

THOMAS P. DINAPOLI
COMPTROLLER



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ALBANY, NEW YORK 12236

STATE OF NEW YORK
OFFICE OF THE STATE COMPTROLLER

December 6, 2012

Mr. Donald P Christian
President
SUNY New Paltz
1 Hawk Drive
New Paltz, New York 12561

Re: Selected Employee Travel Expenses
Report 2012-S-140

Dear Mr. Christian:

According to the State Comptroller's authority as set forth in Article V, Section 1 of the State Constitution, and Article II, Section 8 of the State Finance Law, we recently audited selected travel expenses charged to the travel card of one employee of the College at New Paltz (College).

Background

New York State's executive agencies spend between \$100 million and \$150 million each year on travel expenses. These expenses, are discretionary and under the control of agency management, include car rentals, meals, lodging, transportation, fuel, and incidental costs such as airline baggage and travel agency fees.

The mission of the College is to provide high quality affordable education to students from all social and economic backgrounds. The College spent \$3,688,545 on travel expenses from April 1, 2008 through March 31, 2011. Of that amount, \$2,790,581, or about 76 percent, was for reimbursements to employees for travel expenses, direct payments to vendors, and cash advances; and \$897,964, or 24 percent, related to charges on State issued travel cards.

The Office of the State Comptroller sets rules and regulations for payment of expenses employees incur while traveling on official State business. The Comptroller's Travel Manual helps agencies and employees understand and apply the State's travel rules and regulations, and provide instructions for reimbursing expenses. In general, when traveling on official State business, only actual, necessary and reasonable business expenses will be reimbursed.

The audit at the College is part of a statewide initiative to determine whether the use of travel monies by selected government employees complies with rules and regulations and is free from fraud, waste, and abuse. Auditors focused their audit efforts on the highest-cost travelers in the State, each of whom incurred over \$100,000 in travel expenses during the three year period ended March 31, 2011, as well as on other outliers. As a result of this analysis, we examined the travel expenses for one College employee whose travel charges totaled \$269,627.

Results of Audit

We found that the selected employee was responsible for arranging travel for other College staff members, charging these travel expenses to her travel card. We reviewed a sample of charges to this employee's travel card and found the expenses were documented and adhered to State travel rules and regulations.

Audit Scope, Objectives and Methodology

We audited selected travel expenses charged to one College employee's travel card for the period April 1, 2008 to March 31, 2011. The objectives of our audit were to determine whether the use of travel monies by selected government employees complied with rules and regulations and is free from fraud, waste and abuse.

To accomplish our objectives, we analyzed travel expenses incurred by and on behalf of State employees for the three years ended March 31, 2011. Our analysis identified one College employee whose travel card expenses ranked among the highest in the State. We examined selected travel expenses, including reimbursements and credit card charges, for the three State Fiscal Years ending March 31, 2011.

As part of our examination, we obtained vouchers, receipts, and credit card statements for selected transactions. We then verified that documentation supported the charges and showed the expenses incurred were for legitimate business purposes. We reviewed the College's internal policies and procedures and determined that the travel expenses selected for examination were approved, and complied with this guidance, as well as with OSC procedures. Finally, we matched timesheet and travel records to ensure the traveler was working on days for which travel reimbursement was requested, and reviewed EZPass records, where applicable, to match against travel vouchers.

We conducted our 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.

In addition to being the State Auditor, the Comptroller performs certain other constitutionally and statutorily mandated duties as the chief fiscal officer of New York State. These include operating the State's accounting system; preparing the State's financial statements; and

approving State contracts, refunds, and other payments. In addition, the Comptroller appoints members to certain boards, commissions and public authorities, some of whom have minority voting rights. These duties may be considered management functions for purposes of evaluating organizational independence under generally accepted government auditing standards. In our opinion, these functions do not affect our ability to conduct independent audits of program performance.

Reporting Requirements

We discussed the results of our audit with College officials who agreed with our conclusions and waived the opportunity to provide formal written comments to be included in this final report.

Major contributors to this report were Melissa Little, Abe Fish and Judy Grehl.

Please convey our thanks to the management and staff of the College for the courtesies and cooperation that they extended to our auditors during this review.

Sincerely,

John Buyce, CPA, CIA, CGFM
Audit Director

cc: Michael Abbott, University Auditor
Thomas Lukacs, Division of the Budget