



A Legislative Summary Document Regarding Securities Board

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The Securities Board exceeded the travel cap for appropriation year 2001 by \$30,232 (32 percent over the cap).

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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.

Securities Board

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Key Findings from Previous Audits and Reviews

January 1, 2001–December 31, 2002

A Review of Implementation of Sunset Advisory Commission Management Actions at 13 State Agencies

(Report No. 02-067, August 2002)

The Securities Board partially implemented one of two management actions. The remaining management action was fully implemented.

Most Recent Performance Measure Certification

Fiscal Year 1998–Fiscal Year 2003

The results of *An Audit on Performance Measures at 11 State Agencies–Phase 13* (Report No. 00-030, May 2000) for this entity are summarized below.

Period	Goal/Strategy	Measure	Certification Results	
1999	A	Investors Protection	Number of Enforcement Actions Taken	Certified with Qualification
1999	A.1.1	Law Enforcement	Number of Investigations Opened	Certified with Qualification
1999	A.2.1	Securities Registration	Number of Security Applications Processed	Certified with Qualification
1999	A.3.1	Dealer Registration	Number of New Applications Reviewed	Certified with Qualification
1999	A.4.1	Dealer Inspections	Number of Inspections Conducted	Certified with Qualification
Total Measures Certified Without Qualification ^a			0/5 (0%)	
Data Reliability Percentage (Certified and Certified with Qualification)			5/5 (100%)	

^a 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.

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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 Securities Board 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.

Travel Expenditures

Travel Expenditures by Appropriation Year (unaudited)			
	2000	2001	2002
In-State Travel	\$ 92,692	\$ 118,844	\$ 80,780
Out-of-State Travel	4,609	4,888	2,495
Foreign Travel	0	0	0
Other Travel Costs	(716)	0	0
Total Travel Expenditures	\$ 96,585	\$ 123,732	\$ 83,275
Limit on Travel Expenditures (Cap)	93,500	93,500	4,609 ^a
Expenditures in Excess of Cap	\$ 3,085	\$ 30,232	\$ 0

^a 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 Securities Board 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.