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STATE OF NEW YORK  
OFFICE OF THE STATE COMPTROLLER

February 14, 2013

David A. Heath, OD, EdM  
President  
State University of New York  
College of Optometry  
33 West 42<sup>nd</sup> Street  
New York, NY 10036

Re: Report 2012-S-148  
SUNY College of Optometry - Selected  
Employee Travel Expenses

Dear Dr. Heath:

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 of the State University of New York College of Optometry (College).

**Background**

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

The mission of the College is to excel, innovate and lead in Optometry and Vision Science by: developing outstanding optometrists and vision scientists; making new discoveries that advance vision science and patient care; improving patients' lives by providing exceptional general and specialized optometric care; enhancing public health through education and service to a broad range of communities.

The College spent \$644,650 on travel expenses from April 1, 2008 through March 31, 2011. Of that amount, about \$234,944 or 36 percent, related to charges on State issued travel cards and \$409,706 or 64 percent, was for reimbursements to employees for travel expenses and direct payments to vendors. In addition the College expended \$567,643 for purchases on their procurement (P) card.

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 (Travel Manual) helps agencies and employees understand and apply the State's travel rules and regulations, and provides instructions for reimbursing expenses. In general, when traveling on official State business, only actual, necessary and reasonable business expenses will be reimbursed.

This audit 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 charged by one College employee totaling \$116,828.

### **Results of Audit**

We found that the selected employee was responsible for arranging travel for other College staff members, charging these travel expenses to his travel card. We found that \$107,828 of the \$116,828 in travel expenses charged by the one College employee were documented and adhered to State travel rules and regulations. However, the employee used the State travel card for one non-travel expense which did not comply with State and College guidelines. The employee used the travel card to pay \$9,000 to the Intrepid Museum Foundation for a faculty retreat. According to the College's Business Manager, the College had contracted with the Intrepid Museum Foundation for the use of space to hold a faculty retreat on March 6, 2011. College officials generated a voucher and a check was issued by the State Comptroller in the amount of \$9,000 on February 14, 2011. Just before March 6<sup>th</sup>, the vendor called College officials, indicating that they had not received the check. Concluding that the check must have gotten lost in the mail, College officials stopped payment on the check. However, the event needed to proceed and they had to secure immediate payment for the vendor. As a result, they used the only method they had available to them to make the payment in such a short timeframe, which was the employee's State travel card.

### **Audit Scope, Objectives and Methodology**

We audited selected travel expenses charged by one College employee for the period April 1, 2008 to March 31, 2011. The objective of our audit was 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.

To accomplish our objective, 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 at SUNY Optometry whose travel expenses ranked among the highest in the State. We examined these travel expenses, for the three fiscal years ending March 31, 2011.

As part of our examination, we obtained receipts, and credit card statements for all

examined transactions. We then verified that the supporting documentation validated the charges and that there was sufficient support to show the expenses incurred were for legitimate business purposes. We reviewed the College's internal policies and procedures and concluded the travel lodging was appropriately approved.

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 Adrian Wiseman.

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 F. Buyce, CPA  
Audit Director

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