



Gwinnett County  
**Internal Audit Department**

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Audit Report for

**Travel and Training Expenditures**

*Department of Financial Services*  
Audit Plan Year 2020

**April 2, 2021**

**Auditor:** Joseph Bienkowski, CPA, Auditor

**Distribution:**

**To:** Laurie Puckett, Financial Services Deputy Director

**CC:** Tracy Arner, CPA, Gwinnett County Audit Committee  
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Natalie Williams, Treasury Division Director

## **Background and Scope**

Gwinnett County (the County) constitutional officers, department directors, elected officials and employees may incur reasonable travel and training costs that are necessary for business and adhere to the County's Business Expenditure Policy (the Policy) dated September 19, 2017. Expenditures may include professional development seminars, governmental conferences, and related travel. Employees must obtain pre-approval from their supervisors or authorized designees for all trips. Travelers are encouraged to use procurement cards for booking conferences, seminars, and travel reservations, but the County will also reimburse travelers for reasonable out-of-pocket costs associated with trips. The County may provide travel advances to help defray out-of-pocket costs. Department administrators and liaisons enter trip information into the SAP travel module to determine the amount to be advanced, which must then be approved by supervisors or designees. All travelers are required to complete Travel and Business Expense Reports (Reports) with required receipts within 15 days of trips. The Reports must be signed by employees and approved by supervisors or their designees. Most departments use the SAP travel module to approve, process and record transactions. Other methods include purchasing card expensed travel and manual reimbursements processed as invoices. The County incurred training and related costs of \$2.9 million during the audit period April 1, 2019, through October 31, 2020. A significant portion of these costs were incurred prior to March 2020 or COVID-19 restrictions.

Constitutional Officers, department directors, elected officials, and employees initiate expenditures and are responsible for ensuring compliance with the Policy. The Department of Financial Services (DOFS) helps in processing approved travel requests, submitting Reports, and completing the settlement process. The purpose of this audit was to evaluate on a sample basis whether travel and training expenditures were reasonable and complied with key Policy guidelines for the audit period. We reviewed 298 trips totaling approximately \$430,000 for the period and believe the evidence provided a reasonable basis for our assessment (See **Exhibit A** for a summary of our review procedures). The scope of this review was limited to travel and training expenditures and excluded all other business expenditures incurred through purchasing cards. Internal Audit reviewed purchasing card transactions in a separate audit. See Internal Audit's *Procurement Cards* report dated September 30, 2020, for details.

## **Assessment**

Travel and training expenditures appeared reasonable and generally complied with key Policy guidelines. We found no evidence of abuse or instances of significant non-compliance with key provisions of the Policy. While there were some Reports and expenditures that did not contain sufficient approval, overall exceptions were infrequent, and expenditures appeared reasonable. We communicated observations to management or liaisons for consideration and excluded them from this report for remediation tracking purposes. We had no recommendations to improve control activities for compliance purposes.

### **Other Considerations**

IA observed opportunities to improve certain business activities based on best practices and included advisory comments for management consideration only. Management is not required to provide written responses or corrective action plans. The advisory comments are as follows:

- Approximately 10% of the Reports from our sample had no evidence of supervisory approvals or were self-approved, and an additional 17% were approved by administrative staff. Oversight responsibilities (approvals) should be delegated at a minimum to a supervisor at least one level above the traveler to ensure they have sufficient authority to challenge questionable expenditures if necessary. Elected officials and executive leadership positions may require special oversight processes due to their high levels within the County. Agencies and departments should evaluate existing delegations of authority to ensure they promote effective oversight of travel and training expenditures.
- The Policy requires County staff to ensure travel and business expenditures are conducted in the most efficient and cost-effective manner. IA noticed occasional out-of-state training expenditures. While business needs were documented for the events attended, supporting documentation usually did not explain why local or in-state training options were unavailable. To be efficient and cost effective, training should be conducted locally or virtually when possible. When it is necessary to travel out of state, agencies and departments should justify the trips in the documentation submitted for approvals.

**Exhibit A**  
**Summary of Audit Procedures**

IA performed the following procedures to evaluate the adequacy and effectiveness of control activities:

- Selected a sample of 298 Travel and Business Expense Reimbursement Reports for the audit period and confirmed they complied with key travel policy guidelines. The following is a summary of sample sizes by agency or department:

Agencies/Departments	Total Travel & Training Expenditures for Audit Period							Test Samples	
	Education & Training	Incidental	Lodging	Meals	Transport	Other	Total	Count	Amount
Admin Office of the Courts	\$ 9,336	\$ -	\$ 13,258	\$ 2,786	\$ 13,374	\$ 5,080	\$ 43,834	8	\$ 4,178
Board of Commissioners	20,783	-	11,336	2,440	13,892	-	48,451	27	14,115
Clerk of Court	13,084	-	4,626	1,615	2,969	-	22,293	9	5,348
Clerk of Recorder's Court	2,075	106	7,447	1,064	2,043	2,490	15,225	2	3,778
Community Services	37,912	40	24,628	6,540	13,785	75	82,980	11	12,063
Corrections	2,387	106	12,676	5,138	1,170	-	21,476	8	3,428
County Administration	17,979	-	5,031	10,532	13,055	-	46,596	10	8,447
District Attorney	1,030	474	40,454	12,535	35,446	27,468	117,407	13	31,651
Financial Services	85,122	263	22,966	6,354	11,934	-	126,638	14	21,872
Fire & EMS	99,152	110	69,433	33,286	19,574	-	221,554	30	51,644
Human Resources	24,109	-	4,670	1,709	4,822	-	35,310	3	17,359
Information Technology	89,978	5	10,141	3,332	12,701	-	116,157	6	3,936
Juvenile Court	7,004	5,065	8,788	4,986	4,856	2,160	32,860	12	4,909
Law	5,699	72	99	68	564	-	6,503	2	73
Planning & Development	52,825	1,571	15,209	5,112	6,280	-	80,998	10	8,344
Police Services	264,351	1,616	230,148	99,649	73,743	-	669,507	43	122,774
Probate Court	8,923	-	3,076	545	1,788	-	14,332	3	1,637
Recorder's Court	1,359	-	346	-	583	-	2,288	1	325
Sheriff	99,467	-	55,665	49,552	13,976	-	218,660	23	29,559
Solicitor General	9,897	-	1,129	328	805	-	12,159	4	1,859
Support Services	30,708	-	3,501	1,121	3,958	40	39,329	7	3,397
Tax Commissioner	13,751	812	7,678	2,995	4,024	642	29,901	9	5,824
Transportation	32,402	21	8,314	1,829	11,181	-	53,746	8	10,656
Water Resources	579,984	1,000	158,056	49,427	61,022	-	849,489	35	62,335
<b>Grand Total</b>	<b>\$ 1,509,316</b>	<b>\$ 11,260</b>	<b>\$ 718,673</b>	<b>\$302,941</b>	<b>\$ 327,546</b>	<b>\$ 37,955</b>	<b>\$2,907,692</b>	<b>298</b>	<b>\$ 429,509</b>

*Note: Internal Audit obtained expenditure amounts from the County's SAP general ledger. Expenditures in the "Other" column include but are not limited to court reporter travel and other miscellaneous court travel. We did not audit the data for external financial reporting purposes.*

- Reviewed travel and business expense items contained on reimbursement forms to verify they excluded non-reimbursable expenditures per Policy Appendix B.
- When applicable, reviewed mileage reimbursement to ensure the appropriate rate was used to calculate reimbursements. Also, verified support for mileage or distance and determined whether normal commute from home was excluded from total mileage.

- Reviewed employee travel advance settlement process for effectiveness, including the DOFS monitoring (aging) of outstanding travel advances.
- Obtained evidence of pre-approvals of lodging costs for samples. Also, verified these costs were within GSA rates or contained justifications for other rates.
- Reviewed usernames and role assignments in SAP Travel module for validity.