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State Auditor

An Audit Report on

**Compliance with Benefits
Proportional by Fund
Requirements at Selected State
Entities**

September 2010
Report No. 11-005



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Compliance with Benefits Proportional by Fund Requirements at Selected State Entities

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Overall Conclusion

In fiscal year 2009, state agencies and higher education institutions generally complied with the requirement to report employee benefit expenses proportionately to funding sources to the Office of the Comptroller of Public Accounts (Comptroller). The requirements to pay benefits proportionately to funding sources were set forth on page IX-27, Section 6.08, of the General Appropriations Act (80th Legislature) and in the Comptroller's Accounting Policy Statement (APS) 011 (see text box for additional details).

To comply with APS 011 requirements, 177 agencies and higher education institutions were required to submit a *Benefits Proportional by Fund Report* or a single source letter. State entities can file a single source letter instead of a *Benefits Proportional by Fund Report* if they are funded from a single fund and that fund does not include federal funds. Of the 177 state entities, 160 (90.4 percent) submitted the reports or letters by the required due date.

According to the Comptroller, state entities reported that they charged a net total of \$16.9 million in estimated additional benefit expenses to the General Revenue Fund for fiscal year 2009 as a result of their *Benefits Proportional by Fund Report* calculations.

Throughout the fiscal year, state entities pay employee benefit expenses such as Social Security contributions, group insurance, and retirement using the funds from which the employees' salaries are paid. To comply with the General Appropriations Act, page IX-27, Section 6.08 (see text box), state entities must submit a *Benefits Proportional by Fund Report* to the Comptroller each November that determines whether benefit expenses should be reallocated among different funds, such as General Revenue, Dedicated General Revenue, federal funds, or other funds (including higher education institution local funds).

To determine what adjustments need to be made to achieve proportionality, agencies and higher education institutions complete a worksheet that lists (1) the percentage of total funding that each funding source represents, (2) how much

General Appropriations Act (80th Legislature), Page IX-27, Section 6.08, Benefits Paid Proportional by Fund

Proportionality requirements apply to agencies' and higher education institutions' appropriated General Revenue and other sources of funding.

Under Section 6.08, state entities are required to:

- Attempt to maximize balances in the General Revenue Fund by paying benefits in proportion to the source of funds, unless otherwise provided.
- Refrain from using General Revenue to pay for benefits associated with salaries and wages paid from any source other than General Revenue.
- Submit *Benefits Proportional by Fund Reports* demonstrating compliance, and make necessary adjustments to the General Revenue Fund before November 20 for the preceding fiscal year.

each funding source has paid in benefit expenditures throughout the year, and (3) how much each funding source should pay in benefit expenditures to cover its necessary percentage of total benefits-related expenditures.

The State Auditor's Office audited the accuracy of four agencies' fiscal year 2009 *Benefits Proportional by Fund Reports*. Each of the agencies submitted its report by the required due date, and only one agency made proportionality adjustments incorrectly. However, auditors identified inconsistencies among the agencies in how each agency prepared its report. Specifically, the agencies differed in how they compiled funding sources, compiled benefit expense amounts, and excluded funds from their proportionality calculations.

The Comptroller has previously clarified the proportionality requirements in APS 011. However, state entities still encounter conflicting requirements among laws, rules, and federal restrictions that make it difficult for them to accurately comply with the proportionality requirements. For example, agencies and higher education institutions may violate riders in the General Appropriations Act, U.S. Office of Management and Budget Circular A-87, and certain General Revenue-dedicated funds requirements by allocating benefit expenses based on a funding proportionality calculation, rather than on actual allowable expenses for each funding source.

Summary of Management's Response

All four audited agencies agreed with recommendations made by the State Auditor's Office. Detailed recommendations and management responses can be found in Chapter 2 of the report.

Summary of Objective, Scope, and Methodology

The objective of this audit was to determine whether entities required to pay benefits proportionally by fund complied with Comptroller APS 011 reporting requirements and processed needed adjustments to accomplish proportionality.

The scope of the audit included testing fiscal year *2009 Benefits Proportional by Fund Reports* that state agencies and higher education institutions submitted to the Comptroller.

The audit methodology consisted of determining whether the *Benefits Proportional by Fund Reports* were complete and accurate at the Health and Human Services Commission, the Parks and Wildlife Department, the Higher Education Coordinating Board, and the Soil and Water Conservation Board. For all other entities, auditors determined whether each submitted a report or single source letter in a timely manner. In addition, auditors obtained a list compiled by the Comptroller of benefits proportionality adjustments recorded in the Uniform Statewide Accounting System (USAS) for all state entities. That information is presented in

Appendix 2. Auditors reviewed the methodology the Comptroller used to compile the information and verified that a sample of the adjustments agreed with the information in USAS.

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Detailed Results

Chapter 1

Agencies and Higher Education Institutions Generally Complied with Proportionality Reporting Requirements

The majority of agencies and higher education institutions submitted *Benefits Proportional by Fund Reports* for fiscal year 2009 by the reporting deadline, as required by the General Appropriations Act and the Comptroller of Public Accounts' (Comptroller) Accounting Policy Statement (APS) 011 (see Table 1).

Table 1

Summary of State Entity Compliance with Proportionality Requirements	
Category	Number of Entities in Fiscal Year 2009
Entities that were required to submit a <i>Benefits Proportional by Fund Report</i> or a single source letter	177
Entities that submitted a <i>Benefits Proportional by Fund Report</i> or a single source letter by the due date	160
Entities that submitted a <i>Benefits Proportional by Fund Report</i> or a single source letter after the due date	17
Entities that did not submit a <i>Benefits Proportional by Fund Report</i> or a single source letter	0

Single Source Letter

If state entities are funded from a single fund and that fund does not include federal funds, they are permitted to submit a letter specifying this fact, rather than a *Benefits Proportional by Fund Report*.

Of the 177 agencies and higher education institutions required to submit a *Benefits Proportional by Fund Report* or single source letter (see text box for description), 17 (9.6 percent) submitted their reports after the required due date of November 19, 2009 (see Appendix 3 for list of state entities reporting late). All reports were eventually received. Not submitting documentation promptly prevents the State from identifying and potentially recouping General Revenue that could be used for other programs or services on a timely basis.

Summary of Adjustments to General Revenue

According to the Comptroller, agencies and higher education institutions reported adjustments that affected the General Revenue Fund. The net additions and deductions of those adjustments increased benefit expenses to the General Revenue Fund by an estimated \$16.9 million.

All Four Agencies Audited Should Improve Controls to Ensure Compliance with Proportionality Requirements

Auditors reviewed the accuracy of the fiscal year 2009 *Benefits Proportional by Fund Reports* submitted by the Health and Human Services Commission, the Parks and Wildlife Department, the Higher Education Coordinating Board, and the Soil and Water Conservation Board. Each of the agencies submitted its report by the required due date, and only the Parks and Wildlife Department made proportionality adjustments incorrectly. However, the agencies differed in how they compiled funding sources, compiled benefit expense amounts, and excluded funds from their proportionality calculations.

Auditors also identified other less significant issues that were communicated separately in writing to the Soil and Water Conservation Board.

Other than the following issue related to the agencies not including retiree group insurance as an expense in their benefit proportionality calculations, auditors did not identify any issues related to the *Benefits Proportional by Fund Report* that the Health and Human Services Commission submitted.

Chapter 2-A

All Four Agencies Did Not Include Retiree Group Insurance as an Expense as Required

All four agencies did not include retiree group insurance as an expense in their fiscal year 2009 *Benefits Proportional by Fund Reports* as required by APS 011. The total amount of retiree group insurance expenses these four agencies omitted from their reports was \$31,235,651; of that amount, \$25,292,739 was paid from the General Revenue Fund and \$5,942,912 was paid from Special Revenue Funds. As a result, these benefit expenses were mistakenly excluded from the proportionality calculation. Because the impact of the omitted expenditures on the proportionality calculations can vary among each of the four agencies, the overall impact on the General Revenue Fund was not determined.

Recommendation

The Health and Human Services Commission, the Parks and Wildlife Department, the Higher Education Coordinating Board, and the Soil and Water Conservation Board should work with their assigned appropriation control officers to develop a methodology for including retiree insurance expenses in their future *Benefits Proportional by Fund Reports*.

Management's Response from the Health and Human Services Commission

HHSC Fiscal Management agrees that there is a need to develop a methodology for including retiree group insurance expenses in future reports. HHSC shall work with its assigned Appropriation Control Officer to incorporate this methodology into the 2010 report, due on November 19, 2010.

Estimated Completion Date: November 19, 2010

Title of Responsible Person: Manager, Fund Accounting

Management's Response from the Parks and Wildlife Department

Management agrees that we will work with our Appropriation Control Officer to develop a methodology for including retiree insurance expenses in our Benefits Proportional by Fund reports.

Estimated Implementation Date: November 20, 2010

Responsible Party: General Ledger Team Lead

Management's Response from the Higher Education Coordinating Board

THECB agrees with the recommendation. On 08/23/10 staff of the Business Services Division of the THECB met with the assigned Appropriation Control Officer for Agency 781 to develop a methodology for including retiree insurance expenses in the FY10 Benefits Proportional by Fund Report. The ACO has agreed to consult with her office and provide guidance that will comply with this requirement. We have requested a response by 10/01/10. The THECB will use the methodology provided by our ACO to comply with the requirement of including Retiree Group Insurance Expenses in the FY10 BPF report, due to the CPA on 11/19/10 and in future BPF reports.

Estimated Implementation Date: November 30, 2010

Responsible Party: Deputy Assistant Commissioner (Business & Support Services)

Management's Response from the Soil and Water Conservation Board

The Texas State Soil and Water Conservation Board concurs and will work with the Appropriation Control Section at the Comptroller of Public Accounts to develop a methodology for including retiree insurance expenses in future Benefit Proportional by Fund reports.

Estimated Completion Date: November 19, 2010

Title of Responsible Person: Fiscal Officer

Chapter 2-B

The Higher Education Coordinating Board Did Not Accurately Account for All Funding Sources and Restrictions; However, It Did Not Make Any Erroneous Proportionality Adjustments

The Higher Education Coordinating Board (Board) did not adequately provide legal citations for funds it excluded from its proportionality calculation on its fiscal year 2009 *Benefits Proportional by Fund Report*. In addition, the Board incorrectly calculated its proportionality percentages by (1) not including all funding sources authorized to pay salaries in the “Funding Subject to Proportionality” column and (2) not listing all federal grant funding in the “Funds with Salary Restrictions” column. U.S. Office of Management and Budget (OMB) Circular A-87 requires that benefits charged to federal grants must be attributable to the employees whose salaries and wages are chargeable to the federal grant. As a result, the Board’s proportionality percentages and calculations of the benefit expenditures to be charged to each funding source were inaccurate.

However, the Board made no adjustments to the General Revenue Fund, and therefore, it did not make any erroneous proportionality adjustments.

Recommendations

The Board should:

- Provide more detailed and specific legal citations for amounts excluded from its proportionality calculation.
- Work with its assigned appropriation control officer to ensure that its method for identifying all financial funding sources is accurate.
- Ensure compliance with OMB Circular A-87 by listing all federal grant funding in the “Funds with Salary Restrictions” column of the *Benefits Proportional by Fund Report* and excluding all federal grants from the proportionality calculations.

Management's Response from the Higher Education Coordinating Board

THECB agrees with this recommendation. On 08/23/10 staff of the Business Services Division of the THECB met with the assigned Appropriation Control Officer for Agency 781 to develop a methodology for determining correct proportionality in future Benefits Proportional by Fund Reports.

The THECB will provide more detailed and specific legal citations for amounts being excluded from the proportionality requirements. Citations will come from the GAA and the Texas Education Code in accordance with guidance provided by our ACO. Additionally, the THECB will adhere to our ACO's recommendations for determining proportionality from all funding sources, not just those that pay salary. In order to comply with OMB Circular A-87 that deals with federal funds, the THECB will exclude all Federal Funds from proportionality in future BPF reports.

Date of Implementation: November 30, 2010

Responsible Party: Deputy Assistant Commissioner (Business & Support Services)

Chapter 2-C

The Parks and Wildlife Department Made Incorrect Proportionality Adjustments

The Parks and Wildlife Department (Department) did not include all appropriate benefit expenditures in its fiscal year 2009 *Benefits Proportional by Fund Report*. The total amount of expenditures not included in the Department's report was \$3,181,443, which resulted in General Revenue not being refunded an additional \$139,005 from General Revenue Dedicated funds.

In addition, the Department incorrectly reported federal grant funding by listing the amount of federal grant funding stated in the General Appropriations Act—\$39,105,714—rather than the actual revenues collected—\$73,192,225. While all federal grant funds were appropriately excluded from the calculation of proportionality percentages, the correct amount of federal grant funding should be listed in the *Benefits Proportional by Fund Report*.

Recommendations

The Department should:

- File an amended fiscal year 2009 *Benefits Proportional by Fund Report* that includes the corrected amounts, as identified above, and reassess whether changes to its General Revenue adjustment are necessary.
- Include all expenditures for the appropriation year, regardless of the fiscal year in which the expenses occurred, in all future *Benefits Proportional by Fund Reports*.
- Include the actual federal grant revenues received during the fiscal year in its *Benefits Proportional by Fund Reports*.

Management's Response from the Parks and Wildlife Department

Management agrees that all expenditures for the appropriation year will be included in all future Benefits Proportional by Fund reports and has filed an amended 2009 Benefits Proportional by Fund report that includes the corrected federal grant funding figure and includes all expenditures for the appropriation year.

Estimated Implementation Date: November 20, 2010

Responsible Party: General Ledger Team Lead

Proportionality Requirements Have Been Clarified Previously, But Further Clarification Could Improve State Entities' Compliance with Other Rules, Laws, and Federal Restrictions

As noted in prior State Auditor's Office reports, agencies and higher education institutions face conflicting directions from laws, rules, and federal restrictions, which makes it difficult for them to accurately comply with proportionality requirements.

Auditors noted instances in which the four agencies audited differed in how they prepared their *Benefits Proportional by Fund Reports*. Specifically, inconsistencies were noted in the time periods the agencies used to report expenditures, how federal grant revenues were reported and excluded from the calculation of funding percentages, and how dedicated funds were excluded from the benefit proportionality calculation.

The Comptroller is responsible for developing and maintaining rules for the administration of proportionality requirements, and it previously clarified APS 011, which provides guidance on how to comply with proportionality requirements. However, APS 011 should be further clarified to assist agencies and higher education institutions to comply with all applicable rules, laws, and federal regulations. These clarifications could include examples of legal citations for excluding funding sources; better guidelines on the exact accounting period for reporting amounts (specifying the beginning and ending dates of transactions); and specific instructions to include retiree group insurance costs as an expense.

In addition, to better identify those areas of the proportionality requirements and the instructions in APS 011 that may be misunderstood by state entities, the Comptroller should consider soliciting input from the agencies and higher education institutions. This could be done through a survey.

The Comptroller also should consider developing, within the Uniform Statewide Accounting System, specific transaction identifiers that will enable future APS 011 adjustments to be compiled by benefit expense type and entity.

Appendices

Appendix 1

Objective, Scope, and Methodology

Objective

The objective of this audit was to determine whether entities required to pay benefits proportionally by fund complied with Accounting Policy Statement (APS) 011 reporting requirements and processed needed adjustments to accomplish proportionality.

Scope

The scope of the audit included testing fiscal year 2009 *Benefits Proportional by Fund Reports* that state agencies and higher education institutions submitted to the Comptroller.

Methodology

For all state entities, auditors reviewed information obtained from the Office of the Comptroller of Public Accounts (Comptroller) to determine whether entities submitted reports in a timely manner and made necessary adjustments to the General Revenue Fund for fiscal year 2009.

In addition, auditors analyzed fiscal year 2009 *Benefits Proportional by Fund Reports* submitted by the Health and Human Services Commission, the Parks and Wildlife Department, the Higher Education Coordinating Board, and the Soil and Water Conservation Board to determine whether the reports were complete and accurate. Auditors compared information on those reports with information in the Uniform Statewide Accounting System (USAS), as well as information in the Health and Human Services Commission's and the Higher Education Coordinating Board's internal accounting systems. Auditors also reviewed processes related to preparing the *Benefits Proportional by Fund Report* and making adjustments to the General Revenue Fund and other funds.

Information collected and reviewed included the following:

- *Benefits Proportional by Fund Reports* and single source letters that state entities submitted for fiscal year 2009.
- Documentation supporting the *Benefits Proportional by Fund Reports* for the four agencies audited.
- Appropriation year 2009 benefits expenditure information in USAS and in each agency's internal accounting system.

- Proportionality requirements established by the 80th Legislature.

Procedures and tests conducted included the following:

For the four agencies audited:

- Determined whether agencies reported only appropriation year 2009 revenues and benefits as recorded in USAS and the agencies' internal accounting systems.
- Reviewed the agencies' processes related to preparing the *Benefits Proportional by Fund Report*.
- Reviewed the agencies' legal citations authorizing the exclusion of certain funds from the proportionality calculation.
- Reviewed the agencies' *Benefits Proportional by Fund Reports* for mathematical accuracy.
- Conducted interviews with selected agency staff and Comptroller appropriation control officers.
- Reviewed General Revenue adjustments that the agencies prepared.

For all other entities:

- Identified report submission dates to determine entities' compliance with due dates.
- Reviewed the Comptroller's summary of all the General Revenue adjustments that were reported by state entities.

Criteria used included the following:

- Comptroller APS 001 and APS 011 and related instructions for fiscal year 2009.
- Page IX-27, Section 6.08, the General Appropriations Act (80th Legislature).
- Selected agencies' appropriations for the 2008-2009 biennium and corresponding riders.
- U.S. Office of Management and Budget (OMB) Circular A-87.

Project Information

Audit fieldwork was conducted from April 2010 through June 2010. 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.

The following members of the State Auditor's staff performed the audit:

- Joe Curtis, CPA, CIA (Project Manager)
- Nick Frey (Assistant Project Manager)
- Katherine Koinis
- Leslie Ashton, CPA (Quality Control Reviewer)
- John Young, MPAFF (Audit Manager)

Summary of Estimated 2009 General Revenue Fund Adjustments Detailed by State Entity

Table 2 summarizes estimated fiscal year 2009 General Revenue Fund proportionality adjustments by state entity. The estimates are derived from a compilation of Uniform Statewide Accounting System (USAS) adjustments. This compilation was prepared by the Office of the Comptroller of Public Accounts (Comptroller). The amounts listed in Table 2 are estimates due to the following factors:

- Difficulty in distinguishing between a benefit proportionality adjustment and other adjustments and correcting entries recorded in USAS.
- One of the six benefit costs that are adjusted for proportionality is teacher retirement costs. However, teacher retirement adjustments could not be compiled from USAS records because there was no specific identifier that would provide detail for the adjustments made by an individual higher education institution.
- Because state entities still have appropriation authority, they are allowed to continue recording revisions and corrections to the fiscal year 2009 proportionality adjustments until the close of the appropriation.

State entities reported that they reallocated a net total of \$16.9 million in estimated additional benefit expenses to the General Revenue Fund for fiscal year 2009. That information was obtained from the Comptroller. Each state entity is responsible for making the identified allocation adjustments. The State Auditor's Office audited the accuracy of the adjustments and verified that the adjustments were recorded for the Health and Human Services Commission, the Parks and Wildlife Department, the Higher Education Coordinating Board, and the Soil and Water Conservation Board.

Table 2

Estimated 2009 General Revenue Fund Adjustments Detailed by State Entity		
Entity Number	Entity Name	General Revenue Adjustment
Estimated Charges to General Revenue		
405	Department of Public Safety	\$ 6,038,512
723	The University of Texas Medical Branch at Galveston	5,391,190
305	General Land Office	2,398,753
537	Department of State Health Services	1,810,751
711	Texas A&M University	1,657,761

Estimated 2009 General Revenue Fund Adjustments Detailed by State Entity		
Entity Number	Entity Name	General Revenue Adjustment
745	The University of Texas Health Science Center at San Antonio	1,344,013
744	The University of Texas Health Science Center at Houston	1,248,612
717	Texas Southern University	812,172
701	Texas Education Agency	707,860
401	Adjutant General's Department	725,352
582	Commission on Environmental Quality	512,229
696	Department of Criminal Justice	502,632
743	The University of Texas at San Antonio	473,183
721	The University of Texas at Austin	416,240
739	Texas Tech University Health Sciences Center	408,141
731	Texas Woman's University	325,514
555	Texas AgriLife Extension Service	288,543
747	The University of Texas at Brownsville	277,980
556	Texas AgriLife Research	273,104
737	Angelo State University	218,437
729	The University of Texas Southwestern Medical Center at Dallas	179,671
784	University of Houston-Downtown	172,252
754	Texas State University System	156,833
320	Texas Workforce Commission	138,698
538	Department of Assistive and Rehabilitative Services	125,506
709	Texas A&M University System Health Science Center	116,118
735	Midwestern State University	83,076
753	Sam Houston State University	82,019
757	West Texas A&M University	69,426
224	Fourth Court of Appeals District, San Antonio	68,314
813	Commission on the Arts	26,284
225	Fifth Court of Appeals District, Dallas	23,401
592	Soil and Water Conservation Board	17,628
768	Texas Tech University System	14,876
763	University of North Texas Health Science Center at Fort Worth	14,139
710	Texas A&M University System Administrative and General Offices	5,473
476	Racing Commission	685
694	Texas Youth Commission	668

Estimated 2009 General Revenue Fund Adjustments Detailed by State Entity		
Entity Number	Entity Name	General Revenue Adjustment
481	Board of Professional Geoscientists	500
241	Office of the Comptroller of Public Accounts	341
530	Department of Family and Protective Services	41
771	School for the Blind	38
Total Estimated Charges to General Revenue		\$ 27,126,966
Estimated Refunds to General Revenue		
730	University of Houston	\$ (1,676,648)
802	Parks and Wildlife Department	(1,550,030)
539	Department of Aging and Disability	(1,453,121)
752	University of North Texas	(949,626)
714	The University of Texas at Arlington	(635,167)
302	Office of the Attorney General	(580,480)
785	The University of Texas Health Science Center at Tyler	(429,260)
201	Supreme Court of Texas	(400,609)
733	Texas Tech University	(376,359)
503	Board of Medical Examiners	(266,623)
759	University of Houston-Clear Lake	(218,481)
724	The University of Texas at El Paso	(187,437)
751	Texas A&M University-Commerce	(179,215)
506	The University of Texas M. D. Anderson Cancer Center	(160,182)
734	Lamar University - Beaumont	(142,805)
742	The University of Texas of the Permian Basin	(124,579)
732	Texas A&M University-Kingsville	(92,320)
789	Lamar Institute of Technology	(73,071)
576	Texas Forest Service	(69,901)
332	Department of Housing and Community Affairs	(64,431)
580	Water Development Board	(49,399)
601	Department of Transportation	(41,204)
738	The University of Texas at Dallas	(40,225)
234	Fourteenth Court of Appeals District, Houston	(37,847)
557	Texas Veterinary Medical Diagnostic Laboratory	(37,203)
720	The University of Texas System Administration	(36,368)
788	Lamar State College-Port Arthur	(34,758)
304	Office of the Comptroller of Public Accounts	(34,272)
761	Texas A&M International University	(33,211)

Estimated 2009 General Revenue Fund Adjustments Detailed by State Entity		
Entity Number	Entity Name	General Revenue Adjustment
233	Thirteenth Court of Appeals District, Corpus Christi	(26,332)
787	Lamar State College-Orange	(25,955)
755	Stephen F. Austin State University	(24,478)
223	Third Court of Appeals District, Austin	(24,236)
229	Ninth Court of Appeals District, Beaumont	(18,106)
907	State Energy Conservation Office	(16,481)
756	Sul Ross State University	(13,374)
347	Public Finance Authority	(13,526)
765	University of Houston-Victoria	(11,720)
221	First Court of Appeals District, Houston	(11,236)
750	The University of Texas at Tyler	(11,047)
736	The University of Texas-Pan American	(10,988)
222	Second Court of Appeals District, Fort Worth	(10,210)
231	Eleventh Court of Appeals District, Eastland	(10,148)
232	Twelfth Court of Appeals District, Tyler	(6,259)
226	Sixth Court of Appeals District, Texarkana	(6,180)
479	State Office of Risk Management	(4,671)
452	Department of Licensing and Regulation	(4,504)
551	Department of Agriculture	(2,949)
712	Texas Engineering Experiment Station	(1,096)
306	State Library and Archives	(838)
719	Texas State Technical College - System	(792)
715	Prairie View A&M University	(734)
450	Department of Savings and Mortgage Lending	(64)
Total Estimated Refunds to General Revenue		\$ (10,230,756)
Total Estimated Net Adjustment to General Revenue		\$16,896,217^a
^a This total does not sum exactly due to rounding.		

Source: Information obtained from the Office of the Comptroller of Public Accounts. This information was not audited by the State Auditor's Office.

Agencies and Higher Education Institutions That Submitted Their Benefits Proportional by Fund Reports After the Required Due Date

Table 3 lists the 17 agencies and higher education institutions that submitted their fiscal year 2009 *Benefits Proportional by Fund Reports* or single source letters after the due date of November 19, 2009. This information was obtained from the Office of the Comptroller of Public Accounts, and the accuracy of this information was not audited by the State Auditor's Office.

Table 3

Entities That Submitted Fiscal Year 2009 <i>Benefits Proportional by Fund Reports</i> or Single Source Letters after the Due Date		
Entity Number	Entity Name	Date Submitted
221	First Court of Appeals District, Houston	November 20, 2009
223	Third Court of Appeals District, Austin	November 20, 2009
233	Thirteenth Court of Appeals District, Corpus Christi	January 5, 2010
234	Fourteenth Court of Appeals District, Houston	December 2, 2009
242	Commission on Judicial Conduct	November 20, 2009
305	General Land Office	November 30, 2009
325	Office of the Fire Fighters' Pension Commissioner	March 16, 2010
333	Office of State-Federal Relations	November 20, 2009
347	Public Finance Authority	November 24, 2009
352	Bond Review Board	March 16, 2010
364	Health Professions Council	December 4, 2009
539	Department of Aging and Disability Services	November 24, 2009
542	Cancer Prevention and Research Institute of Texas	December 10, 2009
554	Animal Health Commission	November 20, 2009
763	University of North Texas Health Science Center	February 10, 2010
808	Historical Commission	December 3, 2009
809	Preservation Board	December 9, 2010

Source: This information was obtained from the Office of the Comptroller of Public Accounts and was not audited by the State Auditor's Office.

Related State Auditor's Office Work

Related SAO Work		
Number	Product Name	Release Date
07-013	An Audit Report on Agencies' and Higher Education Institutions' Compliance with Benefits Proportional by Fund Requirements	February 2007
04-039	An Audit Report on State Entity Compliance with Benefits Proportional by Fund Requirements in Fiscal Years 2002 and 2003	June 2004
03-025	An Audit Report on Compliance with Benefits Proportional by Fund Requirements at 20 State Entities	March 2003
02-069	An Audit Report on State Entity Compliance with Benefits Proportional by Fund Requirements	August 2002

Copies of this report have been distributed to the following:

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The Honorable David Dewhurst, Lieutenant Governor, Joint Chair
The Honorable Joe Straus III, Speaker of the House, Joint Chair
The Honorable Steve Ogden, Senate Finance Committee
The Honorable Thomas “Tommy” Williams, Member, Texas Senate
The Honorable Jim Pitts, House Appropriations Committee
The Honorable Rene Oliveira, House Ways and Means Committee

Office of the Governor

The Honorable Rick Perry, Governor

Office of the Comptroller of Public Accounts

The Honorable Susan Combs, Comptroller of Public Accounts

Health and Human Services Commission

Mr. Thomas Suehs, Executive Commissioner

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Ms. Elaine Mendoza, Vice Chair
Mr. Joe Hinton, Secretary
Mr. Durga D. Agrawal
Mr. Dennis D. Golden
Mr. Harold Hahn
Mr. Wallace Hall, Jr.
Dr. Lyn Bracewell Phillips
Mr. A. W. “Whit” Riter
Mr. Eric A. Rohne, Student Representative
Dr. Raymund A. Paredes, Commissioner of Higher Education

Parks and Wildlife Department

Members of the Parks and Wildlife Commission

Mr. Peter M. Holt, Chairman
Mr. T. Dan Friedkin, Vice-Chairman
Mr. Mark E. Bivins
Mr. Ralph H. Duggins
Dr. Antonio Falcon
Ms. Karen J. Hixon
Mr. Dan Allen Hughes, Jr.
Ms. Margaret Martin
Mr. S. Reed Morian
Mr. Lee Marshall Bass, Chairman-Emeritus
Mr. Carter Smith, Executive Director

Soil and Water Conservation Board

Members of the Soil and Water Conservation Board

Mr. José Dodier, Jr., Chairman

Mr. Barry Mahler, Vice-Chairman

Mr. Marty H. Graham

Mr. Larry D. Jacobs

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Mr. Rex Isom, Executive Director



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