

Fiscal Management Division  
Statewide Fiscal Services Dept.  
Expenditure Audit Section  
Auditor: Bill Hornstein

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# Post-Payment Audit of Commission on Uniform State Laws



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## EXECUTIVE SUMMARY

### Audit scope

We audited a sample of the Commission on Uniform State Laws (Commission) purchase and travel transactions that processed through the Uniform Statewide Accounting System (USAS) during the period beginning Sept. 1, 2014, through Aug. 31, 2015, to determine compliance with applicable state laws.

The Commission received appendices with the full report that included a list of the identified errors. Copies of the appendices may be requested through a [Public Information Act](#) inquiry.

The audit provides a reasonable basis for the findings set forth in this report. The Commission should implement the recommendations listed in the Detailed Findings of this report. It is the Commission's responsibility to seek refunds for all overpayments unless it determines it is not cost effective to do so. If necessary, the Comptroller's office may take the actions set forth in Texas Government Code, Section 403.071(h), to ensure that the Commission's documents comply in the future. The Commission must ensure that the findings discussed in this report are resolved.

*Texas law requires the Texas Comptroller of Public Accounts (Comptroller's office) to audit claims submitted for payment through the Comptroller's office. All payment transactions are subject to audit regardless of amount or materiality.*

### Purchase transactions

Purchase transactions were audited for compliance with the GAA, [eXpendit](#), the [State of Texas Procurement Manual](#) and other pertinent statutes.

- No errors were identified.

### Travel transactions

Travel transactions were audited for compliance with the GAA, [Texttravel](#) and other pertinent statutes.

The audit identified:

- Lack of conservation of state funds on two vouchers.

### Security

The audit included a security review to identify any of the Commission's employees with security in USAS, the Texas Identification Number System (TINS) or on the voucher signature cards who were no longer employed or whose security had been revoked. Upon termination or revocation, certain deadlines must be observed so that security can be revoked in a timely manner.

- No errors were identified.

## Internal control structure

The Commission's internal control structure was reviewed. The review was limited to obtaining an understanding of the Commission's controls sufficient to plan the audit and did not include tests of control policies and procedures.

- No errors were identified.

## Prior post-payment audit and current audit recurring findings

A prior post-payment audit of the Commission's purchase and travel transactions was concluded on Feb. 22, 2012.

During the current audit, the following recurring findings were identified:

- Lack of conservation of state funds.

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## DETAILED FINDINGS — TRAVEL

### Lack of Conservation of State Funds

#### Finding

We reviewed two travel transactions where the Commission could have conserved state funds.

In two separate instances, a commissioner rented a vehicle from a non-contracted vendor. Both commissioners should have used a state-contracted vendor which would have been more cost effective. The Commission stated that it regularly advises commissioners to use contracted rental car companies to conserve state funds; however, commissioners are responsible for booking their own travel. According to Texas Government Code, Section 660.007(a), a state agency shall minimize the amount of travel expenses paid or reimbursed by the agency. The agency shall ensure that each travel arrangement is the most cost effective, considering all relevant circumstances.

#### Recommendation/Requirement

Prior to authorizing travel, the Commission must closely review the traveler's request to ensure compliance with the above travel regulations and ensure that only eligible expenses are reimbursed to commissioners. The Commission must seek a reimbursement from the commissioners unless it determines it is not cost effective to do so. The Commission should also consider providing travel training for its commissioners that travel.

#### Commission Response

*The Commission on Uniform State Laws is a small agency currently composed of 11 commissioners who live in various parts of the state. The commission has no staff or central office. Support services are provided by the Texas Legislative Council in accordance with Government Code, Section 762.011. The chairman of the commission with the assistance of Council staff will provide supplemental training to all commissioners concerning state travel regulations and reimbursement requirements. After consulting with of Council staff, the chairman has determined that it is not cost effective to seek a reimbursement. The Commission will take the steps necessary to prevent the errors identified in this report from occurring in the future.*