

TEXAS HIGHER EDUCATION COORDINATING BOARD

INTERNAL AUDIT & COMPLIANCE MONITORING

Annual State Compliance Monitoring Plan for Fiscal Year 2022

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 2022. 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

Hours

%

1. Formula Funding at Institutions of Higher Education (IHEs)

2,350

32%

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 Community/Junior Colleges – Ten institutions

Onsite Reviews * (Contingent upon IHE campus availability)

Texas Southmost College District
Northeast Texas Community College
Ranger College
Lone Star College System

Desk Reviews

Midland College
Victoria College
Brazosport College
Vernon College
Western Texas College

Public Health Related Institution – Three institutions

Onsite Review * (Contingent upon IHE campus availability)

The University of Texas Medical Branch at Galveston

Desk Reviews

University of North Texas Health Science Center at Fort Worth

Texas Tech University Health Science Center at El Paso

2. Financial Assistance Compliance at IHEs	2,525	34%
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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 Community/Junior Colleges – Two institutions

Onsite Review * (Contingent upon IHE campus availability)

South Plains College

Desk Review

Howard County Junior College District

Private Universities – Eleven institutions

Onsite Reviews * (Contingent upon IHE campus availability)

LeTourneau University

Lubbock Christian University

McMurry University

Jarvis Christian College

Wayland Baptist University

Desk Reviews

St. Mary's University of San Antonio

Concordia University

Houston Baptist University

Hardin-Simmons University

Southwestern University

Southwestern Assemblies of God University

3. Sexual Misconduct Reporting at IHEs	1,500	20%
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Perform compliance reviews of Senate Bill 212, and House Bill 1735 (86th Legislature) reporting at IHEs. These two bills are now codified in Texas Education Code (TEC) Title 3, Subtitle A, Chapter 51, Subchapters E-2 and E-3, respectively.

TOTAL RISK-BASED REVIEWS	6,375	86%
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Carryover, Follow up, and Quality Assurance Reviews

4. Completion of FY-21 Reviews of Financial Assistance Compliance at IHEs Three institutions	525	7%
5. Follow up Reviews Six institutions	375	5%
6. Quality Assurance Review Solicit and Host an External Quality Assurance Review of the Compliance Monitoring Function. Use competitive solicitation to engage a qualified, independent reviewer to perform an External Quality Assurance Review (QAR) of the Compliance Monitoring Function.	160	2%
TOTAL CARRYOVER, FOLLOW UP, and QA REVIEWS	1,060	14%
GRAND TOTAL	7,435	100%