



**FULTON COUNTY**

**FULTON COUNTY, GEORGIA  
OFFICE OF THE COUNTY AUDITOR  
Travel and Training Audit Report  
with Management Response  
February 1, 2017**

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## **INTRODUCTION**

The Office of the County Auditor conducted an audit of the Fulton County's Travel and Training Program to ensure compliance with Fulton County's Travel and Training Policy. The Travel and Training Policy was developed to help the traveler expedite the process of traveling while following the guidelines adopted by the Fulton County Board of Commissioners.

## **BACKGROUND**

The Fulton County Travel and Training Policy, Policy Number 200-10, allows Fulton County to reimburse and/or advance travel expenses eligible County personnel incurs while conducting official County business. In addition, Fulton County authorizes eligible personnel to attend certain seminars, schools, conferences, meetings and conventions in order to enhance their professional growth and development. The Travel and Training Policy also provides guidance on cost-effective management of travel expenses that aid in conserving the use of County funds, defining the responsibility and accountability of the traveler and the authorizer of County business travel and defining the consequences of not adhering to the guidelines. The policy also outlines consistent standards that apply to all travelers, classification of eligible personnel, and general provisions.

To minimize the financial burden of a traveler while traveling on behalf of the County, departmental travel cards (T-cards) were issued to the designated travel coordinator in each department. The T-cards are used to charge travel expenses consisting of hotel accommodations, transportation and conference/seminar registration costs in advance of travel. Other travel expenses are paid via check to the traveler. Only travel that is eligible for overnight stay entitles travelers to receive a per diem amount for meals and incidentals at a rate consistent with IRS regulations. The per diem allowances are paid to the traveler no earlier than a week in advance of the dates of travel. In addition, travelers are reimbursed for all reasonable and necessary expenses incurred while conducting official County business.

The policy establishes a system of recording and documenting travel expenses for all Fulton County employees and officials. The policy details specific criteria for determining the sources and types of acceptable expenses that may be recognized as employee travel expenses. The policy also provides a system of internal controls for the reporting, review and approval of travel costs.

## **OBJECTIVE**

The objectives of the audit were to determine whether County personnel either traveling or authorizing travel are in compliance with the Travel and Training Policy. We also assessed the effectiveness of internal controls implemented that are intended to mitigate the risk of fraud, misuse and abuse, and determined the appropriateness of the travel expenses.

## SCOPE

The audit period for this review is July 1, 2015 through June 30, 2016. During this period there was a total of \$132,411.20 in travel related expenses.

## METHODOLOGY

We conducted this audit in accordance with Generally Accepted Government Auditing Standards (GAGAS). GAGAS requires that we plan and perform the audit by obtaining sufficient and appropriate audit evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives.

To accomplish our objectives, we performed the following:

- Reviewed the County's Travel and Training Policy as well as any applicable federal and state regulations;
- Obtained an understanding of the internal controls that were implemented for the Travel and Training Program;
- Assessed the major risks associated with Travel and Training Program and ensured adequate internal controls exist to mitigate all risks; and
- Conducted interviews with key personnel including officials in the Finance Department, the T-Card Administrator, and several Departmental Travel Coordinators.

In addition, we selected a sample of \$52,103.46 in check disbursement transactions and monthly T-Card reconciliations from five (5) departments with substantial budget levels. The monthly T-Card reconciliation reviewed related to a total of \$90,144.76 in T-Card transactions. We reviewed T-Card statements, travel vouchers and other documentation to evaluate the validity and appropriateness of travel expenses. We also determined whether appropriate travel documentation was submitted by the traveler and Departmental Travel Coordinators in a timely manner and were properly authorized.

We believe that the evidence obtained provides a reasonable basis for our findings and recommendations detailed in the section below.

## FINDINGS AND RECOMMENDATIONS

### Finding 1 – Monthly Travel Reconciliations Not Submitted in Timely Manner

According to the Travel and Training Policy, travelers are required to reconcile travel and give complete packages to the Departmental Travel Coordinator within three (3) working days from the date of returning from travel. In addition, Departmental Travel Coordinators are required to submit T-Card reconciliations to the T-Card Administrator by the deadline established based on the time of travel in relation to T-Card statement dates. We sampled a total of 15 monthly T-Card reconciliation packages. Based on our review, we found that four (4) out of the 15 monthly

T-Card reconciliation packages were not submitted to the T-Card Administrator by the designated deadline. The four (4) reconciliation packages represented a total of \$25,464.83 in T-Card expenses. Delays in the submission of the T-Card reconciliations were attributed to incomplete or late submissions of traveler reconciliations by the travelers and awaiting vendors to register with the County. Failure to adhere to the established deadlines designated for T-Card reconciliations could postpone payment to the financial institution. Late payments to the financial institution could lead to suspension of charging privileges for the entire County.

### **Recommendation**

All travelers should ensure travel reconciliations and supporting documentation are submitted as required and in accordance with mandated deadlines. In addition, Department Travel Coordinators must be sure to promptly obtain pertinent information including the traveler's reconciliation and work with vendors to ensure they are registered in the County's vendor registration system in a timely manner.

### **Management Response**

The Travel Card Program Policy is in place to address cardholder and user department non-compliance. The first non-compliance violation will result in a warning notice. The second non-compliance violation will receive a thirty (30) day suspension of Travel Card use. The third non-compliance violation will result in revocation of the Travel Card use for the department. The user departments Department Travel Card Coordinator (DTC) is provided a courtesy due date reminder monthly in advance for the reconciliation report by the Travel Card Program Administrator.

### **CONCLUSION**

Based on our review of the Travel and Training Program, we identified one (1) finding related to untimely monthly travel reconciliations. This item should be immediately addressed and adequate corrective action should be taken to prevent future occurrences related to this matter.

We would like to thank management and staff for their timely cooperation and assistance during this audit. The distribution of this report is reserved for the executive management of Fulton County and the Board of Commissioners.