



Internal Audit & Licensing

Cornelia Louis
Acting Deputy Director of Finance

Chief Executive Officer

W. Burrell Ellis, Jr.

Board of Commissioners

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Elaine Boyer

District 2
Jeff Rader

District 3
Larry Johnson

District 4
Sharon Barnes Sutton

District 5
Lee May

District 6
Kathie Gannon

District 7
Stan Watson

DATE: October 6, 2011

TO: Kelvin Walton, Director of Purchasing & Contracting

FROM: Acting Deputy Director of Finance, Internal Audit & Licensing

SUBJECT: Purchasing Card (P-Card) Audit
RE: Board of Commissioner (BOC) – District 5

General Information

On October 6, 2011, Internal Audit (IA) conducted a P-Card compliance audit on the Office of BOC-District 5. Internal Audit reviewed P-Card transactions for the period December 1, 2010 through May 31, 2011.

Purpose and Scope

The purpose of this audit was to determine if the Office of BOC-District 5 complied with DeKalb County P-Card policies and procedures.

We reviewed cardholder transactions, signoff reports, purchase comments and invoices to determine that:

- (1) The P-Card Administrator maintained the transaction log on a monthly basis.
- (2) The cardholder attached applicable receipts to the monthly transaction log.
- (3) Transactions were appropriate for the department's business.
- (4) Individual transactions did not exceed the amount specified by County P-Card policies and procedures (\$1,000 maximum per individual purchase).
- (5) Total monthly transactions did not exceed amount specified by the County P-Card policies and procedures (\$2,000 maximum per month).
- (6) Cardholders were not using the P-Card for non-business related goods and services.
- (7) The transactions were approved. (Manager and/or Department Head)

Opinion

In our opinion, the Office of BOC-District 5 did not comply with DeKalb County P-Card policies and procedures.

Deficiency

- 1) Out of 45 transactions, 4 receipts were available.
- 2) Transaction Logs (Logs) were not completed or maintained.

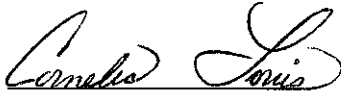
Recommendation

- 1) All P-Card transactions should have supporting documentation. Adequate documentation ensures that expenditures incurred are in compliance with the P-Card policy.
- 2) Per P-Card policy, Logs are to be completed and maintained monthly by the Cardholder for all P-Card transactions; the Log provides an explanation for the purchase. Monthly reconciliation of the Log against the electronic statement should be performed to ensure that authorized purchases are approved, unauthorized charges are corrected, and charges are posted to the appropriate general account. Upon completion, Logs are to be reviewed and approved by the Cardholder's Manager or Director to ascertain compliance with the policy guidelines.

Comment – Paperless

The Auditee expressed their preference to curtail the volume of paper files and documents in their office. Internal Audit suggested that all documents be scanned and filed into an electronic folder by year and month. Electronic record storage reduces paper and printer ink/toner expenses, improves organization of records, improves accessibility of files/records, and assist with compliance to the P-Card policy guidelines.

Please feel free to contact me if you have any questions or concerns relating to this audit report.



Cornelia Louis

CL/AW

cc: Richard Stogner, Chief Operating Officer / Executive Assistant
Joel Gottlieb, Chief Financial Officer
Commissioner Lee May, District 5
Dale Dague, Purchasing Card Administrator