



INTEROFFICE MEMORANDUM

TO: Anthony Nicks, County Auditor

FROM: Hakeem Oshikoya, Director of Finance *HO*

DATE: September 8, 2023

SUBJECT: FY2022 Travel and Training Audit

The Department of Finance has reviewed the discoveries and recommendations included in the findings report from your FY2022 Travel and Training audit, and the following is provided as response:

FINDINGS AND RECOMMENDATIONS

Finding 1 – Failure to Request Supporting Documentation

Finance Response:

The Department of Finance does not concur with this finding. The Accounts Payable staff conducted a thorough evaluation of all reconciliation packages presented by the Purchasing Department to certify that each submission contains the required supporting documentation.

On the issue of two (2) transactions lacking documentation noted in the audit report; one being a cash receipt for overpayment of unauthorized charges, and the other being a missing receipt for parking expenses. We disagree with this conclusion because the parking charge was included as part of the hotel folio with all other hotel charges, so the hotel provided no separate receipt. The traveler reimbursed the County for an amount slightly higher than the parking charge, and proof of cash receipt was provided to the Auditor, who concluded that it wasn't acceptable because another traveler made the reimbursement.

Furthermore, the report includes another finding that deals with missing documentation for one (1) sample selection because of the incorrect name reported on the Travel and Training Report. The reason for this was due to the responsible Department Travel Coordinator (DTC) mistakenly transposing the names and documents of two travelers who were entered into the AMS financial system at the same time. This error did not impact the amount reimbursed by the County to each traveler. Substantiation of this transaction was provided to the Auditor on July 5th as part of the review.

Finding 2 – Lack of Support for Per Diem Expense

The Department of Finance agrees with the finding.

In the future, we will continue to request for conference agenda to verify whether meals are provided or not, and if the conference agenda is not available or does not indicate that meals are provided, the Finance Department will seek an attestation from the traveler indicating that agenda was not provided and eligible for full per diem reimbursement. The attestation will also include verbiage indicating that the traveler will be responsible for reimbursing the County for any payment made for meals later found to be included as part of the conference registration.

Finding 3 – Documentation Submitted Without Proper Signatures

The Department of Finance concurs with the finding.

During the audit review, seven documents out of the twenty-five selected did not possess finance department signatures.

We will continue to be more vigilant in auditing the documents to ensure proper signatures are provided.

Finding 4 – Failure to Provide Proper Support for Air Fare Purchase

Documentation was presented to the Auditor for consideration of this finding.

It is the Department Travel Coordinator's responsibility to ensure that cost comparisons are conducted timely, and each ticket purchase reflects the lowest airfare. The traveling department provided documentation accepting ownership of applying policy regarding cost comparison.

Accounts Payable is unable to determine if cost comparisons are conducted before travel because the reconciliation packages are presented after the expenditures are made.

We will continue to provide comprehensive training to the county's staff and demand improvement in the future.

Finding 5 – Failure to Provide Proof of Attendance

The Department of Finance disagrees with this finding.

We need to find a consensus on this issue because expectation on this matter does not match the reality of virtual training which has been prevalent since the pandemic, and in most cases do not have proof of attendance. We disagree that lack of proof of attendance may result in unauthorized expenses because we do not provide reimbursement for any training not approved by the traveler's Appointing Authority. We will explore changes that could be made to the travel policy to address this concern.

Thanks for your assistance on this matter and please advise if additional information is needed.

cc: Sharon Whitmore, CFO