



COMMISSIONERS COURT
COMMUNICATION

REFERENCE NUMBER CO#130241

PAGE 1 OF 6

DATE: 05/21/2019

SUBJECT: **RECEIVE AND FILE THE AUDITOR'S REPORT FOR THE REVIEW OF MILEAGE REIMBURSED TO COUNTY EMPLOYEES**

COMMISSIONERS COURT ACTION REQUESTED:

It is requested that the Commissioners Court receive and file the Auditor's Report for the review of mileage reimbursed to County employees.

BACKGROUND:

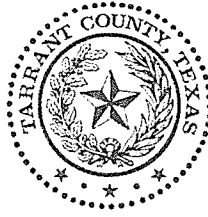
In accordance with Local Government Code, the Auditor's Office reviewed the accuracy of mileage reimbursements made to County employees during fiscal year 2018.

FISCAL IMPACT:

There is no direct fiscal impact associated with this item.

SUBMITTED BY: Auditor's Office

PREPARED BY: S. Renee Tidwell
APPROVED BY:



TARRANT COUNTY
TARRANT COUNTY ADMINISTRATION BUILDING - ROOM 506
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CRAIG MAXWELL
FIRST ASSISTANT COUNTY AUDITOR
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May 2, 2019

Mr. G.K. Maenius, County Administrator
The Honorable District Judges
The Honorable Commissioners Court
Tarrant County, Texas

Re: Auditor's Report – Review of Mileage Reimbursed to County Employees

SUMMARY

In accordance with Local Government Code, we reviewed the accuracy of mileage reimbursements made to employees during FY2018. As a result of our review, we observed that mileage reimbursed to some employees did not comply with the Tarrant County Vehicle Usage Policy. Specifically, some County employees did not deduct their normal commuting miles from their requested mileage reimbursement.

BACKGROUND AND METHODOLOGY

It is the responsibility of departmental management to ensure that time and mileage entered into the SAP Employee Self-Serve (ESS) Timesheet is accurate. Employees who incur a lot of mileage due to their job duties will oftentimes record the *total* miles driven during a period of time in lieu of the number of miles driven *each day*. For example, an employee may record 300 miles and indicate "mileage during July 2018" in the ESS Timesheet text field. Also, employees may not record a description or purpose of the mileage in the ESS text field. In these cases, the employees maintain detailed documentation showing the number of miles driven each day, the destination(s), and the purpose of the mileage.

During FY2018, the County reimbursed employees \$446,539 for 828,821 miles through ESS. Juvenile Services employees were reimbursed 435,845 miles, or 53% of the total miles. Public Health employees were reimbursed 175,270 miles, or 21% of the total miles.

We judgmentally selected 63 employees from five County departments and determined whether mileage was accurately paid. Due to the volume of mileage, we selected 25 employees from Juvenile Services and 22 employees from Public Health. The remaining 16 employees were from CSCD, Community Development, Information Technologies, and Facilities.

OBSERVATIONS AND RECOMMENDATIONS

Mileage reimbursed to some employees did not comply with the Tarrant County Vehicle Usage Policy.

Background

In May 2016, the Tarrant County Vehicle Usage Policy was amended to ensure compliance with Chapter 4 of Internal Revenue Service Publication 463 which states that commuting expenses are not deductible between home and a regular place of work. The County's policy specifically states, "*Normal commuting mileage is not to be included in any mileage reimbursement request.*" Representatives from the Auditor's Office staff met with Juvenile Services and Public Health staff to explain the amended County policy and the IRS publication.

Observation

Mileage reimbursed to some employees did not comply with the Tarrant County Travel and Meeting Policy. During our initial audit period of FY2018, we identified five County employees who did not deduct their normal commuting mileage from their mileage reimbursement request. Two employees work for Juvenile Services and three employees work for Public Health. We expanded our scope and reviewed mileage reimbursements made to these five employees since May 2016, the date of the amended County policy, through March 2019. Our results are described below:

Juvenile Services

1. An employee did not always deduct commuting miles between home and office. The employee's normal one-way commute is about 41 miles. The supervisor did not understand the County's policy related to mileage and allowed the employee to include the commuting miles when the employee didn't report to the office before or after a client visit. As a result, the employee was overpaid \$2,420.
2. An employee was incorrectly deducting commuting miles. The employee was aware that commuting miles were not reimbursable, but forgot to increase commuting miles after being reassigned to another office location. As a result, the employee was overpaid \$235.

Public Health

1. Three employees at Public Health did not always deduct their commuting miles between their homes and office. The employees were overpaid by \$250.92, \$147.70, and \$78.65.


Action / Recommendation

The Auditor's Office is currently working with the department heads and the employees for reimbursement to the County for the amounts overpaid. Management should also ensure that supervisors fully understand the Tarrant County Travel and Meeting Policy and ensure that mileage is accurate upon approval for payment.

CLOSING REMARKS

We appreciate the cooperation of Juvenile Services and Public Health management and staff during our review. Please call me if you have any questions regarding the contents of this report.

Sincerely,

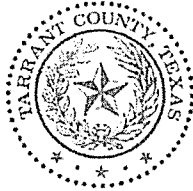


S. Renee Tidwell, CPA
County Auditor

Attachment:
Management response

Team:
Kim Trussell, Audit Manager
Maki Ogata, Senior Internal Auditor
Angela Tran-Le, Internal Auditor

Distribution:
Bennie Medlin, Director, Juvenile Services
Vinny Taneja, Director, Public Health



TARRANT COUNTY JUVENILE SERVICES

BENNIE MEDLIN
Director

RON LEWIS
Deputy Director

To: Renee Tidwell, County Auditor

From: Bennie Medlin, Director Juvenile Services

Date: May 9, 2019

Subj: Response to County Auditor Mileage Reimbursement Report

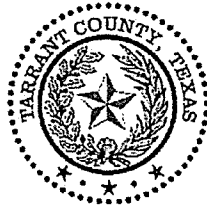
I am writing to acknowledge receipt of the Auditor's – Review of Mileage Reimbursed to County Employees report as it relates to Juvenile Services employees. I agree with the findings of the report and accept responsibility for the outcomes. We updated our department mileage reimbursement policy in 2017 to comply with the amended County policy, and reviewed the changes and expectations with staff. The audit shows the requirement for employees to deduct commuter miles when claiming mileage reimbursement was not being followed by the two employees identified in the report, and we did not have adequate controls in place to recognize these errors. We are taking the following corrective measures to avoid this problem in the future:

1. We have addressed the problem with the specific probation unit supervisors and instructed their employees to follow the current policy.
2. We have met with the employees identified in the audit report to address the specific findings of the report.
3. The employees have arranged with the payroll department to reimburse the County for the amounts overpaid.
4. We will recirculate the department Mileage Report Policy to all supervisors and require them to review the policy with their respective employees.
5. Employees will be required to sign and acknowledge receipt of the Tarrant County Vehicle Usage Policy. These documents will be kept in their personnel files.
6. The Department will conduct random internal mileage audits to monitor compliance ongoing.

We appreciate how the Auditors Office handled the audit and worked with our staff to resolve this issue. I have no further comments and plan to attend commissioners court on the day this information is presented.

Please let me know if you have any questions or need additional information.

VEERINDER (VINNY) TANEJA, MBBS; MPH
PUBLIC HEALTH DIRECTOR



CATHERINE A. COLQUITT, M.D.
LOCAL HEALTH AUTHORITY & MEDICAL DIRECTOR

TARRANT COUNTY PUBLIC HEALTH
Accountability · Quality · Innovation

Date: May 3, 2019

To: Renee Tidwell

From: Veerinder (Vinny) Taneja

VT

Re: Auditor's Report – Review of Mileage Reimbursed to County Employees

Condition:

Mileage reimbursed to some employees did not comply with the Tarrant County Travel and Meeting Policy. During our initial audit period of FY2018, we identified five County employees who did not deduct their normal commuting mileage from their mileage reimbursement request. Two employees work for Juvenile Services and three employees work for Public Health. We expanded our scope and reviewed mileage reimbursements made to these five employees since May 2016, the date of the amended County policy, through March 2019.

Questioned Cost:

Public Health

Three employees at Public Health did not always deduct their commuting miles between their homes and office. The employees were overpaid by \$250.92, \$147.70, and \$78.65.

Director's Response and Corrective Action Plan:

Public Health agrees with this finding and has discussed the information provided by the Auditor's Office with the appropriate divisions and supervisors. The identified employees understand the questioned reimbursements and will begin the process required to return those amounts. Public Health does provide County policies to all new employees and will continue to provide annual refresher training, as well.

Tarrant County Public Health

Accountability. Quality. Innovation.



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