



Purchasing Card Audit Andrew J. Townson School 39

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:** 53 **Transactions with Errors:** 29

Expense Reports Reviewed: 21 **Expense Reports Not in Compliance:** 17

	Process	Findings
1	Security	No security issues were noted.
2	Spending Limits	One split transaction was noted to avoid the spending limit. <i>Recommendation:</i> <i>Split transactions are prohibited and purchases greater than the cardholder’s spending limit is required to follow the purchase order process.</i>
3	Purchases	Purchases were made for extracurricular clubs using money donated to the school and deposited into the A Fund. Extracurricular clubs cannot be supported by the A Fund. <i>Recommendation:</i> <i>Discontinue utilizing the A Fund for Extracurricular activities, since Extracurricular activities are taxable.</i>
4	Documentation	Sales receipts, invoices and packing slips were not consistently retained. <i>Recommendation:</i> <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.</i>
5	Reconciliation – Cardholder	There were 16 instances where the cardholder did not complete the monthly expense report by the 12 th . Expense reports did not consistently contain detailed transaction descriptions and date ranges in the expense report did not align with the transactions. A few transactions were omitted from expense reports resulting in a lack of review or approval. <i>Recommendation:</i> <i>Comply with policy for completing expense reports by the deadline and include detailed descriptions for all purchases. Complete one expense report for each calendar month and name with the corresponding month and year. Ensure all transactions applicable to the period reconciled are included in the expense report.</i>
6	Approval – Supervisor	There were 17 instances where the supervisor did not approve by the 12 th of the month. Seven instances appear to be the result of untimely cardholder reconciliation. <i>Recommendation:</i> <i>Comply with policy for approving expense reports by the 12th.</i>

Conclusion: Andrew J. Townson School 39 did not comply with P-Card expense report requirements. Expense reports were not prepared or reviewed timely, detailed descriptions on the expense reports were not entered in CentreSuite, transactions did not align with expense report date ranges, and all transactions were not properly reconciled. Invoices and packing slips to support expenditures were not consistently retained. A split transaction was noted avoid the spending limit. The P-Card was utilized to support extracurricular activities, which are taxable activities that can’t be disbursed from the A Fund.