

Funding Division

**Texas Higher
Education
COORDINATING BOARD**

**IDEA AGENDA ITEM V-D
BOARD AGENDA ITEM VIII-C**

Facilities Audit Report

October 2023

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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 in Fiscal Year 2023. Audits consist of in-person Peer Review Team (PRT) visits composed of agency personnel and staff of public institutions of higher education. Congruent with the work of the PRT, the institution's internal auditor is responsible for verifying that the institution has correctly submitted facilities development projects to the Texas Higher Education Coordinating Board (THECB). The audits measure the accuracy of an institution's facilities inventory records as submitted to THECB and certified by the institutions by November 1 annually.

The institutions audited during this timeframe were:

- Texas Southern University;
- University of Texas at Dallas;
- The University of Texas at San Antonio;
- University of North Texas at Dallas;
- Texas State University;
- The University of Texas Rio Grande Valley; and
- The University of Texas at El Paso.

All seven of the institutions audited had no findings, and scoring indicates that the institutions are accurately recording and submitting facilities information to the THECB.

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 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, and THECB rules and have received approval when required. 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 PRT consists of two university representatives (from other institutions in Texas that are not within the same system) accompanied by one THECB staff person. The PRT 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, then sends a final response to THECB.

THECB staff provides the Facilities Audit Report to the board of the THECB (Board) or the appropriate standing committee of the Board, and within 30 days, a copy of the report is filed with the audited institutions and the Legislative Budget Board.

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 proration of 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 in 2023

Texas Southern University – March 2023

The institution received top marks in all categories except classroom and class lab seating capacity, where the institution received a score of 4 out of 5. The overall score was 98%. There were no material findings by the institution's internal auditor.

The University of Texas at Dallas – May 2023

The institution received top marks in all categories except space use codes, functional category codes, and CIP codes, where the institution received a score of 4 out of 5. The overall score was 93%. There were no material findings by the institution's internal auditor.

The University of Texas at San Antonio – May 2023

The institution received top marks in all categories. The overall score was 100%. There were no findings by the institution's internal auditor.

University of North Texas at Dallas – June 2023

The institution received top marks in all categories. The overall score was 100%. There were no findings by the institution's internal auditor.

Texas State University – June 2023

The institution received top marks in all categories except classroom and class lab seating capacity, where the institution received a score of 4 out of 5. The overall score was 98%. There were no findings by the institution's internal auditor.

The University of Texas Rio Grande Valley – July 2023

The institution received a score of 3 out of 5 for room identification, a 4 out of 5 for space use coding, and 5 out of 5 for functional category codes, CIP codes, and proration. The institution received a score of 2 out of 5 for classroom and class lab seating capacity. The PRT recommended engaging departmental administration to ensure correct seating capacities. The overall score was 85%. There were no findings by the institution's internal auditor.

The University of Texas at El Paso – July 2023

The institution received top marks in all categories. The overall score was 100%. There were no findings by the institution's internal auditor.

Conclusion

The seven institutions that were audited had no major finding and scored very well. These institutions are managing their facilities inventories and reporting projects to the THECB as required.

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

For more information contact:

Jennifer Gonzales
Funding Division
Texas Higher Education Coordinating Board
P.O. Box 12788
Austin, TX 78711
PHONE 512-427-6235
jennifer.gonzales@highered.texas.gov