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Special Investigations Unit Report Regarding EuroTex

July 23, 2001

Members of the Legislative Audit Committee:

The Public Integrity Unit at the Travis County District Attorney's Office obtained a plea of no contest by Margo Dover on June 20, 2001. Ms. Dover was the Interim Director of International Relations for the Texas Department of Economic Development (TDED). The information charging Ms. Dover with a class A misdemeanor—Tampering With a Governmental Record—was the result of an investigation conducted by the Special Investigations Unit (SIU) of the State Auditor's Office. The investigation was initiated based on information furnished by the staff at TDED.

As the Interim Director of International Relations for TDED, one of Ms. Dover's primary duties was the coordination, development, and administration of the EuroTex program. On May 8, 1999, Ms. Dover redeemed a complimentary voucher for a first class airline ticket to conduct personal travel to Toronto, Canada. A national airline company, as part of its sponsorship of EuroTex, had issued this voucher to TDED. The intended use of the ticket, along with others issued by the airline company, was to aid in the expense of travel for TDED employees associated with EuroTex. The cost of this airline ticket was \$1,032. Further investigation by the staff at TDED in collaboration with SIU resulted in the identification of personal phone calls made by Ms. Dover in the amount of \$831.80.

Ms. Dover was given two years deferred adjudication and ordered to perform 160 hours of community service. She was also ordered to pay full restitution for the cost of the airline ticket, phone calls, and SIU investigative costs. Ms. Dover was also ordered to submit to counseling as recommended by the Community Supervision and Corrections Department.

What is EuroTex?

EuroTex was an initiative of former Governor George W. Bush that brings Texas and European Information Technology (IT) companies together for profitable partnerships. In 1999, over 200 companies met in Dallas to conduct business-to-business meetings and to attend various seminars on improving international trade between Texas and European companies.

SAO Report No. 01-034

(Revised)

Members of the Legislative Audit Committee
July 23, 2001
Page 2

If you have any questions contact Ralph Disher, Investigator, or John Weber, Manager, Special Investigations Unit at (512) 936-9500.

Sincerely,

Lawrence F. Alwin, CPA
State Auditor

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cc: Mr. Jeff Moseley, Executive Director,
Texas Department of Economic Development
The Honorable Ronnie Earle,
Travis County District Attorney

The **Special Investigations Unit** investigates reports of illegal activity involving state agencies and universities. The Unit refers the results to prosecuting authorities.

Texas Government Code, Section 321.022, requires state agencies and universities to report suspected fraud or unlawful conduct to the State Auditor's Office if there are facts (not just suspicion) that point to fraud or unlawful conduct.

To report suspected illegal activity, call 1-800-TX-AUDIT (1-800-892-8348), send a fax to (512) 936-9400, visit www.sao.state.tx.us, or mail information to the State Auditor's Office, Attn: SIU, P.O. Box 12067, Austin, Texas 78711.