

**Presidential Travel Audit (R212)**



Office of the Internal Auditor

Audit Report 2016 - 01

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## **EXECUTIVE SUMMARY**

The main audit objective was to verify that all Presidential travel was reviewed and approved in accordance with the State Board of Regents (Regents) policy R212, "Presidential Travel Oversight". In addition to policy R212, Internal Audit wanted to know if expenses for Presidential travel were recorded and reported in accordance to Snow College policy 13.5.7 – "Travel Policy".

The audit was designed to determine if all out-of-state travel expenses were reviewed and approved by the Chair of the Board of Trustees at least semi-annually and to determine if travel expenses were recorded using the Snow College Travel Authorization and Reimbursement (TAR) form.

As of December 31, 2015 and for the 2015 calendar year, it is Internal Audit's opinion that Snow College ("Snow") is in compliance with the laws and policies governing Presidential travel expenditures as outlined in policy R212. No major findings were revealed during the procedures performed.

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## INTRODUCTION

### BACKGROUND

The Board of Regents adopted “R212, Presidential Travel Oversight” on September 16, 2011 which requires the Office of Internal Audit (“IA”) to test presidential travel expenses as part of the normal internal audit process at Snow. IA reviewed the travel expenses incurred by the President of Snow during the calendar year beginning January 1, 2015 and ending on December 31, 2015. IA selected all of the President and his Assistant’s P-card Packets and travel reimbursement forms for testing.

### PURPOSE

The overall audit objectives were to determine if Presidential travel was reviewed and approved in accordance with the Utah System of Higher Education policy R212, “Presidential Travel Oversight” and to determine if expenses for Presidential Travel were done in accordance to Snow College policies.

### SCOPE AND METHODOLOGY

The scope of the audit described above covered the 2015 calendar year and included the following procedures:

- Identify all out-of-state Presidential travel instances for 2015. Records reviewed include:
  - Purchasing card packets
  - President’s calendar
  - Travel and expense reimbursement
- Reviewed out-of-state trips taken with Marci Larsen
- Reviewed travel reports sent to the Board of Trustees to determine if reports included
  - All out-of-state travel instances
  - Location of travel, date, purpose and total expenses
  - Signatures of the President and Board of Trustees Chairperson
- Reviewed Travel Authorization and Reimbursement forms to determine if all out of state travel was properly authorized

Sufficient and appropriate audit procedures have been conducted and evidence gathered to support the accuracy of the conclusions reached and contained in this report. The conclusions were based on a thorough review of expense reimbursement packets and P-card packets. The conclusions are only applicable for Snow. The audit was conducted in accordance with the *International Standards for the Professional Practice of Internal Auditing*. The evidence gathered meets professional audit standards and is sufficient to provide senior management with the proof of the conclusions derived from the internal auditor.

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## **FINDINGS**

Snow College has an internal policy on travel that requires travelers to submit a report of the travel using the Snow College Travel Authorization and Reimbursement (TAR) form.

During 2015, the President traveled out-of-state twice. For the out of state travel, the Snow College Travel Authorization and Reimbursement (TAR) forms were not submitted or reviewed. However, the Chairperson of the Board of Trustees did review and sign off on all out-of-state travel through the Presidents purchasing card reports.

Snow policy 13.5.7 “Travel Policy” states: “All College travel must be documented by a properly completed “SNOW COLLEGE TRAVEL AUTHORIZATION AND REIMBURSEMENT (TAR) form. Part 1 of the TAR form should be completed before the start of the travel. Part 2 of the TAR form shall be completed after the end of the travel.

## **RECOMMENDATIONS**

IA recommends the following procedures be implemented into the current process of reviewing and approving the President’s travel expenses:

- At least semi-annually, submit detailed travel reports which include: location of travel, date, purpose and total expenses, to the Chairperson of the Board of Trustees.
- Complete the TAR forms for each out-of-state trip and submit to the Chairperson of the Board of Trustees. The completed TAR form could be used as the detailed travel report.

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## MANAGEMENT RESPONSE

*Internal Audit discussed the findings of this report with President Carlston and Marci Larsen on 4/20/2016.*

*The recommendation from the 2014 audit of Presidential travel was implemented. Any Presidential travel expenses that are paid using another employee purchasing card were reviewed by the Vice President of Finance and Administrative Services.*

*Administration appreciates the detailed review of Presidential Travel and policies and procedures. The following actions will be taken:*

- A formal travel report will be submitted to the Chairperson of the Board of Trustees (Theresa Alder) following each out of state trip, in addition to the current process of reporting travel expenses through the purchasing cards.*
- Internal Audit will meet with the Travel Policy owner (Jourdan Hansen) to consult on policy updates and enforcement.*
- Marci Larsen will complete a TAR form for each out-of-state trip. TAR form is currently being used for in-state travel so there will be no change to process for in-state travel.*

*The group also discussed the Snow College travel policy and how there is a lack of consistency in implementation of the Snow Travel Policy amongst employees. President Carlston would like to have supervisors be more aware of employee travel arrangements and expenses through implementation and enforcement of the policy.*

*Internal Audit has agreed to be available to consult, as needed, on any new policy and procedure updates made by the Snow travel policy owner.*