

Nursing Shortage Reduction Program Regular Program Fiscal Year 2016

Audit Report # 21-307

February 5, 2021



The University of Texas at El Paso
Office of Auditing and Consulting

"Committed to Service, Independence and Quality"



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February 5, 2021

Dr. Heather Wilson
President, The University of Texas at El Paso
Administration Building, Suite 500
El Paso, Texas 79968

Dear Dr. Wilson:

The Office of Auditing and Consulting Services has completed a limited- scope audit of Nursing Shortage Reduction Program-Regular Program Fiscal Year (FY) 2016. Reporting requirements and all financial transactions tested were in compliance with program requirements with no exceptions noted. All funds awarded by THECB were expended and no funds were required to be returned.

We appreciate the cooperation and assistance provided by the School of Nursing staff during our audit.

Sincerely,

A handwritten signature in blue ink that reads 'Lori Wertz'.

Lori Wertz
Chief Audit Executive

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EXECUTIVE SUMMARY

The Office of Auditing and Consulting Services has completed a limited scope audit of the Nursing Shortage Reduction Program (NRSP) -Regular Program Fiscal Year 2016.

During the audit we noted the following:

- The School of Nursing closely monitored all NRSP revenue and expenditures.
- Required Annual Reports to the THECB were accurate and appropriately approved.
- All funds expended met the program objectives.
- The University did not need to return any unused funds to the THECB.

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BACKGROUND

Texas Education Code, §§61.9621 - 61.9628 established the Professional Nursing Shortage Reduction Program (NSRP) to help reduce the professional nursing shortage. The statute directs the Coordinating Board to administer a grant program, supervise institutional reporting requirements, and adopt program rules.

According to the NSRP FY 2016 Regular Program announcement, the 84th Texas Legislature appropriated \$5,550,187 to the Texas Higher Education Coordinating Board (Coordinating Board) for fiscal year (FY) 2016 for the Professional Nursing Shortage Reduction Program Regular Program.

Allowable expenditures included:

- Nursing faculty enhancement to assist the programs in the education, recruitment, and retention of a sufficient number of faculty members to enable the programs to enroll a sufficient number of students to meet the state's need for registered nurses.
- Encouraging innovation in the recruitment and retention of students, including the recruitment and retention of Spanish-speaking and bilingual students. Examples of qualifying retention expenditures under this section include student financial aid, textbooks, and computer based aids.
- Identifying, developing, or implementing innovative methods to make the most effective use of limited professional nursing program faculty, instructional or clinical space, and other resources, including:
 1. Sharing curriculum and administrative or instructional personnel, facilities, and responsibilities between two or more professional nursing programs located in the same region of this state; and
 2. Using preceptors or part-time faculty to provide clinical instruction in order to address the need for qualified faculty.

An audit of awards over \$500,000 is required by Texas Higher Education Coordinating Board (THECB) six months after all funds are expended. The University of Texas at El

Paso (UTEP) received a 2016 NSRP award in the amount of \$1,629,615.26. The University had four fiscal years to expend the funds.

AUDIT OBJECTIVES

The objectives of this audit are to determine whether:

- UTEP received all grant funds awarded by the THECB for the Nursing Shortage Reduction Program-Regular Program FY 2016,
- annual reports were submitted to the THECB in an accurate and timely manner,
- grant expenditures were allowable according to THECB guidelines, and
- unexpended funds, if any, were returned to the THECB timely.

SCOPE AND METHODOLOGY

The audit was conducted in accordance with the *International Standards for the Professional Practice of Internal Auditing* and the authoritative guidelines of the *International Professional Practice Framework* issued by the Institute of Internal Auditors.

The scope of this audit included expenditures in FY 2017 through FY 2020. The procedures conducted included, but were not limited to, the following:

- ✓ Verifying the award amounts posted in PeopleSoft agreed to the amount allocated by THECB,
- ✓ Confirming that Annual Reports were properly approved and submitted timely,
- ✓ Reviewing the Program Announcement guidelines for allowable expenditures,
- ✓ Confirming that expenditures posted in PeopleSoft agreed to the amounts recorded in the NSRP Annual Reports, and
- ✓ Testing a sample of expenditures, including salaries, to determine if they complied with guidelines.

RANKING CRITERIA

All findings in this report are ranked based on an assessment of applicable qualitative, operational control and quantitative risk factors, as well as the probability of a negative outcome occurring if the risk is not adequately mitigated. The criteria for the rankings are as follows:

Priority	An issue identified by an internal audit that, if not addressed timely, could directly impact achievement of a strategic or important operational objective of a UT institution or the UT System as a whole.
High	A finding identified by internal audit considered to have a medium to high probability of adverse effects to the UT institution either as a whole or to a significant college/school/unit level.
Medium	A finding identified by internal audit considered to have a low to medium probability of adverse effects to the UT institution either as a whole or to a college/school/unit level.
Low	A finding identified by internal audit considered to have minimal probability of adverse effects to the UT institution either as a whole or to a college/school/unit level.

AUDIT RESULTS

A. Revenue Monitoring

The THECB reported an allocation of \$1,629,615.26 to UTEP for the Nursing Shortage Reduction Program- FY 2016 Regular Program. All award money was received and reported properly. The School of Nursing tracked all amounts received to ensure completeness. No exceptions were noted.

B. Annual Reports to the Texas Higher Education Coordinating Board

UTEP submitted Annual Reports to the Texas Higher Education Coordinating Board (THECB) in FY 2016 through FY 2020. The reports were complete, appropriately approved, and accurate. All reported expenditure amounts matched expenditures reported in the UTEP PeopleSoft financial accounting system. No exceptions were noted.

C. Allowable Expenditures

The THECB outlines allowable expenditures in the FY 2016 Regular Program Announcement. Audit tested 100% of the operating expenses and a sample of travel and payroll expenditures for compliance with THECB guidelines and adequate support documentation. No exceptions were noted.

D. Unexpended Funds

UTEP must return any unused funds to the THECB after four fiscal years. UTEP expended all funds on allowable expenditures in a timely manner. No exceptions were noted.

CONCLUSION

Based on the results of audit procedures performed, we conclude that the School of Nursing has adequate controls in place to ensure funds are tracked, expenditures are monitored for appropriateness and timeliness, and adequate documentation is provided to demonstrate support for the objectives of the Nursing Shortage Reduction Program.

We wish to thank the management and staff of the School of Nursing for their assistance and cooperation provided throughout the audit.