



L A C

FOLLOW - UP



A Review of State Travel

BACKGROUND

Members of the General Assembly requested the Legislative Audit Council to conduct a review of state travel.

Our May 2005 review focused on the efficiency of state agency travel, and made recommendations addressing areas such as lodging, one-day meals, airfares, subsistence payments for commissioners, establishment of a central state travel agency, and video conferencing.

J U L Y 2 0 0 7

Of the 14 recommendations contained in our May 2005 report, 5 have been implemented, 1 was found to be not applicable, and the remaining have not been implemented. Each of our recommendations is discussed below.

1. The General Assembly should set limits on the amount of lodging reimbursement for both in-state and out-of-state travel and allow agency heads or their designees to approve exceptions to lodging rates as long as there is written justification.

This recommendation has been implemented. Proviso 72.26.A. in the FY 06-07 appropriations act allows reimbursement to state employees for lodging "not to exceed the current maximum lodging rates, excluding taxes, established by the U.S. General Services Administration." If the lodging exceeds this rate, "any exceptions must have the written approval of the agency head, taking into consideration location, purpose of travel or other extenuating circumstances." The proviso does not apply to institutions of higher learning when the travel is not paid with general funds.

2. The General Assembly should set limits on the amount of lodging and meal reimbursements for foreign travel and allow agency heads or their designees to approve exceptions with written justifications.

This recommendation has not been implemented. For FY 05-06, Comptroller General (CG) reports show approximately \$73,000 was spent on foreign lodging and meals.

3. When attending conferences or training where the room cost exceeds the federal lodging limits, state agencies should require employees share rooms, stay in a less expensive alternate site, or pay the difference in room cost.

This recommendation has been implemented. We reviewed travel policies for the agencies with the highest lodging expenditures in FY 05-06. The Department of Social Services (DSS) has a policy requiring employees to share rooms and limits employee reimbursement to the federal lodging limits. The Department of Health and Environmental Control requires employees to pay for lodging costs which exceed the federal limits and encourages employees to share rooms. The Department of Transportation encourages the sharing of rooms for employees of the same gender.

4. The General Assembly should eliminate reimbursement for one-day meals, with limited exceptions for extended work days.

This recommendation has not been implemented. For FY 05-06, Comptroller General reports show approximately \$324,000 was spent on one-day meals.

5. The General Assembly should require the Budget and Control Board to contract with air carriers for cost effective government discounts on airfares.

This recommendation has not been implemented. According to Budget and Control Board (B&CB) officials, past attempts to contract for discount airfares have been unsuccessful.

6. The General Assembly should require that the Commissioners of the Public Service Commission, Employment Security Commission, and the Workers' Compensation Commission be reimbursed for travel expenditures in the same manner as other state employees.

This recommendation has not been implemented for employment security or workers' compensation commissioners. However, in FY 05-06, the General Assembly deleted public service commissioners from a proviso in the appropriations act allowing them to be reimbursed for travel expenditures differently from other state employees. Based on FY 06-07 expenditure data, we estimate commissioners' travel expenditures have been reduced by approximately 31%.

METHODOLOGY

WE RECEIVED INFORMATION FROM RELEVANT AGENCIES REGARDING THE IMPLEMENTATION OF THE RECOMMENDATIONS IN THE AUDIT. WE REVIEWED THIS AND OTHER INFORMATION, INTERVIEWED OFFICIALS, AND VERIFIED EVIDENCE SUPPORTING AGENCY INFORMATION AS APPROPRIATE.

FOR MORE INFORMATION

Our full report, summary, and this document are published on the Internet at

LAC.SC.GOV

Copies can also be obtained by calling

(803) 253-7612

LEGISLATIVE AUDIT COUNCIL
1331 Elmwood Ave.
Ste. 315
Columbia, SC 29201

George L. Schroeder
Director

7. The General Assembly should expand the mission of the Video Resources Oversight Council to include approval and coordination of all video conferencing services and facilities.
8. The General Assembly should revise the composition of the Video Resources Oversight Council to include a representative appointed by the Budget and Control Board's Chief Information Officer.

Recommendation seven has not been implemented and recommendation eight is no longer applicable. According to officials with the B&CB, the Video Resources Oversight Council has never met.

9. The General Assembly should establish a central state travel office.

This recommendation has not been implemented. However, the Governor included in his FY 07-08 executive budget a recommendation to create a central state travel office.

10. The Comptroller General's office, when implementing the South Carolina Enterprise Information System, should ensure that the system requires the reason for travel.

This recommendation has not been implemented. However, officials with the CG's office stated that, when fully implemented in 2010, the South Carolina Enterprise Information System (SCEIS) will include the reason for travel.

11. The Budget and Control Board should examine whether there is a continuing need for a corporate travel card. The B&CB should also examine the feasibility of combining the procurement card and the corporate travel card in order to maximize ease of use and benefits to the state.

This recommendation has been implemented. A procurement card oversight committee recommended the solicitation of the procurement and travel cards under a single "umbrella" contract. The contract provides for two separate programs overseen by a single vendor.

12. The Budget and Control Board's Office of Materials Management should revise its procedure to allow state agencies direct feedback on its contracts. Any complaints regarding state contracts, such as the car rental contract, should be considered when renewing or making new awards.

This recommendation has been implemented. The Materials Management Office of the B&CB has implemented an online system that allows customers to register feedback. According to B&CB officials, there have been three inquiries to date. Any complaints received will be considered prior to a company being awarded a state contract.

13. Agencies that use volunteers to transport clients should implement policies, such as requiring odometer readings or using standard mileage between cities, to verify mileage submitted by those volunteers.

This recommendation has been implemented. DSS has issued a directive that employees and volunteers who use personal vehicles for business travel should record odometer readings or use the standard mileage between cities as indicated by a state highway system map.

14. The General Assembly should amend S.C. Code §8-11-130 to restrict moving expenses to a maximum of \$5,000, with an exception for transfers outside the continental United States.

This recommendation has not been implemented. For FY 05-06, CG reports show approximately \$58,000 was spent on moving expenses. No individual was reimbursed more than \$5,000.