



TEXAS HIGHER EDUCATION COORDINATING BOARD

P.O. Box 12788 Austin, Texas 78711

December 6, 2017

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Dr. Raymund A. Paredes
Commissioner of Higher Education
1200 E. Anderson Lane
Austin, TX 78752

Dear Dr. Paredes:

The Texas Higher Education Coordinating Board implemented the recommendations in our prior report, *An Internal Audit of Tuition Equalization Grant Administration*, issued June 22, 2016.

Management implemented all five outstanding audit recommendations by:

- Revising and improving program guidelines to align with applicable rules;
- Considering eliminating the current rule-based requirements for an annual audit of TEG awards and obtaining risk-based coverage of important compliance requirements;
- Consolidating institutional annual reporting to provide more efficient and reliable data and aligning reporting with applicable rule and statutes requirements;
- Implementing a periodic review policy to adequately limit employee folder access and implementing a routine system of access review; and
- Establishing a routine process for reviewing and confirming institution eligibility including strengthening annual review and documentation of accreditation status and Financial Aid Agreement status.

We conducted this follow-up audit in conformance with the International Standards for the Professional Practice of Internal Auditing and in accordance with the Generally Accepted Government Auditing Standards (GAGAS).

If you have any questions or comments, please let me know.

Sincerely,

A handwritten signature in black ink that reads "Mark A. Poehl".

Mark A. Poehl, CPA, CIA, CISA, CFE
Director, Internal Audit and Compliance

PERFORMED BY:

Mr. Paul Maeyaert, JD, MBA, CIA, CGAP; Auditor

cc:

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