



Date: July 8, 2013
To: Thomas Bonfield, City Manager
From: Germaine Brewington, Director of Audit Services
Subject: Transmittal of Training and Related Travel Expenses Performance Audit (May 2013)

Executive Summary

The Audit Services Department completed the report for the Training and Related Travel Expenses Performance Audit dated May 2013. The purpose of the audit was to ensure compliance with travel policy FP 201 and to review travel expenses for fraud, waste and/or abuse.

Background

It is the City of Durham's policy to pay directly or to reimburse employees for reasonable expenses incurred when traveling for official City business. City business includes meetings, conferences, workshops, seminars, etc. The travel may be local, in-state, out of state, foreign; the travel could also be daily or overnight trips. City of Durham Finance Policy (FP) 201: "Travel Authorization and Expense Reimbursement" effective May 18, 2012 defines the City's travel policy. According to policy, the Finance Department is responsible for the management and oversight of this policy. Department heads are responsible for managing, approving, and reviewing budget appropriations to support travel activities for their departments. In addition to FP 201, the "Mayor and Council Members Travel and Miscellaneous Expense Policy" establishes procedures relating to travel and reimbursement of expenses for the Mayor and Council Members.

For the fiscal year ended June 30, 2012, the City incurred approximately \$ 645,000 of training and related travel expenses. In fiscal year 2013 as of the month of May, the City had incurred approximately \$731,000 in training and related travel expenses. These expenses included City as well as grant funded training and related travel expenses. Overall, the audit did not reveal any fraud waste or abuse of travel and training related travel funds. All of the transactions appeared to be for legitimate City business.

Issues and Analysis

The attached report details the objectives, observations, and results of the Training and Related Travel Expenses Performance Audit dated May 2013.

Recommendation

The Department of Audit Services recommends the City Council receive and accept the Training and Related Travel Expenses Performance Audit dated May 2013 as presented and approved at the June 3, 2013 Audit Services Oversight Committee meeting.