



Purchasing Card Audit The Flower City School 54

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:** 46 **Transactions with Errors:** 26

Expense Reports Reviewed: 19 **Expense Reports Not in Compliance:** 14

| | Process | Findings |
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| 1 | Security | No security issues were noted. |
| 2 | Spending Limits | Three split transactions were noted for one cardholder where orders were split into two transactions 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 | A prohibited purchase was made for conference registration fees. Conference, workshop, webinar or seminar registration fees are prohibited. <i>Recommendation:</i> <i>P-Cards should not be utilized to make purchases which are strictly prohibited per the P-Card Manual.</i> |
| 4 | Documentation | 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 eleven instances in which the P-Card cardholder did not complete the monthly expense report timely. Several expense reports combined transactions from multiple months and were not properly labeled to reflect the actual transactions within the reports. <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.</i> |
| 6 | Approval – Supervisor | There were fourteen 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: Flower City School 54 did not comply with P-Card spending limits by splitting transactions to avoid the spending limit. One purchase was made for an item prohibited per the P-Card Manual. Invoices and packing slips to support the expenditure were not consistently retained. Expense reports were not completed or approved timely, detailed descriptions were not consistently provided, and date ranges of the expense reports did not align with the reconciled transactions.