



**Internal Audit Division
Finance Department
DeKalb County**

**FINANCE – TREASURY
P-CARD ADMINISTRATION**

P-CARD PROGRAM

Special Report

NOVEMBER 2016

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Internal Audit Division**

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Executive Officer**

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SPECIAL REPORT

DATE: November 29, 2016
TO: Dianne McNabb, Interim Chief Financial Officer/Consultant
FROM: Cornelia Louis, Deputy Director of Finance-Internal Audit
SUBJECT: P-Card Program, Administration – Review Observations

The DeKalb County Division of Internal Audit (DIA) has completed a review of the P-Card transactions for Superior Court Administration for the period, January 1, 2016 through July 31, 2016. The following observations are opportunities to improve the effectiveness and efficiency of the overall P-Card Program.

Observations:

1. No Policy/Procedure Formally Identifying P-Card Administrator

During the performance of Superior Court Administration P-Card audit, the P-Card Administrator was initially identified by word of mouth, as we found no official County form, personnel or otherwise, to designate the P-Card Administrator. We requested and received from the DeKalb County Treasurer, an email from the Interim Chief Financial Officer (2014) appointing the Treasury Services Accounting Technician as Special Programs Coordinator (*assigning P-Card Administrator's duties and responsibilities*). Per personnel records, the Treasury Services Accounting Technician's official title/position has not changed to date.

Recommendation

Without the aid of an official document, personnel action form or other standardized form, to clarify the designation of the P-Card Administrator, it is our opinion that incorrect or unreliable information could be disseminated to staff and other stakeholders regarding the identification of the P-Card Administrator.

We, therefore, recommend DeKalb County adopt an official form, such as the State of Georgia P-Card Policy form (*SPD-CC001-Sample 1*)¹, to formally designate the Purchase Card Administrator and include the adopted form in the DeKalb County P-Card Policies and Procedures Manual.

Management Response:

Treasury agrees with the recommendation. Action steps include:

- The Interim Assistant Finance Director and the Treasurer met with HR & consultant company, Archer Company, on January 27, 2017 to discuss the issue
- Per our meeting with Human Resources, a Purchasing Card Administrator Position Information Questionnaire (PIQ), written by the Interim Assistant Finance Director and the Treasurer, was submitted to Human Resources on January 31, 2017 for review and submission to Archer.

¹ <http://doas.ga.gov/state-purchasing/seven-stages-of-procurement/procurement-operations>



- The Finance Department has since had a position reclassified to a P-Card Administrator.

2. P-Card Policy Ambiguity Regarding Designated Approver/Department Head

No official form exists in the County P-Card Policy that clearly defines the Department Head as the Designated Approver or vice versa. In addition, we found no formal form to verify the authoritative relationship of the Designated Approver to the Cardholder as addressed in the County P-Card Policy January 2015, Section 10- Monthly Reconciliation-Step 4 (*page 14*).

Recommendation

To avoid ambiguity and presumption regarding the identity of Designated Approver, we recommend the County add an official form similar to the Federal Government form (*GSA 3661-Sample 2*)². This form would clearly identify the Purchase Card Designated Approver along with an attestation regarding the Designated Approver's authoritative relationship to the Cardholder (*as required in the County's P-Card Policy and Procedures, page 14 Section 10 Monthly Reconciliation, Step 4*).

Management Response:

Treasury agrees with the above recommendation. A copy of the document with our revisions was sent to Law Department for their review.

3. County P-Card Training Not Currently Required for Designated Approvers/Department Heads

No P-Card training records exist for the Superior Court Administration - Designated Approver or Department Head. Per the P-Card Administrator, the Designated Approvers or Department Heads are not required to attend P-Card Training. However, the County P-Card Policy and Procedures (Page 7, Section 6.0 P-Card Training) requires training for all persons with a role in the P-Card Process. Designated Approvers or Department Heads may not fully understand all P-Card requirements when training is not provided.

Recommendation

We recommend each person with a role in the P-Card program to attend P-Card training and require them to sign a form acknowledging their responsibilities as participant of the P-Card program. In addition, we recommend P-Card training for Department Heads or Designated Approvers be tailored from an oversight role perspective. The training provides an opportunity to communicate appropriate P-Card use and to increase program oversight.

Management Response:

Action steps taken:

- Power Point presentation has been updated
- We scheduled time to present the P-Card information at the Chief Operating Officer's (COO) Manager Meeting.
 - We have advised the Chief Operating Officer our presentation of the Emergency P-Card training Department Directors & Designated approvers and are scheduled to accomplish this on May 12, 2017 at the Executive Leadership Meeting.

² <http://www.gsa.gov/portal/forms/download/115150>



Sincerely,

Cornelia Louis

CC: See Appendix C



Appendix A – Acknowledgements

We would like to thank the Treasury Services Department management and staff and all other participating departments for their assistance during this engagement.

Conducted by:

Gloria Evans, CPA
Auditor
Finance Department - Internal Audit Division

Reviewed by:

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



Appendix B- Sample Forms

Sample 1-Georgia Form SPD-CC001

Department of Administrative Services
State Purchasing Division



DESIGNATION OF CARD PROGRAM ADMINISTRATOR

Card Program (select all that apply) <input type="checkbox"/> Purchasing Card <input type="checkbox"/> Travel Card <input type="checkbox"/> Fuel Card			
Agency			Date
Address			
City	State	GA	ZIP
Does this form rescind any previous form submitted to DOAS State Purchasing Division? <input type="checkbox"/> Yes <input type="checkbox"/> No			

Name	
Email Address	
Phone	Fax
Card Program Title/Responsibilities (select one)	
Is this person the primary contact for routine business (e.g. audits)? Check one: <input type="checkbox"/> Yes <input type="checkbox"/> No	
<i>This person will receive all notices from State Purchasing/Travel Card Program Manager.</i>	
1. Describe your experience in procurement, corporate card administration, accounting/finance, or related fields.	
2. Describe your education/experience or special training/certification in business administration, law, accounting, or related fields.	
3. Describe your State Purchasing Division training completed, specifically for purchasing card or travel card.	
4. Describe your knowledge of purchasing or travel card policies, procedures, and "best practices".	
5. Describe other purchasing and ethics training courses you have completed to date.	

Name of APO	Approval	Date
	Approved <input type="checkbox"/> Yes	
Name of Agency Head	Approval	Date
	Approved <input type="checkbox"/> Yes	

Instructions for submitting form

1. Complete the fields above and select the approval boxes to certify that approval has been obtained for this request.
2. Save the form as a Word document (not PDF).
3. The Agency Head or Designee should send the "Designation of Card Program Administrator" form to the State Purchasing Division via email to processimprovement@doas.ga.gov.



(The entire form can be found at <http://www.gsa.gov/portal/forms/download/115150>.)

PURCHASE CARD APPLICATION AND MAINTENANCE (See Privacy Act Statement on reverse)									
SECTION I - TYPE OF ACTION									
NEW ACCOUNT		CANCEL ACCOUNT		Approving Official (AO) Changes				Reconciler Changes	
Change Account				<input type="checkbox"/> NEW AO REPLACES FORMER AO ON ALL ASSOCIATED CARDS (Complete Sections IV and VI)				<input type="checkbox"/> ADD NEW	
DOLLAR LIMIT CHANGE				<input type="checkbox"/> NEW AO REPLACES FORMER AO ON A SINGLE CARD (Complete sections II, IV, and VI)				<input type="checkbox"/> RFP AC CURRENT	
NAME CHANGE (INCLUDE PREVIOUS NAME)								<input type="checkbox"/> REMOVE CURRENT	
ADDRESS CHANGE									
DEFAULT CODE CHANGE									
AUTHORIZE CURRENT RFP CARD CHANGES									
CANCEL									
(NOTE: NEW CARDHOLDERS AND APPROVING OFFICIALS MUST COMPLETE REQUIRED TRAINING AND ATTACH CERTIFICATES OF COMPLETION. WARRANTED CONTRACTING OFFICERS MUST ATTACH A COPY OF THEIR WARRANT.)									
SECTION II - CARDHOLDER (Use payroll name)									
LAST		FIRST		MIDDLE INITIAL		FORMER LAST NAME		OFFICE SYMBOL	
OFFICE STREET ADDRESS (including Pobox Number)				CITY		STATE		ZIP CODE (4 if known)	
BUSINESS TELEPHONE NUMBER				CARDHOLDER'S GSA E-MAIL ADDRESS					
I certify that I have successfully completed the GSA online university training for the Purchase Card (attach completion certificate). I also certify that I have completed the Pegasys charge card training or read the Pegasys charge card User Guide and understand how to log and reconcile purchase card transactions in Pegasys.									
SIGNATURE						DATE			
SECTION III - PRIVILEGES AND CODING									
SINGLE PURCHASE LIMIT (\$) :			MONTHLY PURCHASE LIMIT (\$)						
Pegasys Default Coding	RECORD	FUND CODE	PROGRAM CODE	ORGANIZATION	ACTIVITY CODE	SUB-OBJECT CLASS	PROJECT	BUILDING NUMBER	
SECTION IV - APPROVING OFFICIAL <i>Similar to Designated Approver (County)</i>									
NAME OF NEW APPROVING OFFICIAL (AO)				OFFICE SYMBOL (GSA E-MAIL ADDRESS)					
OFFICE STREET ADDRESS				BUSINESS TELEPHONE NUMBER					
CITY		STATE		ZIP CODE (4 if known)		NAME OF FORMER APPROVING OFFICIAL (if applicable)			
I certify that I am not subordinate to the above cardholder and will ensure that the purchase card is used properly in accordance with all purchase card policy and procedures.									
SIGNATURE						DATE			
SECTION V - ACCOUNTING TRANSACTION RECONCILER (Optional - Most cardholders reconcile their own entries)									
<input type="checkbox"/> ADD CHECK THIS PERSON ADDS TO CARDHOLDER'S PEGASYS CREDIT CARD RECONCILIATION NOTEBOOK		<input type="checkbox"/> TURN ON DAILY E-MAIL NOTIFICATION OF NEW CHARGES		NAME			OFFICE SYMBOL		
				GSA E-MAIL ADDRESS			NAME OF FORMER RECONCILER		
<i>Similar to OPCR (County)</i> DELEGATION OF PROCUREMENT AUTHORITY FOR MICRO-PURCHASE CARDHOLDERS: You are delegated to purchase authorized supplies and services with the Government purchase card not to exceed your single purchase limit. All purchases must be made in accordance with applicable laws and regulations including, but not limited to, the Federal Acquisition Regulation (FAR), the GSA Acquisition Manual (GSAM), and other GSA policy. This delegation shall terminate upon separation from the agency, upon assignment to another GSA organization, or upon cancellation of the purchase card account.									
GENERAL SERVICES ADMINISTRATION						GSA 3661 (REV. 1/2015)			
PREVIOUS EDITION IS NOT USABLE									



APPENDIX C – DISTRIBUTION LIST

This report has been distributed to the following individuals:

DeKalb County Board of Commissioners

Office of the Chief Executive Officer

Zachary L. Williams, Chief Operating Officer/ Executive Assistant

Benita Ransom, Human Resources Director

Preston Stephens, Interim Assistant Finance Director

Robert Atkins, Treasurer

Yvette Pitts-Ayo, Accounting Technician (Interim P-Card Administrator)