



## COUNTY OF PLACER

## OFFICE OF AUDITOR-CONTROLLER

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April 28, 2022

Ms. Maria Swan, Administrative and Fiscal Officer II  
Placer County Air Pollution Control District  
110 Maple Street  
Auburn, CA 95603

Re: Countywide Procurement Card Program Monitoring Review

Dear Ms. Swan:

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 Air Pollution Control District's (District) Procurement Card purchases and related documentation files to ensure the District'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 identified an instance of non-compliance with County policies and procedures related to a Procurement Card purchase, as well as areas where internal controls could be strengthened. Accordingly, our observation and recommendation are as follows.

### **Observation – Circumventing Purchase**

We found an instance in which a Cardholder split a purchase into separate transactions in which the total exceeded their single purchase limit (SPL). Per the Wells Fargo Bank system record, these Cardholders did not request a temporary increase to their SPL to cover the purchases.

*Section 2.4 of the PCPPM states, "Each single purchase may be comprised of multiple items, but the total including freight, shipping, and tax cannot exceed the Cardholder's single purchase limit. Purchases must not be split to circumvent procurement regulations by swiping the card twice, or making the same purchase on subsequent days, etc."*

### **Recommendation**

We recommend District's Cardholders and Approving Officials revisit and understand Section 2.4 of the PCPPM which prohibits splitting purchases to circumvent procurement regulations. Going forward, we recommend the Department Head or their designee contact the Procurement Services Division to request a temporary increase to the Cardholder's SPL to cover a large purchase that will exceed the Cardholder's SPL. All Cardholders should be aware of their SPL before making a purchase.

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

Respectfully,

A handwritten signature in blue ink, appearing to read 'N. Howard', with a stylized flourish at the end.

Nicole C. Howard, CPA  
Assistant Auditor-Controller

cc: Erik White, Director  
Brett Wood, Purchasing Manager, County Executive Office  
Placer County Audit Committee