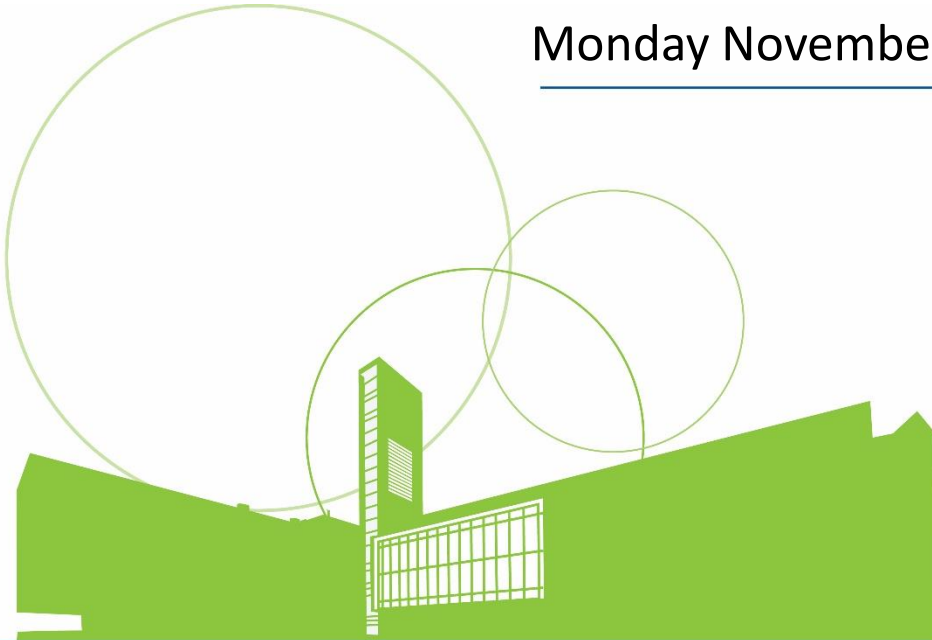


Purchasing Card Audit

Monday November 6, 2017



Today's Presentation

- Audit Objective, Scope and Methodology
- Audit Conclusion
- Audit Observations
- Management Action Plans
- Next Steps
- Questions

Audit Objective

- To evaluate the effectiveness of the controls, processes and procedures in place to mitigate the business risks associated with the administration of the City's P-Card program.

Audit Scope & Methodology

- Review of existing Policies, Procedures & Guidelines
- Staff interviews
- Analyses of P-card data
- Review of reconciliations and payments
- Review of June 1, 2015 - April 30, 2017 P-card activities

Audit Conclusion

- Some improvements are required to ensure risks related to the administration of the P-Card program are efficiently and effectively mitigated
- The audit did not identify any evidence of inappropriate or irregular transactions for the period under review.

Issues and Observations

1. Leveraging advances in technology to enhance P-Card administrative processes including approval, reconciliation, review and management oversight.
2. Providing more clarity on roles, responsibilities and expectations of staff as it relates to P-Card administration, policy and procedures.

Management Action Plans

1. Leverage technology to enhance P-card administrative process.
 - Procurement Services will work with US Bank to assess the feasibility from both a risk and cost perspective of implementing automated approval and electronic receiving and storage of receipts options.
 - Procurement Services will work with Financial Services to assess and automate the reconciliation of P-Card monthly statements

Management Action Plans

2. Provide clarity on roles and responsibilities of staff and P-card policies and procedures.
 - Staff will revise the procedures and enhance the training program to incorporate requirements to address documentation to be retained for travel, training and conference related expenses to support attendance.
 - Update training program and procedures to incorporate roles, responsibilities and accountability over expenses and G/L coding
 - Monitor inactive P-cards on an ongoing basis.

Next Steps

- Action plans have been developed.
- Implementation is underway.
- Internal Audit will follow up and report on the status of these action plans.

Questions?