



## COUNTY OF PLACER

## OFFICE OF AUDITOR-CONTROLLER

ANDREW C. SISK, CPA  
Auditor-Controller  
E-mail: [asisk@placer.ca.gov](mailto:asisk@placer.ca.gov)

NICOLE C. HOWARD, CPA  
Assistant Auditor-Controller  
E-mail: [nhoward@placer.ca.gov](mailto:nhoward@placer.ca.gov)

April 28, 2022

Ms. Rebecca Correa, Administrative and Fiscal Operations Manager  
Placer County Department of Public Works  
3091 County Center Drive, Suite 220  
Auburn, CA 95603

Re: Countywide Procurement Card Program Monitoring Review

Dear Ms. Correa:

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 3, 2021, through September 24, 2021, for compliance with County policies.

We reviewed a sample of the Department of Public Works' (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 multiple 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 – Purchases were Approved without Adequate Documentation**

We found multiple instances in which the Procurement Card purchase was not supported with adequate documentation. Specifically, travel costs were not supported with Travel Request (TR)/Spend Authorization (SA).

*Section 3.2 of the 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."*

*Section 3.1a of the Meals, Lodging, Travel and Transportation Policy (MLTTP) states, "With overnight travel, a Travel Request on Official Business form or Spend Authorization should be completed with the exception of County staff attending Board of Supervisors meetings in Tahoe (or Auburn, for Tahoe staff). Travel Requests and Spend Authorizations are a means of documenting approval for estimated travel costs, and for the latter, committing the funds."*

*In addition, Section 3.3 of the PCPPM states the 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.”*

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. For overnight travel, staff should complete a TR/SA prior to the travel and upload the approved TR in the Wells Fargo system or if SA was used, the SA number should be stated in the "Description" field. We recommend Approvers and LPAs perform a detailed review of supporting documents to ensure completeness, accuracy, and compliance.

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

Respectfully,

A handwritten signature in blue ink, appearing to read 'N. Howard', is positioned below the 'Respectfully,' text.

Nicole C. Howard, CPA  
Assistant Auditor-Controller

cc: Ken Grehm, Director of Public Works  
Dena Beyer, Administrative and Fiscal Officer II  
Brett Wood, Purchasing Manager, County Executive Office  
Placer County Audit Committee