



COUNTY OF PLACER

OFFICE OF AUDITOR-CONTROLLER

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March 1, 2016

Mr. David Boesch, County Executive Officer
Placer County Executive Office
175 Fulweiler Avenue
Auburn, CA 95603

Re: Department 9 - Voyager Card Program Review

Dear Mr. Boesch:

The Internal Audit Division of the Auditor-Controller's Office performed a review of the County's Voyager Card Program (Program). As part of that review, we examined the County Executive Office's (Office) Program-related records for the 2013/2014 fiscal year, which included Program records from their Administration Division (CEO-Admin), Board of Supervisors (BOS) and Office of Emergency Services (OES). The objectives of our review were to determine whether (a) proper internal controls regarding the Program have been designed to safeguard County assets, prevent and/or detect fraud and/or abuse from occurring, and whether those internal controls have been placed into operation and are operating as designed; (b) purchases are made in compliance with the Program's guidelines; (c) Program purchases were valid and had proper supporting documentation to substantiate the expenditure; and (d) proper review and approval of all cardholder's monthly statements by the Approving Official.

Based on our review, which consisted of inquiries of various Office staff regarding current processes and procedures employed by the Office and physical inspection of Program related records, we noted areas where internal controls could be strengthened and instances of non-compliance with program guidelines. Our summary of observations and recommendations are as follows:

CEO-Admin: Cardholder/Approving Officials Duties

We determined one of the CEO-Admin Cardholders does not review, verify and certify the transactions on their monthly "Voyager Driver Transaction Report" statements (monthly statements) in order to ensure the transaction details are accurate, were for a County vehicle and "For Official Use Only" as required by the Voyager Card Program Guidelines. Additionally, we noted all monthly statements are not reviewed by an Approving Official ensuring proper use of the card as also required by the Program guidelines.

We recommend that all Program Cardholders and Approving Officials be made aware of the required monthly statement procedures, ensure those procedures are performed and the CEO-Admin should keep all monthly statements and supporting documents (i.e. receipts) on file for audit purposes as required by the Voyager Card Program Guidelines.

Office Response:

In order to ensure the transaction details are accurate, were for a County vehicle and "For Official Use Only" as required by the Voyager Card Program Guidelines, the County Executive Office will review Voyager Card Program Guidelines with the cardholder to assure compliance and appropriate certification criteria are met. Although an Approving Official is reviewing monthly statements, as required by the Voyager Card Program Guidelines, verification of approval via signature is not taking place. The County Executive Office will immediately begin noting appropriate monthly reviews have occurred via approving authority signature. The County Executive Office concurs with these recommendations.

BOS: Cardholder and Approving Officials Duties

We determined the BOS Program Cardholders do not review, verify and certify the transactions on their monthly "Voyager Driver Transaction Report" statements (monthly statements) in order to ensure the transactions details are accurate, were for a County vehicle and "For Official Use Only" as required by the Voyager Card Program Guidelines. Additionally, we noted the Cardholder's monthly statements are not reviewed by an Approving Official ensuring proper use of the card as also required by the Program guidelines.

We recommend that all Program Cardholders and Approving Officials be made aware of the required monthly statement procedures, ensure those procedures are performed and the BOS should keep all monthly statements and supporting documents (i.e. receipts) on file for audit purposes as required by the Voyager Card Program Guidelines.

Office Response:

In order to ensure the transaction details are accurate, were for a County vehicle and "For Official Use Only" as required by the Voyager Card Program Guidelines, Board of Supervisors staff will review Voyager Card Program Guidelines with the cardholder to assure compliance and appropriate certification criteria are met. Although an Approving Official is reviewing monthly statements, as required by the Voyager Card Program Guidelines, verification of approval via signature is not taking place. The Board of Supervisors staff will immediately begin noting appropriate monthly reviews have occurred via approving authority signature. The Board of Supervisors / County Executive Office concurs with these recommendations.

OES: Lack of or Incomplete Supporting Documentation and Cardholder/Approving Officials Duties

OES staff were unable to locate documentation to support their 2013/2014 fiscal year Program transactions. Therefore, we elected to expand our sample to include a review of transactions from the 2014/2015 fiscal year. Based on our review, we determined five of the six transactions selected for testing were not supported by receipts and one of the monthly statements did not have approval from the Approving Official.

We recommend receipts be signed by the driver or cardholder and attached to the monthly statement as supporting documentation of the charge, and Approving Officials should sign and date the monthly statements or email approval as evidence the review of the Cardholder's monthly statements was performed as required by the Voyager Card Program Guidelines. We also recommend that all Program Cardholders and Approving Officials be made aware of the required monthly statement procedures, ensure those procedures are performed and OES should keep all monthly statements and supporting documents (i.e. receipts) on file for audit purposes as required by the Voyager Card Program Guidelines.

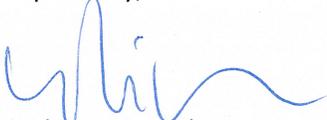
Office Response:

The County Executive Office / Office of Emergency Services will review and update internal Voyager Program record-keeping, reconciliation and approval processes to assure future compliance with program guidelines. The County Executive Office / Office of Emergency Services concurs with the recommendations.

The Office's responses to our recommendations identified by our review are included above. We did not audit the Office's responses and, accordingly, we do not express an opinion on them.

We appreciate the courtesy and cooperation of the Office's staff members throughout the course of this review.

Respectfully,



Nicole C. Howard
Assistant Auditor-Controller

cc: Holly Heinzen, Chief Assistant County Executive Officer
Andy Heath, Deputy County Executive Officer
Heidi Hodges, Senior Administrative Services Officer
Teri Ivaldi, Chief of Staff, Board of Supervisors
Placer County Audit Committee