

MEMORANDUM

TO: Mitch Leonard, SEANC Executive Director
FROM: Keith Renner, SEANC Audit Committee Chair
DATE: November 14, 2017
SUBJECT: Review of SEANC Travel Expenses

The SEANC Audit Committee has completed a review of SEANC Travel Expenses for the period October 1, 2015 through September 30, 2017. The audit report is attached.

We would like to thank the SEANC Staff for their assistance and cooperation during this audit. If you have questions or need further assistance, please contact me.

KR

Attachment

cc: Audit File
ec: Mitch Leonard, SEANC Executive Director
Stanley Drewery, SEANC President
Chevella Thomas, SEANC Treasurer
SEANC Chief Financial Officer

SEANC Travel Expense Audit
October 1, 2015 through September 30, 2017

Scope:

The purpose of this review is to determine that Travel Expense Forms were reimbursed in accordance with the Financial Management Section of the SEANC Operations Manual.

For each Travel Expense Form (TEF) selected, we performed the following audit steps:

1. Determine the TEF is signed by the appropriate Committee Chair to denote verification and approval.
2. Determine the TEF is signed by SEANC Treasurer to denote verification and approval.
3. Verify that meals are reimbursed at the NC per diem rate.
4. Verify all math on the TEF is correct.
5. Verify that the MapQuest document is attached and reasonable.
6. Verify that reimbursement is made within 10 working days after receipt of the approved TEF.
7. Verify that the TEF is submitted for reimbursement less than 45 days from the date expenses were incurred. If not, an exception must be granted by the Treasurer.
8. We also reviewed SEANC Staff and Officer travel to attend District meetings to determine if the number of attendees was excessive.
9. We traced a sample of mileage charges on staff TEFs to SEANC Vehicle Logs to see if vehicles were available, but not used.
10. Obtain a list of SEANC Staff Members assigned a vehicle. For these TEFs selected, we verified that no mileage reimbursement was made.

Findings and Recommendations:

Our audit found no major items that would indicate a breakdown in compliance with the Financial Management Section of the SEANC Operations Manual regarding Travel Expense reimbursements. However, we did find a few items enumerated below that merit your attention and follow-up.

1. One TEF reviewed was not approved. All but this one item was signed by the Treasurer or a Committee Chair. Procedure requires both to sign. The TEF indicates "Treasurer or Committee Chair" should sign and this may be causing the exception. We feel one supervisory signature is adequate since the Treasurer signs all checks. The Financial Management Manual should be revised to correct this discrepancy.
2. Most of the TEFs examined did not have the year included with the month and day of travel. Also, member signatures and approval signatures did not indicate

the date. Good Business Practices indicate that all forms be properly dated and all signatures should be followed with a date. Without such dates it may not be possible to determine if reimbursement was made within the required 10 days from receipt. We recommend the TEF be revised to ensure a complete date is included with each day of travel and for each signature.

3. One staff reimbursement included an \$18 charge that was more than 45 days old.
4. We noted that MapQuest miles given in decimal places were reimbursed at the exact mileage, rounded up, or rounded down. We recommend that the Procedures Manual be revised to indicate use of the exact mileage provided by MapQuest to ensure consistency of application.
5. The SEANC Staff Expense Report form for Fiscal year 2015-2016 continued to be used for several months after the start of Fiscal year 2016-2017. Forms were not marked up to indicate the new fiscal period. Staff should use the new forms or mark out the old year and replace with the new fiscal year.



Auditor: Wayne Holliday



Auditor: Lewis Sasser



Chairman: Baldwin Keith Renner