



# A Legislative Summary Document Regarding Commission on Human Rights

## Contents

Key Findings from Previous Audits and Reviews

Most Recent Performance Measure Certification

Information System Vulnerability Assessment

Travel Expenditures

## State Auditor's Observations

There was gross fiscal mismanagement at the Commission on Human Rights (Agency) from fiscal year 1998 through May 31, 2001. As a result, the Agency provided unreliable financial information to legislative budget committees and Commissioners. Since appointing a new Executive Director in August 2001, the Agency has taken a proactive approach toward rapidly correcting many issues. The State Auditor's Office is monitoring the Agency's progress in addressing these issues.

Prepared for the 78th Legislature  
by the State Auditor's Office

January 2003

SAO No. 03-312

*This is not an audit report and, with the exception of any audit report summaries, the material in this document has not been subjected to all of the tests and confirmations performed in an audit.*

# Commission on Human Rights

SAO Contact: Nick Villalpando  
(512) 936-9500

## Key Findings from Previous Audits and Reviews

January 1, 2001–December 31, 2002

### *A Financial Review of the Commission on Human Rights*

(Report No. 02-023, February 2002)

As a result of gross fiscal mismanagement, the Commission on Human Rights (Agency) provided unreliable financial information to legislative budget committees and Commissioners. Examples of practices that caused the Agency's financial information to be misleading include the following:

- The Agency routinely redirected expenditure disbursements among its three strategies, depending on which strategy had available cash. This practice negated the usefulness of the Agency's financial information.
- The Agency overestimated its revenues and its expenditures. As a result, the Agency's appropriations requests for individual strategies inaccurately depicted the funding required to provide services under those strategies.
- The Agency did not collect 53 percent of its estimated fee-based revenues in its Monitoring strategy during appropriation years 1998 through 2000. It also did not collect 27 percent of its estimated fee-based revenues in its Training strategy. The Agency waived fees for work performed and failed to deliver planned fee-based services.

#### **Status of Audit Recommendations as of November 30, 2002 (unaudited)**

After making the determination of gross fiscal mismanagement, we recommended that the Agency (1) act immediately to correct certain deficiencies and (2) implement a long-term financial remediation plan.

The Agency reports that it has implemented 100 percent of the recommendations to address the deficiencies it needed to correct immediately, and it reports that it has implemented 82 percent of the recommendations to implement its long-term financial remediation plan.

In addition, the Agency did not spend funds in accordance with restrictions in a federal contract, the Texas Constitution, applicable state regulations, and the General Appropriations Act.

The Agency's newly appointed Executive Director has extensive financial and managerial experience. Since his arrival in August 2001, the Executive Director, with the support of the Commissioners, has taken a proactive approach toward rapidly correcting many issues.

# Commission on Human Rights

SAO Contact: Nick Villalpando  
(512) 936-9500

## Most Recent Performance Measure Certification

Fiscal Year 1998–Fiscal Year 2003

The performance measure results of the *2000 Small Agency Management Control Audit* (Report No. 00-023, March 2000) and related management letter (Report No. 00-307) for this entity are summarized below.

Period	Goal/Strategy		Measure	Certification Results
1998	A	Anti-Discrimination Laws	Percent of investigations complying with the EEOC substantial weight review standards	Certified with Qualification
1999 Q1-3	A.1.1	Investigations	Number of complaints resolved	Certified
1998	B	Training and Assistance	Percent reduction in employment discrimination complaints filed against state agencies and higher education institutions receiving training	Inaccurate
1999 Q1-3	B.1.1	Training	Number of voluntary training sessions conducted	Certified
1999 Q1-3	B.1.1	Training	Average time between EEO training request and delivery of training	Inaccurate
1999 Q1-3	B.1.2	Monitor Personnel Policy	Number of on-site reviews	Certified
<b>Total Measures Certified Without Qualification<sup>a</sup></b>				<b>3/6 (50%)</b>
<b>Data Reliability Percentage (Certified and Certified with Qualification)</b>				<b>4/6 (67%)</b>
<sup>a</sup> The percentage of unqualified certifications is presented because it is used in determining an entity's eligibility for performance rewards as established in the General Appropriations Act [77th Legislature, Article IX, Sec. 6.31(d)(2)].				

Category	Definition
Certified	Reported performance is accurate within +/-5 percent, and controls appear adequate to ensure accurate collection and reporting of performance data.
Certified with Qualification	Reported performance is within +/-5 percent, but the controls over data collection and reporting are not adequate to ensure the continued accuracy of performance data.
Factors Prevented Certification	Actual performance cannot be determined because of inadequate controls and insufficient documentation.
Inaccurate	Reported performance is not within +/-5 percent of actual performance, or there is an error rate of at least 5 percent in the supporting documentation.
Not Applicable	A justifiable reason exists for not reporting performance.

## Information System Vulnerability Assessments

The State Auditor's Office (SAO) and/or the Department of Information Resources performed one or more information system vulnerability assessments at the Commission on Human Rights between January 2000 and November 2002. Detailed results of this work are confidential under Texas Government Code, Section 2054.077(c). The SAO's Legislative Summary Document titled "Information System Vulnerability Assessments" provides general information about the results of information system vulnerability assessments.

# Commission on Human Rights

SAO Contact: Nick Villalpando  
(512) 936-9500

## Travel Expenditures

Travel Expenditures by Appropriation Year (unaudited)			
	2000	2001	2002
In-State Travel	\$ 56,905	\$ 44,930	\$ 49,805
Out-of-State Travel	10,506	6,188	17,154
Foreign Travel	0	0	0
Other Travel Costs	0	1,541	31
<b>Total Travel Expenditures</b>	<b>\$ 67,411</b>	<b>\$ 52,659</b>	<b>\$ 66,990</b>
Limit on Travel Expenditures (Cap)	93,422	93,422	20,507 <sup>a</sup>
<b>Expenditures in Excess of Cap</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>

<sup>a</sup> Caps apply to total travel in appropriation years 2000 and 2001, but caps apply only to out-of-state travel and foreign travel in appropriation year 2002. Caps, calculated by the Comptroller of Public Accounts, have been adjusted for any increases requested by the Agency and approved by the Legislative Budget Board in accordance with the General Appropriations Act.

Source: Uniform Statewide Accounting System (USAS) as of November 30, 2002. Amounts are subject to change as agencies continue to record additional expenditures or adjustments.