Overall Conclusion

Texas A&M Health Science Center generally had controls in place to ensure compliance with the grant conditions for all five of its Cancer Prevention Research Institute of Texas (CPRIT) grants. Opportunities for improvement in employee effort certification compliance were noted. For the three-year period under review, Texas A&M Health Science Center had five CPRIT grants totaling $11 million.

- Project Number RP110532-AC: Administrative Core, award amount $2,479,350
- Project Number RP110532-P2: P2: Combinatorial Drug Discovery Program, award amount $3,865,222
- Project Number PP110176: Enhanced Colorectal Cancer Screening in a Family Medicine Residency Program Serving Low-Income & Underserved: Translating Research Into Practice, award amount $2,748,008
- Project Number RP110241: EPICO: Education to Promote Improved Cancer Outcomes, award amount $487,589
- Project Number RP120855: P1: Targeting Cellular Energetics Pathways in Endometrial Cancer, award amount $1,455,000

Detailed Results

Time and Effort Certifications

Certifications were not supported by the employee’s certification of effort as required for 3 of 37 (8%) certifications tested. The missing effort certifications were due to changes in the source of funds for an employee’s payroll to correct the amount of payroll charged to the CPRIT grant account. The time system was not updated to reflect the payroll changes and trigger certifications. State uniform grant management standards (UGMS) require that personnel must certify semi-annually their effort on state funded awards.
**Recommendation**

The center should develop monitoring processes to ensure that time and effort certifications are complete, accurate and include all employees with time charged to a project.

**Management’s Response**

*The center concurs with the recommendation. Management has determined that the missing certification documents were not created due to inadequate testing of a software change to the Time and Effort system, which is managed by the Texas A&M System. This has been rectified moving forward.*

*Management will add the following controls. Management of the center will more closely monitor application changes to the time and effort software and ensure that changes that impact the creation of certification documents are adequately tested. The center will also begin randomly selecting employees to spot check with payroll corrections beginning the spring of 2014 certification period.*

*Implementation: August 1, 2014.*
Basis of Review

Objective and Scope

The objective of this audit was to test Texas A&M Health Science Center's compliance with CPRIT's policies and procedures associated with CPRIT grants. Transactions related to these grants were reviewed for the period of September 2009 to August 2012. Fieldwork was conducted from October 2013 to January 2014.

Criteria

The audit team used CPRIT's audit methodology as criteria to determine if:

- Required reports were filed timely.
- Expenditures were allowable and related to grant activities.
- Personnel level of effort reporting is tracked, reviewed, and certified for accuracy.
- Performance measures are reported accurately based on supporting documentation.
- All other requirements set forth in grant conditions were met.

Our audit was based upon standards as set forth in the System Policy and Regulation Manual of the Texas A&M University System 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.
Audit Team

Charlie Hrncir, CPA, Director
Kim Rutledge, CISA, Audit Manager
Chesney Cote, CPA
Katina Greenlee, CPA

Distribution List

Dr. Mark Hussey, Interim President
Dr. Brett Giroir, Executive Vice President and Chief Executive Officer
Dr. David Carlson, Vice President for Research & Graduate Studies
Dr. Barry Nelson, Vice President for Finance & Administration
Dr. Jon Mogford, Vice Chancellor for Research
Mr. Leo Paterra, Executive Director, Sponsored Research Services