

Facilities Audit Report

July 2021

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Agency Mission

The mission of the Texas Higher Education Coordinating Board (THECB) is to provide leadership and coordination for Texas higher education and to promote access, affordability, quality, success, and cost efficiency through *60x30TX*, resulting in a globally competitive workforce that positions Texas as an international leader.

Agency Vision

The THECB will be recognized as an international leader in developing and implementing innovative higher education policy to accomplish our mission.

Agency Philosophy

The THECB will promote access to and success in quality higher education across the state with the conviction that access and success without quality is mediocrity and that quality without access and success is unacceptable.

The THECB's core values are:

Accountability: We hold ourselves responsible for our actions and welcome every opportunity to educate stakeholders about our policies, decisions, and aspirations.

Efficiency: We accomplish our work using resources in the most effective manner.

Collaboration: We develop partnerships that result in student success and a highly qualified, globally competent workforce.

Excellence: We strive for excellence in all our endeavors.

The Texas Higher Education Coordinating Board does not discriminate on the basis of race, color, national origin, gender, religion, age or disability in employment or the provision of services.

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Executive Summary

This report summarizes the results of the facilities audits conducted between July 2018 through March 2020. Audits consist of in-person peer review team visits composed of agency personnel and staff of public institutions of higher education. The audits measure the accuracy of an institution's facilities inventory records as submitted to the Texas Higher Education Coordinating Board (THECB) and certified by November 1 annually.

Typically, six to eight institutions are audited each year. On March 13, 2020, the THECB postponed all remaining scheduled audits for 2020 due to the COVID-19 pandemic. As the pandemic persisted through Spring 2021, THECB postponed audits again and plans to resume them in 2022 with a new schedule for institutions.

The institutions audited during this timeframe were:

- Texas A&M University-Central Texas;
- Texas A&M University at Galveston;
- University of North Texas at Dallas;
- Sul Ross State University;
- Texas A&M University-Texarkana;
- Texas State Technical College in West Texas;
- Texas State Technical College in Marshall;
- Sul Ross State University-Rio Grande College;
- Texas Southern University;
- Prairie View A&M University;
- Texas A&M University-San Antonio;
- Lamar State College Port Arthur;
- Texas A&M University;
- University of Houston; and
- The University of Texas at Austin.

Introduction

Texas Education Code, Section 61.0583, requires the Texas Higher Education Coordinating Board (THECB) to periodically conduct a comprehensive audit of all educational and general facilities on the campuses of public universities, public senior colleges, and the Texas State Technical Colleges. The audit must verify the accuracy on the institutions' facilities inventories and ensure that construction projects have been submitted to the THECB in accordance with Texas Education Code, Section 61.058. The facilities audit and inventory programs are defined in the Texas Administrative Code, Title 19, Part 1, Chapter 17, Resource Planning.

Facilities Audit Report

Facilities audits are conducted with two groups participating. The institution's internal auditor conducts the review of the institution's facility project development and issues a report to the institution's chief executive officer and the staff of the Texas Higher Education Coordinating Board.

The peer review team (PRT) conducts an onsite audit of the facility inventory and internal control procedures. The peer review team is accompanied by one THECB staff person. The peer review team report is sent to the management of the institution at the conclusion of the field work. Institutional management reviews the report and is given the opportunity to respond, which may include an action plan to address any recommendations of the PRT or internal auditor findings and sends a final response to THECB.

Overview of the PRT Audit

The PRT audit is an evaluation of space inventory, reporting along eight metrics with a score from 1 to 5 (5 is best). More detailed definitions are in the CBM Reporting Manual, but the eight metrics include the following:

1. Unique identification, which identifies rooms by an alphabetic or numerical code
2. Space Use Codes, which describe the predominate use of the room (for example, 110 is a classroom)
3. Functional Category Codes, which describe the function of a room (for example, 12 is Vocational/Technical Instruction)
4. Classification of Instructional Programs (CIP) Codes, which describe the subject matter of courses taught in the space (for example, CIP Code 16 is Foreign Languages, Literatures, and Linguistics)
5. Accuracy of prorated Functional Category Codes
6. Accuracy of room area
7. Accuracy of education and general (E&G) room area
8. Accuracy of seating capacity

Audit Results from July 2018 to March 2020

Texas A&M University-Central Texas - August 2018

There were errors in a third of the rooms sampled with respect to Functional Category Code and half with respect to CIP Code, suggesting wider problems with their inventory system. The institution has provided a plan to make corrections and improve their processes. There were no findings by the institution's internal auditor.

Texas A&M University at Galveston – March 2019

The institution received top marks except for a 1 out of 5 score on reported seating capacity. The institution has corrected the identified discrepancies and committed to a wider review. There were no findings by the institution's internal auditor.

University of North Texas at Dallas – March 2019

The audit found problems with missing signage, Space Use Codes, Functional Category Codes, and excess reported square feet. The institution has corrected the identified issues

and made changes to how space inventory is managed, including a potential software purchase, to address the issue. There were no findings by the institution's internal auditor.

Sul Ross State University – April 2019

The audit gave low scores for Space Use Codes, CIP Codes, and reported room area. The institution has committed to dedicating manpower and improving systems to correct existing discrepancies and prevent future ones. There were no findings by the institution's internal auditor.

Texas A&M University-Texarkana – April 2019

The PRT observed significant inaccuracies, especially regarding Space Use Codes and CIP Codes. The institution has developed a multiphase plan to review their space inventory and improve systems to prevent future issues. There were no findings by the institution's internal auditor.

Texas State Technical College in West Texas – May 2019

The PRT gave top marks in all audit categories. There were no findings by the institution's internal auditor.

Texas State Technical College in Marshall – May 2019

The PRT gave top marks in all audit categories except for reported room area, where a single error prevented top marks in this category. There were no findings by the institution's internal auditor.

Sul Ross State University-Rio Grande College – June 2019

The audit found significant numbers of rooms with incorrect CIP and Functional Use Codes, but otherwise earned high marks. The institution has committed to corrective action. There were no findings by the institution's internal auditor.

Texas Southern University Re-Audit– June 2019

Significant errors were found in Functional Use Codes, CIP Codes, and areas that were classified as E&G space that should not have been. The institution has developed an action plan to address the errors.

Prairie View A&M University Re-Audit– July 2019

The PRT awarded 1 out of 5 ranks on the accuracy of Space Use Codes, CIP Codes, reported room area, and reported E&G room area. The institution has corrected identified errors and committed to improving systems to prevent future errors.

Texas A&M University-San Antonio Re-Audit – August 2019

The PRT awarded top marks in all audit categories.

Lamar State College Port Arthur Re-Audit– August 2019

The PRT awarded top marks in all audit categories.

Texas A&M University – February 2020

The PRT awarded high or top marks in all categories. The institution already addressed most of the identified errors and is developing new resources to prevent similar errors in the future. There were no findings by the institution's internal auditor.

University of Houston – February 2020

The PRT awarded top marks in all categories except unique identification, where a 4 out of 5 was awarded. There were no findings by the institution's internal auditor.

The University of Texas at Austin – March 2020

The PRT awarded top marks, except for reported seating. There were no findings by the institution's internal auditor.

Conclusion

On March 13, 2020, the THECB postponed all remaining scheduled audits for 2020 due to the COVID-19 pandemic. As the pandemic persisted through Spring 2021, THECB postponed audits again and plans to resume them in fiscal year 2022 with a new audit schedule for institutions.

Five institutions required significant corrective action after the last audit cycle and are scheduled to be audited again within the next three years. Overall, institutions are managing their facilities inventories and reporting projects to the THECB as necessary.



This document is available on the Texas Higher Education Coordinating Board website:
<http://highered.texas.gov>.

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