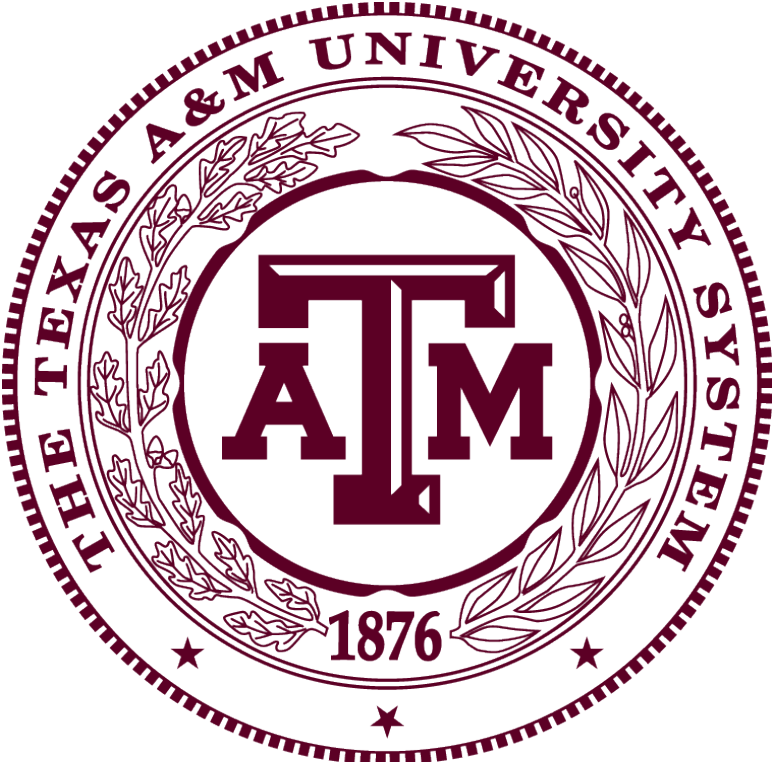


The Texas A&M University System Internal Audit Department

MONTHLY AUDIT REPORT



November 15, 2017



The Texas A&M University System Internal Audit Department
November 2017

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**Construction Project Reporting to the
Texas Higher Education Coordinating Board**

November 15, 2017

**Charlie Hrncir, C.P.A.
Chief Auditor**

Project #20180101



Overall Conclusion

The Texas A&M University System is generally in compliance with the Texas Higher Education Coordinating Board (THECB) application and reporting requirements for development projects and real property acquisitions. For construction projects subject to the THECB requirements, audit procedures were performed to verify that Texas A&M University System Board of Regents approval was obtained, an application for the project was submitted to the THECB, tracking forms were submitted to the THECB as applicable, and the THECB database was updated if the project was completed. The following four A&M System members participated in this audit:

- Texas A&M University – San Antonio
- Texas A&M University – Central Texas
- Texas A&M University – Texarkana
- Texas A&M University at Galveston

Basis of Review

Objective and Scope

A review of A&M System projects for compliance with the THECB's requirements for development projects and real property acquisitions was performed to fulfill the requirements of the THECB Facilities Audit Protocol. The audit period focused on activity from September 2013 to August 2017 for Texas A&M University – San Antonio, Texas A&M University – Central Texas, Texas A&M University – Texarkana and Texas A&M University at Galveston. Fieldwork was conducted from September 2017 to October 2017.

Methodology

Our review methodology included a review of documentation and testing of data as follows:

To determine whether construction projects and improved real estate acquisitions complied with THECB application and reporting requirements, auditors reviewed the population of capital projects and real estate acquisitions for the audit period and selected all projects subject to THECB requirements for testing as follows:

- Texas A&M University – San Antonio had two construction projects and no real estate acquisitions subject to the THECB requirements.

- Texas A&M University – Central Texas had two construction projects and no real estate acquisitions subject to the THECB requirements.
- Texas A&M University – Texarkana had two construction projects and no real estate acquisitions subject to the THECB requirements.
- Texas A&M University at Galveston had two construction projects and no real estate acquisitions subject to the THECB requirements.

Criteria

Our audit was based upon standards as set forth in Texas A&M University System Policies and Regulations; Texas Administrative Code Title 19, Part1, Chapter 17; the Texas Higher Education Board’s 2015 Facilities Audit Protocol, and other sound administrative practices. The audit was conducted in conformance with the Institute of Internal Auditors’ International Standards for the Professional Practice of Internal Auditing.

Additionally, we conducted the 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 a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

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