



Audit Department

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Jeremiah P. Carroll II, CPA, Director • Charles W. Kendall, CPA, Audit Manager



April 27, 2005

Thom Reilly
Clark County Manager
500 South Grand Central Parkway, 6th Floor
Las Vegas, Nevada 89106

Dear Mr. Reilly:

Pursuant to Audit Department policy, we performed follow-up procedures on significant findings from the Travel and Education Audit. This follow-up letter should be read in conjunction with the original audit. The follow-up procedures performed included interviews with responsible parties and an examination of related documentation. This follow-up engagement does not represent a complete reexamination of the Travel and Education Audit.

The auditor's role in follow-up reviews is to compile corrective actions taken from affected Department/Division management, assess whether these responses are adequate or not adequate to correct reported deficiencies, and relay those findings to management.

It is the Department/Division management's responsibility to decide if any appropriate action should be taken in response to reported audit findings. It is also their responsibility to assume the risk by not correcting a reported condition because of cost or other consideration.

The results of our follow-up review showed that two recommendations have been fully implemented, two recommendations were partially implemented, and three recommendations have not been implemented, for a total of seven recommendations that required follow-up attention from the Travel and Education Audit. See attached summary for details.

The assistance and cooperation of county staff is recognized and appreciated.

Sincerely,

/s/ Jeremiah P. Carroll

Jeremiah P. Carroll II, CPA
Director of Internal Audit

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**CLARK COUNTY
TRAVEL AND EDUCATION EXPENDITURES
FINDINGS, RECOMMENDATIONS, AND CORRECTIVE ACTION TAKEN**

Item	Audit Finding	Recommendation	Corrective Action Taken			
			Fully Implemented	Partially Implemented	Alternate Means Employed	Not Implemented
1	Car rental transactions were unnecessary, unjustified, and excessive.	Department heads, management, and the budget office personnel should require justification of the car rental in the travel approval process and also examine travel expense documentation and receipts to determine if the rental was necessary.		X Note 1		
2	The approved car rental amount on the Travel Request and Authorization form was exceeded by 36% to 78% on several transactions.	Department management and budget office personnel should identify rental car charges that have exceeded approved limits and require that any charges exceeding the approved limit by more than 10% be the travelers' responsibility.		X Note 2		
3	County employees are being reimbursed for prepaid travel expenses prior to the occurrence of the travel. Policy dictates that such reimbursements should occur after the employee returns to prevent the employee from retaining county paid travel credits or reimbursements for cancelled trips.	Reimbursements should only occur after the employee has returned from the trip.	X			

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Item	Audit Finding	Recommendation	Corrective Action Taken			
			Fully Implemented	Partially Implemented	Alternate Means Employed	Not Implemented
4	Employees were reimbursed for meals as a result of a one-day trip where no lodging was incurred during travel. The meal reimbursement does not qualify for travel as defined by the IRS. Therefore, meal reimbursements to employees for a one-day trip should be included in wages and reported on Form W-2.	The Budget and Comptroller's office should decide to either include the meal reimbursement as wages on the employees' Form W-2 or not reimburse meals for one-day travel.	X			
5	Employees are receiving tuition reimbursements for college classes that are not job-related.	Department management and Human Resources should disallow the reimbursements for classes that are not work-related.				X
6	Numerous individuals have received significant tuition reimbursements and have earned numerous college credits. The tuition reimbursement program is not intended to finance college degrees.	The County should not finance degree programs. Department management and Human Resources should monitor the volume of tuition reimbursements to the employee to ensure degrees are not being financed.				X

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			Fully Implemented	Partially Implemented	Alternate Means Employed	Not Implemented
7	Local training conferences and seminars did not appear to be directly necessary for job skill improvements.	Management should carefully review these personal development courses and use more discretion in determining which training seminars and conferences are necessary and essential for the employee's job function.				X

Note 1: New Travel Rules and Procedures were put into place effective January 2005. However, in our review of seven travel request and authorization forms (TRAs), two of the TRAs did not have a justification for the rental car.

Note 2: The new Travel Procedures only states that total anticipated expenses exceeding 10% must be resubmitted to the Budget Division.