Hospitals
UTSMC - Dallas	Payroll
UTSMC - Dallas	Texas Administrative Code 202 Compliance Audit
UTSMC - Dallas	Psychiatry
UTSMC - Dallas	UTS155: Policies & Procedures Regarding Medical Service Research Development Plan Business Operations
UTSMC - Dallas	Radiation Oncology
UTSMC - Dallas	Family Practice Residency Program Grants Texas Higher Education Coordinating Board (THECB) Requirement
UTMB - Galveston	Cash Handling
UTMB - Galveston	Correctional Managed Care (CMC) UTMB Hospital Expense Review
UTMB - Galveston	Information Services Strategic Planning
UTMB - Galveston	University Student Services Change in Management
UTMB - Galveston	Endowment Process Review
UTMB - Galveston	Advanced Research Program/Advanced Technology Program Grant Review
UTMB - Galveston	Hurricane Ike Expenditures Project
UTHSC - Houston	Research Conflicts of Interest
UTHSC - Houston	Dental Service Research and Development Plan
UTHSC - Houston	Wireless Networking
UTHSC - Houston	Executive Travel and Entertainment
UTHSC - Houston	Campus Security
UTHSC - Houston	Review of Royalty Payments
UTHSC - Houston	Advanced Research Program/Advanced Technology Program Grants
UTHSC - Houston	Follow-up on Open Recommendations
UTHSC - San Antonio	Conflict of Interest Audit
UTHSC - San Antonio	Scholarship Awards Audit
UTHSC - San Antonio	Change in Management: Department of Medicine
UTHSC - San Antonio	Follow Up Audit - 2nd Quarter
UTMDACC - Houston	ARAMARK Dining Services Contract
UTMDACC - Houston	Criminal Background Checks
UTMDACC - Houston	Disposition of Student Fees
UTMDACC - Houston	Department of Laboratory Medicine
UTMDACC - Houston	MedAptus Post-Implementation Review
UTMDACC - Houston	Unrestricted Gifts
UTMDACC - Houston	Campus Security
UTMDACC - Houston	Physical Access to Facilities
UTMDACC - Houston	Cash Handling
UTSYS ADM	Endeavor Energy
UTSYS ADM	UT Health Science Center - Houston Professor Royalties
UTSYS ADM	Systemwide Endowment Compliance
UTSYS ADM	Texas Administrative Code 202 Compliance Audi

**STATE AUDITOR'S OFFICE AUDIT REPORTS RELEASED 3/2009 THROUGH 5/2009**

<b>Institution</b>	<b>Audit</b>
UT AUS, UTD, UTEP, UTPB, UTSA, UTSW, UTMB, UTHSCH, UTHSCSA	State of Texas Federal Portion of the Statewide Single Audit Report for the Fiscal Year Ended August 31, 2008
UTSYS ADM, UT AUS, UTSA, UTSW, UTHSCSA	State Auditor's Office FY08 Comprehensive Annual Financial Report (CAFR)
UTMB - Galveston	Expenditures Related to Hurricane Ike at The University of Texas Medical Branch at Galveston
UTIMCO	Ethics Policies for Trustee Investing Practices at the Employees Retirement System, the Teacher Retirement System, and The University of Texas Investment Management Company

## U. T. Systemwide FY 2009 Annual Internal Audit Plan Status (as of May 31, 2009)

	Financial	Operational	Compliance	Information Technology	Follow-up	Projects	Total Actual Hours (Note 1)	Total Priority Budget Hours (Note 2)		Variance (Hours)	Percentage Completion
U. T. System Administration	5,962	4,571	863	742	332	2,126	14,596	18,205		3,609	80%
<b>Large Institutions:</b>											
U. T. Austin	1,407	2,427	1,154	972	214	5,543	11,717	16,540		4,823	71%
U. T. Southwestern	4,572	3,005	1,849	1,486	96	3,352	14,359	15,510		1,151	93%
U. T. Medical Branch at Galveston	1,060	896	520	845	303	1,816	5,440	7,490 *		2,050	73%
U. T. HSC - Houston	1,606	752	1,138	1,576	320	2,020	7,410	7,204		(206)	103%
U. T. HSC - San Antonio	1,684	1,021	1,110	409	463	1,919	6,606	7,300		694	90%
U. T. M. D. Anderson Cancer Center	2,164	5,651	1,449	1,109	457	1,915	12,745	17,768		5,024	72%
<b>Subtotal</b>	<b>12,492</b>	<b>13,751</b>	<b>7,220</b>	<b>6,397</b>	<b>1,853</b>	<b>16,564</b>	<b>58,276</b>	<b>71,812</b>		<b>13,536</b>	<b>81%</b>
<b>Mid-size Institutions:</b>											
U. T. Arlington	1,093	523	1,346	952	200	1,336	5,449	6,130		681	89%
U. T. Brownsville	714	678	309	261	125	966	3,052	4,030		978	76%
U. T. Dallas	1,263	1,505	797	348	132	588	4,632	4,520		(112)	102%
U. T. El Paso	1,935	3,042	1,287	660	321	997	8,241	8,756		515	94%
U. T. Pan American	990	896	928	-	10	1,159	3,983	5,110		1,127	78%
U. T. San Antonio	1,201	970	1,498	1,089	250	1,398	6,406	6,264		(142)	102%
<b>Subtotal</b>	<b>7,196</b>	<b>7,613</b>	<b>6,164</b>	<b>3,309</b>	<b>1,038</b>	<b>6,443</b>	<b>31,763</b>	<b>34,810</b>		<b>3,047</b>	<b>91%</b>
<b>Small Institutions:</b>											
U. T. Permian Basin	454	1,437	-	-	32	328	2,251	1,250		(1,001)	180%
U. T. Tyler	493	472	469	3	53	509	1,998	2,668		670	75%
U. T. HSC - Tyler	787	936	192	-	109	253	2,277	3,030		753	75%
<b>Subtotal</b>	<b>1,734</b>	<b>2,845</b>	<b>661</b>	<b>3</b>	<b>194</b>	<b>1,090</b>	<b>6,526</b>	<b>6,948</b>		<b>422</b>	<b>94%</b>
<b>TOTAL</b>	<b>27,384</b>	<b>28,781</b>	<b>14,908</b>	<b>10,451</b>	<b>3,416</b>	<b>26,222</b>	<b>111,161</b>	<b>131,775</b>		<b>20,614</b>	<b>84%</b>
<b>Percentage of Total</b>	<b>25%</b>	<b>26%</b>	<b>13%</b>	<b>9%</b>	<b>3%</b>	<b>24%</b>	<b>100%</b>				

**NOTE 1:**

"Total Actual Hours" are total actual hours for the six months from 9/1/08 through 5/31/09, which represents 75% of the audit plan year.

**NOTE 2:**

"Total Priority Budget Hours" (approximately 80-85% of total budget hours) reflect budgeted hours approved by the ACMR Committee for priority projects.

\* Total Priority Budget Hours for UT Medical Branch at Galveston was adjusted from 11,805 to 7,490 hours due to the impact of Hurricane Ike. The revised priority hours were approved by the ACMR Committee during the February 2009 meeting.

5. **U. T. System: Report on the Systemwide Compliance Office work plans for Fiscal Years 2010 and 2011**

REPORT

The Systemwide Compliance Office, including Systemwide Information Security, recently engaged in a strategic planning process to augment the familiar enterprise-wide risk assessment so as to more clearly determine the resources, key stakeholders, timelines, and desired outcomes of annual compliance work plans. The Systemwide Executive Compliance Committee met on April 24, 2009, and reviewed and approved the work plans.

**Supplemental Materials: The Systemwide Compliance Work Plan and the Information Security Compliance Work Plan are included on Pages 44 - 50 of Volume 2.**

6. **U. T. System: Report on efforts to update and enhance research conflicts of interest policies, procedures, and enforcement at U. T. System institutions**

REPORT

Mr. Lawrence Plutko, Systemwide Compliance Officer, and Mr. Barry Burgdorf, Vice Chancellor and General Counsel, will report on the progress of the Research Conflicts of Interest Committee.

7. **U. T. System: Report on Systemwide institutional compliance activities**

REPORT

Mr. Lawrence Plutko, Systemwide Compliance Officer, will brief the Audit, Compliance, and Management Review Committee on the third quarter report of the Systemwide Compliance Program. Institutional activity reports are presented to the Committee on a quarterly basis.

**Supplemental Materials: Institutional Compliance Program Report Summary is included on Pages 51 – 54a of Volume 2.**