



**CITY OF COLORADO SPRINGS  
OFFICE OF THE CITY AUDITOR**

**06-272 – COLORADO SPRINGS UTILITIES'  
TRAVEL & TRAINING AUDIT**

**PUBLIC REPORT**

**AUGUST 29, 2007**

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City of Colorado Springs



## Office of the City Auditor

### Public Report

Date: August 29, 2007

To: Honorable Mayor and Members of City Council

Re: 06-272 – Colorado Springs Utilities' Travel & Training Audit

We have completed an audit of Colorado Springs Utilities (Springs Utilities') travel and training expenditures.

The purpose of this audit was to review Springs Utilities' policies and procedures related to travel and training. The audit included January 2005 through May 2006 with an emphasis on transactions from April and May 2006 to determine whether policies and procedures were being consistently followed. We concentrated on travel and training expenditures which required travel. We did not audit Springs University or training programs that are conducted locally.

We concluded that the majority of Springs Utilities' employees who have traveled for business purposes have complied with the guidelines that have been established. However, we noted some instances of non-compliance along with expenses paid by Springs Utilities that appear questionable to us as auditors. We recommend that Springs Utilities require all employees to comply with established policies. We also recommend that travelers and travel expense approvers submit documentation to explain charges that may appear questionable.

Attached is a copy of our report.

As always, feel free to contact me if you have any questions.

Sincerely,

Jeff Litchfield  
City Auditor

Cc: Jerry Forte, Chief Executive Officer  
Edward Easterlin, Office, Planning & Finance Division  
Bill Cherrier, General Manager, Financial Services

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## Introduction

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### AUTHORIZATION

We performed an audit of Colorado Springs Utilities' (Springs Utilities') travel and training expenditures. We conducted this audit under the authority of Chapter 1, Article 2, Part 7 of the Colorado Springs City Code, and more specifically parts 703, 705 and 706, which state:

#### 1.2.703: ENSURE PUBLIC ACCOUNTABILITY:

The City Auditor shall ensure that administrative officials are held publicly accountable for their use of public funds and the other resources at their disposal. The City Auditor shall investigate whether or not laws are being administered in the public interest, determine if there have been abuses of discretion, arbitrary actions or errors of judgment, and shall encourage diligence on the part of administrative officials.

#### 1.2.705: DETERMINE EFFECTIVENESS AND EFFICIENCY OF PROGRAMS:

The City Auditor shall determine the extent to which legislative policies are being efficiently and effectively implemented by administrative officials. The City Auditor shall determine whether City programs are achieving desired objectives. The City Auditor shall review the administrative control systems established by the enterprises, department or group managers and by the City Manager, Utilities' Executive Director and Memorial Hospital Executive Director and determine whether these control systems are adequate and effective in accomplishing their objectives.

#### 1.2.706: EXAMINE BOOKS, RECORDS:

The City Auditor shall examine and inspect all books, records, files, papers, documents and information stored on computer records or in other files or records relating to all financial affairs of every office, department, group, enterprise, political subdivision and organization which receives funds from the City or under the direct or indirect control of the City Council. The Auditor may require any person to appear at any time upon proper notice and to produce any accounts, books, records, files and other papers pertaining to the receipt or expenditure of City funds, whether general or special. If that person fails to produce the papers, then the Auditor may request Council approval to search for and take any book, paper or record in the custody of that person or public official.

### ORGANIZATIONAL PLACEMENT

The Office of the City Auditor of Colorado Springs is structured in a manner to provide organizational independence from the entities it audits. This independence is accomplished by the City Auditor being appointed by and reporting directly to the City Council. The audited entity in this audit was Springs Utilities, under the direction of their Chief Executive Officer. Springs Utilities' Chief Executive Officer is also a City Council Appointee.

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## Introduction

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### SCOPE AND METHODOLOGY

The purpose of this audit was to review Springs Utilities' policies and procedures related to travel and training. The audit included January 2005 through May 2006 with an emphasis on transactions from April and May 2006 to determine whether policies and procedures were being consistently followed. We concentrated on travel and training expenditures which required travel. We did not audit Springs University or training programs that are conducted locally.

We conducted our audit in accordance with the *International Standards for the Professional Practice of Internal Auditing*, a part of the Professional Practices Framework promulgated by the Institute of Internal Auditors. Our audit included such tests of records and other supporting documentation as we deemed necessary in the circumstances. We reviewed the internal control structure and compliance tests were performed. Sufficient competent evidential matter was gathered to support our conclusions.

### BACKGROUND

As part of their normal operations, Springs Utilities' employees are afforded educational opportunities, which require travel. The budget for travel and training was \$4,018,000 in 2006 and is \$4,075,000 in 2007. Springs Utilities also developed an in-town training program called Springs University. Springs University was not reviewed as part of this audit.

This audit examined the costs incurred for seminars, conferences, and other travel related expenditures that were incurred by Springs Utilities. The reviewed charges included items such as conference registration, airline tickets, hotel rooms, meal expenses during out-of-town travel, etc. For the purpose of this audit, we sampled expenditures from the sub-account Seminars and Conferences as well as Travel Expenses for the months of April and May 2006. In April 2006, Springs Utilities spent \$41,779 for seminars and conferences, while spending \$77,936 for travel. In May 2006, \$43,407 was spent for seminars and conferences, while \$59,796 was spent on travel.

### COMMENDABLE PRACTICES

During our review, we noticed one area of Springs Utilities that was documenting their travel expenditures in an exemplary manner. In advance of travel, the Systems Maintenance Department, Water Services Division provided the traveler with a complete travel packet including rules and requirements, per diem limit and an envelope in which to keep receipts. If there were exceptions to established rules, the exceptions were documented as part of the travel expense summary packet.

### OVERALL CONCLUSION

We concluded that the majority of Springs Utilities' employees who have traveled for business purposes have complied with the guidelines that have been established. However, we noted some instances of non-compliance along with expenses paid by Springs Utilities that appear questionable to us as auditors. We recommend that Springs Utilities require all employees to comply with established policies. We also recommend that travelers and travel expense approvers submit documentation to explain charges that may appear questionable.

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## Introduction

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### FOR THE FUTURE

We have planned a follow-up audit for 2008. We will review transactions occurring in the first quarter of 2008.

***For the findings that follow, we have made no determination as to which findings are more important than others. Therefore, the findings are not listed in order of importance.***

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## Findings, Recommendations and Responses

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### **POLICY COMPLIANCE:**

Springs Utilities' management had established policies and regulations designed to accomplish the mission of the entity and to protect the assets placed in their care. If regulations are not followed, the value of the regulation is negated. Managerial review is a critical internal control, which should minimize deviance from established policies. It should be the responsibility of the manager/supervisor who approves an employee's travel expenses to ensure that the travel expenses comply with policies. Managers/supervisors should hold employees accountable for abiding by established policies.

We noted several instances where employees of Springs Utilities did not comply with established policies, and we could not identify approval of the deviation during the Managerial review process.

We have grouped the first 11 findings together since they all relate to noncompliance with the Travel Administration Policy (Policy).

#### **1. Travel Requests were not approved prior to travel for 17% of travelers reviewed.**

Section 5.3 states, "The Approver is responsible for paper reviewing and approving (sign) the F02 – Travel Request and returning it to the Preparer." We noted 11 out of 66 travel requests (17%) were not signed by a manager prior to travel.

#### ***Auditor's Recommendation:***

Travel requests should be approved by the manager (approver) prior to travel.

#### ***Springs Utilities' Response:***

Springs Utilities agrees with the Office of the City Auditor's recommendation that the travel requests should be approved by the manager/approver prior to travel. QBD #10003, Travel Administration, version 03 will be updated to include additional instructions regarding the manager's/approver's responsibilities.

QBD #10003, Travel Administration, version 03 will be updated and approved by December 31, 2007.

#### **2. A Travel Advance was issued without evidence that the Travel Request was authorized.**

Section 6.1.9 states, "If advance funds are requested through Travel A/P, the Preparer submits an approved copy of the F02 – Travel Request, which includes the request for funds approval signature, to Travel A/P. The request may be paper or electronic. If electronic, the Preparer must have evidence of electronic approval trail." An Accounting Technician issued a Travel Advance for \$434 without receiving a signed travel request. The travel request was forwarded to the Accounting Technician without a signature, and the Technician assumed that the request was approved.

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## Findings, Recommendations and Responses

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### ***Auditor's Recommendation:***

Travel Advances should only be issued when appropriate authorization is submitted to Travel A/P. The Accounting Technician should verify that an approved travel request form has been received whether it is electronic or paper.

### ***Springs Utilities' Response:***

Springs Utilities agrees with the Office of the City Auditor's recommendation that Travel Advances should only be issued when appropriate authorization is submitted to Travel A/P. Accounting will review QBD #10003 as it pertains to the roles and responsibilities of the Accounting Technicians, and reiterate that Travel Advances are not to be distributed without a signed travel request that contains the appropriate signature or a copy of an electronic approval.

### **3. Itemized meal receipts were not included for 41% of travelers reviewed.**

Section 6.2.3 Meals states, "Springs Utilities travelers are expected to use good judgment and obtain itemized original receipts for all meal expenses." Section 6.2.4 further states, "The Traveler returns from the trip and provides all information and itemized original receipts to the Preparer who will complete an Expense Summary...." In many instances, the traveler provided a credit card receipt or a hotel bill as support for the meal charges, but an itemized receipt was not provided. For 25 of the 61 travelers (41%) who incurred meal charges, we found that at least one itemized meal receipt was missing. For these 25 travelers, we found that 46 of 168 meal expenses reviewed (27%) did not have original itemized receipts to document the expense. For one individual, 6 of 11 meals or nearly 55% of meal expenditures were not adequately documented.

### ***Auditor's Recommendation:***

Springs Utilities' management should deny requests for reimbursement when itemized meal receipts are not provided. Individuals who have charged meals on a Springs Utilities' Purchasing Card should be required to repay Springs Utilities for all meals that are not substantiated by an original itemized receipt.

### ***Springs Utilities' Response:***

Springs Utilities partially agrees with the Office of the City Auditor's recommendation that requests for reimbursement should be denied when itemized meal receipts are not provided. Springs Utilities disagrees that management should deny all requests for reimbursement when itemized meal receipts are not provided. Reimbursement for meals without itemized receipts would be paid if the employee is able to provide valid reasoning to the manager/approver in order for him/her to allow the exception. Such reasoning must be also documented with the Expense Summary and approval must be obtained prior to reimbursement. Additional clarification of this requirement will be added to the Approver Responsibilities and section 6.2.1 of QBD #10003, Travel Administration, version 03.

QBD #10003, Travel Administration, version 03 will be updated and approved by December 31, 2007.

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## Findings, Recommendations and Responses

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### 4. Travel Expense Summaries were not submitted in a timely manner for 19% of the Travelers reviewed.

Section 6.2.4 states, "The traveler returns from the trip and provides all information and original receipts to the Preparer who will complete an Expense Summary (F03-10003) within two (2) weeks of the return date." We found that 12 of the 62 Expense Summaries reviewed (19%) were not submitted within the two week time frame specified in policy. If expenses are not processed in a timely manner, financial reporting could be impacted and the probability of maintaining proper documentation such as itemized receipts is reduced.

#### ***Auditor's Recommendation:***

Expense Summaries should be completed in a timely manner in accordance with the Policy.

#### ***Springs Utilities' Response:***

Springs Utilities agrees with the Office of the City Auditor's recommendation that Expense Summaries should be completed in a timely manner in accordance with section 6.2.4 of the Travel Administration process. Section 6.2.4 clearly states that when the Traveler returns from a trip they will provide all information and itemized original receipts to the Preparer, who will complete an Expense Summary (F03-10003) within two (2) weeks of the return date. To avoid the possibility of misinterpretation, the process document will be updated to state that the two week timeframe includes weekends and holidays. Additionally, if extenuating circumstances prevent the traveler from completing the Expense Summary within the required timeframe, documentation and approval of the extenuating circumstance will be required.

Springs Utilities is also evaluating the feasibility of having a centralized location in each department where designated administrative staff will be responsible for processing all Expense Requests and Expense Summaries.

QBD #10003, Travel Administration, version 03 will be updated and approved by December 31, 2007.

### 5. Some meal expenses were classified as miscellaneous expenses.

Section 6.2.3 states, "Reasonable costs for snacks will be reimbursed by Springs Utilities. Such costs should be included in the above per day maximum guideline." We found that two expense summaries listed snacks, coffee, and bottled water as miscellaneous expenses, instead of meal expenses. While we did not observe over-reimbursement in either instance identified, listing meal expenses as miscellaneous expenses could result in travelers being reimbursed above the maximum established guidelines.

#### ***Auditor's Recommendation:***

Springs Utilities should require all travelers to include all expenses that should be considered as part of the per day maximum guideline to be listed together on the Travel Expense Summary as Meals. Managers should review the Travel Expense Summaries to verify that the maximum daily guidelines have not been exceeded.

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## Findings, Recommendations and Responses

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### ***Springs Utilities' Response:***

Springs Utilities agrees with the Office of the City Auditor's recommendation that managers should review the Travel Expense Summaries to verify that the maximum daily guidelines have not been exceeded. As required in QBD #10003, Travel Administration, version 03, section 6.2.3, reasonable costs for snacks will be reimbursed by Springs Utilities and such costs should be included in the above per day maximum guideline. Additional instructions will be added to the process document emphasizing that all costs for snacks, water, coffee or any other food purchased must be included in the daily meal section of the Expense Summary and are to be included in the maximum daily allowance for meals.

QBD #10003, Travel Administration, version 03 will be updated and approved by December 31, 2007.

### **6. Itemized receipts were not available for some airfare and miscellaneous purchases.**

Section 6.2.1 states, "The Traveler takes the trip and must obtain and save all itemized original receipts for expenses documentation. (Original receipts will be retained in the department with Travel Request and Travel Expense Summary forms.) If the Traveler does not have a receipt, they need to reimburse Springs Utilities the amount of the transaction. In the instance that an employee may forget to retain or lose a receipt, management may choose to perform and document a detailed review and approve the expense. Detailed documented review can include signing the email or written notification and inclusion with the applicable F03 – Travel Expense Summary form."

We noted two instances where managers/supervisors had approved expense reports that did not include itemized receipts and no documentation of a detailed review was included with the Travel Expense Summary. We observed one Travel Expense Summary that included \$443.70 for airfare, but the documentation included was an email listing the airfare estimate – not an itemized receipt for the purchase of the airline ticket. The estimate did not include the signature of the approving manager/supervisor and did not include any other documentation of a detailed review. Similarly, miscellaneous charges included \$20 as tips to shuttle drivers. While it appears reasonable that receipts would not be available, no managerial review was documented as required.

### ***Auditor's Recommendation:***

Managers/supervisors should not approve a Travel Expense Summary that does not include all appropriate documentation. If receipts are occasionally lost and the manager/supervisor is provided a reasonable written explanation, such should be documented and retained with the Travel Expense Summary as required by the Policy.

### ***Springs Utilities' Response:***

Springs Utilities agrees with the Office of the City Auditor's recommendation that managers/supervisors should not approve a Travel Expense Summary that does not include all appropriate documentation. A checklist is being developed to aid in ensuring all appropriate documentation is present in the Expense Summary prior to granting approval. The checklist will accompany the Expense Summary and will be added as an attachment to the Travel Administration process.

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## Findings, Recommendations and Responses

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QBD #10003, Travel Administration, version 03 will be updated and approved by December 31, 2007.

### 7. Travelers obtained rental cars without proper approval.

Section 6.1.8 states, “The use of rental cars may be authorized by the Division Officer on trips for specific events....” On five separate trips, we noted that rental cars were used by Springs Utilities’ employees, but the authorization of a Division Officer was not documented.

The authorization by a Division Officer was established in policy as the control point for obtaining rental cars while traveling. A Division Officer could have given informal permission for the use of a rental car, but we found no evidence of the Division Officer’s approval.

#### ***Auditor’s Recommendation:***

When the policy indicates that approval by a Division Officer is required, such approval should be documented with the Travel Expense Summary.

#### ***Springs Utilities’ Response:***

Springs Utilities agrees with the Office of the City Auditor’s recommendation that if approval by a Division Officer is required, such approval should be documented with the Travel Expense Summary.

Additionally, Springs Utilities is evaluating appropriate signature authority levels for all processes throughout the organization. QBD #12028, Delegation of Signatory Authority Regulation, version 01, will be approved by June 30, 2008.

### 8. A Travel Advance was issued to an employee who had a Purchasing Card.

Section 6.1.9 states, “A Travel Advance will only be issued if the request is over fifty (\$50), and the traveler does not already have a P-Card....” We reviewed one Travel Expense Summary where a traveler was issued a \$100 Travel Advance, even though the traveler had also previously been issued a P-Card. The traveler used the P-Card for all costs during the trip—including some personal charges that were subsequently repaid to Springs Utilities. The \$100 Travel Advance was also repaid nearly six weeks after traveling.

#### ***Auditor’s Recommendation:***

Springs Utilities’ management should ensure that P-Card users are not given Travel Advances.

#### ***Springs Utilities’ Response:***

Springs Utilities partially agrees with the Office of the City Auditor’s recommendation that management should ensure that P-card users are not given Travel Advances. Section 6.1.9 of QBD #10003, Travel Administration, version 03 states that a Travel Advance will only be issued if the request is over fifty (\$50), and the traveler does not already have a P-Card, or if time prior to travel is too short to issue a P-Card prior to such travel.

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## Findings, Recommendations and Responses

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In some instances, a Travel Advance may be necessary in order to avoid undue hardship to the employee. Travel Administration, QBD#10003, version 03 will be updated to provide additional instructions for times when the traveler needs to have cash available, but is unable to provide their own funds. Details surrounding the particular circumstance would need to be documented, approved, and attached to the Travel Request and Expense Summary.

QBD #10003, Travel Administration, version 03 will be updated and approved by December 31, 2007.

### **9. Springs Utilities paid for more than the minimum number of nights at one conference.**

Section 6.2.2 states, "Reimbursement for lodging will be limited to the minimum number of nights required to conduct the assigned Springs Utilities business." However, we observed one situation where three individuals traveled to a conference site early for personal reasons, i.e., these employees traveled to the conference site on Wednesday before the conference started on Sunday evening. These travelers started charging meals and hotel expenses to Springs Utilities on Saturday. Another employee attending the same conference traveled on Sunday and was able to attend all conference activities. In this instance, we estimate that Springs Utilities paid approximately \$540 more than should have been paid.

#### ***Auditor's Recommendation:***

Springs Utilities' management should ensure that travelers are only reimbursed for the minimum number of nights required.

#### ***Springs Utilities' Response:***

Springs Utilities agrees with the Office of the City Auditor's recommendation that management should ensure that travelers are only reimbursed for the minimum number of nights required.

The checklist that is currently being developed to aid in ensuring compliance will include verifying the minimum number of nights required per traveler per trip. The checklist will accompany the Expense Summary and will be added as an attachment to the Travel Administration process.

QBD #10003, Travel Administration, version 03 will be updated and approved by December 31, 2007.

### **10. Several travelers and one manager did not sign Expense Summaries.**

Section 5.1 states, "The Traveler is responsible for reviewing Expense Summary (F03-10003) to ensure all information is correct." Section 5.2 states, "The Preparer is responsible for preparing and obtaining approval signatures from the Traveler and Management on the F03 – Expense Summary." However, we observed 14 Expense Summaries that were not signed by the Traveler and one Expense Summary that was not signed by Management.

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## Findings, Recommendations and Responses

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### ***Auditor's Recommendation:***

Travelers and Management should sign all Expense Summaries to document that the Expense Summaries are accurate, have been reviewed, and are approved.

### ***Springs Utilities' Response:***

Springs Utilities agrees with the Office of the City Auditor's recommendation that both Travelers and Management should sign all Expense Summaries to document that the Expense Summaries are accurate, have been reviewed, and are approved. A checklist is being developed to aid in ensuring all signatures and approvals are obtained. The checklist will accompany the Expense Summary and will be added as an attachment to the Travel Administration process.

QBD #10003, Travel Administration, version 03 will be updated and approved by December 31, 2007.

### **11. A Purchasing Card was used to pay college tuition.**

The Purchasing Card (P-Card) Regulation, Section 4.9 states, "Items that cannot be purchased via P-Card include the following:.... Reimbursed Educational Assistance, College Courses, Tuition...." We observed an instance where Springs Utilities paid for college courses at Colorado Technical University for two employees. Certain controls which may be related to ensuring proper taxation are bypassed when a P-Card is used to pay charges that are prohibited. We were told that these courses were part of an apprenticeship program.

### ***Auditor's Recommendation:***

Springs Utilities should require employees, including managers/supervisors, to abide by the Purchasing Card Regulation. The regulation indicates that the P-Card should not be used to pay college tuition.

### ***Springs Utilities' Response:***

Springs Utilities agrees with the Office of the City Auditor's recommendation that employees should be required to abide by the Purchasing Card Regulation. Springs Utilities will comply with the provisions of QBD #11148, Purchasing Card (P-Card) Regulation, version 01, section 4.9 which details the types of items that cannot be purchased with a purchasing card. This includes college courses and tuition.

Further communications will be developed and communicated by December 31, 2007, to ensure all P-card holders have reviewed the purchasing card regulation and verify their understanding of the content.

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## Findings, Recommendations and Responses

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### QUESTIONABLE CHARGES:

City Code 1.2.709 instructs the City Auditor to make periodic reports to Council which includes “recommendations for lessening expenditures, for promoting frugality and economy in City affairs and for an improved level of fiscal management.”

During our audit, we noticed instances where travelers charged expenses to their P-Card or were reimbursed for expenses that appeared questionable from an auditor’s perspective. Some of these charges may have been justified based on specific situations related to travel circumstances, but such specifics were not documented in the Travel Expense Summaries that were reviewed. We are bringing examples of what we consider questionable charges to the attention of Springs Utilities’ management so that they can decide whether any action is needed to avoid public criticism and encourage public trust of Springs Utilities.

### **12. The Policy does not require travelers to document single occupancy rates when they are accompanied on a trip.**

The Policy, Section 6.2.2 states, “Lodging reimbursement will be limited to the single occupancy rate. If a higher, multiple occupancy rate is paid because a traveler’s family member or other person is sharing the lodging, the traveler must pay the difference in the room rate.” We noted several instances where travelers were accompanied, but we could not determine whether only the single occupancy rate was paid based on the information provided in the Travel Expense Summary.

The current Policy does not require the traveler to document the rates available at the time of travel. Therefore, Springs Utilities cannot verify that the policy is being followed.

#### ***Auditor’s Recommendation:***

Springs Utilities should consider revising the Policy to require travelers who are accompanied on a trip to document the room rates available. Seminars and/or conferences may have negotiated special room rates, and the room rate may be the same for single or double occupancy. Requiring the available rates to be documented would allow managers/supervisors to verify that Springs Utilities’ policies are being followed.

#### ***Springs Utilities’ Response:***

Springs Utilities agrees with the Office of the City Auditor’s recommendation that travelers document the room rate for single occupancies. QBD #10003, Travel Administration, version 03, section 6.2.2 states that lodging reimbursement will be limited to the single occupancy rate. If a higher, multiple occupancy rate is paid because a traveler’s family member or other person is sharing the lodging, the traveler must pay the difference in the room rate. Springs Utilities will revise the document to require that documentation of room rates be included with the Travel Expense Summary.

QBD #10003, Travel Administration, version 03 will be updated and approved by December 31, 2007.

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## Findings, Recommendations and Responses

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### 13. The Policy does not require approvers to document approval of questionable charges.

Documentation should be available to assure the City Auditor or any reasonable person that questionable costs were reviewed and deemed appropriate by the individual approving an expense report. During our audit, we noticed charges that we considered questionable such as parking charges for a traveler who was not approved for a rental car. The traveler paid for the rental car personally, but Springs Utilities paid \$28 to park the car. Because the Policy does not require those approving Travel Expense Summaries to document why they approved questionable charges, we do not know whether the approver simply overlooked a charge or whether the approver identified the charge as being questionable and after reviewing the situation decided to approve the charge, i.e., the parking charges may have been paid in lieu of transportation charges to and from the airport.

The Policy cannot identify every possible situation and every inappropriate charge. Therefore, Springs Utilities' management must rely on managers/supervisors to review Travel Expense Summaries. These approvers must make decisions concerning the appropriateness of various charges. If the approver does not document the specific details that justified a charge that may be considered questionable by a reasonable person, Springs Utilities may be subjected to public criticism, which could impact the trust that is placed in the entity.

#### ***Auditor's Recommendation:***

Springs Utilities should consider revising the Policy to include instructions for travelers and approvers to document why approval was given for charges that may be considered questionable. Recognizing that Springs Utilities records are subject to the Colorado Open Records Act, documentation should be available to assure citizens that all expenses incurred were reasonable and frugal based on the specific details of a situation. The documentation may be an email explaining the reason the traveler viewed the expense as economical and showing good judgment. The approver should sign the documentation and comment on the appropriateness of the charge.

#### ***Springs Utilities' Response:***

Springs Utilities agrees with the Office of the City Auditor's recommendation that the Travel Administration policy should include instructions for travelers and approvers to document why approval was given for charges that may be considered questionable. QBD #10003, Travel Administration, version 03 will be updated in the Responsibilities and Process section requiring travelers to provide documentation for all charges that may be considered questionable. Approval of the questionable charge(s) will be required for reimbursement.

QBD #10003, Travel Administration, version 03 will be updated and approved by December 31, 2007.