

Los Angeles County
Metropolitan Transportation Authority
Office of the Inspector General

**Audit of Metro
Business Travel Expenses**

We found that the majority of the business travel expenses reviewed were adequately supported and in compliance with Metro policies and procedures. However, some business travel expenses did not have proper approval on the Travel Authorization forms, exceeded the number of travels allowed, did not have required justification memo and conference schedules, and lack of justification for lodging cost greater than the allowable per diem amount.

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Metro


**Los Angeles County
Metropolitan Transportation Authority**

Office of the Inspector General
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DATE: July 22, 2016

TO: Board of Directors
Chief Executive Officer

FROM: Yvonne Zheng 
Senior Manager, Audit

SUBJECT: Audit of Business Travel Expenses
Report No. 16-AUD-07

INTRODUCTION

The Office of Inspector General (OIG) performed a statutorily mandated audit of business travel expenses. This audit was performed pursuant to Public Utilities Code section 130051.28(b) which requires that the Inspector General reports to the Los Angeles County Metropolitan Transportation Authority (Metro) Board of Directors on certain miscellaneous expenses such as travels, refreshments, private club dues, and membership fees.

We found that the majority of the business travel expenses reviewed were adequately supported and in compliance with Metro policies and procedures. However, some business travels (1) were not authorized by the proper individual, (2) exceeded the number of travels allowed, (3) did not have the required justification memo and conference schedules, and (4) did not have proper justification for lodging costs greater than the allowable per diem amount. According to Metro Travel and Business Expense Policy (FIN-14), adequate documentation and approvals should be maintained to justify the charges.

OBJECTIVES, SCOPE, AND METHODOLOGY OF AUDIT

The objectives of the audit were to determine whether business travel expenses were:

- Reasonable and in accordance with Metro procedures and policies.
- Adequately supported with receipts, business justifications, proper approvals, and other appropriate documentation.
- Processed in accordance with Metro policies and procedures.

To achieve our audit objectives, we performed the following procedures:

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- Obtained and reviewed Metro’s policies: Travel and Business Expenses (FIN-14), Purchase Card (P-Card) Program, Check Request (ACC-01), and Metro Board of Directors Rules and Procedures;
- Interviewed personnel in the Accounting Department to obtain an understanding of the processes for paying business travel;
- Contacted the Purchase Card Program Administrator regarding policies and rules;
- Evaluated reimbursement and payment controls;
- Searched other miscellaneous accounts for business travels expenses that may have been misclassified;
- Reviewed travel expenses and related supporting documents such as receipts, Travel and Business Expense (TBE) Reports, and Travel Request/Authorization Forms;
- Determined whether proper approvals were obtained, expenses were justified, and required supporting documentation was submitted; and
- Reviewed monthly statements for the corporate credit card maintained by the Travel Coordinator.

This audit was conducted in accordance with Generally Accepted Government Auditing Standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions according to our audit objectives.

For the period October 1, 2013 to March 31, 2015, the Business Travel Account (50917) totaled \$1,314,526,¹ which was comprised of 2,517 business travel expenditure transactions. See Attachment A for summary of business travel expenditures by cost centers. For this audit, we statistically selected 118 travel expenses² for review. These 118 expenses included 321 transactions totaling \$286,724 (22% of total dollar value).

BACKGROUND

Metro’s Travel Coordinator makes travel arrangements for all employees after a Travel Request/Authorization Form is completed and approved. Airfare and other transportation are prepaid by the Travel Coordinator using Metro’s American Express (AMEX) credit card. To pay for other business travel expenses, Metro employees can use three options: Metro’s travel cards, personal funds then getting reimbursed through Travel and Business Expense (TBE) Reports, and check requests. FIN-14 provides policies and procedures for travel authorization, expenses and payments. The Accounts Payable Section in the Accounting Department is responsible for the accurately and timely processing of payments for the miscellaneous expenses.

¹ This total does not include transactions that were \$50 or less, and credits.

² Some invoices had multiple transactions for business travel.

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Travel Coordinator:

All business travel requires a Travel Request/Authorization (TA) Form to be filled out by the employee and approved by the employee's department head and executive officer. The Travel Coordinator makes travel arrangement for employees including estimating costs, allowable per diem rate, transportation and lodging availability and reservation. The Travel Coordinator approves the TA form, and then sends the form to the employee and the Accounting Department.

When an employee submits a Travel and Business Expense (TBE) Report after completing the trip, the Travel Coordinator verifies that the form is properly approved by the department head. The Travel Coordinator also checks for mathematic accuracy, proper per diem rate, proper receipts, and required documentation. If expenses shown on the TBE Report are correct and supported, the Travel Coordinator approves the TBE and sends it to the Accounting Department for payment.

RESULTS OF AUDIT

A. Travel Authorization Approvals

We found 33 (\$22,736), or 10% of the 321 travel expense transactions did not have proper approvals on the Travel Authorization (TA) forms. Twenty-nine of the 33 exceptions were travel requests made by Metro Board deputies. Metro policy states that travel for Board deputies shall be authorized by the Director to whom the deputy reports. However, these 29 travel authorization forms were approved by the Board Secretary. We contacted the Board Secretary regarding the lack of approvals from the Directors for their deputy's travel. The Board Secretary stated that it was understood that the Metro Board of Directors Rules and Procedures give her the blanket authority to approve board members travel, and board deputies are covered by the same policy. However, Metro's Board of Directors Rules and Procedures Section 6.6 specifically states:

“Metro will reimburse the airfare and hotel costs for Board deputies, up to two round-trips per fiscal year per Board office, as long as the purpose of the trip is to perform the official responsibilities of the deputy on behalf of Metro, those responsibilities are in fact carried out and performed by the deputy and the trip by the deputy is authorized by the Director to whom the deputy reports.”

The other four business travel transactions that lacked proper approvals were:

- (1) Two TA forms showed approval date after the actual travel date – The Travel Coordinator said these instances were last minute travel by employees which were processed by the former Travel Coordinator. She couldn't locate the original TA forms,

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and the user department also did not have the forms in the file. Therefore, she had the TA forms approved after the fact. We communicated the non-compliance instances to the Travel Coordinator, and emphasized that it's essential to have Travel Authorization Form approved before actual travel date and attached to the reimbursement request.

- (2) One TA Form missing an approval signature – Travel Coordinator did not provide us a signed TA form that approved the travel.
- (3) A TA Form was not submitted with the TBE Report – Travel Coordinator did not provide us a copy of an approved TA Form for this travel.

B. Board Deputy Travels

We found that two deputies in one Board Director's office traveled six round-trips in fiscal year 2014 and four round-trips in fiscal year 2015. Metro Board of Director Rule and Procedures (quoted in Result of Audit – A) limit board deputy travel to two round-trips per fiscal year per board office. We communicated to the Travel Coordinator and the Board Secretary's Office that for board deputy travels in the future, it is essential to limit their travels to two round-trips per fiscal year per board office under Metro Board of Director Rule and Procedures.

C. Justification Memo and Conference Schedule for Business Travel

FIN-14 (Finance - Travel and Business Expense) policy Section 1.1.4 states, "*Trip documentation such as conference schedules, completed registration forms and mailing envelopes, business itineraries as well as a detailed travel justification memo must be attached.*"

- (1) Of the 321 (\$286,724) travel expense transactions we audited, 44 (totaling \$43,211) transactions that did not have a travel justification memo, which is required by Metro policy.

We discussed the above findings with the Travel Coordinator. She replied that she usually accepted either the conference agenda or a justification memo, when the employee submits the travel authorization request. Without a detailed justification memo, it's difficult to determine the necessity of the trip, how the trip will benefit Metro, and how the employee's job relates to the travel.

- (2) We found that five transactions (totaling \$5,833) did not have the conference schedule attached to reimbursement requests that is required by Metro policy. Furthermore, two of the five transactions did not have the conference schedule or justification memo attached to TA forms.

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We communicated the above findings and Metro policy requirements to the Travel Coordinator. She agreed and will require that a travel justification memo and conference schedule be submitted in the future.

D. Lodging Costs Over Allowable Per Diem Amount

Metro's FIN-14 (Finance - Travel and Business Expense) policy on business travel states:

- Metro's FIN-14 policy Section 1.2.3, *"The maximum amounts that can be reimbursed for lodging and meals for domestic travel are indicated in Internal Revenue Service Publication 1542."*
- Metro's FIN-14 policy Section 1.2.3.1, *"an exception to the lodging dollar limit may be made for conference hotels or close proximity to the final business destination when time and commute costs are high when determined by the Travel Coordinator and approved by the Executive Officer."*
- Metro's FIN-14 policy Section 1.2.3.2, *"hotel lodging and meals will be reimbursed based on the maximums published by the U.S. Department of State Standardized Regulations "Maximum Travel Per Diem Allowances for Foreign Areas"."*

Our audit found two (\$3,469) travel expense transactions, which have lodging costs greater than the allowable per diem rate, and did not an explanation nor approval. There was no explanation and no approval by the Executive Officer for an employee to stay in non-conference hotels that had a lodging rate more than the allowable per diem rate.

From the samples we audited, we also noticed some Business and Travel Expenses Reports that had lodging cost greater than the allowable per diem rate because employees stayed in conference hotels. Even though FIN-14 policy allows higher lodging rates in certain cases, we believe that the Travel Coordinator should make a note on the TA Form to indicate the basis for the exception under Metro FIN-14 policy when a conference hotel is booked. Sometimes a TA and TBE do not correspond and it is not apparent to why a higher rate hotel was booked. The Travel Coordinator should also require the employee to obtain an approval from Executive Officer when an exception to the allowable lodging per diem rate is needed.

E. Other Matter

We noticed that FIN-14 policy (quoted in Result of Audit – C) requires "mailing envelopes" as one of the required document to support business travel. We believe that this is an obsolete document due to the fact that most registrations are completed and paid online nowadays. This requirement has been removed from the revised FIN-14 which is pending final approval. We will review the revised FIN-14 when it's approved.

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RECOMMENDATIONS

We recommend that the Metro Travel Coordinator:

1. Advise Board deputies who travel for Metro business to obtain authorization from the Board Director to whom the deputy reports in accordance with Board of Directors Rules and Procedures. An email attached to the TA would be sufficient if it identifies acknowledgement of the full amount of the estimated travel expenses.
2. Ensure all TA Forms are signed by the department heads before employees travel and attached to TBE Reports.
3. Ensure Board deputies' travels are limited to two round-trips per fiscal year per board office in accordance with Board of Directors Rules and Procedures. Provide Board members and deputies a copy of Metro' Board of Director Rules and Procedures relate to travels.
4. Require persons requesting travel to submit a detailed justification memo and conference schedule (when applicable) along with Travel Authorization Form in accordance with Metro FIN-14 policy.
5. Note on the TA Form any exceptions to Metro travel policy and require travelers to obtain approval from Executive Officer when an exception is requested.

MANAGEMENT COMMENTS TO RECOMMENDATIONS

On June 1, 2016, we provided Metro management a draft report. All recommendations were addressed to Travel Program in the General Service Department. On July 19, 2016, the Deputy Executive Officer of General Services completed a response that agreed with all five recommendations in this report (see Attachment B).

EVALUATION OF MANAGEMENT COMMENTS

Management's proposed corrective actions are responsive to the findings and recommendations in the report. We, therefore, consider all issues related to the recommendations resolved based on the corrective action plan. However, MAS should follow up on actions taken to complete the implementation of the recommendations.

SUMMARY OF BUSINESS TRAVEL EXPENSES BY COST CENTERS

Cost Center	Cost Center Name	Population Amount	Sampled Amount
3320	Vehicle Technology & Support	\$ 111,496	\$ 29,750
1010	Board of Directors	83,163	59,944
9230	Systems Architecture and Technology Integration	80,010	12,069
6220	Training And Development	56,086	10,282
7130	Government Relations - Federal Affairs	54,298	5,129
3043	Strategic Vehicle and Infrastructure Delivery	52,931	32,019
3910	Rail Operations Finance & Administration	44,252	34,404
2610	System Security & Law Enforcement	43,443	8,073
2010	Chief Executive Office	40,541	5,621
3240	Operations Central Instruction	35,853	2,895
9240	ITS Administration	35,092	22,197
6240	Human Resources	34,621	7,692
4420	Strategic Financial Planning & Programming	34,264	1,145
8610	Program Management	24,882	1,503
2130	Diversity & Economic Opportunity	23,662	-
4320	Central Area Team	20,450	2,961
4510	Executive Office Strategic Initiatives Department	19,867	-
6320	Acquisition Management Services	19,518	2,908
2220	Congestion Reduction	19,178	431
6810	Corporate Safety	18,712	325
2415	Regional Rail	17,150	1,832
7160	Regional Communications Programs	14,204	4,681
6440	Research Records Information Management	13,987	619
3010	Executive Office, Transit Operations	13,781	1,539
9210	Information Management	13,750	-
6010	Executive Office, Administration	12,777	3,217
3960	Transit Systems Engineering	12,146	1,035
4360	Transit Corridors (SGV), Ped Prgms & Goods Mvmt	12,135	-
8010	Executive Office, Transit Project Delivery	11,852	671
6410	General Services - Administration	10,670	-
2210	Joint Development & Public Private Partnership	10,563	456
3151	Service Planning & Scheduling	9,918	-
1120	Ethics	9,616	1,684
6940	Contract Administration	9,457	1,075
2410	Board Relations, Policy & Research	9,426	5,053
2510	Management Audit Service	9,297	414
4530	New Mobility Regional Initiatives	9,196	1,691
3232	Executive Director, Transportation	9,154	995
2041	Strategic Workforce Planning	8,955	-
2413	Civil Rights Programs Compliance	8,858	397

SUMMARY OF BUSINESS TRAVEL EXPENSES BY COST CENTERS – CONTINUED

Cost Center	Cost Center Name	Population Amount	Sampled Amount
2420	Employee & Labor Relations	8,553	485
1310	Inspector General	8,322	-
4010	Countywide Planning And Development	8,283	5,000
5010	Executive Office, Finance	8,268	-
7010	Executive Office, Communications	8,191	1,014
3920	Rail Mow Administration	8,176	-
4720	Highway Programs A	8,091	-
4440	Regional Grants Management	7,878	1,401
4410	Executive Office, Planning, Programming & Grant	7,661	613
5310	Risk Management	7,288	2,067
4350	Westside Area Team	6,833	-
4230	Systems Analysis & Research	6,667	-
5210	Treasury	5,935	1,063
3927	Rail MOW Track Systems	5,806	-
3790	Maintenance Administration	5,728	3,816
6350	Logistics	5,367	-
4330	Southbay Area Team	5,302	-
8380	Facilities Engn- Operations	5,241	-
9220	Operations and Service Delivery	5,004	-
8420	Environment Compliance/Services	4,946	659
3196	Resource Management	4,785	-
8510	Construction Contracts/Procurement	4,727	-
4315	Transp. Dev. & Implm. (North/West/Sw Region)	4,339	-
4370	San Fernando/North County Area Team	3,938	-
2412	Transit Court	3,686	-
3351	SAFE	3,509	-
8901	EXPO Construction	3,488	4,295
3352	Freeway Service Patrol	3,308	-
8370	Strategic Transit Asset Management	3,292	80
3925	Rail Custodial Maintenance	3,265	-
4310	Transp. Dev & Implm.	2,844	266
1110	Office of Board Secretary	2,844	-
3926	Rail MOW Signal Systems	2,816	-
4340	Gateway Cities Area Team	2,616	164
1210	County Counsel	2,490	-
5610	Office of Management & Budget	2,472	-
6430	Building Services	2,454	868
3818	Maintenance Division 18	2,367	-
3367	Facilities/Property Maintenance	2,149	-
3306	Executive Director, Maintenance	2,133	-

SUMMARY OF BUSINESS TRAVEL EXPENSES BY COST CENTERS – CONTINUED


Cost Center	Cost Center Name	Population Amount	Sampled Amount
4240	Regional Transit Planning	1,990	-
3020	UFS	1,897	226
7110	Public Relations	1,705	-
2611	Emergency Preparedness	1,694	-
3209	Transportation Division 9	1,673	-
3940	Rail Fleet Services Vehicle Acquisition	1,637	-
8320	Major Capital Project Engineering	1,636	-
7120	Creative Services	1,518	-
3924	Rail Facilities Maintenance	1,503	-
8410	Construction Management	1,460	-
5110	Accounting	1,431	-
6510	Real Estate Administration	1,387	-
6915	Vendor/Contract Management	1,308	-
6951	Administrative Business Services	1,277	-
8330	Systems Engineering	1,234	-
4730	Highway Programs B	1,215	-
3922	Rail Communications Systems	1,098	-
6230	Organizational Development & Strategic Planning	982	-
3120	Quality Assurance	789	-
3208	Transportation Division 8	784	-
7140	Customer Communications	718	-
4430	Local Programming	694	-
7013	Government Relations - State Affairs	678	-
4710	Highway Capital	674	-
8110	Quality Assurance/Compliance	604	-
3170	Consent Decree	586	-
6420	Copy Services	490	-
7011	Government & Community Relations Executive Office	430	-
5420	Customer Programs & Services	354	-
4520	Union Station Operating & Mgmt	317	-
3942	Rail Fleet Services Maintenance Red Line	273	-
4220	Long Range Planning	129	-
6930	Contract Admin-Construction/CP/Environmental	88	-
	TOTAL	\$ 1,314,526	\$ 286,724

Copy of Management Response



Metro

Interoffice Memo

Date	06/13/2016
To	Yvonne Zheng Office of Inspector General
From	Steve Jaffe  DEO, General Services
Subject	Audit of Business Travel Expense-Travel Program Administrator Response

We would like to thank you for providing us with the opportunity to respond to the findings and recommendations prior the final release of the report.

Our responses are provided in the order they were listed in the report. Each response will be preceded with the name of the Department responsible for the area under review.

Audit Finding A: Travel Authorization Approvals

We found 33 (\$22,736), or 10% of the 321 travel expense transactions did not have proper approvals on the Travel Authorization (TA) forms. Twenty-nine of the 33 exceptions were travel requests made by Metro Board deputies. Metro policy states that travel for Board deputies shall be authorized by the Director to whom the deputy reports. However, these 29 travel authorization forms were approved by the Board Secretary. We contacted the Board Secretary regarding the lack of approvals from the Directors for their deputy's travel. The Board Secretary stated that it was understood that the Metro Board of Directors Rules and Procedures give her the blanket authority to approve board members travel, and board deputies are covered by the same policy. However, Metro's Board of Directors Rules and Procedures Section 6.6 specifically states:

"Metro will reimburse the airfare and hotel costs for Board deputies, up to two round-trips per fiscal year per Board office, as long as the purpose of the trip is to perform the official responsibilities of the deputy on behalf of Metro, those responsibilities are in fact carried out and performed by the deputy and the trip by the deputy is authorized by the Director to whom the deputy reports."

The other four business travel transactions that lacked proper approvals were:

(1) Two TA forms showed approval date after the actual travel date – The Travel Coordinator said these instances were last minute travel by employees which were processed by the former Travel Coordinator. She couldn't locate the original TA forms, and the user department also did not have the forms in the file. Therefore, she had the TA forms approved after the fact. We communicated the non-compliance instances to the Travel Coordinator, and emphasized that it's essential to have Travel Authorization Form approved before actual travel date and attached to the reimbursement request.

Copy of Management Response

(2) One TA Form missing an approval signature – Travel Coordinator did not provide us a signed TA form that approved the travel.

(3) A TA Form was not submitted with the TBE Report –

Finding Response:

We agree with the recommendation and will advise board deputies who travel for Metro business to obtain authorization from the Board Director to whom the deputy reports in accordance with Board of Directors Rule and Procedures.

We agree with the recommendation that all TA forms should be signed by the department heads before the employees travel. The Travel Program Administrator has received several expense reports where the department approved travel without the proper TA approval prior to travel. A memo was requested to be submitted with an explanation and postdated TA and expense report and should include the department head and Executive Officer approval. We have also taken measures to provide Travel Authorization checklists to the administrative aides that handle travel for various departments to make sure the employees are aware of the travel policy and procedures prior to travel. A travel expense checklist was also provided and is online on our General Services intranet site to ensure that all proper documents are attached to the expense report.

Audit Finding B: Board Deputy Travel

We found that two deputies in one Board Director's office traveled six round-trips in fiscal year 2014 and four round-trips in fiscal year 2015. Metro Board of Director Rule and Procedures (quoted in Result of Audit - A) limit board deputy travel to two round-trips per fiscal year per board office. We communicated to the Travel Coordinator and the Board Secretary's Office that for board deputy travels in the future, it is essential to limit their travels to two round-trips per fiscal year per board office under Metro Board of Director Rule and Procedures.

Finding Response:

On February 17, 2016 Travel Program Administrator notified Board Secretary Michelle Jackson via e-mail (see attached) that she had received a third Travel Authorization for a deputy traveling within the same fiscal year. The Travel Program Administrator was told to continue with the travel arrangements because it was only her second flight within the same fiscal year. The travel was approved by Michelle Jackson and the Travel Program Administrator proceeded to finalize the travel arrangements. It should be noted that the Travel Program Administrator did advise the Board of Director's office of this issue.

We will continue to ensure the Board deputies' travels are limited to two round-trips per fiscal year per board office in accordance with Board of Directors Rules and Procedures. We agree with your recommendation to provide Board members and their deputies a copy of Metro's Board of Director Rules and Procedures related to travel. We would also recommend that a copy of Metro's Travel and Business Expense (FIN 14) be distributed as well.

Copy of Management Response

Audit Finding C: Justification Memo and Conference Schedule for Business Travel

FIN-14 (Finance - Travel and Business Expense) policy Section 1.1.4 states,

"Trip documentation such as conference schedules, completed registration forms and mailing envelopes, business itineraries as well as a detailed travel justification memo must be attached."

(1) Of the 321 (\$286,724) travel expense transactions we audited, 44 (totaling \$43,211) transactions that did not have a travel justification memo, which is required by Metro policy. We discussed the above findings with the Travel Coordinator. She replied that she usually accepted either the conference agenda or a justification memo, when the employee submits the travel authorization request. Without a detailed justification memo, it's difficult to determine the necessity of the trip, how the trip will benefit Metro, and how the employee's job relates to the travel.

(2) We found that five transactions (totaling \$5,833) did not have the conference schedule attached to reimbursement requests which is required by Metro policy. Furthermore, two of the five transactions did not have the conference schedule or justification memo attached to TA forms.

We communicated the above findings and Metro policy requirements to the Travel Coordinator. She agreed and will require that a travel justification memo and conference schedule be submitted in the future.

Finding Response:

We agree with the recommendation that would require all persons requesting travel submit a detailed justification memo and conference schedule (when applicable) along with Travel Authorization Form in accordance with Metro's FIN-14 policy. The Travel Program Administrator became aware of this discrepancy the IG office before this audit, and began to reinforce the use of a memo justification with every travel request. We also require that the same memo be attached to the expense report after travel.

Audit Finding D: Lodging Cost Over Allowable Per Diem Amount

Metro's FIN-14 (Finance - Travel and Business Expense) policy on business travel states:

Metro's FIN-14 policy Section 1.2.3,

"The maximum amounts that can be reimbursed for lodging and meals for domestic travel are indicated in Internal Revenue Service Publication 1542."

Metro's FIN-14 policy Section 1.2.3.1, *"an exception to the lodging dollar limit may be made for conference hotels or close proximity to the final business destination when time and commute costs are high when determined by the Travel Coordinator and approved by the Executive Officer."*

Metro's FIN-14 policy Section 1.2.3.2, *"hotel lodging and meals will be reimbursed based on the maximums published by the U.S. Department of State Standardized Regulations "Maximum Travel Per Diem Allowances for Foreign Areas".*

Copy of Management Response

Our audit found two (\$3,469) travel expense transactions, which have lodging costs greater than the allowable per diem rate, and did not an explanation nor approval. There was no explanation and no approval by the Executive Officer for an employee to stay in non-conference hotels that had a lodging rate more than the allowable per diem rate.

From the samples we audited, we also noticed some Business and Travel Expenses Reports that had lodging cost greater than the allowable per diem rate because employees stayed in conference hotels. Even though FIN-14 policy allows higher lodging rates in certain cases, we believe that the Travel Coordinator should make a note on the TA Form to indicate the basis for the exception under Metro FIN-14 policy when a conference hotel is booked. Sometimes a TA and TBE do not correspond and it is not apparent to why a higher rate hotel was booked. The Travel Coordinator should also require the employee to obtain an approval from Executive Officer when an exception to the allowable lodging per diem rate is needed.

Finding Response:

We agree with the recommendation to note any exceptions on the TA Forms for any hotels that are approved out of the lodging per diem allowed. We have also created an automated e-mail that is sent to the approving manager when a hotel is out of the allowed per diem. The response is attached to the TA packet and the exception is noted on the TA form.

Audit Finding E: Other Matter

We noticed that FIN-14 policy (quoted in Result of Audit – C) requires “mailing envelopes” as one of the required document to support business travel. We believe that this is an obsolete document due to the fact that most registrations are completed and paid online nowadays. This requirement has been removed from the revised FIN-14 which is pending final approval. We will review the revised FIN-14 when it’s approved.

Finding Response:

We agree that this is an obsolete document. Registration for the most part is paid online by departments. We agree with your recommendation to remove this item.

Concurrence:



 JOANNE PETERSON
 Chief Employee & Labor Relations (Interim)

Final Report Distribution

Board of Directors

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