



Purchasing Card Audit Adlai E. Stevenson School 29

Objective: To assess school and cardholder compliance with established protocols, procedures, documentation and oversight for District Purchasing Cards (P-Card).

Scope: We evaluated the existence of adequate P-Card records, the appropriateness of expenditures, and assessed compliance to ensure purchases were tax exempt, split transactions did not occur, and single transaction limits were maintained.

Cards Reviewed: 3 **Transactions Audited:** 66 **Transactions with Errors:** 34

Expense Reports Reviewed: 19 **Expense Reports Not in Compliance:** 18

	Process	Findings
1	Security	No security issues were noted.
2	Spending Limits	One order was split into two transactions to avoid the spending limit. <i>Recommendation:</i> Split transactions are prohibited and purchases greater than the cardholder's spending limit must follow the purchase order process.
3	Purchases	Sales tax was paid on an in-store purchase. Purchases were made with a non-contracted vendor. An item ordered was never received, paid for, and never disputed. <i>Recommendation:</i> Sales tax must not be paid for P-Card purchases. Recoup any sales taxes paid. Dispute charges for orders never received with the vendor and escalate to M&T, if necessary. Refer to the Purchasing SharePoint website or call Purchasing to ensure a negotiated vendor contract does not exist before making purchases.
4	Documentation	Invoices and packing slips were not consistently retained. <i>Recommendation:</i> Retain original orders, sales receipts, sales credits and packing slips for all purchases and returns. Scan and upload all documentation to CentreSuite to support the transaction.
5	Reconciliation – Cardholder	There were three instances in which the P-Card cardholder did not complete the monthly expense report by the 12 th of the month. Also, expense reports did not consistently contain detailed transaction descriptions for two of the cardholders. <i>Recommendation:</i> Comply with the policy for completing expense reports by the deadline and include detailed descriptions for purchases.
6	Approval – Supervisor	There were five instances where the supervisor did not approve by the 12 th of the month. <i>Recommendation:</i> Comply with policy for approving expense reports by the 12 th .

Conclusion: Adlai E. Stevenson did not comply with P-Card spending limits by splitting a transaction to avoid the transaction limit. Sales tax was paid on a purchase, a contracted item was purchased from a non-contracted vendor, and an item ordered was paid for but never received. Invoices and packing slips were not consistently retained. Expense reports were not completed or approved timely, and detailed descriptions on the expense reports were not entered in CentreSuite.