



**Finance Department**  
Internal Audit & Licensing

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**DATE:** September 20, 2013  
**TO:** Kelvin Walton, Director of Purchasing and Contracting  
**FROM:** Interim Deputy Director of Finance, Internal Audit & Licensing  
**SUBJECT:** P-Card Audit  
**RE:** Public Works – Roads and Drainage

**General Information**

On September 19, 2013, Internal Audit conducted a Purchasing Card (P-Card) compliance audit of Public Works – Roads and Drainage. Internal Audit reviewed Public Works – Roads and Drainage P-Card transactions for the period January 1, 2013 through July 31, 2013.

**Purpose and Scope**

The purpose of this audit was to determine if Public Works – Roads and Drainage complied with County P-Card policies and procedures.

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

- (1) P-Card Representative properly maintained and reconciled transactions on a monthly basis.
- (2) Transactions were appropriate for the department's business.
- (3) Individual transactions did not exceed the amount specified by County P-Card policies and procedures for the Board (\$5,000 maximum per individual purchase).
- (4) Total monthly transactions did not exceed amount specified by the County P-Card policies and procedures (\$5,000 maximum per month).
- (5) Cardholders were not using the P-Card for non-business related goods and services.
- (6) The transactions were approved.

**Opinion**

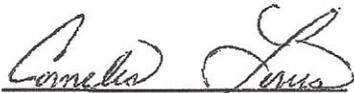
In our opinion, Public Works – Roads and Drainage did not comply with County P-Card policies and procedures.

**Deficiencies**

- (1) Transaction Logs (Log) were not approved by the Cardholder's Manager or Director.
- (2) Some Transaction Logs were not available; expense receipts were on hand without the accompanying Transaction Logs.
- (3) All expenditures reviewed were charged to General Ledger # 05735.351112.271 -- Maintenance and Repair. While a majority of the expenditures fall into that category, there were some that did not (e.g. food, office supplies, printing expenses) and should be charged to the appropriate General Ledger Account. This was mentioned in our previous P-Card audit report.

**Recommendations**

- (1) Purchasing Card Policy states that the Transaction Log is to be "signed by the Cardholder's Manager" at the end of each statement period (monthly). To ensure management's review for compliance with the Purchasing Card Policy, completed Logs are to be reviewed and approved by the Cardholder's Manager or Director.
- (2) As stated in the Purchasing Card Policy, Transaction Logs are to be completed and maintained monthly by the Cardholder for all Purchasing Card transactions; the Log provides detailed information as well as the purpose of the purchase. These controls ensure that authorized purchases are approved, unauthorized charges are corrected, and charges are posted to the appropriate General Ledger Account.
- (3) Expenditures should be charged to the appropriate General Ledger Accounts in order to correctly capture expenditure type totals.



Cornelia Louis

cc: Zachary L. Williams, Executive Assistant/Chief Operating Officer  
Douglas T. Edwards, Interim Director, Public Works  
Michael Anderson, Interim Assistant Director of Roads & Drainage, Public Works  
Mellonise Wheeler, Fiscal Officer