



# City of San Antonio

## Agenda Memorandum

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**Agenda Item Number:** 5.

**Agenda Date:** 4/19/2016

**In Control:** Audit Committee

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### **AUDIT COMMITTEE SUMMARY**

**April 19, 2016**

#### **Follow-Up Audit of Finance Purchasing Card Program**

Report Issued February 18, 2016

### **Background**

In November 2014, the Office of the City Auditor completed an audit of Finance's Purchasing Card Program. The objective of that audit was to ensure that the Purchasing Card Program was managed in compliance with policies and procedures.

The Office of the City Auditor concluded that the Purchasing Card Program was not managed in compliance with policies and procedures.

### **Audit Objective**

Determine if Finance management successfully implemented action plans to address prior audit recommendations relating to the Purchasing Card Program.

### **Audit Scope & Methodology**

The audit scope was limited to the recommendations and corresponding action plans from the original report for the time frame of FY 2015.

### **Audit Conclusions**

Finance did implement action plans to address the three recommendations from the prior audit. Action plans that were effectively implemented include:

- The Program's website and policies and procedures were updated and include detailed guidance on responsibilities and standard processes.
- Periodic reviews and monthly monitoring procedures were implemented to ensure that transactions are valid, recorded correctly, and appropriately monitored within the departments.
- Training is conducted for all purchasing card system users to include site administrators and

program administrators.

- User roles are monitored by Finance to ensure that duties are appropriately segregated in the Wells Fargo Commercial Card Expense Reporting (CCER) system.

We did note one area that still needs improvement with regard to the process for sweeping of accounts (i.e. uploaded into SAP without approval).

Purchases totaling approximately \$303,000 (6% of total P-Card purchases) were not approved in the CCER system prior to payment in FY 2015. While a standard process was implemented to monitor the general ledger (GL) account used as the default for purchases that were not reviewed and recoded, other GL accounts are also being used for unapproved purchases. These transactions are not being tracked to ensure that purchases are valid and recorded to the correct GL accounts.