



**Internal Audit Division
Finance Department
DeKalb County**

Voter Registration & Elections

FINAL REPORT

Purchasing Card Audit Review

September 2016

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Finance Department Internal Audit Division

Interim Chief
Executive Officer

Lee May

Board of
Commissioners

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District 7
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TRANSMITTAL MEMORANDUM

DATE: September 1, 2016
TO: Preston Stephens, Interim Assistant Finance Director
FROM: Cornelia Louis, Deputy Director of Finance – Internal Audit
SUBJECT: Purchasing Card (P-Card) Audit
RE: Voter Registration & Elections

Attached is the Purchasing Card (P-Card) audit report of Voter Registration & Elections. All P-Card audits are surprise audits. A surprise audit is a proven technique for detecting and preventing fraud. We reviewed P-Card information for the period July 1, 2015 through December 31, 2015.

The purpose of the audit is to ensure compliance with the P-Card policy and procedures. If non-compliance exists, an exit conference will be held with the department head. Otherwise, no exit conference will be conducted.

If you have any questions about the audit or this report, please feel free to contact me at 404-371-2639.

Sincerely,



Cornelia Louis

cc: Appendix C



Table of Contents

GENERAL INFORMATION	2
APPENDIX A – ACKNOWLEDGEMENTS	5
APPENDIX B – DEFINITIONS AND ABBREVIATIONS	6
APPENDIX C – DISTRIBUTION LIST	7



GENERAL INFORMATION

BACKGROUND

"DeKalb County has established a Purchasing Card (P-Card) program that provides charge cards to a select group of employees. The P-Card gives employees the ability to make purchases of supplies, material, equipment, and services for County Business use."¹

To provide guidance for the use of the P-Card, the County established the Purchasing Card Program, Policy and Procedures, which was revised in January 2015. In order to obtain a P-Card, employees are required to fill out a P-Card Application form. In addition, "each person with a role in the P-Card program will be [is] expected to attend P-Card training to ensure they are aware of the specifics of their role, program policies and procedures, the basics of P-Card administration and program monitoring."² "P-Card training will include [includes] but not be limited to the following:

- a) An overview of the P-Card Program Policies and Procedures;
- b) Review of the Cardholder User Agreement;
- c) Review of the Electronic Cardholder Statement, P-Card Transaction Log and Bank of America Works Application;
- d) Review of the Department of Revenue Sales Tax Exemption Form; and
- e) A review of all required forms and materials."³

P-Card Training is a prerequisite before a new cardholder can receive their card.

On September 1, 2016, Internal Audit conducted a P-Card compliance audit on **Rickey Throwers'** Purchasing Card.

¹ DeKalb County Government, Purchasing Card Program, Policy and Procedures, January 2015

² DeKalb County Government, Purchasing Card Program, Policy and Procedures, January 2015

³ DeKalb County Government, Purchasing Card Program, Policy and Procedures, January 2015



PURPOSE AND SCOPE

The purpose of this audit was to determine if Voter Registration & Elections personnel complied with DeKalb County P-Card policy and procedures. We reviewed Rickey Thrower's transactions for the period of July 1, 2015 through December 31, 2015.

We reviewed the Cardholder transactions, signoff reports, and invoices/receipts to determine that:

- 1) Cardholder maintained and reconciled transactions on a monthly basis.
- 2) Transactions were appropriate for the department's business.
- 3) Purchases were within individual and monthly transaction spending limits (\$2,000 and \$4,000, respectively)
- 4) Cardholder performed monthly reconciliation of P-Card purchases with supporting documents.
- 5) Cardholder did not use the P-Card for non-business related goods and services.
- 6) Transactions were properly authorized and approved. (Manager and / or Department Head).
- 7) Cardholder did not split purchases/orders.

OPINION

In our opinion, Voter Registration & Elections personnel complied with DeKalb County P-Card Policy and Procedures.



Approvals:

Original Signed by:

Cornelia Louis

Cornelia Louis
Deputy Director of Finance
Internal Audit Division
Department of Finance
DeKalb County



Appendix A – Acknowledgements

We would like to take this opportunity to thank the management and staff of all the participating departments for their assistance during this engagement.

Conducted by:

Alexis Walton
Senior Auditor
Finance Department - Internal Audit Division

Reviewed by:

Cornelia Louis
Deputy Director of Finance
Finance Department - Internal Audit Division



Appendix B – DEFINITIONS AND ABBREVIATIONS

Acronyms and Abbreviation

BOA - Bank of America

P-Card – Purchasing Card

Key Definitions

Electronic Cardholder Statement – BOA Works Application electronic statement that identifies all County cardholders and expenditures made using the BOA Visa charge card.

P-Card Transaction Log – Document that identifies the cardholder monthly expenditures with columns that record the following; order date, amount description, general ledger object code, vender name, item description, and department name.

Bank of America Works Application – The P-Card Program utilizes Visa charge cards issued by Bank of America (BOA). The County manages the program using a BOA Works Application for card administration, account maintenance, and monthly billing statement reconciliation.

Department of Revenue Sales Tax Exemption Form – The State of Georgia exempts purchases made by local governments from State Sales and Use Tax when payment is made with appropriated funds. As such, DeKalb County is not required to pay State Sales and Use Tax to any suppliers.

Split Purchases/Orders – Transaction splitting is the practice of committing multiple P-Card transactions to circumvent the Cardholder's one-time transaction limit.



APPENDIX C – DISTRIBUTION LIST

This report has been distributed to the following individuals:

DeKalb County Board of Commissioners

Lee May, Interim Chief Executive Officer

Zachary L. Williams, Chief Operating Officer/ Executive Assistant

H. Maxine Daniels, Director of Voter Registration

Yvette Pitts-Ayo, Purchasing Card Administrator