During 2012, three agencies of Texas A&M AgriLife (Texas A&M AgriLife Research, Texas A&M AgriLife Extension Service and TVMDL) were audited by the Texas State Comptroller’s Office to ensure compliance with state rules, and that state funds are used in the most efficient manner. Audit results are shared with the respective agency and state leaderships, and could potentially impact funding received from the State. We strive to ensure that Texas A&M AgriLife follows State rules, and that we are good stewards of state resources.

The following audit findings were issued during this past year’s audit. Our recommended changes are included for each finding. These changes will be implemented March 1, 2013.

1. Rental of vehicles – Fuel – When renting a vehicle, we are most often required to refuel the vehicle prior to returning the rental. If we do not refuel prior to returning the rental, then the rental company will refuel the vehicle and then include the cost of the refuel on the rental invoice. Rental companies generally charge a much higher rate per gallon for the fuel than the fuel would cost if purchased at a gas station directly by the traveler. In an effort to conserve funds for the agency, it is recommended that the traveler refuel prior to returning the vehicle. However, if the vehicle is unable to be refueled prior to returning the rental, a justification must be included. In such cases, a unit may be asked to pay the refuel charge with non-state funds.

2. Rental of vehicles vs. use of personal vehicles – When considering options for travel, it is recommended that you conduct a cost comparison with renting a vehicle verses using a personal vehicle and then claiming a mileage reimbursement. The state has provided a tool to use when comparing these costs. In an effort to conserve agency funds, travelers should consider all relevant circumstances and use this new resource to determine the best transportation option. The Texas Comptroller of Public Accounts recently implemented the Rental Car vs.
Mileage Reimbursement Calculator (Excel) that helps employees make informed and fiscally sound decisions regarding vehicle travel when conducting state business. This resource is also available on AgriLife Travel’s website, [http://agrilifeas.tamu.edu/fiscal/travel/index.php](http://agrilifeas.tamu.edu/fiscal/travel/index.php). The electronic tool considers a combination of factors and performs a cost comparison between renting a vehicle and receiving reimbursement for using a personal vehicle in business travel.

When using state funds and claiming personal vehicle mileage, the cost comparison must be attached to the trip’s expense report. The State recommends the less expensive option be used. If the comparison determines that a rental is less expensive than personal mileage, AgriLife will reimburse personal mileage on state funds up to the rental rate in the cost comparison. Any additional cost will require a local account. Exceptions due to scheduling, weather, availability and location should be noted in the travel voucher expense report. Consideration will be given on case by case basis for these exceptions in determination of funding sources.

This is also a best practice method for local funds.

3. Rental of luxury vehicles – Certain vehicles are considered luxury or premium vehicles by car rental companies. Examples include, but are not limited to Cadillac CTS/Escalade, Lincoln MKX/MKZ/Navigator or similar. In the rare occasion that a luxury is rented, local funds should be used.

For questions, please contact: Susan McNeese, Financial Management Supervisor, at (979)845-4748/sgmcneese@ag.tamu.edu or Shiao-Yen Ko, Manager Accounting Services at, (979) 845-4788/sko@ag.tamu.edu

Texas A&M AgriLife Administrative Services | [http://agrilifeas.tamu.edu/](http://agrilifeas.tamu.edu/)

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