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July 31, 2020

Dr. Lori Rice-Spearman
President
Texas Tech University Health Sciences Center - Lubbock
3601 4th Street
Lubbock, Texas 79430

RE: A Compliance Monitoring Desk Review of Graduate Medical Education at
Texas Tech University Health Sciences Center - Lubbock

Dear Dr. Rice-Spearman,

I am attaching the final report on *A Compliance Monitoring Desk Review of Graduate Medical Education (GME) at Texas Tech University Health Sciences Center - Lubbock*, Report No. THECB-CM-FA-20-028. There were no findings resulting from our engagement.

This Compliance Monitoring report will be presented to the Texas Higher Education Coordinating Board (THECB) Committee on Agency Operations, a standing committee of the THECB Board, on October 21, 2020.

The cooperation of your staff during this review is greatly appreciated. If you have any questions or comments, please let me know.

Sincerely,

A handwritten signature in black ink that reads "Mark A. Poehl". The signature is written in a cursive style with a large, stylized "M" and "P".

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

EXECUTIVE SUMMARY

Texas Tech University Health Sciences Center - Lubbock (TTUHSC) complied with relevant Coordinating Board (THECB) rules and regulations for the Graduate Medical Education (GME) grant and with the Texas Administrative Code (TAC), Title 19, Part 1, Chapter 6, Subchapters G, H, and I in areas of institution eligibility, resident position eligibility, and allowability of grant expenditures.

Our review included tests of relevant eligibility and expenditure data reported and certified by Texas Tech University Health Sciences Center - Lubbock for accuracy and completeness in accordance with TAC, Title 19, Part 1, Chapter 6, Subchapters G, H, and I.

Our desk review focused on the following expenditure data and time period:

- Reported salary expenditures and malpractice insurance expenditures; and
- For FY 2016 through FY 2018.

Our work included procedures to verify:

- Resident positions were valid and accredited;
- Expenditures reported reconcile with official accounting records; and
- Expenditures reported were allowable.

Our consideration of internal control was for the compliance purposes described in the scope section and was not designed to identify all deficiencies in internal control.

The methodology included objectively reviewing and analyzing various forms of documentation, conducting interviews, and performing other tests of controls necessary to achieve the objectives of the desk review.

Background

In 2013, the 83rd Texas Legislature created new grant programs intended to expand the availability of graduate medical education (GME) in Texas. In 2015, the 84th Texas Legislature, through Senate Bill 18, consolidated these programs into one overarching GME Expansion Grants Program. The Graduate Medical Education (GME) Expansion Program administers programs that support efforts to increase first-year residency positions and is available to support the maintenance and creation of those at existing and new GME programs.

PERFORMED BY:

Ms. Carol Conner, CFE, Compliance Specialist

CC:

THECB

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