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Post-Payment Audit of the Texas Veterans Commission

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Executive Summary

Audit scope

We audited a sample of the Texas Veterans Commission (Commission) payroll, grants, contracts and travel transactions that processed through the Uniform Statewide Accounting System (USAS) and the Uniform Statewide Payroll/Personnel System (USPS) during the period beginning Dec. 1, 2016, through Nov. 30, 2017, to determine compliance with applicable state laws.

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.

The Commission 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 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.

Payroll transactions

One hundred and thirteen transactions from a group of 25 employees were audited for compliance with the General Appropriations Act (GAA), the Texas Payroll/Personnel Resource (FPP F.027) and other pertinent statutes.

- No issues were identified.

A limited sample of voluntary contributions was also audited.

- No issues were identified.

Contracting and procurement process

Three contracts were selected for this audit. All phases of contract development, planning, solicitation, award, payments, and monitoring were reviewed for compliance with the *State of Texas Procurement and Contract Management Guide* and other pertinent statutes and best practices. A sample of payments under these contracts was also audited for compliance with the GAA, eXpendit (FPP I.005), the *State of Texas Procurement and Contract Management Guide* and other pertinent statutes.

The three contracts audited were:

- Carahsoft Technology – Software and license fee renewals – $95,649.58.
- Neubus, Inc. – Digital imaging services - $207,076.34.
- Jansen & Grgorczyk CPA – Internal auditing services - $43,400.

For the Carahsoft Technology and the Neubus, Inc. contracts:

- No issues were identified.

For the Jansen & Grgorczyk CPA contract, the audit identified:

- Missing Centralized Master's Bidders List (CMBL) solicitation documentation.
- Failure to request delegation of authority from the State Auditor's Office.
- Missing vendor responses to solicitation.
- Missing conflict-of-interest forms.
- Missing system for award management (SAM) search.
- Vendor hold status not verified.
- Debarred vendor status not verified.
- Failure to report to the Vendor Performance Tracking System (VPTS).

Grant transactions

Four grant transactions were audited for compliance with the state laws and regulations pertaining to grants/loans and other pertinent statutes.

- No issues were identified.

Travel transactions

Twenty-five travel transactions were audited for compliance with the GAA, [Textravel (FPP G.005)] and other pertinent statutes.

The audit of 25 travel transactions identified:

- One instance of lack of conservation of state funds.
- Two instances of failure to submit Washington, D.C. travel information to the Office of State and Federal Relations (OSFR).

Security

The audit included a security review to identify any of the Commission's employees with security in USAS 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.

The review identified:

- One employee who retained the ability to expend funds after termination.

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.

The review identified:

- Three employees could process/edit and release payroll in USPS.
- Four employees could enter/edit a payment voucher in USAS, create/edit a vendor in the Texas Identification Number System (TINS), and edit/update vendor direct deposit information in TINS.
- One employee could enter/edit a payment voucher in USAS, release/approve payment in USAS, create/edit at vendor in TINS, and edit/update vendor direct deposit information in TINS.
- Three employees were on the Commission’s signature card and on the Agency Authorizaton for Warrant Pickup list.
- Five employees could edit/update a vendor profile and direct deposit information in TINS and were included on the Commission’s signature card, therefore able to approve paper vouchers.
- Four employees could process/edit payroll in USAS and edit direct deposit information for an employee in TINS.
- One employee could process/edit payroll in USAS, release payroll in USAS, and edit direct deposit information for an employee in TINS.
- One employee could edit direct deposit information for an employee in TINS and hire an employee in USPS.
- One employee could process/edit and release payroll in USPS and edit direct deposit information in TINS and USPS.
- Three employees could hire an employee in USPS and process/edit and release payroll in USPS.

Fixed assets

The audit included a review of ten fixed assets acquired by the Commission during the audit period to test for accurate reporting in the State Property Accounting (SPA) System and to verify existence of the assets.

The review identified:

- Five capitalized/controlled assets were not tagged.

Prior post-payment audit and current audit recurring findings

A prior post-payment audit of the Commission’s payroll, purchase and travel transactions was concluded on Aug. 27, 2014.

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

- Incorrect purchase/procurement process.
- Employee retained security to expend funds after termination.
- Control weaknesses over expenditure processing.
- Incomplete or incorrect direct deposit forms.

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Detailed Findings — Purchase

Procurement Process Not Utilized

We identified one contract totaling $43,400 where the Commission did not use the procurement process as required by the *State of Texas Procurement and Contract Management Guide*. The Commission indicated it could not locate the procurement documentation because it was maintained by an individual who no longer works for the Commission.

The following documentation issues were identified:

- Missing Centralized Master's Bidders List (CMBL)
- Missing State Auditor's Office (SAO) delegation letter
- Missing Vendor Responses to the Solicitation
- Missing Conflict of Interest forms
- Missing System For Award Management (SAM) search documentation
- Vendor Hold Status Not Verified
- Missing Debarred Vendor Checks
- Failure to report to the Vendor Performance Tracking System (VPTS)

Finding – Missing CMBL Solicitation Documentation

The Commission was unable to provide proof that (a) it utilized the CMBL to select bidders for competitive bids or proposals, and (b) it sent the solicitation to all vendors on the CMBL bid list for the advertised commodity codes.

The CMBL is a database of registered vendors that includes contact information and a list of the goods and services each offers. Unless exempted by law, the CMBL must be used for all procurements subject to statewide procurement authority. The CMBL must also be used to gather information for noncompetitive procurement processes. Agencies must print out the awarded vendor's CMBL profile showing the expiration date for file documentation. See *State of Texas Procurement and Contract Management Guide* – Centralized Master Bidders List. Proof that the CMBL system was checked prior to any award or contract renewal by Texas government entities must be obtained. See Texas Government Code, Sections 2155.263 and 2155.264, and 34 Texas Administrative Code Section 20.107(g).

Contracts must be retained for seven years after the expiration or termination of the instrument according to its terms. See Texas Government Code, Section 441.1855 and *State of Texas Procurement and Contract Management Guide* – Records Retention.

Recommendation/Requirement

To ensure adherence to the rules and laws that govern state procurement practices, all agencies and institutions of higher education must use the CMBL for services requiring competitive bidding or competitive sealed proposals. The Commission must maintain evidence that the CMBL vendors were contacted and include it in the contract file, as well as bid tabulation that supports the contracted vendor selection.

Commission Response

The CMBL will be searched for all procurements that are not on state contracts, and the information obtained will be placed with the procurement file.

Finding – Missing the Delegation of Authority Request Document from the State Auditor's Office

The Commission was unable to provide documentation showing that it received the delegation of authority from the State Auditor's Office (SAO) prior to contracting with the vendor for audit services.

The Texas Government Code, Section 321.020(a) states that an agency may employ a private auditor to audit the state agency or corporation only if the:

1. Agency or corporation is authorized to contract with a private auditor through a delegation of authority from the state auditor;
2. Scope of the proposed audit has been submitted to the state auditor for review and comment; and
3. Services of the private auditor are procured through a competitive selection process in a manner allowed by law.

Contracts must be retained for seven years after the expiration or termination of the instrument according to its terms. See Texas Government Code, Section 441.1855 and *State of Texas Procurement and Contract Management Guide* – Records Retention.

Recommendation/Requirement

The Commission must enhance its process to ensure that it requests the delegation of authority from the SAO prior to contracting with the vendor for audit services.

Commission Response

Delegation of Authority Request Document from the State Auditor's Office will be placed with the procurement file.

Finding – Missing Vendor Responses to the Solicitation

We identified one contract where the Commission did not include all vendor solicitation responses in the procurement file. Without including all vendor solicitation responses in the procurement file, it would be difficult to verify whether all vendor responses were evaluated and scored accurately and fairly.

Evaluation and vendor selection should be based on response documents formally submitted by each vendor. The evaluation committee evaluates the responses using only the evaluation criteria and weights published in the solicitation. The evaluation scoring matrix is a standardized form used by all of the evaluation committee members to record the scores for each vendor solicitation response. Agencies are required to keep a copy of the evaluation scoring matrices and all vendor solicitation responses (including proof of timely response) in the procurement file. See *State of Texas Procurement and Contract Management Guide* – Appendix 8 – Sample Procurement File Checklist.

Contracts must be retained for seven years after the expiration or termination of the instrument according to its terms. See Texas Government Code, Section 441.1855 and *State of Texas Procurement and Contract Management Guide* – Records Retention.

Recommendation/Requirement

The Commission must improve processes to ensure that all vendor solicitation responses are included in the procurement file.

Commission Response

Vendor responses to all solicitations will be placed with the procurement file. A log of all responses will also be kept in the procurement file.

Finding – Missing Conflict of Interest Forms

We identified one contract where the Commission did not provide Conflict of Interest forms signed by procurement and contract management personnel.

Texas Government Code, Section 2261.252(a) states that each state agency employee or official who is involved in procurement or in contract management for a state agency shall disclose to the agency any potential conflict of interest specified by state law or agency policy that is known by the employee or official with respect to any contract with a private vendor or bid for the purchase of goods or services from a private vendor by the agency.

Texas Government Code, Section 2261.252(a-1) states that each agency employee or official is required to disclose any potential conflict of interest specified by state law or agency policy that is known by the employee or official at any time during (1) the procurement process, from the initial request for bids for the purchase of goods and services from a private vendor until the completed final delivery of the goods or services, or (2) the term of a contract with a private vendor.

It is best practice for the Non-Disclosure and Conflict of Interest Certification for Contract Developers and Purchasers to be signed on a regular basis. The timing of when the certification must be signed on a periodic basis (e.g., every fiscal year, calendar year, employment date anniversary) may vary according to each agency's policy. See *State of Texas Procurement and Contract Management Guide* – Appendix 3 – Required Disclosures.

Contracts must be retained for seven years after the expiration or termination of the instrument according to its terms. See Texas Government Code, Section 441.1855 and *State of Texas Procurement and Contract Management Guide* – Records Retention.

Recommendation/Requirement

The Commission must ensure that its procurement and contract management personnel complete Conflict of Interest forms.

Commission Response

Conflict of interest forms will be signed by purchasers and contract manager at the beginning of each fiscal year, and will be kept in the purchasing department.

Conflict of interest forms will also be completed by all persons involved with the RFP process. Forms will be kept with the procurement file and RFP.

Finding – Missing System for Award Management Search

We identified one contract where the Commission did not provide the required System for Award Management (SAM) search printout dated prior to contract award.

Agencies must not award contracts to vendors who have been barred from contracting by the federal government. The SAM is the electronic database of the Lists of Parties Excluded from Federal Procurement and Non-procurement Programs that identifies those vendors excluded throughout the U.S. government (unless otherwise noted) from receiving federal contracts or certain subcontracts and from certain types of federal financial and non-financial assistance and benefits. The SAM system must be checked no more than seven days prior to any purchase, award or contract renewal being made by Texas government entities. See *State of Texas Procurement and Contract Management Guide* – Vendor Compliance Verifications – SAM Check and Appendix 30.

Contracts must be retained for seven years after the expiration or termination of the instrument according to its terms. See Texas Government Code, Section 441.1855 and *State of Texas Procurement and Contract Management Guide* – Records Retention.

Recommendation/Requirement

The Commission must conduct a SAM search prior to any purchase, award or contract renewal. Because SAM may update these databases more than once in a 24-hour period, a final check of the Special Designated Nationals (SDN) listing must be made prior to any contract award to ensure the Commission does not award contracts to any person or vendor whose name appears on the SDN list. A copy of the SAM search results from the specified website must be used as evidence of the vendor search being performed by the agency and must be included in the contract file.

Commission Response

The SAM search will be made prior to award of the contract and contract renewal. A copy of the SAM search will be filed with the procurement file.

Finding – Vendor Hold Status Not Verified

We identified one contract where the Commission failed to verify the vendor's warrant hold status prior to the date of contract execution.

State agencies are required to check warrant hold status of a vendor if the transaction involves a written contract. Texas Government Code, Section 2252.903(a) states each state agency shall determine whether a payment law prohibits the comptroller from issuing a warrant or initiating an electronic funds transfer to a person before the agency enters into a written contract with that person. The agency shall make this determination not earlier than the seventh day before and not later than the date of entering into the contract.

See *State of Texas Procurement and Contract Management Guide* – Appendix 30. The determination must be made in accordance with the Comptroller's requirements.

Contracts must be retained for seven years after the expiration or termination of the instrument according to its terms. See Texas Government Code, Section 441.1855 and *State of Texas Procurement and Contract Management Guide* – Records Retention.

Recommendation/Requirement

The Commission must follow procurement procedures to ensure vendor warrant hold status is verified prior to executing a contract with the vendor.

Commission Response

When entering a new TINS number or verifying a TINS number, the purchasing department ensures the status is "A" for active. If the vendor is on hold, the vendor is notified and provided the number to call for more information regarding the "hold." No POs are processed with vendors on hold, UNLESS they are notified and agree to complete the PO goods/services knowing their payment is on hold. This has happened once in the last year. The vendor was notified and he called the Comptroller's office and agreed to proceed with the PO services without pay.

Comptroller Response

According to the State of Texas Procurement and Contract Management Guide – Warrant/Payment Hold Check, the agency may not enter into a contract with a vendor on warrant hold unless the contract requires the agency's payments to be applied directly towards eliminating the debt or delinquency. Because this is a requirement for the contract, the Commission cannot process payments to vendors on warrant hold based on a verbal agreement at a later date. The agreement must be in writing in the contract or the PO, if a contract is not used.

Finding – Debarred Vendor Status Not Verified

We identified one contract where the Commission failed to locate documentation verifying whether the vendor has not been debarred by the Statewide Procurement Division (SPD).

The Commission must check the debarred vendor list posted on the Comptroller's website to establish that the vendor has not been debarred by SPD. An agency may not award a contract to a debarred vendor. See *State of Texas Procurement and Contract Management Guide* – Vendor Compliance Verifications.

Contracts must be retained for seven years after the expiration or termination of the instrument according to its terms. See Texas Government Code, Section 441.1855 and *State of Texas Procurement and Contract Management Guide* – Records Retention.

Recommendation/Requirement

The Commission must enhance procedures to ensure the debarred vendor status is verified prior to awarding a contract to a vendor.

Commission Response

The debarred list will be run for all vendors and placed in the procurement file.

Finding – Failure to Report to the Vendor Performance Tracking System

We identified one contract where the Commission did not report vendor performance to the Statewide Procurement Division’s (SPD) Vendor Performance Tracking System (VPTS).

The SPD administers a vendor performance tracking system for use by all ordering agencies per 34 Texas Administrative Code Section 20.115(b). The VPTS relies on participation by ordering agencies to gather information on vendor performance. All agencies shall report vendor performance on purchases over $25,000 from contracts administered by the SPD or any other purchase over $25,000 made through delegated authority granted by SPD. Ordering entities are also encouraged to report vendor performance for purchases under $25,000. The requirement also calls for the provision of supporting documentation. The Vendor Performance Report (VPR) is submitted electronically, by the agency, utilizing the VPTS. See *State of Texas Procurement and Contract Management Guide* – Monitoring Methods – Vendor Performance Reports.

Contracts must be retained for seven years after the expiration or termination of the instrument according to its terms. See Texas Government Code, Section 441.1855 and *State of Texas Procurement and Contract Management Guide* – Records Retention.

Recommendation/Requirement

The Commission must begin reporting contracts and purchases to VPTS in order to:

- Identify vendors demonstrating exceptional performance.
- Aid purchasers in making a best value determination based on vendor past performance.
- Protect the state from vendors with unethical business practices.
- Identify vendors with repeated delivery and performance issues.
- Provide performance scores in four measurable categories for CMBL vendors.
- Track vendor performance for delegated and exempt purchases.

See *State of Texas Procurement and Contract Management Guide* – Contract Close-Out.

Commission Response

The vendor’s performance will be reported to VPTS upon contract close-out, and noted in the contract file.

Detailed Findings — Travel

Lack of Conservation of State Funds

Finding

We identified one out of 25 travel transactions where the Commission reimbursed travelers for mileage while operating a personal vehicle to conduct official business. However, 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 beneficial to the state if the travelers had used rental vehicles instead of a personal vehicle. The Commission'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. See 34 Texas Administrative Code Section 5.51(e)(2)-(3).

Recommendation/Requirement

The Commission must exercise caution in its use of state funds and ensure its expenditures are fiscally responsible. The Commission should update its policies and procedures in order to implement a cost analysis policy to ensure it uses the most cost-efficient method of travel.

Commission Response

After filling the lead accountant position, the travel process was evaluated, and these issues were addressed. The travel policy has been updated and approved by executive management as of Sept. 1, 2018. The travel accountant has been updated and trained on the new process to minimize loss of travel funds. The travel department's priority is to ensure the most cost-effective method is utilized with new policy.

New policy does require trip-optimizer for trips over 100 miles. During fiscal 2019, the travel accountant and lead accountant will be traveling to train all TVC staff on new policy and administrative staff on new procedures.

Failure to Submit Washington, D.C. Travel Information to the Office of State and Federal Relations (OSFR)

Finding

We identified two out of 25 travel transactions where the employee traveled to Washington, D.C., and did not submit the required travel information to the OSFR prior to travel. The travel voucher documentation indicated that the purpose of the trip was to assess shared interest in creating a formal collaborative effort to improve military-to-civilian employment outcomes. The Commission indicated it was not aware of the requirement to submit travel information to the OSFR when traveling to Washington, D.C. However, the Commission indicated it has updated its policies and procedures to include this requirement.

General Appropriations Act, 85th Legislature, Regular Session, Article IX, Section 6.12 (b) and (c), states that prior to travel to the Washington, D.C. area, including any trip with a destination to the Reagan National, Dulles, or Baltimore/Washington International airports, state agency personnel shall inform the OSFR regarding the (1) timing and purpose of the trip, and (2) name of a contact person for additional information. The term "travel" is limited to only activities (1) involving obtaining or spending federal funds; or (2) impacting federal policies.

Recommendation/Requirement

The Commission should enhance its review process to ensure its employees submit the required travel information to the OSFR prior to travel.

Commission Response

After filling the lead accountant position, the travel process was evaluated and this issue was addressed. The travel policy has been updated and approved by executive management as of Sept. 1, 2018. The travel accountant has been trained on process.

New policy does require the OSFR form be submitted when any staff is doing business in Washington, D.C. During fiscal 2019, the travel accountant and lead accountant will be traveling to train all TVC staff on new policy and administrative staff on new procedures.

Detailed Findings — Security

Employee Retained Security to Expend Funds After Termination

Finding

The Commission did not timely notify the Comptroller's office about the termination of one employee designated by the Commission to approve its expenditures. The Commission stated the error occurred due to an oversight.

The lack of timely notification meant the employee retained USAS security for four days after termination. The employee could have approved expenditures submitted to the Comptroller's office during that time. Any expenditure that was approved under the employee's expired authority would have constituted an unapproved expenditure. We ran a report to determine whether any expenditure was approved by the employee and noted that there were no expenditures submitted by the employee after the termination date.

Whenever a designated employee terminates employment with an agency, the Comptroller's office must receive notification of the employee's termination. See 34 Texas Administrative Code Section 5.61(k). Any officer or employee may send the Comptroller's office notification of termination or revocation. See 34 Texas Administrative Code Section 5.61(k)(3)(B). Additionally, this citation does not specify how the Comptroller's office must be notified about designated employees' terminations. Therefore, the Comptroller's office will accept emails, faxes, letters, memos or other writings in advance of the expiration date, as long as the writings indicate that the designated employee has terminated employment, had security revoked or will experience either a termination or a revocation in the near future, and the notification specifies the effective date of the termination/revocation.

Recommendation/Requirement

The Commission must enhance its controls to ensure compliance with the preceding requirements. The Commission must also ensure that the person responsible for sending these notifications to the Comptroller's office is aware of the designated employee's termination on or before the termination becomes effective and follow up with the Comptroller's office to ensure that the notification was received and the revocation occurred.

Commission Response

The security coordinator will make a request to the Comptroller's office to revoke security for each TVC Finance employee that has the security to expend funds on the effective day of the employee's termination. No other employee outside of finance has the security to expend funds.

The security coordinator will follow up with the Comptroller's office that day if notification has not been received within the hour of the initial request. If notification has been received, but there has not been notification that the revocation has occurred by the next day, the security coordinator will reach out to the Comptroller's office the next day to ensure revocation had occurred.

Detailed Findings — Expenditure Approvals

Control Weakness Over Expenditure Processing

Finding

We reviewed certain limitations that the Commission placed on its accounting staff's ability to process expenditures. We reviewed the Commission's signature cards and security in USAS, USPS, and TINS. We did not review or test any internal or compensating controls that the Commission may have relating to USAS, USPS, or TINS security or internal transaction approvals.

The Commission had eight employees with multiple security access capabilities within USAS, USPS, and TINS.

The multiple security capabilities for the eight employees are listed below:

- Three employees could process/edit and release payroll in USPS.
- Four employees could enter/edit a payment voucher in USAS, create/edit a vendor in TINS, and edit/update vendor direct deposit information in TINS.
- One employee could enter/edit a payment voucher in USAS, release/approve payment in USAS, create/edit a vendor in TINS, and edit/update vendor direct deposit information in TINS.
- Three employees were on the Commission's signature card and on the Agency Authorizaton for Warrant Pickup list.
- Five employees could edit/update a vendor profile and direct deposit information in TINS and were included on the Commission's signature card.
- Four employees could process/edit payroll in USAS and edit direct deposit information for an employee in TINS.
- One employee could process/edit payroll in USAS, release payroll in USAS, and edit direct deposit information for an employee in TINS.
- One employee could edit direct deposit information for an employee in TINS and hire an employee in USPS.
- One employee could process/edit and release payroll in USPS and edit direct deposit information in TINS and USPS.
- Three employees could hire an employee in USPS and process/edit and release payroll in USPS.

The Commission was provided with a schedule of this finding during fieldwork. The Commission indicated it has reviewed the schedule of security findings and plans to take the necessary steps to eliminate some of the security findings reflected on the schedule.

To reduce risks to state funds, agencies should have controls over expenditure processing that segregate each accounting task to the greatest extent possible. Ideally, no individual should be able to process transactions within the statewide systems without another person's involvement.

We ran a report to see whether any of the Commission's payment documents were processed through USAS during the audit because of the action of only one person; no such documents were identified.

Recommendation/Requirement

To reduce risks to state funds, agencies must have controls over expenditure processing that segregate each accounting task to the greatest extent possible. Ideally, no individual should be able to process transactions without another person's involvement.

Although the Commission had converted to CAPPS subsequent to the audit period, the Commission might have needed access to USPS to finalize various adjustments and cancellations related to payments that originated in USPS. At this time, the Commission should evaluate current access and remove unneeded system access, such as USPS payroll entry and edit access, to ensure adequate separation of duties between TINS, USPS, SPRS, and CAPPS.

The Commission must implement the following recommendations:

1. The Commission must work with Comptroller's office Statewide Fiscal Systems security staff to set up user profiles that separate the entry and approval of payroll transactions in USPS.
2. The Commission must limit the access of users who can enter/change voucher or release/approve batch in USAS to view only access in TINS (PTINS02). An individual must not be able to create a vendor or change a vendor profile, create a payment, and approve the payment.
3. The Commission must limit user access by removing the user from the Agency Authorization for Warrant Pickup list or by removing the users from the agency's signature card.
4. The Commission must limit the access of users who can approve paper vouchers (being on the signature card) to view only access in TINS (PTINS02). An individual must not be able to change a vendor/employee profile or direct deposit information and approve a payment.
5. The Commission must limit the access of users who can process and release payroll in USAS to view only access in TINS (PTINS02). An individual must not be able to change an employee payment instruction and process and release payroll.
6. The Commission must limit the access of users who can create an employee profile in USPS to view only access in TINS (PTINS02). An individual must not be able to create an employee profile in USPS and change the employee payment instructions in TINS.
7. The Commission must limit the access of users who can process and release/approve payroll in USPS to view only access in TINS (PTINS02). An individual must not be able to change employee payment instructions and process and release payroll.

8. The Commission must work with Comptroller's office Statewide Fiscal Systems security staff to set up user profiles that separate the ability to hire an employee in USPS and to process and release payroll transactions in USPS.

Commission Response

1. *TVC has implemented CAPPS HR/Payroll and has worked with the Comptroller's office in ensuring that user profiles have been established to separate the entry and approval of payroll transactions in SPRS system. TVC is no longer using the USPS system.*

2. *Each finance employee with the PTINS14 release/approve access in TINS has been changed to the PTINS02 view-only access within TINS besides the purchasers. Purchasers do not have the authority to create or approve a payment.*

3. *Each finance employee who was listed on the Agency Signature Card who does not have authority to approve/release payments in USAS, SPRS and paper vouchers has been removed. Only the lead accountant, finance manager and CFO remain on the TVC's Agency Signature Card.*

4. *The lead accountant, finance manager and CFO, who have authority to approve/release payments in USAS, SPRS and paper vouchers, have the PTINS02 view-only access within TINS.*

5. *The lead accountant, finance manager and CFO, who have authority to release payroll in SPRS, have the PTINS02 view-only access within TINS.*

6. *TVC no longer uses USPS payroll system. Employees must now use Employee Self Serve in CAPPS HR/Payroll system to add her/his direct deposit information. The information will then be transfered over into TINS. TINS is not updated directly by payroll, HR nor the employees themselves. Payroll personnel have PTINS02 view-only access in TINS for validating data.*

7. *The lead accountant, finance manager and CFO, who have authority to release payroll in SPRS, have the PTINS02 view-only access within TINS.*

8. *TVC has implemented CAPPS HR/Payroll and has worked closely with the Comptroller's office in ensuring that user profiles have been established to separate the ability to hire an employee in SPRS (HR function), to process payroll in SPRS (payroll accountant function) and to approve payroll transactions in SPRS (lead accountant, finance manager and CFO). TVC is no longer using the USPS system.*