



TEXAS HIGHER EDUCATION COORDINATING BOARD

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April 23, 2019

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Dr. Renu Khator, President and Chancellor
University of Houston System
4800 Calhoun Road
Houston, TX 77004

Dear Dr. Khator,

I am attaching the final report on *A Compliance Audit of the Toward EXcellence Access and Success (TEXAS) Grant at the University of Houston*, Report No. THECB-CM-FA-19-004. There were no findings resulting from this engagement.

This Compliance Monitoring audit report will be presented to the THECB Committee on Agency Operations, a standing committee of the THECB Board, in July, 2019.

If you have any questions or comments, please let me know.

Sincerely,

A handwritten signature in black ink that reads "Mark A. Poehl".

Mark A. Poehl, CPA, CIA, CISA, CFE
Director, Internal Audit and Compliance

EXECUTIVE SUMMARY

University of Houston complied with relevant Coordinating Board (THECB) rules and regulations for the TEXAS Grant Program and with Chapter 19 Texas Administrative Code (TAC) Sections 22.225 – 22.242, in the areas of eligibility and award amounts.

We conducted this audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide reasonable basis for our findings and recommendations based on our audit objectives. We believe the evidence obtained provides a reasonable basis for the findings and recommendations, if any, based on the audit objectives.

We reviewed the following areas:

Award Amounts

No reportable findings were noted.

Student Eligibility

No reportable findings were noted.

Financial Need

No reportable findings were noted.

Satisfactory Academic Progress

No reportable findings were noted.

Residency

No reportable findings were noted.

Selective Service Registration

No reportable findings were noted.

Scope, Objective, and Methodology

Our compliance audit included tests of TEXAS GRANT disbursements during fiscal year 2018 for compliance with relevant criteria, including:

- Student Eligibility
- Financial Need
- Satisfactory Academic Progress (SAP)
- Residency
- Selective Service Registration
- Award Amounts

Our work included procedures to verify:

- Students met all eligibility criteria including SAP requirements;
- Students demonstrated financial need;
- Students fulfilled residency requirements;
- Applicable students registered with the selective service system; and
- Reported award amounts reconciled with UH's student information system data and payment records.

The audit methodology included objectively reviewing and analyzing various forms of documentation, conducting interviews and observations, and performing other tests of controls necessary to achieve the objectives of the audit. THECB used random and judgmental sampling to determine the extent to which UH accurately reported TEXAS Grant data.

Background

The purpose of the TEXAS Grant Program is to provide grants of money to enable eligible students to attend public institutions of higher education in this state. During fiscal year 2018, there were 3,891 students who received award disbursements totaling \$22,910,339.

PERFORMED BY:

Ms. Jamyen Robinson-Hall, Compliance Specialist

CC:

THECB

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