

Final Audit Follow Up

As of September 30, 2002



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“Citywide Travel”

(Report #0224, Issued June 27, 2002)

Report #0306

December 31, 2002

Summary

The Department of Management and Administration (DMA) has completed all action plan steps developed as the result of audit report #0224, Citywide Travel. Actions taken should help City travelers and supervisors/managers ensure that travel is appropriate, economical, efficient, and in accordance with City travel procedures.

In audit report #0224, issued June 27, 2002, we noted instances of noncompliance with the City's recently implemented travel procedures, some of which resulted in costs that could have been avoided. To resolve these findings we made several recommendations, including specific clarifications and modifications to the travel procedures and additional training for employees and supervisors. DMA developed action plan steps to address the audit findings and recommendations. As of the end of our audit fieldwork, DMA had completed all of these action plan steps. We commend DMA management for their efforts in timely completing these steps.

- travel expenses were incurred only for travel that related to the conduct of City business,
- travel was conducted and related expenses were incurred/reported in accordance with the City's recently implemented travel procedures,
- travel was efficient and economical, and
- travel expenses were accurately and properly accounted for in the City's records.

An ancillary objective was to identify areas where improvements should be made to the City's travel procedures.

Overall, we found that travel was conducted for authorized City business, was properly accounted for, and was efficient and economical. However, instances of noncompliance with City travel procedures were noted, some of which resulted in costs that could have been avoided. Recommendations were made to reinforce the importance of certain travel procedures to City employees and for clarifications and modifications to the City's travel procedures.

Report #0306

The purpose of this audit follow up is to report on the progress and/or status of the efforts to implement the recommended action plan steps due as of September 30, 2002. To obtain information, we conducted interviews with key department staff and reviewed relevant documentation. This audit was conducted in accordance with Generally Accepted Government Auditing Standards and Standards for the Professional Practice of Internal Auditing, as applicable.

Scope, Objectives, and Methodology

Report #0224

The scope of report #0224 included a review of disbursements to or on behalf of City employees and appointed officials and other authorized individuals for expenses incurred while traveling during the period March 1, 2001, through November 15, 2001. All travel was included except that by elected officials (Mayor and City Commission), their staffs, and the Office of the City Auditor.

The primary objectives of the audit were to determine whether:

Previous Conditions and Current Status

In report #0224, we identified instances of noncompliance with the City's travel procedures. For example, instances were noted where:

- additional car pooling by employees traveling to the same destination would have saved City funds,

- travelers claimed reimbursements for meals to which they were not entitled,
- travel forms were not properly and timely completed, and
- documentation was not available to show staff analyzed different travel alternatives to ensure the most economic and efficient mode/means of travel was used under the circumstances.

avoided. To ensure economic and efficient travel, a corrective action plan was prepared that provided for clarifications and modifications to the City's travel procedures and for the reinforcement of certain travel procedures and requirements to all City departments and offices. That corrective action plan provided for completion of 11 specific action plan steps by the Department of Management and Administration (DMA). As shown below in Table 1, all of those action plan steps have been completed.

We reviewed travel expenses exceeding \$100,000 and identified travel costs of \$3,583 that could have been

Table 1
Action Plan Steps from Report #0224 and Current Status

Action Plan Steps	Current Status
Clarify/Modify Travel Procedures	
<ul style="list-style-type: none"> • Review the issue of reimbursing travelers for lunch meals on day trips and clarify City travel procedures to specify that the City will or will not reimburse travelers for the associated costs. 	<ul style="list-style-type: none"> ✓ Section 602.09O2 of the City's travel procedures was revised to clarify that the cost for lunch on a day trip (one-day travel involving no overnight stay) is not reimbursable, unless the traveling employee's department director or his/her designee authorizes an exception due to a particular circumstance.
<ul style="list-style-type: none"> • The travel procedures will be revised to specifically require brief written explanations on the face of travel request and expense forms whenever those forms are not submitted to Accounts Payable in a timely manner. 	<ul style="list-style-type: none"> ✓ Section 602.10C1 of the City travel procedures was revised to require a brief explanation on the travel forms whenever forms are not submitted to Accounts Payable in accordance with time submission requirements. Notations were also added to the travel forms specifying that written justification is required whenever forms are not timely submitted.
<ul style="list-style-type: none"> • Instructions for completion of travel request and expense forms will be modified to clarify which costs should and should not be reported as advances. 	<ul style="list-style-type: none"> ✓ A memorandum was submitted on November 20, 2002, to all City supervisors and managers explaining what types of costs should and should not be reported on the travel forms as advances.
<ul style="list-style-type: none"> • Travel procedures will be clarified to specifically address whether employees that receive a vehicle allowance as part of their salary package are entitled to reimbursement for mileage when using their personal vehicle for authorized out-of-town travel. 	<ul style="list-style-type: none"> ✓ Section 602.09H2 of the City travel procedures was revised to expressly provide that employees receiving a vehicle allowance as part of their salary package are entitled to reimbursement for mileage when using their personal vehicle for authorized out-of-town travel.
<ul style="list-style-type: none"> • The travel procedures will be modified to replace the "AAA mileage map" with another source for determining and measuring the reasonableness of mileage when travelers claim reimbursement for use of personal vehicles. The selected source will be reliable, free, and easily accessible. 	<ul style="list-style-type: none"> ✓ Section 602.09H of the City travel procedures was revised to replace the AAA mileage map with two other sources that are free and easily accessible. One of these sources is for in-state travel and the other is for out-of-state travel.
<ul style="list-style-type: none"> • Travel procedures will be revised to specify that the established lead times for submission of travel request forms are "calendar" days. 	<ul style="list-style-type: none"> ✓ Section 602.10C of the City travel procedures was revised to clarify that minimum times for submission of travel request and expense forms are calendar days (i.e., not work days).

<ul style="list-style-type: none"> • Car pooling will be encouraged and emphasized for trips involving multiple travelers going to the same destination. 	<ul style="list-style-type: none"> ✓ Section 602.09H3 of the City travel procedures was revised to state that car pooling is encouraged when multiple travelers go to the same destination. (It formerly stated, “considered” instead of “encouraged.”) That section was also modified to clarify that the traveling employees’ department directors shall determine how multiple travelers to the same destination will travel.
<ul style="list-style-type: none"> • All City departments and offices will be encouraged to reduce costs associated with car rentals by renting the most economical class vehicle necessary for the circumstances, and by considering taxis and shuttles as alternative modes whenever less expensive and practicable under the circumstances. 	<ul style="list-style-type: none"> ✓ Section 602.09H2 of the City travel procedures was modified to require that vehicle rentals shall be limited to the most economical class necessary based on the number of passengers or volume of materials to be transported. In addition, Section 602.09H5 was added which provides that taxis and shuttles should be considered as an alternative (e.g., to vehicle rentals) when less expensive and practicable under the circumstances.
<p>Ensure Economic and Efficient Travel</p>	
<ul style="list-style-type: none"> • DMA will remind all City departments and offices of the specific travel procedures and requirements for which noncompliance therewith was noted in the audit report. 	<ul style="list-style-type: none"> ✓ On September 27 and November 20, 2002, DMA issued memoranda to all City managers and supervisors listing revisions and clarifications to the City travel procedures (see above action steps). In those memoranda, DMA also listed and re-emphasized the need to follow the specific travel procedures and requirements for which noncompliance was noted during our audit.
<ul style="list-style-type: none"> • DMA will determine if object codes should be revised within the PeopleSoft Financials System to segregate budgeting and accounting for travel from training. 	<ul style="list-style-type: none"> ✓ DMA reviewed this issue and determined that travel and training should not be segregated for budgeting and/or accounting purposes.
<ul style="list-style-type: none"> • A list of available contracts for travel services will be compiled and made available to all City departments and offices through the CityNet. 	<ul style="list-style-type: none"> ✓ Section 602.09H of the City travel procedures and the standard travel forms on the CityNet were revised to provide direct links to available State of Florida contracts for car rental and airfare.

Table Legend:

- Issue addressed in the original audit

- ✓ Issue addressed and resolved

Conclusion

As noted in Table 1, DMA has completed all action steps identified for audit report #0224. Those actions should assist City travelers and supervisors/managers in ensuring that travel is proper, efficient, economical, and in accordance with the City travel procedures.

We commend DMA management for timely completing action plan steps and appreciate the response and assistance provided by DMA during this audit follow up.

**Response from
Appointed Official**

City Manager:

We appreciate the recommendations made by the City Auditor's Office. I am pleased to see that all recommendations were implemented in a timely fashion by the Department of Management and Administration (DMA). I believe these changes enhance the effectiveness of our travel procedures.

Copies of this Final Audit Follow Up or audit report #0224 may be obtained from the City Auditor's web site (<http://talgov.com/citytlh/auditing/index.html>), or via request by telephone (850 / 891-8397), by FAX (850 / 891-0912), by mail, or in person (City Auditor, 300 S. Adams Street, Mail Box A-22, Tallahassee, FL 32301-1731), or by e-mail (dooleym@talgov.com).

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