

Mission:

To protect, promote and improve the health of all people in Florida through integrated state, county and community efforts.



Ron DeSantis
Governor

Joseph A. Ladapo, MD, PhD
State Surgeon General

Vision: To be the **Healthiest State** in the Nation

February 21, 2025

Joseph A. Ladapo, MD, PhD
State Surgeon General
4052 Bald Cypress Way, Bin A-00
Tallahassee, Florida 32399

Dear Dr. Ladapo:

Enclosed is our internal audit report # R-2324-004, *Central Office's Travel Reimbursement Process*. The report provides an independent evaluation of the Department of Health's (Department) current policies, procedures, and processes for reviewing and approving travel reimbursement requests by the Department's Bureau of Finance and Accounting.

The review was conducted by Shannon M. Egler, CIGA, Senior Management Analyst II, and supervised by Ashlea K. Mincy, CIGA, Director of Auditing.

Management agreed with all findings identified in the report and has completed taking corrective action on three of the four recommendations. We will provide you a status update in six months detailing the progress management has made toward addressing the remaining proposed corrective action included in Appendix A of the report.

If you wish to discuss the report, please let me know.

Sincerely,

Michael J. Bennett, CIA, CGAP, CIG
Inspector General

MJB/akm
Enclosure

cc: Melinda M. Miguel, Chief Inspector General, Executive Office of the Governor
Samantha Perry, CPA, Office of the Auditor General
Lauren Cassedy, Chief of Staff
Antonio D. Dawkins, MPA, PMP, Deputy Secretary for Operations
Robert Herron, Director, Division of Administration





CENTRAL OFFICE'S TRAVEL REIMBURSEMENT PROCESS

Report # R-2324-004 • February 21, 2025

Purpose of this project:

We wanted to:

- Evaluate the Department of Health's (Department) current policies, procedures, and processes for reviewing and approving travel reimbursement requests by the Department's Bureau of Finance and Accounting (Bureau); and
- Determine if the applicable current policies, procedures, and processes related to travel reimbursements were consistently followed by the Bureau.

What we examined:

- Department Policy (DOHP) 56-37-22, *Travel (Travel Policy)*, and DOHP 56-29-18, *Prompt Payment Compliance*; and
- Travel reimbursement requests processed by the Bureau with vouchers dated between July 1, 2023 and December 31, 2023.

Summary of results:

Overall, the Department's current policies, procedures, and processes utilized for reviewing and approving travel reimbursement requests by the Bureau are operating efficiently and effectively.

Based upon a sampling of completed travel reimbursement requests, our review determined travel reimbursement requests were approved within required timelines.

However, we identified the following areas that Bureau management should address to further enhance the travel reimbursement process:

- Some travel reimbursement requests were reviewed and approved by the Bureau based upon inconsistent supporting documentation.
- Travel return date and time was not always accurately reported in the Statewide Travel Management System (STMS), resulting in potential travel reimbursement overpayments.

Also, we noted several instances where travelers and/or traveler's supervisors did not promptly return corrected travel reimbursement requests despite reasonable efforts by the Bureau to ensure travel reimbursement requests were being processed timely and accurately.

Additional details follow below. Management's response to the issues noted in this report may be found in Appendix A.

BACKGROUND

Section 112.061, Florida Statutes, establishes travel reimbursement rates and procedures, with certain justifiable exceptions and exemptions, applicable to all public officers, employees, and persons authorized to travel and be reimbursed by a public agency. Additionally, it requires all travel be authorized and approved by the head of the agency, or their designated representative, from whose funds the traveler is paid.

The Bureau developed policies, procedures, and processes designed to provide high-quality administrative and operational support services to program offices and county health departments. The Bureau accomplished this by assessing finance and accounting operations to identify opportunities for improved effectiveness, efficiencies, performance, and accountability.

The *Travel Policy* standardizes the Department's process for justifying, authorizing, and reimbursing travel, and applies to all staff traveling for the Department, regardless of their funding source for travel. It includes requirements and guidance regarding allowed expenses while employees, contractors and volunteers travel on state business.

STMS is the State's automated, online system to assist travelers, preparers, and approvers better manage travel submissions. STMS allows travelers to seek authorization to travel and track the status of their requests and will alert users when actions are needed or approvals are granted.

The traveler and traveler's supervisor are responsible for adhering to Department and State guidelines regarding travel restrictions, completing appropriate forms, timely submission of travel reimbursement requests, and approval of purchasing card charges. Fiscal offices and the Bureau's Travel Reimbursement section are responsible for the timely processing of reimbursement requests.

DETAILED RESULTS AND RECOMMENDATIONS

For purposes of our review, the Bureau provided a list of 15,181 travel reimbursement requests that were processed by the Bureau with vouchers dated between July 1, 2023 and December 31, 2023. We randomly selected 500 of the travel reimbursement requests to analyze. Based upon the results of our review, we identified the following opportunities for Bureau management to improve effectiveness and efficiencies in operations related to travel reimbursements¹:

1. Some travel reimbursement requests were reviewed and approved by the Bureau based upon inconsistent supporting documentation.

Travel Authorizations

- Section (I), *Travel Policy*, states all travel must be authorized and approved prior to departure time.
 - From the sample of travel reimbursement requests reviewed, we identified nine transactions that were inconsistently reviewed and approved when the traveler did not have documented authorization to travel prior to departure time.
 - Two reimbursement requests were denied and returned to the travelers with STMS Rejection Forms stating, "Authorization was approved after travel commenced. Please have Supervisor provide a signed PDF justification. In case of electronic signature, please add electronic signature attestation on the same document." However, seven other travel reimbursement requests where the travelers did not have authorization prior to departing or documentation from a supervisor justifying the travel were approved.

¹ Specific details of the travel reimbursement requests summarized under the Detailed Results and Recommendations section were previously provided to Bureau management on May 23, 2024.

Travel Documentation

- Section V.D.2, *Travel Policy*, states, “To obtain reimbursement of travel expenses, submit the appropriate ‘State of Florida Reimbursement of Travel Expenses’ form and include necessary supporting documentation.”
 - From the sample of travel reimbursement requests reviewed, we identified 25 transactions that were inconsistently reviewed and approved when the traveler submitted supporting documentation in different formats.
 - Five travel reimbursement requests were rejected because supporting documentation was not submitted in PDF format. However, 20 other travel reimbursement requests with supporting documentation not in PDF format were approved.
 - Documented guidance available to travelers does not require supporting documentation be uploaded in PDF format. The *Travel Policy* only addresses the format of a document if it was scanned, stating “You may scan documents. However, use .pdf format, not .jpeg or .jpg.”

The Department has documented guidance for travelers to follow when submitting travel reimbursement requests, however, the STMS Rejection Form utilized by the Bureau includes additional requirements that are not outlined in the documented guidance. This has led to inconsistencies in the approval of travel reimbursement requests and increases the likelihood reimbursements are delayed and/or approved with insufficient documentation.

- The Florida Department of Financial Services (DFS) *Reference Guide for State Expenditures* and section V.D.2.d, *Travel Policy*, requires travelers to submit “itemized hotel receipts, if applicable.”
 - A travel reimbursement request where hotel expenses were claimed was approved without an itemized receipt. The receipt was from a non-traditional lodging establishment booked online.
 - The receipt did not detail the number of nights stayed, the daily room rate, what the total charge was comprised of, etc.

As non-traditional lodging establishments (i.e., Airbnb, Vrbo®) become more popular and mainstream, additional focus should be placed on reviewing documentation from these types of establishments to ensure that all pertinent travel information is reflected on itemized receipts.

We recommend the Bureau continue efforts that enhance the review of travel reimbursement requests and address inconsistencies between the documented guidance and the STMS Rejection Form.

Additionally, we recommend the Bureau ensure travel reimbursement requests are consistently reviewed and approved in compliance with applicable Department policies and procedures; and the DFS Reference Guide for State Expenditures.

2. Travel return date and time was not always accurately reported in STMS, resulting in potential travel reimbursement overpayments.

- Section V.G.2, *Travel Policy*, requires travelers to enter the hours of departure/return for a travel period in STMS. A traveler's per diem amount is automatically calculated by STMS based on the return date and time entered by the traveler.
- Our testing revealed the return date and time was not always accurately entered into STMS, resulting in the potential incorrect calculation of per diem. Travelers are required to document the actual departure date and time along with the actual return date and time in STMS, along with all applicable expenditure between those two dates and times. However, it was noted some travelers were returning late on a given day and would not return a rental car until the next morning, using the return of the rental car date and time as their return date and time in STMS. This results in STMS miscalculating the per diem due and could potentially result in an overpayment to the traveler.
 - For example, a traveler input the travel return time in STMS as November 3, 2023, at 10:45 am, when the travel actually ended on November 2, 2023, at 5:30 pm. Because the traveler recorded November 2, 2023, as a "per diem" day, STMS calculated the per diem reimbursement as \$80 since the travel was reported as ended on November 3, 2023, when the rental vehicle was reported to be turned in. However, the actual per diem due to the traveler was \$60 since the traveler did return to their origin of travel prior to 6:00 pm on November 2, 2023. To correct this, the traveler manually input an unallowable amount of \$20 to ensure the correct reimbursement was provided. However, this could easily be overlooked and lead to an incorrect amount being paid to the traveler.
 - In another instance a traveler, which received the entire per diem amount, input the travel return time in STMS as September 15, 2023, at 9:00 am, when the travel actually ended on September 14, 2023. The traveler did not document the time travel ended on September 14, 2023, resulting in an inability to determine if the traveler was reimbursed the correct per diem amount.
- Based on our review, STMS does not appear to allow the actual reporting of an expense date when it is after a reported travel return date. Previous Bureau guidance suggested travelers should report the return date as the last date of a reported expense in order for the expense to be honored by the system. However, this could lead to an incorrect per diem calculation, which would have to be manually adjusted by the traveler to allow for a correct calculation.
- According to Bureau staff, guidance recently changed to reflect their current intent that travel should be reported in STMS as ending on the date and time the traveler returns to their headquarters or stated point of origin. However, the current *Travel Policy* does not reflect this intent and leaves open for interpretation as to how to report the exact travel return date and time in STMS, especially when a rental car or other after return expense is involved.
- The *Travel Policy* should be modified to clearly state that travel ends when the traveler returns to headquarters or stated point of origin and any expenses accrued after a traveler's reported return date and time for a travel period may be denied (determined by supervisors on a case-by-case basis) and may be the responsibility of the traveler.

We recommend the Bureau communicate with the Department of Management Services and discuss how scenarios involving the return of a rental vehicle or other related business expense that occurs after the reported date and time travel officially ends should be recorded in STMS to help ensure accurate travel reimbursement payments.

In addition, we recommend the Bureau consider updating Travel Policy language to emphasize when a travel period is to be considered ended and that any expenses incurring after travel has ended may be the responsibility of the traveler.

Additional comment:

Section 215.422, Florida Statutes, requires a proper invoice be approved and submitted to the Chief Financial Officer (CFO) not later than 20 days after receipt of the invoice and receipt, inspection, and approval of the goods or services, except in the case of a bona fide dispute where the invoice recorded in the financial systems of the state shall contain a statement of the dispute and authorize payment only in the amount not disputed.

The Department considers an invoice to be "proper" when the invoice is supported by adequate documentation and without error.

In general, our review noted the Bureau completed accurate and timely reviews of travel reimbursement requests on a consistent basis. However, initial errors submitted by the traveler and approved by the traveler's supervisor that were identified by the Bureau, and lack of urgency by the travelers and/or the traveler's supervisor to correct the errors and resubmit travel reimbursement requests, were a commonly observed issue that caused frequent delays in the overall processing of travel reimbursement requests, which often is mistakenly viewed as a delay by the Bureau to reimburse the traveler.

While conducting our review, it initially appeared that 60 reimbursements within our sample were approved outside of the 20-day statutory timelines based upon initial submission date. However, upon further review, it was determined that all 60 were submitted by the travelers with initial errors, forcing the Bureau to return the travel reimbursement requests back to the travelers for corrections.

Of the 60 transactions we initially noted, all were delayed some period of time while the Bureau waited for the reimbursement request to be corrected and resubmitted. And for nearly half (23 of 60), it took between 51 to 297 calendar days after notice of correction was sent for the request to be corrected and resubmitted. Once the reimbursement was corrected and re-submitted, the reimbursement was then considered to be "proper" and the 20-day period for submission to the CFO began. In all 60 cases, the Bureau was found to have met the 20-day requirement for submission to the CFO.

Thus, the perception that the Bureau was not processing travel reimbursement requests timely was not found to be the true cause of the issue. The lack of urgency by the travelers to make the corrections and/or for the traveler's supervisor to re-approve the requests was identified as the primary reason for the delays in travel reimbursements being approved based upon our sampling.

While it appears the Bureau has taken reasonable steps to educate and mention these types of delays in trainings and other communications with Department personnel, the Bureau may want to consider adding Travel Champions as an additional level of review for travel reimbursement requests prior to submission to the Bureau to help ensure accuracy during the initial submission, which may help eliminate the vast majority of travel reimbursement delays and the misperceptions as to the party at fault that continue to exist.

SUPPLEMENTAL INFORMATION

Section 20.055, Florida Statutes, charges the Department's Office of Inspector General with responsibility to provide a central point for coordination of activities that promote accountability, integrity, and efficiency in government.

Shannon M. Egler, CIGA, Senior Management Analyst II, conducted the review under the supervision of Ashlea K. Mincy, CIGA, Director of Auditing.

Our methodology included reviewing applicable Florida law, the *Travel Policy*, and applicable travel reimbursement documentation. We also interviewed key management.

This project was not an audit, as industry-established auditing standards were not applied. Internal Audit Unit procedures for the performance of reviews were followed and used during this project. This project was conducted in compliance with Quality Standards for Inspections, Evaluations, and Reviews by Offices of Inspector General as recommended by *Principles and Standards for Offices of Inspectors General*, Association of Inspectors General.

We want to thank Bureau management and staff for the information and documentation they provided, and for their cooperation throughout the project.

All final reports are available on our website at www.FloridaHealth.gov (search: internal audit). If you have questions or comments, please contact us by the following means:

Address:

4052 Bald Cypress Way, Bin A03,
Tallahassee, FL 32399

Email:

inspectorgeneral@flhealth.gov

Phone:

850-245-4141

APPENDIX A: MANAGEMENT RESPONSE

	Recommendation	Management Response
1.1	<p><i>We recommend the Bureau continue efforts that enhance the review of travel reimbursement requests and address inconsistencies between the documented guidance and the STMS Rejection Form.</i></p>	<p>We concur. Management action completed.</p> <p>The Travel Supervisor conducted a meeting with travel audit staff to ensure they understand the importance of consistency between documented guidance and the STMS Rejection Form. For example, an approved travel authorization prior travel departure date and time as well as the accurate reflection of travel return date and time. The Bureau will continue to ensure travel audit staff are auditing in accordance with acceptable Department policies and procedures, and the DFS Reference Guide for State Expenditures.</p> <p><i>Contact:</i> John Ross</p> <p><i>Anticipated Completion Date:</i> N/A (Completed)</p>
1.2	<p><i>Additionally, we recommend the Bureau ensure travel reimbursement requests are consistently reviewed and approved in compliance with applicable Department policies and procedures; and the DFS Reference Guide for State Expenditures.</i></p>	<p>We concur. Management action completed.</p> <p>The Travel Supervisor conducted a meeting with travel audit staff to ensure they understand the importance of consistency between documented guidance and the STMS Rejection Form. For example, an approved travel authorization prior travel departure date and time as well as the accurate reflection of travel return date and time. The Bureau will continue to ensure the travel audit staff are auditing in accordance with acceptable Department policies and procedures, and the DFS Reference Guide for State Expenditures.</p> <p><i>Contact:</i> John Ross</p> <p><i>Anticipated Completion Date:</i> N/A (Completed)</p>
2.1	<p><i>We recommend the Bureau communicate with the Department of Management Services and discuss how scenarios involving the return of a rental vehicle or other related business expense that occurs after the reported date and time travel officially ends should be recorded in STMS to help ensure accurate travel reimbursement payments.</i></p>	<p>We concur. Management action completed.</p> <p>The Travel Supervisor conducted a meeting with travel audit staff and the Travel Champions to communicate that the travel return date, and time should always reflect when the traveler actually returned to headquarters (HQ) or home from their trip. If the rental car was returned at a later date and time, then a justification would need to be added to STMS to explain that; however, the travel return date and time should always remain when the traveler actually returned to HQ or home. Communication was sent to Travel Champions on July 19, 2024, and email sent to travel audit staff on July 22, 2024.</p> <p><i>Contact:</i> John Ross</p> <p><i>Anticipated Completion Date:</i> N/A (Completed)</p>
2.2	<p><i>In addition, we recommend the Bureau consider updating Travel Policy language to emphasize when a travel period is to be considered ended and that any expenses incurring after travel has ended may be the responsibility of the traveler.</i></p>	<p>We concur.</p> <p>The <i>Travel Policy</i> will be updated to define the travel departure date and time and the travel return date and time.</p> <p><i>Contact:</i> John Ross</p> <p><i>Anticipated Completion Date:</i> June 30, 2025</p>