
From: Isabel Olvera
Sent: Thursday, December 30, 2021 1:12 PM
To: Robert MacFarland; Daniel Popp; Rodrick Cannon; Melissa Harden
Cc: Jennifer Smith; Tyler Taylor; Carol Quintero; Pamela Martinez; Michael Apperley; Rob Coleman
Subject: Notice of Bailment Contract 3rd Violation AGY 401 cpa-confidential
Attachments: AGY 401 3_Violation dated 01.06.22 Posted 12.29.21.pdf; AGY 401 3_Violation AGY 401 dated 01.06.21 Posted 12.29.21.pdf

Importance: High

Good afternoon Mr. MacFarland,

Attached is the 3rd bailment contract violation letter for your review and response.

Normally, this letter would have been sent through the mail, however, due to the COVID-19 pandemic situation, the communication is being sent to you electronically to ensure receipt.

Thank you, have a great day!

Isabel S. Olvera ~Isa

Payment Services, Fiscal Management
Texas Comptroller of Public Accounts
LBJ State Office Building
111 E. 17th Street
Austin, Texas 78711
Direct Line: (512) 475-1935
Help Line: (512) 936-8138 in Austin
Help Line: (800) 531-5441 X 68138 Toll Free

"One person can make a difference, and everyone should try."~John F Kennedy"



IMPORTANT NOTICE: This communication, and any attachments, contains confidential information under 552.139 of the Texas Public Information Act and/or other applicable state and federal laws. It contains confidential information relating to computer network security or to the design, operation, or defense of a computer network, including but not limited to computer network vulnerability reports, or other assessments of information technology systems' vulnerability to unauthorized access or harm, including alteration, damage, theft or erasure. Because of the secure content, this message is intended solely for the use of the addressees named above. If you have received this message in error, please notify the sender immediately, delete this email from your system, and destroy any copies you have made of this communication or any attachments. Recipients may not forward this communication to unauthorized persons, and must segregate copies of this email and any attachments from any publicly accessible records. Unauthorized interception of this email may be prosecuted as a violation of federal criminal law.



GLENN HEGAR TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

P.O.Box 13528 • Austin, TX 78711-3528

December 30, 2021

Robert MacFarland
Chief Financial Officer
Texas Military Department
2200 W 35th ST
Austin, Texas 78703-1222

Dear Mr. MacFarland:

The Comptroller's Treasury Operations has notified Fiscal Management that a warrant issued by the Texas Military Department was presented for payment prior to the pay date. Presenting warrants for payment before the pay date is a violation of Texas Government Code Ann. Sec. 403.072 (b) and (c) (Vernon 2005). This is the third violation of your bailment contract in the last 24 months. Texas Military Department previously violated its bailment contract in November 2021 and in December 2021.

The bailment contract is a legal agreement between Texas Military Department and the Comptroller that allows the Comptroller to release payroll or payroll deduction warrants prior to the issue date with the condition that they are not distributed until the pay date. The bailment contract allows your agency sufficient time to sort and prepare warrants prior to the pay date. If an agency's contract is terminated, the agency is not allowed to pick up any post-dated warrants until the date printed on the warrant.

As a reminder, the Treasury Operations does not honor warrants that are presented prior to the pay date and they are returned to the originating financial institution. Financial institutions typically reprocess the transaction on the pay date; however, the individual may be assessed other fees from their financial institution due to funds not being available from the original deposit.

After the first violation, Texas Military Department outlined corrective steps to be taken to avoid future violations of the bailment contract. Please acknowledge receipt of this letter and detail any additional steps your agency will take to prevent future violations.

Attached is a copy of the warrant presented for payment prior to the pay date. If you have any questions, please contact Isabel Olvera at 512-475-1935 or Isabel.Olvera@cpa.texas.gov.

Sincerely,

Jennifer Smith

Jennifer Smith
Payment Operations, Area Manager
Fiscal Management Division

Enclosures





GLENN HEGAR TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

Treasury Operations

12/29/21


POST DATED


TEXAS COMPTROLLER OF PUBLIC ACCOUNTS
TREASURY WARRANT NO. 

JANUARY 06, 2022


PAYING AGENCY 000-000-0000 TEXAS MILITARY DEPARTMENT


Pay TWELVE THOUSAND NINE HUNDRED FORTY NINE DOLLARS AND 75/100 \$ 12,949.76


To 

Glenn Hegar
Glenn Hegar
Comptroller of Public Accounts


VOID AFTER 08/31/2024







NOT TO BE RECORDED
 Form 100-100-100-100
 1/1/2021



Account  Amount \$12,949.76