

Fiscal Management Division
Statewide Fiscal Services Dept.
Expenditure Audit Section
Auditor: Alberto Lañas

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Post-Payment Audit of the Department of Aging and Disability Services



Glenn Hegar
Texas Comptroller of Public Accounts

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EXECUTIVE SUMMARY

Audit scope

We audited a sample of the Department of Aging and Disability Services (Department) payroll, purchase, travel and grant transactions that processed through the Uniform Statewide Accounting System (USAS) and the Standardized Payroll/Personnel Reporting System (SPRS) during the period beginning June 1, 2013, through May 31, 2014, to determine compliance with applicable state laws.

The Department receives appendices with the full report that includes 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 Department should implement the recommendations listed in the Detailed Findings of this report. It is the Department'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 Department's documents comply in the future. The Department 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.

Payroll transactions and payroll deductions

Payroll transactions were audited for compliance with the General Appropriations Act (GAA), the [Texas Payroll/Personnel Resource](#) and other pertinent statutes.

The audit identified:

- Two underpayments of longevity benefit amounts totaling \$400.
- Two overpayments of longevity benefit amounts totaling \$8,460.
- One file missing a Personnel Action Form (PAF).
- One underpayment of death benefit amount for \$136.25.

A limited sample of voluntary contributions was also audited.

- No issues were identified.

Purchase and grant transactions

Purchase and grant transactions were audited for compliance with the GAA, [eXpendit](#), the [State of Texas Procurement Manual](#), the Texas [Contract Management Guide](#), [Uniform Grant Management Standards](#) (UGMS) and other pertinent statutes.

Summary of deficiencies in the procurement process

The Department requested that the Comptroller's office re-examine the Department's procurement and contracting practices and maintenance of related documentation to reassert the audit findings originally stated in the preliminary report. No substantial changes to the audit results were identified.

The review of grant transactions consisted of verifying that the payments did not exceed the authorized amounts. The review of these payments did not include an investigation of the Department's procedures for awarding grants or monitoring payments made to grantees; therefore, we are not offering an opinion on those procedures.

Travel transactions

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

The audit identified:

- Ten transactions failed to conserve state funds.
- Three vouchers paid incorrect mileage estimations.
- One voucher underpaid a lodging reimbursement.

Security

The audit included a security review to identify any of the Department's employees with security in USAS, SPRS 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 issues were identified.

Internal control structure

The Department's internal control structure in USAS, SPRS and the Texas Identification Number System (TINS) was reviewed. The review was limited to obtaining an understanding of the Department's controls sufficient to plan this audit and did not include tests of control policies and procedures.

- No issues were identified.

Fixed assets

The audit included a review of a limited sample of fixed assets acquired by expenditures during our audit period to test for accurate reporting in the State Property Accounting (SPA) System and to verify existence, location and proper reporting of the fixed assets.

- All of the assets tested were in their intended location and properly recorded in SPA.

The disposed assets report listed 12 assets as missing. The net book value of the assets is \$693.96.

Prior post-payment audit and current audit recurring findings

We conducted a prior post-payment audit of the Department's payroll, purchase, travel and grant transactions on Aug. 27, 2010.

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

- Incorrect longevity payment amount.
- Missing Personnel Action Form.
- Incorrect lump sum payment.
- Missing purchasing documentation.
- Deficiencies in the procurement process.
- Incorrect mileage.

Contact:

Alberto Lañas, MBA, CTCM, CTPM, CTP
512-463-4582

Contributing Auditors:

Bill Hornstein, MBA, CTP
Lisa Turner, MBA
Eunice Miranda

DETAILED FINDINGS — PAYROLL

Incorrect Benefit Payments

Finding

In our audit of payroll transactions, we identified four employees with incorrect benefit calculations. These resulted in one underpayment of \$400 in longevity pay, while the other two overpaid a total of \$8,460 due to user error and miscalculation, respectively. The Department has already compensated its employee for the benefit underpayment.

The proper calculation of the state effective service date is derived by subtracting the total days of lifetime service credit from the most recent employment date. That date is used to determine when the longevity pay is to be increased. See [Texas Payroll/Personnel Resource – Longevity Pay](#). The agency must ensure that the correct number of hours is being used for longevity benefit pay calculations. For guidance on partial payments, see [Texas Payroll/Personnel Resource – Partial Payment Calculations](#).

Also, we identified one incorrect payment of an employee's lump-sum death benefit pay. In this instance, the Department failed to properly consider a holiday when calculating the number of hours to be paid to the employee's estate. This resulted in a death benefit underpayment of \$136.25.

The balance of accrued vacation time must be allocated over the workdays following the effective date of the employee's separation from state employment until the accrued vacation time is completely allocated. Hours must be added for each state or national holiday that occurs during the period over which the time is allocated. See Texas Government Code, Section 661.064.

During fieldwork we provided the Department with the schedule and calculations of the error in the amount \$8,996.25. They are not included with this report due to confidentiality issues.

Recommendation/Requirement

The Department must review its controls and personnel records to ensure accuracy and completeness, as well as include quality control measures to detect and prevent incorrect compensation to a state employee. The Department should also caution its employees to verify all totals submitted. The Department should consider recovering the benefit overpayments in accordance with the Texas Government Code, Chapter 666.

Department Response

HHS Systems Payroll processed a portion of the longevity underpayment. The additional amount due was submitted as a Miscellaneous Claim to the CPA for payment. The total amount due to the employee was \$400. HHS made a payment of \$20 which was captured on Document #85064030. The remaining \$380 was submitted as a Miscellaneous Claim and paid under CPA Document 55M56086.

It was also noted, two employees were overpaid due to incorrect service dates. HR corrected the service dates and informed both of the employees as well as the Payroll Office of the condition which would also be decreasing the employee longevity pay. Also, identified was one employee who was due an additional 8.0 hours of Death Lump Sum pay. HHS Systems Payroll processed \$136.25 under Document 84106043 with the issue date of payment 11/14/2014.

Target Implementation Date: 11/14/2014

Responsible party: HHS Systems Payroll

Missing Personnel Action Form (PAF)

Finding

During our review of the Department's personnel files, we identified one file missing a new-hire personnel action form (PAF). According to the Department, the document was missing due to oversight.

Agencies are required to maintain specific documentation to support the legality, propriety and fiscal responsibility of each payment made out of the agency's funds. The Comptroller's office may require the documentation to be made available during a post-payment audit, a pre-payment audit or at any other time. See [Texas Payroll/Personnel Resource — General Provisions](#).

The payroll schedule was provided to the Department and is not included with this report for due to confidentiality issues.

Recommendation/Requirement

We recommend the Department continue to review its personnel files to ensure its new-hire PAFs are properly documented and maintained.

Department Response

Current procedures require approvals on initial pay rates by a second level manger and a Human Resources (HR) representative primarily through self service. As recommended, HR will continue to review the self service system to ensure procedures are followed.

Target Implementation Date: ongoing

Responsible party: HHSC HR

DETAILED FINDINGS — PURCHASE & GRANTS

Deficiencies in the Procurement Process

During our audit of purchase and grant transactions, several deficiencies were identified in the Department's procurement practices including:

- Missing purchase transactions supporting documentation for thirteen transactions for a total error amount of \$3,764.58 (Appendix 2).
- Missing procurement files for two contracts. Within the sample, there were 18 of 26 grant transactions under these contracts reviewed for a total error amount of \$34,644,559.58 (Appendix 3).
- Missing the required CPA delegation of purchase authorization for one purchase (Appendix 2) and two service contracts (Appendix 3).
- Missing HUB subcontracting plan for three contracts over \$100,000 (Appendix 2).
- The Department did not have a CTCM or CTPM on staff to manage the procurement process for grants related contracts over \$100,000 (Appendix 3).

Below are the detailed findings:

Missing Documentation

Finding

We identified 13 purchase transactions where the Department could not provide documentation to substantiate its compliance with pertinent requirements, such as the appropriate documentation trail for all expenditures. The Department was unable to locate the documentation and said it was missing due to oversight. Without proper invoices, purchase orders (PO), contracts, receipts and other supporting records, we could not determine whether the information entered into USAS was an accurate reflection of the intended purchases made or whether the proper procurement process was followed.

It is the responsibility of an agency to ensure the maintenance of necessary documentation for proving that each payment resulting from the document is legal, proper and fiscally responsible. It is the responsibility of the state agency and its officers and employees to ensure the agency maintains necessary documentation. See Texas Administrative Code, Chapter 34, Section 5.51(c)(1)(D).

Supporting documentation for a purchase document must be made available to the Comptroller's office in the manner required. The types of supporting documentation that the Comptroller's office may require include a purchase order, requisitions, contracts, invoices and receipts. For more information, see Texas Administrative Code, Chapter 34, Section 5.51(e)(2)-(3). Such documentation must be maintained at least until the end of the second appropriation year after the appropriation year in which the document was processed in USAS. See Texas Administration Code, Chapter 34, Section 5.51(e)(5)(A). Agencies are also required to adhere to the Texas Government Code, Sections 2155.074, 2156.009 and 2161.253, to obtain the best value in the pursuit of every purchase and maintain adequate documentation.

Recommendation/Requirement

The Department must enhance its process and review its policies to ensure that it abides by the procurement procedures stipulated in the [State of Texas Procurement Manual](#). The Department must ensure that it has the appropriate documentation trail for all expenditures. Detailed good/service product, pricing and receiving information must be documented and retained so it can be used to verify proper billing and justification of payment.

Department Response

State Office Accounting will review its processes and policies to ensure they abide by the procurement procedures stipulated in the State of Texas Purchasing Manual. Business processes will also be updated to ensure there is a proper documentation trail for all expenditures, including the automated office supply vendors.

Targeted Implementation Date: 12/31/16

Responsible Party: DADS/HHSC CFO Division

Missing Procurement File

Finding

The Department failed to provide the request for proposal (RFP) bidding process files for two major Program of All-Inclusive Care for the Elderly (PACE) service contracts. The Department maintained that due to a consolidation reorganization required by House Bill 2292, passed in the 78th Legislature, Regular session, the files could not be located. Without proper records of the public offer, the decision-making criteria, vendor's responses, evaluations of all the bids, the ESBD posting, CMBL solicitation, and other supporting documented facts, we could not arrive at an accurate conclusion on whether the original procurement goals and objectives were actually achieved or the proper state procurement process requirements were actually followed.

It is the responsibility of an agency to ensure the maintenance of necessary documentation for proving that each transaction resulting from the document is legal, proper, and fiscally responsible. It is the responsibility of the state agency and its officers and employees to ensure the agency maintains necessary documentation. See Texas Administrative Code, Chapter 34, Section 5.51(c)(1)(D).

Supporting documentation for a purchase document must be made available to the Comptroller's office in the manner required. The types of supporting documentation that the Comptroller's office may request include all related material to requests for proposal, requests for offer, requests for quote, requests for information, invitations for business, contracts, purchase orders (PO), invoices and receipts. See Texas Administrative Code, Chapter 34, Section 5.51(e)(2)-(3) and the [State of Texas Procurement Manual](#) – Open Market Purchases and Request for Proposal. Pertinent documentation concerning contracts, including their respective procurement processes, must be retained for seven years after the expiration or termination of the instrument according to the original term and all extensions. See Texas Government Code, Section 441.1855 and [Contract Management Guide](#) – The Contract Administration File.

Recommendation/Requirement

The Department must enhance its process and review its policies to ensure that it abides by the procurement procedures stipulated in the [State of Texas Procurement Manual](#). The Department must ensure that it has the appropriate documentation trail for all procurement processes. Keeping one complete master procurement file will provide a basis for settling claims and disputes should they arise in administrative or court actions. Agencies should maintain an original of all contracts on file in a central repository. Also, when the original version of a contract is renewed and/or amended, it is still considered to be active. Therefore, the Department must retain all the original contract documentation, along with its complete procurement file and all amendments, addendums, and renewals for seven years after the last contract renewal expires.

Department Response

There are three providers in the State of Texas qualified to provide services in the Programs for All-Inclusive Care for the Elderly (PACE), and the Department currently contracts with all three of these providers. The Texas PACE program came into existence as the result of Senate Bill 908, 77th Legislature, Regular Session, which required the development and implementation of the PACE Program. SB 908 identified Bienvivir Senior Health Services (PACE demonstration program) as a model for future PACE programs. In 2002, Bienvivir became a contracted PACE program with the then, Texas Department of Human Services (DHS).

In 2002, Jan Werner Adult Day Health Center submitted a feasibility study to express their interest and financial ability to become a contracted PACE provider in the state of Texas. In 2004, after meeting all state and federal application requirements The Basics at Jan Werner opened its doors as a contracted PACE provider. In 2006, the Lubbock Regional MHMR Center submitted a feasibility study to the Department of Aging and Disability Services (DADS) to express their interest and financial ability to serve as a PACE provider. In 2010, Lubbock Regional MHMR Center met all state and federal requirements to become a contracted PACE provider.

To become a PACE provider, an entity must first be certified as a medicare provider and then must obtain approval from the Centers for Medicare and Medicaid Services (CMS) to become a PACE provider. Entities wishing to become PACE providers agree to provide all aspects of care needed for each participant enrolled in their program for one capitated rate reimbursed by the State.

Once an entity has been approved by CMS to become a PACE provider, a 3-way agreement between CMS, the provider and the state administering agency is executed. Following execution, DADS enters into a standard community services contract (Form 3254) with the legal entity which is to be renewed annually. Although the PACE contracts are treated as an enrollment Community Services Contract, these contracts are not open ended and must be amended annually. In addition, the PACE sites are monitored regularly both by the state and federal partners to ensure they meet all standards and remain in good standing.

Additionally, DADS has completed the Request for Proposal (RFP) process to comply with the 2014-15 General Appropriations Act (Article II, Special Provisions, Section 48, SB 1, 83rd Legislature, Regular Session, 2013) mandate to establish up to three new PACE sites. The 2016-17 General Appropriations Act also includes this mandate. Funding to expand the existing PACE program was identified in Rider 44 of the General Appropriates Act of the 84th Legislature.

Targeted Implementation Date: June 2017

Responsible Party: HHSC Medical and Social Services (prior DADS Access and Intake)

Missing CPA Delegation of Purchase Authorization

Finding

During the audit, we identified a failure by the Department to obtain the required CPA delegation of purchase authorization for service contracts surpassing the \$100,000 limit. In one purchase transaction, the Department estimated that the corresponding contract would not surpass the \$100,000 limit; however, it actually exceeded \$149,000. The Department recognized the oversight. Consequently, it determined that the purchase contract would be cancelled and re-solicited.

In our audit of grants, we identified two instances where the Department did not request the mandatory delegation of purchase authorization letter from the Comptroller's office during the procurement of two service contracts.

Agencies do not have delegated authority for the procurement of services with an estimated purchase price or contract value exceeding \$100,000. For such contracts, the submission of a delegation of purchase letter from the Statewide Procurement division (SPD), formerly the Texas Procurement and Support Services division, of the Comptroller's office to the agency is mandatory. See Texas Administrative Code, Chapter 34, Section 20.41(e) (4)(D), and the delegated purchases section of the [State of Texas Procurement Manual](#) – Delegated Purchases. Agencies are also required to adhere to Texas Government Code, Section 2155.074, to obtain the best value for every purchase while maintaining adequate documentation as proof of that objective.

Recommendation/Requirement

The Department must abide by the procurement procedures stipulated in the [State of Texas Procurement Manual](#) to obtain purchase authority when it is not automatically delegated to the agency. The Department must enhance its procurement process to ensure adequate documentation is maintained to meet all procurement requirements.

Department Response

The initial estimated value of services procurement i.e., invitation for bid (IFB) was under \$100,000, which did not require the purchaser to seek delegation, nor a HUB determination for subcontracting, as the initial contract value would not exceed the threshold for doing so. The contract was later increased, which then exceeded \$100,000. PCS did not follow procedures to rebid/re-procure the contracted services. PCS policies and procedures will be written to address any deviation to an original purchase to ensure compliance with statutory, rule and policy requirements.

Targeted Implementation: Jan. 2017, which will provide sufficient time for training and implementation

Responsible party: HHSC Procurement

See also the detailed response related to PACE under the Missing Procurement File issue.

Responsible party: HHSC Medical and Social Services (prior DADS Access and Intake)

Missing Historically Underutilized Business (HUB) Subcontracting Plan

Finding

We identified one service contract and two grant contracts missing the required HUB subcontracting plan. According to the Department, this occurred due to oversight.

Agencies considering entering into a contract with an expected value greater than \$100,000 are required, before soliciting bids, proposals, offers or any other applicable expression of interest, to determine whether subcontracting opportunities are probable under the contract. See the Historically Underutilized Business (HUB) Program section of the [State of Texas Procurement Manual](#). If such opportunities are available, each ordering agency's solicitation set of documents is required to convey that probability and require an HUB subcontracting plan. The HUB subcontracting plan is part of the contract and must be submitted with the bid or proposal by the vendors competing for the particular purchase opportunity. Moreover, the agency will receive HUB credit for the total amount of expenditures made directly to prime contractors who are state of Texas HUB certified. In addition, if the prime contractor is not a HUB, agencies will receive credit for the amount of expenditures the prime contractor makes with HUB subcontractors, if applicable. See Texas Government Code, Sections 2161.252-2161.253, and Texas Administrative Code, Chapter 34, Sections 20.14 and 20.16.

Recommendation/Requirement

The Department must abide by the procurement procedures stipulated in the [State of Texas Procurement Manual](#) to determine whether subcontracting opportunities are probable under the contract and, if so, that probability must be clearly stated and require a HUB subcontracting plan. The Department must enhance its procurement process to ensure adequate documentation is maintained to meet all procurement requirements.

Department Response

The initial estimated value of services procurement i.e., invitation for bid (IFB) was under \$100,000, which did not require the purchaser to seek delegation, nor a HUB determination for subcontracting, as the initial contract value would not exceed the threshold for doing so. The contract was later increased, which then exceeded \$100,000. PCS did not follow procedures to rebid/re-procure the contracted services. PCS policies and procedures will be written to address any deviation to an original purchase to ensure compliance with statutory, rule and policy requirements.

Targeted Implementation: Jan. 2017, which will provide sufficient time for training and implementation.

Responsible party: HHSC Procurement

See also the detailed response related to PACE under the Missing Procurement File issue.

Responsible party: HHSC Medical and Social Services (prior DADS Access and Intake)

No Certified Texas Contract Manager (CTCM) or Certified Texas Procurement Manager (CTPM) on Staff

Finding

We identified 26 grant-related contracts over \$100,000 where the Department failed to have both a Certified Texas Contract Manager (CTCM) and a Certified Texas Procurement Manager (CTPM) on staff with direct oversight. The total amount processed in grant transactions and the dollar value of each respective grant contract requires the Department to have staff with a particular level of training, experience and certification.

A contract manager is employed by a state agency and has significant contract management responsibilities as determined by the agency in consultation with the state auditor. See Texas Government Code, Section 2262.001(3).

The CTCM must have verifiable contract manager experience prior to certification. See Texas Government Code, Section 2262.053. State agency contract management and purchasing personnel include all state agency purchasing personnel, even staff employed at agencies exempted from the purchasing authority of SPD. See the Professional Certification section of the [Contract Management Guide](#).

A CTPM certification is required to hold purchasing authority for all competitive purchases over \$100,000. To earn this certification, the employee must have current certification from a national purchasing association or:

- Complete the Texas Basic Public Purchasing (BPP) class,
- Complete the Advanced Public Purchasing (APP) class,
- Complete the Cost & Price Analysis, Negotiations, Contract Administration (CNC) course and
- Pass the CTPM exam.

See Texas Government Code, Sections 2155.078(a)-(b) and 2262.053(c).

Recommendation/Requirement

The Department must employ necessary staff to provide administrative support and monitor contracts and agreements. The Department must also ensure that the agency's purchasers and contract managers complete the training required by state law. SPD offers a variety of training and certification opportunities. See the Training and Certification section of the [State of Texas Procurement Manual](#) – Procurement Authority.

Department Response

The Hospice Policy and PACE Operations unit (those who oversee the PACE contracts), as well as the Community Service Contracts unit (those who process the contract amendments) currently have CTCM certified staff within their respective units. Both units also require newly hired staff to begin the CTCM certification once the 6 months of hire threshold has been reached.

Targeted Implementation: 09/01/15

Responsible party: HHSC Medical and Social Services (prior DADS Access and Intake/PACE)

DETAILED FINDINGS — TRAVEL

Lack of Conservation of State Funds

Finding

We identified 10 instances for \$1,882.05, where the Department reimbursed travelers for mileage while operating personal vehicles to conduct official business. Based on the applicable car rental rates, related taxes, cost of gas and the standard mileage rates in effect at the time of travel, it would have been more cost effective to the state for the travelers to use rental cars instead of personal vehicles. The Department's procedures do not require travelers to prepare a cost comparison of rental car versus personal vehicle prior to 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. Similarly, supporting documentation must be made available to the Comptroller's office in the manner required by the Comptroller's office. See Texas Administrative Code, Chapter 34, Section 5.51(e)(2)-(3).

Recommendation/Requirement

The Department must exercise caution in its use of state funds and ensure that expenditures are fiscally responsible. The Department should do a cost comparison analysis before each trip approval to ensure that each travel arrangement is the most cost effective considering all relevant circumstances. The Department should develop procedures for travelers to complete cost comparisons prior to travel and subject to approval.

Department Response

The HHSC HHS Connection Newsletter published on Jan. 28, 2016, went out to all HHS employees providing them the Trip Optimizer to provide a cost comparison analysis when seeking reimbursement. DADS Accounts Payable/Travel website has also been updated to reflect the cost comparison analysis needed to determine the most cost effective method. Travel audits are completed to ensure the most effective use of DADS travel resources. In addition, training will be provided to all program areas on using the most cost effective travel resource. The HHSC Enterprise will be implementing a new automated tool (eTravel) to assist with cost comparisons of travel as well as other travel policies.

Targeted Implementation Date: 11/01/2016

Responsible Party: DADS/HHSC CFO Division

Incorrect Mileage

Finding

We identified two travel transactions where the Department used incorrect mileage to reimburse an employee. The Department reimbursed an employee based on the mileage claim supported by MapQuest. However, the mileage was higher than a different MapQuest point-to-point mileage printout of the same trips. The difference between the employees' reimbursement requests and the point-to-point MapQuest calculation resulted in two overpayments totaling \$63.46.

According to Texas Government Code, Section 660.007(b), the reimbursement may not exceed the product of the actual number of miles traveled for business multiplied by the maximum mileage reimbursement rate. Point-to-point mileage may be documented by an employee's vehicle odometer reading or by a readily available online mapping service. An agency must adopt by internal policy one online mapping service to be used by agency employees. The itemization must be sufficiently detailed for the agency reimbursing the mileage to verify the number of miles. See [Textravel – Mileage in Personal Vehicle](#).

We also identified one travel transaction in the amount of \$140.48 for mileage that was not reimbursable. The employee's headquarters building was under construction and the employee was assigned to a temporary building. This employee claimed daily mileage from the the original headquarters to the new location when it was authorized by the unit supervisor.

If the Department assigns employees to a temporary headquarters, that place is considered the new duty point. Even if an employee's commute is longer when compared to the original location, it is not reimbursable. See Texas Government Code, Section 660.041(c).

Recommendation/Requirement

The Department should review all travel reimbursements for accuracy, compliance and completeness prior to payment to ensure that the correct mileage is used and that it is reimbursable. The Department must seek a refund from the traveler unless it determines it is not cost effective to do so. The Department must strengthen its internal operating procedures for travel by implementing quality and cost controls to conform with applicable statutes, rules and regulations.

Department Response

DADS Accounts Payable Travel unit will review all travel reimbursement vouchers to ensure the correct mileage is used and that it is reimbursable before approving the travel claim. Travel auditors have been retrained on the mileage reimbursement policy to validate travel policies are adhered to. Internal department policies will be strengthened to clearly identify and monitor travel to and from headquarters, and review travel route settings in MapQuest and compare actual mileage to MapQuest.

Targeted Implementation Date: 12/01/2014

Responsible Party: DADS/HHSC CFO Division

Incorrect Lodging

Finding

We identified one travel document that reimbursed an employee for an incorrect lodging amount resulting in an underpayment to the employee. The Department stated that it approved the lower lodging amount due to oversight.

A state employee who travels within the continental United States shall be reimbursed for the actual cost of lodging at the employee's duty point. See General Appropriations Act, 2014-15, Article IX, Section 5.06(a) (IX-23) and [Texttravel](#) – Meals and Lodging.

Recommendation/Requirement

The Department should enhance its review process of travel vouchers submitted into USAS for reimbursement to ensure that travel expense claims pertaining to lodging are accurately reviewed for legality, completeness and accuracy prior to payment.

Department Response

DADS Accounts Payable Travel unit now reviews all travel reimbursement vouchers to ensure travel expense claims pertaining to lodging are accurately reviewed for legality, completeness and accuracy prior to payment. Travel auditors were retrained on the travel lodging reimbursement policy to validate travel policies are adhered to.

Targeted Implementation Date: 12/01/2014

Responsible Party: DADS/HHSC CFO Division