



Office of Internal Audit

**Travel and Hospitality Review
Office of the President
10/26/2023**

OBJECTIVE

This review aims to perform a sample testing of the Office of the President (OOP) travel and hospitality transactions for compliance with applicable systemwide and campus policies and procedures.

SCOPE

Travel and hospitality transactions were queried based on CFS Data Warehouse department ID #1082. This review focused on expenses incurred between February 1, 2022, and May 31, 2023. These transactions were paid via procurement card, purchase order, or direct pay using campus or auxiliary funds.

The Office of Internal Audit (OIA) reviewed 35 travel expenses totaling \$11,773. Also, from the miscellaneous operating expenses population, OIA reviewed 40 hospitality expenses totaling \$151,747.

CONCLUSION

Based on the work performed within the scope of this review, OIA concluded that adequate controls exist over OOP travel and hospitality expenses; however, we noted opportunities to further improve and strengthen these controls. We also determined that no fiscal improprieties were found within the scope of this review.

It should be noted that OIA performs an annual review of OOP travel and hospitality expenses¹. Further, the campus Travel Office and Accounts Payable department continue to build upon the significant improvements to travel and hospitality processes implemented since January 2020².

OIA presented the results of this internal review to OOP on October 26, 2023, as well as, management of the Travel Office and Accounts Payable department on September 13, 2023. At this time, no formal responses were required by OIA; however, we recommended that OOP management review all observations and take appropriate actions to remediate or mitigate the associated risks.

¹ Refer to <https://www.csusm.edu/audit/oop-th-review-summary-052522-final.pdf> for the 2022 OOP Travel and Hospitality Review.

² Beginning January 2020, CSUSM has implemented significant changes to travel and hospitality processes, including restructuring of the travel department, implementation of Concur (travel software) and Adobe Sign (digital e-signature software), revision and consolidation of state and auxiliary travel, hospitality, and procurement card guidelines and forms, and streamlining of the direct pay processes.

OBSERVATIONS ³ AND RECOMMENDATIONS

TRAVEL

Travel Forms Not Timely Submitted ⁴

Of the 35 sampled travel expenses, in six instances, we found that the required travel forms were not completed timely. Specifically, the travel claim form was not submitted within 60 days after the travel was completed.

We recommend that the OOP reiterate to travelers the requirements regarding timely submitting travel claims. Further, utilize the resources and training guides on the campus [Travel Office webpage](#).

HOSPITALITY

Hospitality Form Not Completed ⁵

Of the 40 sampled hospitality expenses, in two instances, we found that the required hospitality authorization form was not attached to the reimbursement request. Both instances were related to the same event.

After further review of supporting documentation, we deemed that hospitality expenses were allowable per the *CSU Hospitality Policy* and *CSUSM Hospitality Guidelines*. Finally, at the time of this report, the hospitality form has since been submitted to Accounts Payable and attached to the reimbursement request.

We recommend that the OOP reiterate to staff the hospitality guidelines regarding attaching the required hospitality authorization form to the reimbursement request. Further, utilize the hospitality resources on the campus [Accounts Payable department webpage](#).

³ Observations represent instances of non-compliance with mandatory policies, procedures, or guidelines. Related recommendations are actionable items that management should take to correct existing conditions or improve upon the current conditions.

⁴ Per Integrated California State University Administrative Manual (ICSUAM) 3601.01, *California State University (CSU) Travel and Business Expense Reimbursement Policy*, "The person due the reimbursement for travel costs incurred is responsible for submitting travel claims not more than 60 days after the expenses were paid or incurred."

⁵ Per ICSUAM 01301.00 *Hospitality Policy*, "All hospitality expenses must have a completed hospitality justification form submitted along with supporting backup documentation such as a quote, invoice, and original receipt when requesting payment or reimbursement."