

# Financial Management Processes at the Higher Education Coordinating Board

SAO Report No. 20-035  
June 2020

## *Overall Conclusion*

- The Higher Education Coordinating Board (Coordinating Board) complied with the requirements of the Texas Education Code and the Texas Administrative Code for allocating and distributing Toward Excellence, Access, and Success (TEXAS) grant funds to higher education institutions for fiscal year 2020.
- Tarleton State University and the University of Houston-Downtown administered the TEXAS grant in accordance with requirements by awarding TEXAS grants to eligible students.
- The Coordinating Board administered its contract with Nelnet Servicing, LLC for its loan management system in accordance with most applicable requirements. However, it did not consistently ensure that all members of the evaluation team signed required disclosure forms.



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## Summary of Chapters and Related Issue Ratings

Chapter	Title	Issue Rating <sup>a</sup>
1	The Coordinating Board Complied with Applicable Requirements for Allocating and Distributing TEXAS Grant Funds to Institutions of Higher Education	Low
2	Tarleton State University and the University of Houston-Downtown Administered the TEXAS Grant in Accordance with Applicable Requirements	Low
3-A	The Coordinating Board's Contract for a New Loan Management System Complied with Most Requirements	Low
3-B	The Coordinating Board Should Verify That Required Disclosure Forms Are Consistently Completed	Medium

<sup>a</sup> See report appendix 2 for the issue rating classifications and descriptions.



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## *Key Points*

Administration of the TEXAS grant. The Coordinating Board, Tarleton State University, and the University of Houston-Downtown administered the TEXAS grant in accordance with applicable requirements. (Chapters 1 and 2)

Contract planning, procurement, formation, and monitoring. The Coordinating Board planned, procured, formed, and monitored the contract for a new loan management system in accordance with most applicable requirements tested. (Chapters 3-A)

Required Disclosure Forms. The Coordinating Board did not ensure that all members of the bid evaluation team and contract management personnel involved in the audited contract completed the required disclosure forms. (Chapter 3-B)