

TEXAS HIGHER EDUCATION COORDINATING BOARD

INTERNAL AUDIT & COMPLIANCE MONITORING

Annual State Compliance Monitoring Plan for Fiscal Year 2023

Specific risk factors from Texas Education Code (TEC), Title 3, Subtitle B, Chapter 61, Section 61.035, Internal Auditor and Compliance Monitoring, were used to develop the risk-based Annual State Compliance Monitoring Plan for Fiscal Year 2023. These risk factors included:

- The amount of student financial assistance or grant funds allocated to the institution by the Board;
- Whether the institution is required to obtain and submit an independent audit;
- The institution's system of internal controls;
- The length of time since the institution's last desk review or site visit;
- Past misuse of funds or misreported data by the institution; and
- Regarding data verification, whether the data reported to the Board by the institution is used for determining funding.

Risk-Based Reviews	<u>Hours</u>	<u>%</u>
1. Formula Funding at Institutions of Higher Education	1,725	37%

Perform reviews of contact hours at public community/junior colleges and formula funding reviews at other public institutions of higher education. Formula funding for institutions of higher education totals approximately \$4.6 billion annually.

Public Universities – Four institutions, based on risk assessment

Onsite Review

Texas A&M University
Texas Tech University

Desk Reviews

University of Houston
The University of Texas – San Antonio

Public Community/Junior Colleges – Four institutions, based on risk assessment

Onsite Review

Austin Community College
Central Texas College
Trinity Valley Community College

Desk Reviews

Tarrant County College

Public Health Related Institution – One institution, based on risk assessment

Onsite Reviews

The University of Texas M.D. Anderson Cancer Center

2. Financial Assistance Compliance at Institutions of Higher Education	2,900	63%
--	-------	-----

Perform compliance reviews of student financial assistance or grant programs at public community/junior colleges or other public/private institutions of higher education. Financial assistance disbursed to colleges and universities in Texas totals approximately \$957 million annually.

Public Universities – *Two institutions, based on risk assessment*

Onsite Reviews

Angelo State University
The University of Texas at Tyler

Public Community/Junior Colleges – *Three institutions, based on risk assessment*

Onsite Review

Tyler Junior College
Del Mar College

Desk Review

Weatherford College

Private Universities – *Nine institutions, based on risk assessment*

Onsite Review

St. Edwards University
Austin College
Southwestern Adventist University
Southwestern Christian University
Our Lady of the Lake University – San Antonio
Southern Methodist University
Paul Quinn College

Desk Review

Texas Christian University
Trinity University

Public Technical State College – *One institution, based on risk assessment*

Desk Review

Texas State Technical College – Waco

TOTAL RISK-BASED REVIEWS	4,625	100%
---------------------------------	--------------	-------------

Completion of FY22 Risk-Based Reviews	<u>Hours</u>	<u>%</u>
--	---------------------	-----------------

1. Formula Funding at Institutions of Higher Education		
Two institutions	100	20%

2. Financial Assistance Compliance at Institutions of Higher Education One institution	400	80%
TOTAL COMPLETION of FY22 REVIEWS	500	100%
Follow-Up Reviews	<u>Hours</u>	<u>%</u>
3. Formula Funding at Institutions of Higher Education Four institutions	400	100%
TOTAL FOLLOW-UP REVIEWS	400	100%
4. Sexual Misconduct State Reporting at Institutions of Higher Education Perform compliance review of Senate Bill 212, and House Bill 1735 (86 th Legislature) reporting at institutions of higher education.	1600	100%
TOTAL SEXUAL MISCONDUCT REVIEWS	1600	100%