

Lancaster County Employee Travel Expense & Vehicle Rental Audit Report

For the period of January 1, 2020, through December 31, 2020



Lisa Colón
Lancaster County Controller

**Lancaster County Employee
Travel Expense & Vehicle Rental Audit Report
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For the period January 1, 2020, through December 31, 2020**

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Controller
Lisa K. Colón

January 11, 2023

Ray D'Agostino, Chairman
Lancaster County Board of Commissioners
150 North Queen Street, Suite 715
Lancaster, PA 17603

Dear Commissioners:

Attached is the audit report of the County of Lancaster employee travel and vehicle rental expense reimbursements. This audit was initiated on June 4, 2021, and a memo (Exhibit A) was sent to the selected row offices and departments. Our examination procedures were performed for travel and vehicle rental expenses in the period of January 1, 2020, through December 31, 2020. The audit covered daily mileage, parking, tolls, meal reimbursements and any travel related expenses for normal work hours and overnight business travel. We provide County-wide recommendations and updates to the County Travel Policy to ensure more efficient and economical travel related reimbursements.

We do not express or issue an opinion or provide any assurance on the information examined because the limited procedures executed do not provide us with sufficient evidence to express an opinion. We did, however, note some instances that warrant mention and recommendations for corrections and/or improvement, and they are described in the *Audit Findings and Observations* section of the Audit Report.

We discussed the findings and observations with the selected offices and departments, which resulted in very productive conversation and feedback regarding the procedures of travel expense reimbursement, and ideas for improvement. We acknowledge the cooperation and assistance we received from all County of Lancaster personnel involved in this audit. Their help was instrumental to the performance and completion of this audit.

This report is intended for the information and use of the Lancaster County Board of Commissioners and all County of Lancaster personnel and is not intended and should not be used by anyone other than these specified parties without consent. However, public policy dictates that this report is a matter of public record, and its distribution is not limited.

Sincerely,

Lisa K Colón
Lancaster County Controller
jdg

Cc: Department Heads and Elected Officials of the following: Commissioner's Office, Purchasing, Property Assessment, Voter Registration, Parks and Recreation, Public Defender, Emergency Management, Communications/LCWC, Planning, Information Technology, Court Administration, APPS – Supervision Services, Juvenile Probation & Parole, District Attorney, Magisterial District Courts, Sheriff, Prison, Children and Youth Agency, Office of Aging, Intellectual Disabilities, and Early Intervention



Lancaster County Employee Travel Expense & Vehicle Rental Audit
Relevant Audit Notes
For the period January 1, 2020, through December 31, 2020

Note A – COUNTY TRAVEL POLICY

The Policy & Procedure Manual for all Lancaster County employees was revised August 26, 2015. Section B-6 Business Expenses was established August 29, 2011, and revised July 25, 2018, and it relates to policies over business expenses. This section is commonly known and referenced throughout the audit as the “County Travel Policy” or “County Policy”. Additionally, this section of the Policy & Procedure Manual is in place to provide a uniform system for reporting and reimbursement of business expenses incurred by employees. The travel policy applies to all County of Lancaster employees.

Note B – OBJECTIVES OF AUDIT

The objective of the audit was to ensure travel expenses and mileage reimbursements were made in accordance with County Policy and to determine if the expense claimed for reimbursement indicated inefficient or uneconomical driving habits and fraud or abuse. Receipts for parking, tolls, and overnight meals related to official County business were examined for fraud, abuse, and adherence to the County travel policy.

As part of the Vehicle Rental Audit, a full listing was obtained and reviewed of all the County owned or leased vehicles currently placed into service for the year ending 2020. An analysis was conducted regarding the proposed use of rental vehicles instead of personal vehicles for business trips to promote additional cost savings. Refer to Note F for details on the Vehicle Rental Audit.

Note C – SCOPE AND PROCEDURES OF AUDIT

The period of review was January 1, 2020, through December 31, 2020.

The Controller’s Office selected all departments/offices with travel expenses greater than \$1,000. Of the selected departments/offices, the Controller’s Office selected at least 25% of the expenses to test. To select the 25% expense portion of each department/office, the Controller’s Office categorized the expenses by employee and their total claimed travel expenses for the year. The Controller’s Office then selected employees to test based on: (1) highest travel expenses claimed, (2) prior audit findings or specific employees with previously detected errors, (3) new employees to the County, and (4) random selection of employees to accrue 25% of the total department/office travel expenses.

For all mileage expenses, the Controller’s Office recalculated all mileage submitted by those individuals for accuracy. The audit mileage recalculations were based on the shortest distance routes rather than quickest routes from “Location A” to “Location B” via Google Maps. For each individual trip listed on the Travel Expense Forms, we compared our mileage calculation to the mileage submitted and allowed a +/- 5-mile difference for each trip, to adjust for traffic detours,

**Lancaster County Employee Travel Expense & Vehicle Rental Audit
Relevant Audit Notes (continued)
For the period January 1, 2020, through December 31, 2020**

Note C – SCOPE AND PROCEDURES OF AUDIT (continued)

construction and possible closed roads or alternative routes. The Controller’s Office determined an outlier, or a significant difference, when there was a 15% mileage discrepancy between the employee’s claimed mileage and the recalculated mileage or a 10% difference between the total claimed mileage as a department/office and the recalculated mileage for the entire department/office.

For all travel-related expenses, we conducted a search for back up documentation to support the employee’s claimed travel expense. Expenses were inspected to ensure items were ordinary and necessary as part of the employee’s job duties/responsibilities and County-related. The Controller’s Office also inspected for proper approvals, when necessary.

Note D – DEPARTMENTS/OFFICES INVOLVED IN AUDIT

As part of the Travel Expense Audit, a review of travel account activity obtained from the County’s financial system, PeopleSoft, the Controller’s Office identified 20 departments/offices with travel expenses greater than \$1,000.00.

As part of the Vehicle Rental Expense Test, vehicle rental expense activity was also obtained from PeopleSoft and the Controller’s Office identified seven departments/offices with vehicle rental expenses.

The following departments/offices were selected for testing during the Travel Expense and Vehicle Rental Audit:

#	Department Code	Department Name
1.	A1111	Commissioners
2.	A1112	Purchasing
3.	A1212	Tax Assessment
4.	A1220	Voter Registration
5.	A1800	Parks & Recreation
6.	A2311	Public Defender
7.	A2400	Emergency Management
8.	A2413	Communications/LCWC
9.	A2600	Planning
10.	A2800	Information Technology
11.	B1111	Court Administration
12.	B1120	APPS - Supervision Services
13.	B1121	Probation & Parole - Juvenile
14.	B1300	District Attorney
15.	B1600	Magisterial District Courts
16.	B1711	Sheriff
17.	C1200	Prison
18.	D1400	Children & Youth Agency

**Lancaster County Employee Travel Expense & Vehicle Rental Audit
Relevant Audit Notes (continued)
For the period January 1, 2020, through December 31, 2020**

Note D – DEPARTMENTS/OFFICES INVOLVED IN AUDIT (continued)

19.	D1600	Office of Aging
20.	D1700	Drug & Alcohol
21.	D1800	Mental Health
22.	D1900	Intellectual Disabilities
23.	D2100	Early Intervention

Note E – MILEAGE RATE FOR 2020

The Internal Revenue Code (IRS) and U.S. General Services Administration’s (GSA) mileage rate for 2020 was \$0.575 per mile.

Note F – RENTAL CAR ANALYSIS

Currently, the County of Lancaster has a partnership with Enterprise for vehicle rentals with special pricing for all County employees. All employees have access to the following site to reserve a vehicle rental for business travel, per County Policy and guidelines.

<<https://elink.enterprise.com/en/colatrav.html>>

According to the Temporary Rental Vehicle Policy, rental vehicles must be of the Compact, Intermediate, or Standard class, unless the department head or elected official has given approval for a larger class vehicle.

The following indicating the 2020 daily rates for vehicle rentals, per the Enterprise rental website. The daily rates are subject to change periodically:

Lancaster County - Daily Rates

Compact	\$33.99
Intermediate	\$35.54
Standard	\$35.54
Full Size	\$38.11
Minivan	\$56.65
Intermediate SUV	\$53.56
Standard SUV	\$56.65
Full Size SUV	\$84.46
Small Pickup Truck	\$54.64
Standard Pickup Truck	\$51.50
Large Pickup Truck	\$66.95
Cargo Van 1/2 ton	\$56.65
Cargo Van 3/4 ton	\$61.80
12 Passenger Van	\$99.91
15 Passenger Van	\$99.91

**Lancaster County Employee Travel Expense & Vehicle Rental Audit
Relevant Audit Notes (continued)
For the period January 1, 2020, through December 31, 2020**

Note F – RENTAL CAR ANALYSIS (continued)

For purposes of this analysis, the Controller’s Office used the daily rate for a compact vehicle. The rental car savings chart shows the cost savings for that option for the period January 1, 2020, through December 31, 2020. If employees required an SUV because of space or weather conditions, this would result in a greater expense and the cost savings would be lower. Proper approval by a supervisor or department head or elected official to use a larger vehicle would be required.

Seven department/offices incurred vehicle rental expenses. They were: Commissioner’s Office, Purchasing, Information Technology, Juvenile Probation & Parole, Children & Youth Agency, Mental Health, and Intellectual Disabilities. From the seven departments/offices with vehicle rental expenses, four departments had assigned County vehicles: Purchasing, Information Technology, Juvenile Probation & Parole, and the Children & Youth Agency. Three of these departments/offices have specific usage for their County vehicles. However, the Children and Youth Agency was the only department with County vehicles during the audited period, with no specific use and were made available for employee usage.

Rental Car Savings:

Department Code		Cost Savings (\$)
1.	Court Admin	\$ 19.42
2.	APPS	\$ 138.25
3.	District Attorney	\$ 84.73
4.	Sheriff	\$ 1,855.65
5.	Children & Youth	\$ 12,391.55
6.	Office of Aging	\$ 1,204.15
7.	Drug & Alcohol	\$ 146.24
8.	Mental Health	\$ 2,294.83
9.	Intellectual Disabilities	\$ 267.10
10.	Early Intervention	\$ 46.68
Grand Total		\$ 18,448.60

The number of miles driven, and the type of vehicle was obtained from the Enterprise invoice to determine whether the employee drove below or above 75 miles. Indications of poor and uneconomical vehicle rental expense was determined if: (1) vehicle rentals were driven below 75 miles, (2) County-owned vehicles were available but not utilized or prioritized, (3) compact vehicles were not utilized and (4) any unusual or additional surcharge of fees were incurred. If County owned vehicles are not available, the employee is recommended to use their personal vehicle for business/work related travel. If neither option can be exercised, a vehicle rental may be utilized. Per County Policy, *employees are encouraged to utilize a county authorized rental car for travel of 75 miles or more.* As such, all travel with distances of 75 miles or more are encouraged to use a rental vehicle through the County’s special pricing with Enterprise.

Lancaster County Employee Travel Expense & Vehicle Rental Audit
Relevant Audit Notes *(continued)*
For the period January 1, 2020, through December 31, 2020

Note F – RENTAL CAR ANALYSIS *(continued)*

The Controller's Office identified 10 departments in which employees who claimed mileage reimbursement, traveled 75 miles or more during a single day. The Controller's Office recalculated the mileage reimbursement for the individual trips using the GSA rate. The calculated mileage reimbursement was compared to the daily rate of a compact vehicle rental from Enterprise, or \$33.99 daily rate during 2020.

For the period January 1, 2020, through December 31, 2020, the cost savings would have totaled \$18,448.60 between 52 employees that had individual daily travels of 75 miles or more, within the 10 departments.

The rental car analysis only captured cost savings over the sampled departments or offices with travel expenses greater than \$1,000.00. Per County policy, it is encouraged for employees to utilize a rental vehicle for trips where at least 75 miles or more of travel will be traveled in a single day.

**Note G – OBSERVATIONS, FINDINGS, RECOMMENDATIONS, AND
MANAGEMENT'S RESPONSES**

The Controller reported certain observations and findings along with respective recommendations for improvement as a result of the examination performed over the transactions regarding mileage, parking, tolls, overnight meal reimbursements and any related travel expenses. Department Heads and elected officials were provided the opportunity to respond to findings, observations, and recommendations applicable to their oversight. The sections detailing the observations, findings, results, recommendations, and responses follow this note.

Lancaster County Employee Travel Expense & Vehicle Rental Audit
Audit Findings and Observations
For the period January 1, 2020, through December 31, 2020

This section of the report presents the findings and observations that resulted from our audit examination. Subsequent to this section of the report, we provided detailed audit results and recommendations to correct and improve the described occurrences.

Finding 1 – Audit Mileage Calculation (differences of +/- 5 miles per trip)

Background:

Per County Policy section B-6, employees shall make “*every effort to use the lowest priced transportation available*”. As such, the Controller’s Office reviewed Travel Expense Forms to ensure that employees were claiming mileage accurately and the most cost-efficient routes were being selected. All routes were recalculated using Google Maps by the Controller’s Office and selecting routes with the shortest distance (i.e., lowest number of miles).

Description:

From the 20 tested departments/offices, the Controller’s Office identified with travel expenses above \$1,000.00, the Controller’s Office identified 18 departments that claimed mileage reimbursements, through Travel Expense Forms. The travel destinations claimed on the expense reports were recalculated using Google Maps and the Controller’s Office allowed differences of +/- 5 miles for each individual trip or line item listed on these reports, to adjust for any traffic detours, construction and/or closed roads and routes. It was identified that 16 of the 18 departments had employees that over-claimed mileage for individual trips by more than 5 miles, when compared to the recalculated mileage by the Controller’s Office. Although 5-mile differences are insignificant, when individual differences are compiled between all departments, a total overpayment of 6.79%, equivalent to \$11,266.86 was identified.

Finding #2 – One-Way (OW) and/or Round-Trip (RT) deductions were improperly claimed and/or not claimed

Background:

OW and RT mileage deductions are used to take into consideration the normal mileage of an employee’s commute between their home and their normal place of work/business. These deductions are made for trips when employees begin their travel from their house to the first traveled location.

Description:

The Controller’s Office identified that employees did not deduct their OW or RT mileage or deducted their mileage reimbursement incorrectly. This occurred because various employees began working from home due to the COVID pandemic. Due to this pandemic related change of their main/normal place of work or business, employees were informed when working from home and the first trip begins from their home, a OW mileage deduction should have been made, taking

Lancaster County Employee Travel Expense & Vehicle Rental Audit
Audit Findings and Observations (*continued*)
For the period January 1, 2020, through December 31, 2020

Finding #2 – One-Way (OW) and/or Round-Trip (RT) deductions were improperly claimed and/or not claimed (*continued*)

into consideration the employee's normal work commute, from their home to the office.

In addition, the Controller's Office identified 72 expense reports that had missing OW or RT miles recorded at the top of the Travel Expense Form. When mileage is missing from this section, the total amount of reimbursement will not deduct mileage appropriately for trips that have been recorded as OW or RT by the employee.

Finding #3 – Incomplete Travel Expense Forms

Background:

Per the County Policy section B-6, "*all items listed on the expense report should show date, exact business location address, city and state, and business purpose.*" The Travel Expense Forms were created to ensure that the employee documents all individual trips that were traveled, the total miles each trip took, the employee's home address to calculate the employee's OW/RT mileage deduction, signature lines for the employee, the supervisor and the Department's approval, and a *Notes* section to include any relevant notes by the employee (such as indicating days worked from home or relevant information to their travels).

Description:

The Controller's Office identified 326 Travel Expense Forms that were not dated by the employee before submitting to the Controller's Office for reimbursement; seven Travel Expense Forms with incomplete dates; 14 Travel Expense Forms listing unknown, missing, or unclear "FROM" and "TO" addresses the employee traveled to; seven Travel Expense Forms where the employee did not list their home addresses. As a result of missing, unknown, or unclear addresses and not listing the employees' address on expense forms, the Controller's Office is unable to recalculate mileage reimbursements and accurate OW and RT mileage deductions, which can lead to an overpayment.

Finding #4 –Travel Expense Forms Not Submitted Timely, per County Policy

Background:

Per the County Policy section B-6, "*Expense Reports shall be submitted no later than 60 days after the expense is incurred to be considered for reimbursement. [...] Business Expense reports submitted later than 60 days may result in that employee receiving disciplinary action. If the same employees continue to submit expense reports later than 60 days, the employee may incur additional disciplinary action and the County of Lancaster Controller may deny payment of expenses.*" Thus, the 60-day threshold begins with the first trip dated on the expense report and until the expense report is received or stamped by the Controller's Office.

Lancaster County Employee Travel Expense & Vehicle Rental Audit
Audit Findings and Observations (*continued*)
For the period January 1, 2020, through December 31, 2020

Finding #4 – Travel Expense Forms Not Submitted Timely, per County Policy (*continued*)

Description:

The Controller’s Office identified 182 Travel Expense Forms that were submitted past the 60-day submission deadline.

Finding #5 – Travel Expense Forms Submitted Without Approval

Background:

Per the County Policy section B-6, “An employee is required to complete and obtain supervisory approval for his Expense Reports. Department heads shall seek approval from the Board of Commissioners or designee. Court-appointed department heads shall seek approval from the President Judge. Elected officials need no approval; however, their deputies shall review and sign-off on the expense reports. It is the responsibility of each employee to understand and comply with the expense policy prior to submitting expenses for reimbursement. Any questions or guidance related to expense use or submissions should be directed to the employee’s supervisor, department head, Elected Official, or the Controller’s Office.”

Description:

The Controller’s Office identified three submitted Travel Expense Forms that did not have either a supervisor and/or Department Head sign off on the expense report. The Controller’s Office identified the employee still received reimbursement for their travel expenses.

Finding #6 – Backup and Supporting Documentation Not Provided

Background:

Per the County Policy section B-6, “A daily record of expenses is required. All items listed on the expense report should show date, exact business location address, city and state, and business purpose. Itemized receipts for expenses over \$10.00 must be provided for reimbursement to be considered for reimbursement. Expenses over \$10.00 submitted without itemized receipts will not be reimbursed. Receipts for expenses over \$10.00 must be taped to a letter-sized sheet of paper and submitted with the Expense Report to the Controller’s Office for processing. [...] Overnight stays will be limited to circumstances where travel distance from home is at least 75 miles and includes multiple days of official County business or for special requested circumstances when approved by the Board of Commissioners, President Judge, or their respective designee(s). An employee is expected to choose economical hotels and rooms. [...] Itemized receipts must substantiate lodging expenses. If a guaranteed reservation is made, and there is a change of plans, every reasonable effort should be made to cancel the reservation on a timely basis. [...] Reimbursement will be made for the actual cost of meals, including reasonable gratuities not to exceed twenty percent when away from home or headquarters overnight, or on official County.

**Lancaster County Employee Travel Expense & Vehicle Rental Audit
Audit Findings and Observations (continued)
For the period January 1, 2020, through December 31, 2020**

Finding #6 – Backup and Supporting Documentation Not Provided (continued)

business. Reimbursements, including gratuities shall not exceed the below rates:

Premium City Meal Expense (ex., NYC, DC, Philadelphia, Pittsburgh, Baltimore)	Standard City Meal Expense (ex., Lancaster County, Harrisburg, Reading, York)
Breakfast: \$15.00	Breakfast: \$10.00
Lunch: \$20.00	Lunch: \$15.00
Dinner: \$35.00	Dinner: \$25.00
Total: \$70.00	Total: \$50.00

The County requires all employees with overnight travel and/or expenses of \$500.00 or more to complete a Travel Form Approval.

Description:

As part of the Travel Expense Test, the Controller’s Office identified two employees with five overnight hotel expenses that did not include an appropriate Travel Form Approval. The Controller’s Office identified that these travel expenses were incurred through a PNC credit card (“P-Card”). Although the expenditures were below \$500.00, the hotel stays were overnight and required a Travel Form Approval, per County policy.

The Controller’s Office also identified that nine employees provided physically damaged or illegible itemized receipts for day trip meal reimbursement. The Controller’s Office was able to round to the nearest dollar amount to compare to the amounts claimed for reimbursement.

Finding #7 –County Vehicles Were Not Utilized

Background:

Per County Policy, “*Employees are encouraged to utilize a county authorized rental car for travel of 75 miles or more. Employee’s mileage is reimbursed at the GSA rate*” and the most cost-efficient options shall always be exercised by the employee. For all remaining trips (75 miles or less), the County indicates that “*every effort to use the lowest priced transportation available*”. If the department/office has a County-owned or County-leased vehicle, these vehicles should be utilized for business/work related travels. If the department/office has not been assigned a County vehicle or the County vehicle has a specific use, employees should utilize their own personal vehicles and may claim mileage reimbursement, following County policy.

Description:

The Controller’s Office identified that four out of the seven tested departments/offices in the Vehicle Test, had assigned County vehicles. Three of the departments/offices have specific usage for their County vehicle. Only one tested department had three County vehicles with no specific use and were made available for employee usage during 2020. The Controller’s Office obtained the full calendar schedule for the County vehicles during 2020 to identify their availability on the dates that rental vehicles were utilized. A total of 54 instances occurred where employees utilized a rental vehicle on dates where County vehicles were available and not in use. The cost of these

Lancaster County Employee Travel Expense & Vehicle Rental Audit
Audit Findings and Observations (*continued*)
For the period January 1, 2020, through December 31, 2020

Finding #7 –County vehicles Were Not Utilized (*continued*)

54 rental vehicles totaled \$2,289.63, which would have been a cost savings to the County if County vehicles were prioritized by the employees.

Finding #8 –Vehicle Rentals Utilized for Travel Below 75 miles

Background:

Per County Policy, “*Employees are encouraged to utilize a county authorized rental car for travel of 75 miles or more. Employee’s mileage is reimbursed at the GSA rate*” and the most cost-efficient options shall always be exercised by the employee. For all remaining trips (75 miles or less), the County indicates that “*every effort to use the lowest priced transportation available*”. If the department/office has a County-owned or County-leased vehicle, these vehicles should be utilized for business/work related travels. If the department/office has not been assigned a County vehicle or the County vehicle has a specific use, employees should utilize their own personal vehicles and may claim mileage reimbursement, following County policy.

Description:

The Controller’s Office reviewed all vehicle rentals and identified eight trips that were driven below 75 miles. The Controller’s Office recalculated the total mileage reimbursement for these trips if employees would have utilized their own personal vehicles. The cost savings to the County would have been \$193.32 if personal employee vehicles were utilized for trips below 75 miles.

Finding #9 –Vehicle Rentals Expense Incurred Additional Surcharges

Background:

The County has a partnership with Enterprise for vehicle rentals with special pricing for all County employees. All employees have access to the Enterprise rental website to reserve a rental vehicle for business travel, per County Policy and guidelines. Access to pricing and rental estimates can be calculated by employees prior to reserving a vehicle rental. The County is not assessed any sales tax for vehicle rentals.

Description:

The Controller’s Office obtained and inspected invoices for vehicle rentals and noted that several employees incurred additional surcharges. The Controller’s Office identified six vehicle rentals that were returned past the 24-hour rental period. Employees that return a vehicle rental past the 24-hour rental period are invoiced at the hourly rate of \$6.56 for each additional hour the rental vehicle is not returned. The Controller’s Office identified that the 6 rental vehicles were returned between 1 to 5 hours late, resulting in \$107.31 in additional hourly rate charges incurred.

On two occasions, an employee incurred concession and PTA fees, as well as Pennsylvania and vehicle rental tax. This was a result of picking up a vehicle rental directly from the Lancaster Airport. A total of \$24.15 additional fees and taxes were incurred on these two rentals.

Lancaster County Employee Travel Expense & Vehicle Rental Audit
Audit Findings and Observations (*continued*)
For the period January 1, 2020, through December 31, 2020

Finding #10 – Mathematical Errors When Calculating Travel Expenses

Background:

Employees can claim meal reimbursements for meal expenses incurred on trip(s) traveled during the period of one day. These reimbursements are made through Payroll and the employee must complete a *Request for Day-Trip Meal Reimbursement Through Payroll* form along with support or itemized receipt for meals claimed for reimbursement.

Description:

The Controller's Office identified a mathematical error on a *Request for Day-Trip Meal Reimbursement Through Payroll* form. One employee claimed meal reimbursement for \$85.53, for three-day trips, between August 24 through August 26. The Controller's Office obtained itemized receipts for all meals claimed and recalculated a total of \$82.53, or a \$3.00 difference. The error was immaterial, and the Controller's Office determined no further action will be pursued.

**Lancaster County Employee Travel Expense & Vehicle Rental Audit
Results, by Department/Office
For the period January 1, 2020, through December 31, 2020**

This section of the report represents the results derived from our testing examination. Please refer to **Note D** of the audit report for more detail on the audit procedures. Following the results for each tested department/office, we present audit recommendations.

A1111 Commissioner's

As part of the Vehicle Rental Audit, the Controller's Office performed a Vehicle Test over a sample of one employee, with a total expense amount of \$74 for the year 2020. The travel expense was incurred for a rental vehicle driven for a total of 244 miles.

The Controller's Office identifies that the vehicle rental expense of the Commissioner's Office during the year ending 12/31/2020 was made in accordance with County Policy and cost efficient by using the most economical option to reduce travel costs.

A1112 Purchasing

As part of the Vehicle Rental Audit, the Controller's Office performed a Vehicle Test over a sample of one employee, with a total expense amount of \$48.89 for the year 2020. The travel expense was incurred for a rental vehicle driven for a total of 304 miles. The Controller's Office identified that the vehicle rental expense of the Purchasing Department during the year ending 12/31/2020 was made in accordance with County Policy and cost efficient.

A1212 Property Assessment

As part of the Travel Expense Audit, the Controller's Office performed a Travel Expense Test over a sample of four employees, with a total of 85 Travel Expense Forms, with a total travel expense reimbursement of \$12,908.57. On three Travel Expense Forms, an employee did not date their expense report before submitting for reimbursement. Based on the parameters set forth by the Controller's Office to identify outliers, an employee was identified with a mileage reimbursement discrepancy of 16.15% which is equivalent to an overpayment of \$480.19. Additionally, employees travel to multiple properties throughout the County on any given day. Daily routes are initially mapped out via a software/map book that break down the parcels to be visited by the employees. Mileage is only recorded by documenting their odometer reading at the beginning of the day and at the end of the day. Because employees do not record mileage for each individual trip driven and the trips are not recorded in chronological order, it is difficult to identify if the shortest distance routes were selected for each trip or if parcels were visited multiple times during the day causing a significant mileage difference, when recalculated.

Additionally, employees of Property Assessment are field appraisers and are not required to appear at the 150 N Queen Street Offices and instead use their home as their principal work-office. Per the Director of Property Assessment, anytime an employee arrives to the 150 N Queen Street location, a OW mileage deduction needs to be claimed. When an employee starts and ends his day at 150 N. Queen Street location, no mileage deduction needs to be made for the day.

Lancaster County Employee Travel Expense & Vehicle Rental Audit
Results, by Department/Office (*continued*)
For the period January 1, 2020, through December 31, 2020

A1212 Property Assessment (*continued*)

For the year 1/1/2020 through 12/31/2020, the Controller's Office identified an outlier. The department, compiled of the sampled four employees, had a recalculated significant mileage difference of 11.08% (above the 10% outlier benchmark), which is equivalent to an overpayment of \$1,409.45 from a total reimbursement of \$12,908.57 for the entire Department. This was a result of several factors including: accumulated insignificant differences between the recalculated miles and the number of miles claimed by the employee; undeterminable routes driven by the employee; and incorrectly claiming mileage deductions or not claiming mileage deductions.

A1220 Voter Registration

As part of the Travel Expense Audit, the Controller's Office performed a Travel Expense Test over a sample of three employees, with a total expense amount of \$2,432.67. Based on the parameters set forth by the Controller's Office to identify outliers, two employees were identified with mileage reimbursement discrepancies above 15%. The first employee was identified with a mileage reimbursement difference of 82.26% which is equivalent to an overpayment of \$829.61. The second employee was identified with a mileage reimbursement of 78.56% which is equivalent to an overpayment of \$669.01.

Additionally, the Controller's Office identified two Travel Expense Forms that were submitted past the 60-day period to claim and receive a reimbursement; four travel reports with missing, unknown, or unclear addresses of trips traveled on the line items "FROM" and "TO". Specific locations traveled by the employee were marked with general statements such as "various locations", "drive to and from Ryder", or "deliver to 80 county precincts". This was determined unacceptable for reimbursement and made it impossible to recalculate mileage without back-up or support to verify travel resulted in the significant mileage difference. Two expense reports were submitted incompletely without being dated by the employee.

The Controller's Office notes that Voter Registration employees are seasonal and hold temporary employment during voting-season or when maintenance of voting equipment is necessary. The Controller's Office also notes that the department head is new to this position and was not the Director of the Department during the audited year.

For the year 1/1/2020 through 12/31/2020, the Controller's Office identified an outlier. The department had a recalculated significant mileage difference of 63.08% (above the 10% outlier benchmark), which is equivalent to an overpayment of \$1,525.49, from a total reimbursement of \$2,432.67 for the entire department. This was a result of failure to submit completed Travel Expense Forms with the exact locations and the exact order in which trips were taken.

A1800 Parks and Recreation

As part of the Travel Expense Audit, the Controller's Office performed a Travel Expense Test over a sample of one employee, with a total expense amount of \$793.26. For the year 1/1/2020

**Lancaster County Employee Travel Expense & Vehicle Rental Audit
Results, by Department/Office (continued)
For the period January 1, 2020, through December 31, 2020**

A1800 Parks and Recreation (continued)

through 12/31/2020, the Controller's Office recalculated an insignificant mileage overpayment of 8.03% which is equivalent to an overpayment of \$63.70 from a total reimbursement of \$793.26 for the entire department. No significant differences, inaccuracies or outliers were identified in the employee Travel Expense Forms of the Parks and Recreation Department. However, the Controller's Office identified five expense reports were submitted past the 60-day period to claim and receive a reimbursement and one expense report that was submitted without a date.

A2311 Public Defender

As part of the Travel Expense Audit, the Controller's Office performed a Travel Expense Test over a sample of three employees, with a total expense amount of \$1,741.33. The Controller's Office identified one Travel Expense Form was not dated prior to submitting to the Controller's Office for reimbursement. Employees also did not select routes with the shortest distance in miles, per Google Maps, resulting in an insignificant mileage difference of 8.15% which is equivalent to an overpayment of \$107.62 from a total reimbursement of \$1,741.33 for the entire office.

A2400 Emergency Management

As part of the Travel Expense Audit, the Controller's Office performed a Travel Expense Test over a sample of two employees, with a total expense amount of \$1,906.40 for the year 2020. The Controller's Office identified an expense report was submitted without being dated.

For the year 1/1/2020 through 12/31/2020, the Controller's Office noted no significant differences, inaccuracies or outliers in the employee travel expenses incurred by the employees of the Emergency Management Department.

A2413 Communications/LCWC

As part of the Travel Expense Audit, the Controller's Office performed a Travel Expense Test over a sample of one employee, with a total expense amount of \$120.75. Based on the parameters set forth by the Controller's Office to identify outliers, one employee was identified with a mileage reimbursement difference of 19.29% or an overpayment of \$23.29 from a total mileage reimbursement of \$120.75. This was a result of the employee not selecting routes with the shortest distance, in miles. Individual trips recorded in the Travel Expense Forms were identified to have mileage differences of five miles or more, between the claimed mileage by the employee and calculated mileage by Google Maps.

As noted in the Audit Findings and Observations section of this report, the Controller's Office identified that nine employees of the Communications department provided physically damaged or illegible itemized receipts for day trip meal reimbursement, incurred during EMD (Emergency Medical Dispatch Classes). The Controller's Office was able to round to the nearest dollar amount to compare to the amounts claimed for reimbursement.

Lancaster County Employee Travel Expense & Vehicle Rental Audit
Results, by Department/Office (*continued*)
For the period January 1, 2020, through December 31, 2020

A2600 Planning

As part of the Travel Expense Audit, the Controller's Office performed a Travel Expense Test over a sample of three employees, with a total expense amount of \$1,997.79, compiled from a total of 21 submitted travel reports. Although no outliers were identified, one employee had a negative difference between their Travel Expense Form and the recalculated mileage, which resulted in a difference of (3.05%), equivalent to an underpayment of \$22.97. Additionally, three expense reports were submitted past the 60-day period to claim a reimbursement and 10 expense reports were missing dates.

The Controller's Office noted that employees did not select routes with the shortest distance, in miles. Various trips in each of the employees tested in this department had mileage differences of five miles or more, between the claimed mileage by the employee and calculated mileage by Google Maps. The Controller's Office allowed a mileage difference of +/- 5 miles, to adjust for traffic detours, construction and/or closed roads and routes.

As a result of not selecting routes with the shortest distance in miles, for the year 1/1/2020 through 12/31/2020, an insignificant mileage difference of 4.08% exists, which is equivalent to an overpayment of \$80.39 from a total reimbursement of \$1,997.79 for the entire department.

A2800 Information Technology

As part of the Vehicle Rental Audit, the Controller's Office performed a Vehicle Test over a sample of one employee, with a total expense amount of \$200.30 for the year 2020. The travel expense was incurred for a rental vehicle driven for a total of 908 miles.

The Controller's Office identifies that the vehicle rental expense of the Information Technology Department during the year ending 12/31/2020 was made in accordance with County Policy and cost efficient by using the most economical option to reduce travel costs.

B1111 Court Administration

As part of the Travel Expense Audit, the Controller's Office performed a Travel Expense Test over a sample of two employees, with a total expense amount of \$813.69. The Controller's Office identified an expense report was submitted past the 60-day period to claim and receive a reimbursement.

B1120 APPS – Supervision

As part of the Travel Expense Audit, the Controller's Office performed a Travel Expense Test over a sample of two employees, with a total expense amount of \$724.14. The Controller's Office identified three expense reports were submitted past the 60-day period to claim and receive a reimbursement.

As a result of not selecting routes with the shortest distance in miles, per Google Maps, an

Lancaster County Employee Travel Expense & Vehicle Rental Audit
Results, by Department/Office (*continued*)
For the period January 1, 2020, through December 31, 2020

B1120 APPS – Supervision (*continued*)

insignificant mileage difference of 2.25% exists, which is equivalent to an overpayment of \$16.36 from a total reimbursement of \$724.14 for the entire department.

B1121 Juvenile Probation and Parole

As part of the Vehicle Rental Audit, the Controller's Office performed a Vehicle Test over a sample of 32 expense entries, with a total sum of \$1,730.95 for the year 2020. The Controller's Office identified that the department has two County leased vehicles which have primary use by the courthouse and probation officers. These vehicles are utilized frequently and there is always short notice before a County vehicle will be utilized. The Controller's Office identified an employee obtained a vehicle rental from the Lancaster County Airport, on two occasions, incurred taxes (the County is exempt from sales tax) and fees. Additionally, three employees returned a rental vehicle past the 24-hour rental period, and incurred hourly charges totaling \$94.19, on five different occasions. The rental vehicles were returned between one and five hours late.

As part of the Travel Expense Audit, the Controller's Office performed a Travel Expense Test over a sample of three employees, with a total expense amount of \$2,041.42.

For the year 1/1/2020 through 12/31/2020, the Controller's Office recalculated an insignificant mileage overpayment of 0.14% which is equivalent to \$2.93 from a total reimbursement of \$2,041.42 for the entire department.

B1300 District Attorney

As part of the Travel Expense Audit, the Controller's Office performed a Travel Expense Test over a sample of four employees, with a total expense amount of \$3,496.22. The Controller's Office identified 17 travel reports that were submitted past the 60-day period to claim and receive a reimbursement and seven expense reports were not dated.

The Controller's Office also identified inaccurate reimbursements to employees for a number of reasons, which include: seven expense reports with missing home addresses; three expense reports that did not disclose the employee's OW or RT miles, based on their daily travel to and from their home to the normal work-office; and improperly claiming mileage deductions or not claiming the mileage deductions appropriately, which is a result of employees working from home due to the pandemic. These factors play a role in travel reimbursements claimed by the employee.

As a result of not selecting routes with the shortest distance in miles, for the year 1/1/2020 through 12/31/2020, an insignificant mileage overpayment of 4.92%, which is equivalent to an overpayment of \$171.26 from a total mileage reimbursement of \$3,496.22 for the entire office.

Lancaster County Employee Travel Expense & Vehicle Rental Audit
Results, by Department/Office (*continued*)
For the period January 1, 2020, through December 31, 2020

B1600 – Magisterial District Courts

As part of the Travel Expense Audit, the Controller’s Office performed a Travel Expense Test over a sample of three employees, with a total expense amount of \$2,037.81. The Controller’s Office identified all 37 expense reports submitted for reimbursement were not dated and the employees did not disclose their OW or RT miles, based on their daily travel to and from their home to the normal work-office, resulting in an overpayment of mileage reimbursement.

The Controller’s Office identified that one of the three tested employees of the department, had a negative difference between the mileage claimed on the Travel Expense Forms and the Controller’s Office recalculated mileage. A (6.72%) difference was recalculated, which is equivalent to an underpayment of \$54.89 for this one individual employee.

However, during the year 1/1/2020 through 12/31/2020, the Controller's Office recalculated an insignificant net mileage underpayment of 2.38%, which is equivalent to a net total \$47.73, between the three tested employees, from a total reimbursement \$2,037.81.

B1711 – Sheriff

As part of the Travel Expense Audit, the Controller’s Office performed a Travel Expense Test over a sample of 23 expense entries, totaling \$6,125.42, and two employees with travel reimbursements, totaling \$3,691.83, with a total sum of \$9,817.25 for the year 2020. Two travel reports were submitted past the 60-day period to claim and receive a reimbursement. In addition, they did not select routes with the shortest distance in miles, per Google Maps. Although, employees recorded their home address, neither expense report indicated their OW or RT total miles at the top of Travel Expense Form nor did they indicate whether trips were OW or RT. The Controller’s Office recalculated the employees’ OW and RT miles, using their home addresses and adjusting their trips claimed with OW and RT deductions, resulting in a total mileage overpayment of 717 miles or \$412.28.

Two employees with five overnight hotel expenses did not include a Travel Approval Form for the hotel stays on February 16th through February 19th; May 30th through May 31st; and August 18th through August 20th. This approval form is required for all overnight stays or expenses above \$500.00, per County Policy. Alternative support, such as copies of completion certificates for trainings, was obtained to verify employees were attending training or educational seminars on the same days as travel expenses were incurred. An insignificant mathematical error was identified when paying out a Day Trip Meal Reimbursement claimed through Payroll. An employee received an overpayment of \$3.00.

For the year 1/1/2020 through 12/31/2020, the Controller's Office identified a significant difference or inaccuracy in the Travel Expense Forms. The Controller’s Office recalculated a significant overpayment of 10.58% (slightly above the 10% outlier benchmark, for the entire department), which is equivalent to an overpayment of \$412.28, from a total reimbursement of \$3,691.83 for the entire office.

**Lancaster County Employee Travel Expense & Vehicle Rental Audit
Results, by Department/Office (*continued*)
For the period January 1, 2020, through December 31, 2020**

C1200 Prison

As part of the Travel Expense Audit, the Controller's Office performed a Travel Expense Test over a sample of 6 expense entries, with a total expense amount of \$2,497.58 for the year 2020.

For the year 1/1/2020 through 12/31/2020, the Controller's Office noted no outliers for the travel expenses incurred and the appropriate back-up and support was obtained to vouch all expenses incurred by the employees of the Prison.

D1400 Children and Youth Agency

As part of the Vehicle Rental Audit, the Controller's Office performed a Vehicle Rental Test over a sample of 62 rental vehicle expense entries, with a total expense amount of \$2,774.61 for the year 2020. The Controller's Office noted in the Audit Findings and Observations section of this report that the Children and Youth Agency had three County vehicles during 2020 with no primary use and were made available to employees. The Controller's Office obtained the full calendar schedule for the County vehicles during 2020 to identify their availability on the dates that rental vehicles were utilized.

A total of 54 instances occurred where employees utilized a rental vehicle on dates where County vehicles were available and not in use. The cost of these 54 rental vehicles totaled \$2,289.63, which would have been a cost savings to the County if County vehicles were prioritized by the employees. Additionally, it was identified that on five occasions, a vehicle rental was utilized by employees for trips below 75 miles, which is not a cost-efficient option for travel. The usage of County vehicles is the most cost-efficient option to the County. The second cost efficient option, when County vehicles are not available, is for employees to use a personal vehicle and claim mileage reimbursement for travel below 75 miles. As such, the cost advantage of using an employee's personal vehicle rather than a vehicle rental for the five trips driven below 75 miles, was \$136.85.

As part of the Travel Expense Audit, the Controller's Office performed a Travel Expense Test over a sample of 20 employees with a total expense amount of \$85,419.48. The Controller's Office identified 54 Travel Expense Forms were submitted past the 60-day period to claim and receive a reimbursement, 208 travel reports were not dated by the employee, 20 expense reports did not indicate their OW or RT miles at the top of Travel Expense Form, and one expense report had unidentifiable addresses listed on the "From" and "To" line items of the expense report. Employees failed to claim or claimed mileage deductions inappropriately as a result of telecommuting or working from home, due to the pandemic. The Controller's Office also identified employees beginning their day at home, traveling to client/job related sites, and stopping by the office during the day, without indicating a mobile-day or office day. This made it difficult to ensure the appropriate mileage deductions were being taken. The Controller's Office also noted that employees did not select routes with the shortest distance, in miles, per Google Maps resulting in mileage overpayment of 4.92%, which is equivalent to an overpayment \$4,116.09.

**Lancaster County Employee Travel Expense & Vehicle Rental Audit
Results, by Department/Office (*continued*)
For the period January 1, 2020, through December 31, 2020**

D1600 Office of Aging

As part of the Travel Expense Audit, the Controller's Office performed a Travel Expense Test over a sample of six County employees with a total expense amount of \$11,429.11, between a total of 69 expense reports. The Controller's Office identified 58 individual trips where employees did not select routes with the shortest distance, in miles, per Google Maps and had mileage differences of five miles or more.

Based on the parameters set forth by the Controller's Office to identify outliers, one employee was identified with a mileage reimbursement difference of 18.85% which is equivalent to an overpayment of \$535.50. The Controller's Office also identified an employee with a negative mileage reimbursement of 2.31% which is equivalent to an underpayment of \$26.48 and another employee with a mileage overpayment of 18.85%, equivalent to an overpayment of \$535.50.

The Controller's Office identified eight expense reports were submitted past the 60-day period to claim and receive a reimbursement, six expense reports that were not dated, and three expense reports that were submitted without an approval signature from a supervisor or head of the department.

D1700 Drug and Alcohol

As part of the Travel Expense Audit, the Controller's Office performed a Travel Expense Test over a sample of one employee with two expense reports totaling an expense amount of \$1,085.25. The Controller's Office identified one of the two expense reports was submitted past the 60-day period to claim and receive a reimbursement.

A \$58.82 expense was inappropriately incurred to the travel expense account. The expense was incurred on 5/22/2020 for ink toner, used by the employee, when working from home. Although the expense is allowable, it must be coded to the correct and appropriate expense account. Additionally, the Controller's Office identified a \$20 expense without any support or explanation, as to the nature of the expense, listed under the "Other" expenses section of the travel report. As such, the employee failed to comply with County Policy, *"receipts for expenses over \$10.00 must be taped to a letter-sized sheet of paper and submitted with the Expense Report to the Controller's Office for processing."*

D1800 Mental Health

As part of the Vehicle Rental Audit, the Controller's Office performed a Vehicle Test over a sample of 16 rental vehicle expense entries, with a total expense amount of \$907.65 for the year 2020. The Controller's Office identified one instance where a vehicle rental was utilized by an employee for a trip below 75 miles. The cost advantage for using a personal vehicle rather than a rental vehicle for this trip was \$24.48.

As part of the Travel Expense Audit, the Controller's Office performed a Travel Expense Test over a sample of 12 employees with a total expense amount of \$26,132.26 between 95 Travel

**Lancaster County Employee Travel Expense & Vehicle Rental Audit
Results, by Department/Office (*continued*)
For the period January 1, 2020, through December 31, 2020**

D1800 Mental Health (*continued*)

Expense Forms. The Controller's Office identified four expense reports with missing, unknown, or unclear "FROM" and "TO" addresses, four expense reports where employees did not disclose the employee's OW or RT miles, 16 expense reports that were not dated, and 53 expense reports that were submitted past the 60-day period to claim and receive a reimbursement.

Between March and June of 2020, employees were working from home several days of the week. The Controller's Office noted that employees have multiple office locations, which include 750 Eden Rd, 1000 New Holland Ave, and the office spaces at 275 Hess Blvd locations. Office locations and commutes were not specified or noted on the individual Travel Expense Forms, leading to improperly claiming mileage deductions or not claiming the mileage deductions at all. This resulted in inaccuracies when recalculating mileage reimbursements by the Controller's Office. Employees also did not select routes with the shortest distance routes, in miles, per Google Maps. As a result, the Controller's Office recalculated an insignificant mileage overpayment of 6.13% which is equivalent to \$1,592.00 from a total reimbursement of \$26,132.26 for the entire department.

D1900 Intellectual Disabilities

As part of the Vehicle Rental Audit, the Controller's Office performed a Vehicle Test over a sample of four rental vehicle expense entries, with a total expense amount of \$190.05 for the year 2020. The Controller's Office identified two instances where a vehicle rental was utilized by an employee for trips below 75 miles. The cost advantage for using a personal vehicle rather than a rental vehicle for these trips was \$31.99.

As part of the Travel Expense Audit, the Controller's Office performed a Travel Expense Test over a sample of eight employees with a total expense amount of \$8,282.81. The Controller's Office identified 15 expense reports that were submitted past the 60-day period to claim and receive a reimbursement, six expense reports where employees did not disclose the employee's OW or RT miles, six expense reports were not dated and five expense reports with incomplete dates.

The Controller's Office identified employees improperly completed Travel Expense Forms and claimed mileage deductions incorrectly. Additionally, employees were partially allowed to work from home during the week. On these occasions, employees are expected to claim mileage deductions and the Controller's Office identified instances where mileage deductions were not made. Routes with the shortest distance in miles, per Google Maps, were not claimed by the employee for their claimed trips. As a result, an insignificant mileage difference of 6.63%, which is equivalent to an overpayment of \$558.23 from a total reimbursement of \$8,282.81, was made for the entire department.

Lancaster County Employee Travel Expense & Vehicle Rental Audit
Results, by Department/Office (*continued*)
For the period January 1, 2020, through December 31, 2020

D2100 Early Intervention

As part of the Travel Expense Audit, the Controller's Office performed a Travel Expense Test over a sample of six employees with a total expense amount of \$3,222.84. It was identified that 14 expense reports were submitted past the 60-day period to claim and receive a reimbursement, one expense report was not dated, and two expense reports had incomplete dates. As a result of not selecting routes with the shortest distance in miles, per Google Maps, an insignificant mileage difference of 5.81% which is equivalent to an overpayment of \$187.14 from a total reimbursement of \$3,222.84 for the entire department.

Lancaster County Employee Travel Expense & Vehicle Rental Audit
Audit Recommendations
For the period January 1, 2020, through December 31, 2020

In the preceding sections of this report, we listed findings and observations and results from our audit examination. This section of the report represents the recommendations we have provided to correct and improve best practice for occurrences listed in the Audit Findings and Observations and to help the County produce more efficient travel arrangements and reimbursements, as well as complying with County Policy. Following the audit recommendations, we present the Audit Summary of Facts.

1. Supervisors are urged to ensure employees are filling out Travel Expense Forms correctly and compliant to County Policy. This includes the following:
 - a. Employees are to submit their Travel Expense Forms no later than 60 days past the first trip claimed on their Travel Expense Form.
 - b. The mileage claimed for each individual trip should be reviewed by the employee to ensure that the routes with the shortest distance are being recorded in the Travel Expense Forms.
 - c. Employee needs to sign off and date the Travel Expense Form as of the date it is submitted to their supervisors.
 - d. Supervisors should review that mileage is accurate and the shortest distance trips, per Google Maps, are being claimed.
 - e. Once reviewed, supervisors are required to sign off and date the reports as evidence of their approval and compliance to County Policy.
2. Employees should record all properties visited in the same order they were visited from beginning of the day to the end of the day. This will ensure that the mileage claimed is accurate with the trips that were taken for the day.
3. Guidelines for One-Way (OW) and Round-Trip (RT) deductions should be reviewed with all employees to ensure that proper deductions are taken as required by County policy. This will allow the County to reimburse each employee accurately, which may result in additional reimbursement to employees or proper reimbursements to employees going forward.
4. Employees are urged to ensure Travel Expense Forms are completely and accurately filled out before submittal. Employees are to detail which days were worked from home or at the office. If employee worked at the office, the employee is to specify which office location the employee was working from. This greatly affects the OW/RT deductions to be made on mileage reimbursements resulting in an over/under-payment of mileage to the employee.
5. Supervisors need to review and obtain support for expenses claimed in the Travel Expense Forms to ensure that expenses are appropriate, exist and are compliant with County Policy.

Lancaster County Employee Travel Expense & Vehicle Rental Audit
Audit Recommendations (*continued*)
For the period January 1, 2020, through December 31, 2020

6. The Controller's Office identifies the order of prioritization for vehicle rental/usage, below:
 - a. County owned/leased vehicles should be prioritized over any other type of transportation, if available.
 - b. For trips below 75 miles and a County vehicle is unavailable, an employee's personal vehicle should be used to claim mileage reimbursement for their trip.
 - c. If trips are above 75 miles, the employee is expected use the most cost-efficient rental vehicle available to them using the County-Employee discounted rates, through Enterprise.

7. Employees need to calculate/estimate the number of miles before obtaining a vehicle rental. If the expecting trip is below 75 miles, the Controller's Office suggests that employee personal vehicles should be used, and mileage reimbursement should be claimed.

8. All late returns or events that will lead to additional charges should be reported to the department head or elected official for approval and noted on the Travel Expense Form.

Lancaster County Employee Travel Expense & Vehicle Rental Audit Report
Audit Summary of Facts
For the period January 1, 2020, through December 31, 2020

After testing the selected samples for the Travel Expense Audit and the Vehicle Rental Audit for the calendar year 2020 and analyzing audit results, the Controller's Office identified areas of improvement in key controls throughout the process of recording, submitting, and approving travel expenses.

Each department must implement and prioritize the use of County owned/leased vehicles before utilizing rental vehicles. Although County Policy "encourages" employees to utilize a County authorized rental car, the Policy also states that "*every effort should be made to use the lowest priced transportation available.*" In the beginning of 2020, the Controller's Office identified at least 200 vehicles that were either owned or leased by the County. Although, some of these vehicles may have a specific use or function and may not be readily accessible to all employees, the Controller's Office encourages each Department Head and/or supervisor to review all vehicles available to their respective department and create a scheduling system that requires employees to "book" a vehicle for specific days when necessary for travel and commute below 75 miles. Scheduling for commutes, below 75 miles, ahead of time is the most cost-efficient option for the County. For all travel above 75 miles, a vehicle rental is allowed, per County Policy using the Enterprise special pricing for County employees.

The Controller's Office identified that departments have different guidelines/rules on how employees complete and submit Travel Expense Forms. The Controller's Office found inconsistencies in Travel Expense Forms when it came to OW (one-way) and RT (round-trip) mileage deductions. The COVID pandemic influenced changes to employee travel as mandates forced employees to work from home /mobile /telecommute, as of March 2020, causing inconsistencies and errors when claiming mileage deductions. As a result, OW and RT deductions were inappropriately claimed or not claimed at all when it was required. The Controller's Office also found instances where employees claimed more mileage deduction than what was required. Claiming excessive deductions will directly reduce the total number of miles an employee may be reimbursed for. During the audit, the Controller's Office identified a total underpayment of \$143.79 throughout the entire tested County departments and offices, all directly from employees claiming excessive mileage deductions, reducing the number of miles claimed and reimbursed.

Department Head and/or supervisors are urged to remind employees to review their trips claimed on their Travel Expense Forms through Google Maps before submitting for reimbursements. Employees should be selecting routes with the shortest distance, in miles rather than the fastest route for their commute. Throughout the year ending 2020, the Controller's Office recalculated a total of 19,596 overpaid miles, which is equivalent to a total of \$11,266.86 of County funds overpaid, throughout the tested County Departments, if shortest distance routes were to be claimed on Travel Expense Forms. The Controller's Office strongly urges that all departments utilize Google Maps to accurately report mileage on the Travel Expense Forms.

The Controller's Office also urges all County supervisors to ensure that all Travel Expenses Reports are signed and dated by the employee before submitting for approval. The Controller's Office found 831 total Travel Expense Forms that had missing signatures or missing dates of

Lancaster County Employee Travel Expense & Vehicle Rental Audit Report
Audit Summary of Facts (continued)
For the period January 1, 2020, through December 31, 2020

submission, which made it difficult for the Controller's Office to verify if the Travel Expense Forms were submitted in a timely manner and according to County Policy. The Controller's Office notes, that although the 2020 Travel Expense Form does not specify whether to record the date of when the report is submitted or the date when an expense report was created, it is recommended that the date of submission is recorded along with the employee's signature. The Controller's Office reviewed and made necessary changes to the current Travel Expense Form and notified County employees and their supervisors of such changes, prior to the completion of the audit.

For all travel that requires hotel stays and flight purchases, employees are required to complete an approval form indicating the date(s), destination, estimated price, and purpose of the travel. The Controller's Office identified instances where insufficient evidence or back-up was obtained to support hotels and flights. This caused additional investigation to ensure that County funds were not being exhausted for personal use or expenses not reimbursable per County Policy. Additionally, the Controller's Office asks that employees take an additional step when claiming meal reimbursements and documenting the employee's circumstance(s) for an allowable expense (*i.e., employee traveled to a training seminar for 2 days, employee arrived home past 7pm, etc.*)

Although the County did not find any instances where personal expenses were reimbursed, the Controller's Office had a difficult time verifying that all dates claimed for mileage reimbursement were existent and true in nature of work. For some departments, Outlook Calendars were obtained and for most of the departments, the Controller's Office obtained **Absence Logs**, through HRMS PeopleSoft, to vouch that no travel was being claimed on the same day of an employee's vacation, sick or paid time off days. However, the Controller's Office could not verify that 100% of all trips were existent and the risk for falsely claiming a travel date or trip remained. To mitigate this risk, the Controller's Office suggests that each department create (1) a system of review and (2) a log/calendar/schedule that identifies the days the employee is required to travel and where the employee needs to travel to, without violating HIPAA codes.

Lancaster County Employee Travel Expense & Vehicle Rental Audit Report
Controller's Office Summary
For the period January 1, 2020, through December 31, 2020

The Controller's Office commends each department and office for their dedicated approach and the time devoted to continuing to make proactive changes to ensure findings identified in this Audit Report do not occur in the future. Primarily, the use of Google Maps is highly encouraged as a benchmark for identifying routes with the shortest distance, in miles, when submitting travel expenses for reimbursement. The Controller's Office will periodically update the instructions, as needed, to ensure Travel Expense Forms are being completed appropriately. Updates to the Travel Expense Form will be made to ensure employees sign and date when reports are submitted. We encourage County employees to use the *NOTES* section of the Travel Expense Forms to document relevant notes regarding the travels claimed (such notes may include dates when employees worked from home, unusual traveling activity that may lead to additional mileage claimed, etc.).

Based on County Policy and our cost efficiency analysis, the Controller's Office identified the method of travel an employee is recommended to use for business travel. County vehicles, if available for use by the department or office are the recommended means for all travel. If a County vehicle is not available and travel is below 75 miles, the employee is encouraged to utilize their personal vehicle and claim mileage reimbursement through a Travel Expense Form. If a County vehicle is not available and travel is above 75 miles, the employee is encouraged to utilize a rental vehicle, through the County's partnership with Enterprise. Any travel requiring a larger rental sized vehicle, will require advance notification to the employee's supervisor, department head and/or elected official.

Several offices and departments have already begun to implement changes to their internal procedures as a result of the findings. We believe when these recommendations are implemented the travel expenses and vehicle rental usage will better align with County Policy.

Lancaster County Employee Travel Expense & Vehicle Rental Audit Report
Exhibit A – Audit Memo
For the period January 1, 2020 through December 31, 2020

County of Lancaster

Office of the Controller

Memorandum

To: All Department Heads and Elected Officials
From: Brian Hurter, Controller
CC: Lisa Colón, Accounting/Auditing Assistant Manager
Date: June 4, 2021
Subject: Mileage/Parking/Tolls/Food (Travel Expenses) Audit

My office will again be conducting an in-depth audit of all County travel and mileage reimbursements in the upcoming weeks. The audit will also include parking, tolls, and food reimbursements.

The objective of our audit is to ensure travel and mileage reimbursements were made in accordance with County policy. We will also determine whether personal vehicle miles traveled for official County business and travel reimbursements indicate inefficient/uneconomical driving habits and fraud or abuse. We will be reviewing the number, types, and approved drivers of County owned/leased vehicles currently placed into service to determine ways to reduce travel costs, as well as individual travel reimbursements.

Currently, the County has an agreement in place with Enterprise Rental where County employees have the option to use a rental vehicle versus a personal vehicle for business trips as a way for cost savings. We will be evaluating if this process has been cost effective and if there are additional areas of cost savings that have not been utilized by County employees. This may include inquiring with elected officials, department heads, or employees about specific travel when a rental car has been utilized. Our procedures will include compiling the number of employees who are reimbursed in your department and the amount of reimbursement per individual.

Additionally, we will be selecting a sample of current employees from each department who have received reimbursements during the January 1, 2020 – December 31, 2020, time period. Once our sample is compiled and preliminary procedures have been conducted, a member of my staff will be contacting you to receive a copy of the work schedule for the selected employees. Throughout the audit process various questions may arise which will require us to reach out to you or your staff for further clarification. At the conclusion of our audit, we will issue a report with our findings and meet with elected officials or department heads, as necessary, to communicate any findings or changes related to the travel expense form.

For reference, a copy of the prior travel expenses audit report is available on the County's website under the Controller's Office. If you have any questions regarding this memo, please let us know.

Lancaster County Employee Travel Expense & Vehicle Rental Audit Report
Exhibit B – Summary of Milage Reimbursement
For the period January 1, 2020, through December 31, 2020

Summary of Mileage Reimbursement, per County Department

	TOTAL MILES REIMBURSED	Overpaid Miles/ (Underpaid Miles)	Amount Overpaid/ (Underpaid) - \$\$	Miles Overpaid/ (Underpaid) - %
A1212 (Tax Assessment)	22,118	2,450.7	\$ 1,409.45	11.08%
A1220 (Voter Registration)	4,206	2,653.0	\$ 1,525.49	63.08%
A1800 (Parks)	1,379	110.8	\$ 63.70	8.03%
A2311 (Public Defender)	2,293	186.8	\$ 107.62	8.15%
A2413 (Communications)	210	40.5	\$ 23.29	19.29%
A2600 (Planning)	3,426	139.7	\$ 80.39	4.08%
B1111 (Court Administration)	1,415	73.4	\$ 42.21	5.19%
B1120 (APPS- Supervision Serv.)	1,258	28.3	\$ 16.36	2.25%
B1121 (Probation & Parole- Juv.)	3,690	(5.0)	\$ (2.93)	-0.14%
B1300 (District Attorney's Office)	6,043	297.5	\$ 171.26	4.92%
B1600 (Magisterial District Courts)	3,482	(82.8)	\$ (47.73)	-2.38%
B1711 (Sheriff's Office)	6,774	717.0	\$ 412.28	10.58%
D1400 (Children & Youth)	146,637	7,215.4	\$ 4,116.09	4.92%
D1600 (Office of Aging)	19,525	1,720.6	\$ 989.73	8.81%
D1700 (Drug & Alcohol)	1,745	38.7	\$ 22.33	2.22%
D1800 (Mental Health)	44,602	2,735.6	\$ 1,592.00	6.13%
D1900 (Intellectual Disabilities)	14,357	951.9	\$ 558.23	6.63%
D2100 (Early Intervention)	5,580	324.1	\$ 187.14	5.81%
Total	288,740	19,596.2	\$ 11,266.91	6.79%

Lancaster County Employee Travel Expense & Vehicle Rental Audit Report
Exhibit C – Cost Analysis
For the period January 1, 2020, through December 31, 2020

Dept #	Dept Name	Total Expenses (\$)	Total Miles Driven (mi.)	Recalculated Mileage Reimbursement	Cost Advantage of Using Vehicle Rental	County Vehicle?	# of trips Below 75 Miles	Cost Advantage of Claiming Mileage Reimbursement, for Travel Below 75mi.
A1111	Commissioner's Office	\$ 74.00	244	\$ 140.30	\$ 66.30	No	0	-
A1112	Purchasing	\$ 48.89	304	\$ 174.80	\$ 125.91	Yes w/ Specific Use	0	-
A2800	Information Technology	\$ 200.30	908	\$ 522.10	\$ 321.80	Yes w/ Specific Use	0	-
B1121	Juvenile Probation & Parole	\$ 1,730.95	9,523	\$ 5,475.73	\$ 3,744.78	Yes w/ Specific Use	0	-
D1400	Children & Youth	\$ 2,774.61	13,268	\$ 7,629.10	\$ 4,854.49	YES	5	\$ 135.02
D1800	Mental Health	\$ 907.65	3,091	\$ 1,777.33	\$ 869.68	No	1	\$ 24.48
D1900	Intellectual Disabilities	\$ 190.05	385	\$ 221.38	\$ 31.33	No	2	\$ 31.99
Cost Advantage of Using Vehicle Rental					\$ 10,014.28			
Cost Advantage of Claiming Mileage Reimbursement, for Travel Below 75mi.								\$ 191.49

A1111 - Commissioner's Office

The Controller's Office identifies that the vehicle rental expense of the Commissioner's Office during the year ending 12/31/2020 was made in accordance with County Policy and cost efficient by using the most economical option to reduce travel costs.

A1112 - Purchasing Dept

The Controller's Office identifies that the vehicle rental expense of the Purchasing Department during the year ending 12/31/2020 was made in accordance with County Policy and cost efficient by using the most economical option to reduce travel costs.

A2800 - Information Technology Dept

The Controller's Office identifies that the vehicle rental expense of the Information Technology Department during the year ending 12/31/2020 was made in accordance with County Policy and cost efficient by using the most economical option to reduce travel costs.

B1121 - Juvenile Probation & Parole

The Controller's Office identifies that the vehicle rental expense of the Juvenile Probation & Parole office during the year ending 12/31/2020 was made in accordance with County Policy and cost efficient by using the most economical option to reduce travel costs.

D1400 - Children & Youth Agency

The Controller's Office identified that the vehicle rental expense of the Children & Youth Agency during the year ending 12/31/2020 was not made in accordance with County Policy. The Controller's Office identified two County vehicles readily available for employees but were not used at all. County vehicles are deemed the most cost-efficient method of travel. On five instances, five employees utilized a vehicle rental below 75 miles. The most cost-efficient option for trips below 75 miles is for employees to use a County vehicle and if a County vehicle is not available, employees should utilize their personal vehicle and claim reimbursement for mileage.

Lancaster County Employee Travel Expense & Vehicle Rental Audit Report
Exhibit C - Exhibit C – Cost Analysis (*continued*)
For the period January 1, 2020, through December 31, 2020

D1400 - Children & Youth Agency (*continued*)

The cost advantage for using a personal vehicle rather than a rental vehicle for the five rentals driven below 75 miles was \$135.02.

D1800 - Mental Health Dept

The Controller's Office identifies that the vehicle rental expense at the Mental Health Department during the year ending 12/31/2020 was made in accordance with County Policy. However, the Controller's Office identified an instance where the most cost-efficient option was not used. On 1/24/2020 an employee used a rental vehicle to drive 31 miles. Using the employee's personal vehicle to claim mileage reimbursement would have a cost advantage to the County of \$24.48.

D1900 - Intellectual Disabilities

The Controller's Office identifies that the vehicle rental expense at the Intellectual Disabilities Department during the year ending 12/31/2020 was made in accordance with County Policy. However, the Controller's Office identified two instances where the most cost-efficient option was not used, and a rental vehicle was used to drive 62 and 70 miles. Using the employees' personal vehicles to claim mileage reimbursements for both trips would have a cost advantage to the County of \$31.99.