



COUNTY OF PLACER

OFFICE OF AUDITOR-CONTROLLER

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Ms. Melissa Spak, Administrative and Fiscal Operations Manager
Placer County Department of Information Technology
2986 Richardson Drive
Auburn, CA 95603

Re: Countywide Procurement Card Program Monitoring Review

Dear Ms. Spak:

The Internal Audit Division of the Auditor-Controller's Office routinely reviews and/or audits the Procurement Card purchases. The objective of this monitoring review was to review Procurement Card usage during the statement period from July 4, 2020 through September 25, 2020 for compliance with County policies.

We reviewed a sample of the Department of Information Technology's (Department) Procurement Card purchases and related documentation files to ensure the Department's compliance with current policies and procedures, and to determine if adequate internal controls are in place and operating as designed. Based on our monitoring review, we determined there were instances of non-compliance with County policies and procedures related to Procurement Card purchases, as well as areas where internal controls could be strengthened. Accordingly, our observation and recommendation are as follows.

Observation – Supporting Documentation was Uploaded after the Reconciliation Period

We identified multiple instances in which documentation supporting purchases were uploaded after the reconciliation period.

Section 3.2 of the Procurement Card Policy (PCP) discusses the accountability of Cardholder and Approver and states, "Cardholders shall review their statement of transactions and provide the appropriate documentation for all purchases. All transactions must be submitted and reviewed by the Cardholder within the defined timeframe for each cycle period..... Approvers shall review the Cardholder's transactions and confirm that appropriate documentation is provided, the purchase is appropriately budgeted, and in accordance with County policies and procedures. All transactions must include the applicable department accounting information and be reviewed by the Approvers within the defined timeframe for each cycle period."

In addition, Section 3.3 of the Procurement Card Program Procedures Manual (PCPPM) states the Limited Program Administrator (LPA) shall "ensure that any needed documentation is attached to each cardholder statement and that the online documentation represents a full and complete summary of all the needed and required documentation to validate the purchases."

Example: For statement ending 7/31/2020 the cardholder reconciliation period occurred between 8/1/2020 through 8/20/2020. The statement receipts were uploaded on 8/26/2020, six days after the cardholder reconciliation period had ended.

Recommendation

We recommend Cardholders start the reconciliation process as soon as the purchase cycle has closed to ensure all related documentation is submitted into Wells Fargo within the reconciliation period. If the Cardholders cannot review their statements by the grace period, they must notify their Approver in advance and upload proof of the communication into Wells Fargo. Also, we recommend the Department designate a Reconciler to each Cardholder as the Reconciler can serve as a backup to reconcile and submit Cardholder statements.

Additionally, we recommend the designated Approvers ensure the statement supporting documentation is uploaded into Wells Fargo and complete prior to their approval of the Cardholder statement.

We appreciate the courtesy and cooperation of the Department's staff throughout the course of the review.

Respectfully,



Nicole C. Howard, CPA
Assistant Auditor-Controller

cc: Jarrett Thiessen, Chief Information Officer
Brett Wood, Purchasing Manager, County Executive Office
Placer County Audit Committee