



COUNTY OF PLACER

OFFICE OF AUDITOR-CONTROLLER

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Ms. Genna Martin, Administrative and Fiscal Operations Manager
Placer County Department of Health and Human Services
3091 County Center Drive, Suite 290
Auburn, CA 95603

Re: Countywide Procurement Card Program Monitoring Review

Dear Ms. Martin:

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 September 26, 2020 through December 18, 2020 for compliance with County policies.

We reviewed a sample of the Department of Health and Human Services' (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 was an instance 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 found an instance in which the supporting documentation was uploaded after the reconciliation period (e.g., after the grace period had ended) and we did not find documentation in Wells Fargo to explain the reason for the late submission.

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 purchases is appropriately budgeted, and in accordance with County polies 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."

Section 3.1 of the Procurement Card Program Procedures Manual (PCPPM) states, "If the Cardholder is unable to review their statement within the required period, they must notify their Approver in advance."

In addition, Section 3.3 of the 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 11/20/2020, Cardholder reconciliation occurred between 11/21/2020 through 12/10/2020. The statement receipts were uploaded on 12/11/2020, one day 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 are submitted in Wells Fargo within the reconciliation period. If the Cardholder cannot review their statements by the grace period, they must notify their Approver in advance and upload proof of the communication in 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.

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: Dr. Robert Oldham, Director/Chief Psychiatrist/Interim Public Health Officer
- Amanda Sharp, Deputy Director of Health & Human Services
- Amy Ellis, Deputy Director of Health & Human Services
- Jason Philippe, Deputy Director of Health & Human Services
- Twylla Abrahamson, Deputy Director of Health & Human Services
- Vicki Grenier, Health and Human Services Assistant Program Director
- Karen Smith, Supervising Accountant
- Karin Czaja, Senior Accountant
- Steve Schroeder, Senior Accountant
- Brett Wood, Purchasing Manager, County Executive Office
- Placer County Audit Committee