



## Purchasing Card Audit Helen Barrett Montgomery School 50

**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:** 2      **Transactions Audited:** 67      **Transactions with Errors:** 54

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

	Process	Findings
1	Security	No security issues were noted.
2	Spending Limits	There were no split transaction or spending limit findings.
3	Purchases	<p>We were unable to assess if sales tax was paid, since most receipts and invoices were not retained. Purchases were made with vendors that were not District contracted vendors.</p> <p><b><i>Recommendation:</i></b> <i>The District is tax exempt and sales tax should not be paid for any P-Card purchase. Refer to the Purchasing Department SharePoint website or call Purchasing to ensure a negotiated vendor contract does not exist before making purchases.</i></p>
4	Documentation	<p>Sales receipts, invoices and packing slips were not retained for most of the items reviewed.</p> <p><b><i>Recommendation:</i></b> <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></p>
5	Reconciliation – Cardholder	<p>There were nine instances in which the P-Card cardholder did not complete the monthly expense report by the 12<sup>th</sup> of the month. Expense reports did not consistently contain detailed transaction descriptions.</p> <p><b><i>Recommendation:</i></b> <i>Comply with policy for completing expense reports and include detailed descriptions for all purchases.</i></p>
6	Approval – Supervisor	<p>There was seventeen instances where the supervisor did not approve by the 12<sup>th</sup> of the month. Three instances appear to be the result of untimely cardholder reconciliation.</p> <p><b><i>Recommendation:</i></b> <i>Comply with policy for approving expense reports by the 12<sup>th</sup>.</i></p>

**Conclusion:** Helen Barrett Montgomery School 50 purchased contracted commodities from non-contracted vendors. Due to a lack of receipts and invoices we could not assess if sales tax was paid. Sales receipts, invoices and packing slips to support the P-Card transactions were not retained for most of the transactions. Expense reports were not completed or approved timely, and detailed descriptions on the expense reports were not entered in CentreSuite.