PROJECT SUMMARY

Overall, Texas A&M University has controls in place to ensure compliance with the Texas Higher Education Coordinating Board’s (THECB) grant conditions for its 2009 Norman Hackerman Advanced Research Program (NHARP) grants. Expenditures for the grants were allowable, and most other applicable THECB requirements were met. Improvement is needed in the timeliness in which reports are submitted. The University received the following grants:

- Project Number 010366-0149-2009: Mathematical Study of Wind Power Generation, award amount $76,600.

- Project Number 010366-0008-2009: Improved Assessment of Texas Air Quality: Aerosol Composition by Raman Microspectroscopy, award amount $148,125.

- Project Number 010366-0040-2009: Patterning Nanoscale Arrays by Evaporative Templating, award amount $196,460.

- Project Number 010366-0137-2009: Atomic Free Radicals in Nanoclusters Immersed in Superfluid Helium, award amount $120,000.


- Project Number 010366-0126-2009: Proxy Development in Deep-Sea Corals from the Gulf of Mexico and the Southeastern United States, award amount $128,060.

- Project Number 010366-0025-2009: Developing predictive toxicity models using nanomaterial structure-activity relationships, award amount $127,060.


- Project Number 010366-0138-2009: Corals at the Flower Garden Banks as monitors of climatic and environmental change, award amount $126,508.
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- Project Number 010366-0097-2009: The Infrared and Bolometric Properties of Type Ia Supernovae: Improving the Standard Candle, award amount $149,960.

- Project Number 010366-0102-2009: Discovery of Dark Matter using High Performance Computing and LHC data at Texas A&M, award amount $100,000.

- Project Number 003658-0010-2009: Room-temperature electrically-pumped semiconductor sources of THz radiation, award amount $58,044.

OBSERVATION, RECOMMENDATION, AND RESPONSE

Timeliness of Progress Reports

Observation

Current processes do not ensure timeliness of progress reports.

Current processes over the NHARP grants do not ensure progress reports are submitted in a timely manner. Four of twenty-four (17%) progress reports reviewed in conjunction with Project Numbers 010366-0139-2009, 010366-0138-2009 and 010366-0097-2009 had not been filed by the reporting deadline. The untimely reporting was 6 and 19 days past due, with two reports never being submitted. THECB’s grant conditions require progress reports to be submitted by March 1 or the next business day if the due date falls on a weekend. Managers and principal investigators did not effectively monitor for compliance with the reporting timeline.

Recommendation

Develop and implement a monitoring process by which progress reports are completed and submitted within the prescribed THECB deadline in accordance with grant conditions.

Management’s Response

We will establish an internal procedure to distribute report due notifications to principal investigators at 90-60-30 days prior to the reporting due dates. Department heads of the principal investigators will be copied on these notifications. It should be noted that THECB
also notifies principal investigators of upcoming due dates for progress and final reports.

Target Date: July 1, 2013.

Automated reminders of project deliverables is under development in the Maestro research administration system. Once this module is in place, principal investigators should receive scheduled email reminders regarding project reporting dates.

BASIS OF REVIEW

Objective and Scope

The objective of this audit was to test the University’s compliance with the THECB’s regulations associated with the NHARP grants. Transactions related to the grants were reviewed for the period of May 2010 to May 2012. Fieldwork was conducted from July to August 2012. The audit team used the THECB’s 2009 Grant Conditions for the NHARP as criteria to determine if:

- Expenditures, including salaries, were allowable and related to grant activities.
- Budget transfers were appropriately approved.
- Required reports were filed timely.
- All other requirements set forth in the grant conditions were met.

Criteria

Our audit was based upon standards as set forth in the System Policy and Regulation Manual of the Texas A&M University System, the Texas Higher Education Coordinating Board’s 2009 Grant Conditions for the Norman Hackerman Advanced Research Program, and other sound administrative practices. This audit was conducted in conformance with the Institute of Internal Auditors’ “International Standards for the Professional Practice of Internal Auditing.”

Additionally, we conducted this performance 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.

Background

The Norman Hackerman Advanced Research Program was created by the Texas Legislature in 1987 as a competitive, peer-reviewed grant program to fund scientific and engineering research projects of faculty members at Texas higher education institutions. Originally titled the Advanced Research Program, the Program was renamed in 2007 to honor the distinguished researcher and chairman of the Texas Higher Education Coordinating Board’s Advisory Committee on Research Programs (ACORP), Dr. Norman Hackerman. The program is administered by the Texas Higher Education Coordinating Board.

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