



**FULTON  
COUNTY**

**FULTON COUNTY, GEORGIA  
OFFICE OF THE COUNTY AUDITOR  
TRAVEL AND TRAINING AUDIT**

**November 18, 2024**

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**INTRODUCTION**

In accordance with the 2024 approved Audit Plan, the Office of the County Auditor has conducted an audit of Fulton County's Travel and Training Program.

**BACKGROUND**

Pursuant to the Official Code of Georgia Annotated ("O.C.G.A.") TITLE 45 Chapter 7 Sections 20 through 34, the Travel, Training, Parking and Automobile Allowance/ Mileage Reimbursement Policy was developed to reimburse expenses incurred on the County's behalf for travel, training, parking, and automobile usage for official business. The County shall not reimburse expenses incurred related to any personal use.

The Office of the County Auditor is required to conduct an audit of the County's Travel and Training Policy and any related procedures, on an annual basis. In accordance with the Travel and Training Policy, Fulton County employees who travel to attend certain seminars, schools, conferences, meetings, and conventions, affiliated with work related duties are eligible for travel reimbursements. In addition, the Travel and Training Procedures provide guidance to travelers, Department Travel Coordinators (DTC), approvers and auditors on cost effective management of travel expenses that aid in conserving the use of County funds. The procedures also define the responsibility and accountability to all travelers, DTCs, and approvers.

These procedures establish a system of recording and documenting travel expenses for all Fulton County employees and officials. The specific criteria for determining acceptable expenses that may be recognized as employee travel expenses are detailed within the policies and procedures as well. Additionally, these procedures apply standards that are consistent for all County travelers, as well as a system of internal controls for the reporting, reviewing and approval of Fulton County Departments' travel costs.

**OBJECTIVE**

The objective of the audit was to determine the adequacy of internal controls set forth by the Travel and Training Policy. Additionally, we assessed departmental compliance with policies and procedures.

**SCOPE**

The scope of the audit was from January 1, 2023 – December 31, 2023.

**METHODOLOGY**

We conducted this audit in accordance with *Generally Accepted Government Auditing Standards* (GAGAS). 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 performed the following procedures:

- Reviewed the County's Travel and Training Policy, as well as any applicable federal and state regulations;
- Obtained an understanding of the internal controls implemented for the Travel and Training Program;
- Sampled a total of sixty (65) travel and training related transactions for review, totaling \$265,424.01;
- Ensured proper approval was obtained for travel and training transactions;
- Reviewed supporting documentation to verify amounts reimbursed in the reconciliation packages;
- Ensured expenses charged to the travel credit card agreed to travel credit card reconciliation reports and billing statements; and
- Conducted interviews with key personnel within the Purchasing and Finance Department.

We believe the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives. Our findings and recommendations are detailed below:

## **FINDINGS AND RECOMMENDATIONS**

### **Finding 1 – Lack of Supporting Documentation**

According to the policy, “The traveler should work with the DTC to coordinate and facilitate all matters related to travel/training and complete required forms and provide other supporting documents (forms, original receipts, proof of attendance etc.) to substantiate travel/training requests and expenses.” During our review, we noted five (5) transactions lacking the proper supporting documentation. The Audit Department requested various documents from the Finance Department, including itemized hotel invoices, flight invoices, registration invoices, itemized rental car invoices, and CFO approval for two (2) expenses. The departments failed to request the proper support from the traveler to substantiate the expense. The inability to obtain supporting documentation may lead to inaccurate or incomplete records, overpayment of expenses, and lack of County oversight.

### **Recommendation**

We recommend the Purchasing and Contract Compliance Department and the Finance Department perform a thorough review of all submitted documentation to ensure accurate record keeping in compliance with County policy.

**Finding 2 - Lack of Support for Per Diem Expense**

Pursuant to the policy, "Travelers shall not be provided per diem for meals included as part of the conference or convention registration fee, paid by the County." As such, the submission of the conference agenda is essential in determining the meals provided during travel and training, if any. During our review, we found one (1) instance where the agenda was not submitted. Therefore, we could not determine the accuracy of the per diem reimbursement. Additionally, we noted one (1) instance where the per diem was calculated incorrectly. The incorrect calculation was an oversight by the departments. Failure to ensure proper support is obtained for per diem reimbursement may result in overpayment, noncompliance with policies and procedures, and inaccurate financial reporting.

**Recommendation**

We recommend the Purchasing and Contract Compliance Department, along with the Finance Department, conduct a detailed review of all travel related documents, prior to any reimbursements, to ensure all expenses have been validated.

**Finding 3 – Documentation Submitted Without Proper Signatures**

Pursuant to the policy, "Finance completes a final review of completed reconciliation packages to verify actual costs, reimbursement amounts and processes a check for any amount due from the County to the Traveler." As a best practice, documents related to travel and training should be reviewed and contain the proper signatures, confirming review and approval to pay. During our review, we noted eight (8) transactions lacking proper signatures. Five (5) of the missing signatures were that of the Travel Card Coordinator. The remaining three (3) missing signatures were that of the Department Travel Coordinator, within the traveling department. These signatures were missing due to an oversight by the Purchasing and Contract Compliance Department. Failure to obtain proper signatures may result in payment of unauthorized transactions, the inability to determine the review and approval of documents prior to payment and violate established policies and procedures.

**Recommendation**

We recommend each department perform a comprehensive review of travel and training documents to ensure compliance with the policy. We further recommend each department confirm the completion of all documents in their entirety, prior to submission for payment.

**Finding 4 – Lack of Support for Air Fare Cost**

As noted in the Travel and Training Policy, "Travelers who require air travel must utilize the DTC to secure the lowest available airfare and must submit proof of quotes in the required format."

During our review, we noted nine (9) transactions lacking the required airfare quotes. Of these nine (9) transactions, there were three (3) instances where the Finance Department requested the required information from the department but were not received. The remaining six (6) quotes were oversights and not requested by the Finance or Purchasing and Contract Compliance Departments. Failure to obtain relative cost comparisons or quotes may increase the risk of overpayment for expenses, the inability to determine if best efforts were made for the lowest cost, and reasonableness of the expense.

#### **Recommendation**

We recommend the Department of Purchasing and Contract Compliance and the Finance Department request all required supporting documentation from the traveler to ensure compliance with the policy.

#### **Finding 5 – Failure to Provide Proof of Attendance**

“The traveler is responsible for submitting supporting documentation to the DTC, such as proof of attendance, to substantiate travel and any related expenses,” according to the Travel and Training Policy. Proof of attendance may include a conference badge, conference agenda, conference photo or any other materials provided at the conference. During our review, we identified nine (9) transactions lacking the proof of attendance. Additionally, no self-certification statements were obtained from the traveler to confirm attendance. The Finance Department, as well as the Purchasing and Contract Compliance Department, failed to request this information from the traveler. Failure to exercise due diligence in requesting proof of attendance for trainings or self-certification statements may result in unauthorized expenses, an inability to validate costs and lack of County oversight.

#### **Recommendation**

We recommend both the Finance Department and the Purchasing and Contract Compliance Department ensure all travel is supported by providing proof of attendance, as required by the policy.

#### **Finding 6 – Failure to Ensure the Deduction of Georgia State Sales Tax**

According to the Traveling and Training Policy, “The maximum lodging reimbursement (excluding taxes) shall be up to the federal lodging per diem for the travel by destination unless provided otherwise in these procedures.” The policy further states, “For travel in the State of Georgia, travelers should ensure they follow the procedures to receive the tax-exempt rate.” During our review, we noted one (1) transaction for hotel expenses, which included Georgia state sales taxes. This incident was a result of the traveler not submitting the Hotel/Motel Tax Exemption form to the hotel. Failing to ensure all applicable taxes are deducted from lodging costs within the state of Georgia may result in an overpayment of expenses for the County.

**Recommendation**

We recommend the Finance Department, as well as the Purchasing and Contract Compliance Department ensure all County staff are properly trained on the policies pertaining to sales tax exemption. Additionally, we recommend a thorough review of all invoices be conducted to ensure Georgia state sales taxes are deducted appropriately, according to the policy.

**CONCLUSION**

Based on the audit performed, we identified the following six (6) findings that require the attention of management:

- Lack of Supporting Documentation
- Lack of Support for Per Diem Expense
- Documentation Submitted Without Proper Signatures
- Failure to Provide Proper Support for Air Fare Cost
- Failure to Provide Proof of Attendance
- Failure to Ensure the Deduction of Georgia State Sales Tax

Please provide a written response to this audit within ten (10) business days. Please address the written response to Anthony Nicks, County Auditor, in memorandum format. The written response should be submitted through the County Manager's Office and to Shauna Herbert, Audit Manager, in the Office of the County Auditor at [shauna.herbert@fultoncountyga.gov](mailto:shauna.herbert@fultoncountyga.gov). 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.