

## Detailed Follow Up Report - Auditor Determined Status

Rec#	Recommendation	Auditor FollowUp	City Auditor's Status	Closed
2205	<b>Purchasing Card Controls</b>	<b>Issued:</b>	<b>8/19/2022</b>	
1A	The Purchasing Director should ensure program expectations are consistently communicated and enforced so that P-card purchases are adequately documented. Evaluate whether uploading receipts into the purchasing card system may facilitate documentation submission and review.	Jan 2023: The Purchasing director reported he has met with department directors to communicate the audit findings and program expectations. In-person training was provided to cardholders with repeat noncompliance. The department continues to evaluate the option for uploaded receipts to the Procard system. May 2023: Meetings were held between the Purchasing Director and department directors to discuss Purchasing Card program expectations. After reaching out to the provider to further review the receipt upload functionality, the department decided not to use this feature because of concerns related to document retention and reliance on cardholder access to devices for scanning and uploading the receipts.	Implemented	<input checked="" type="checkbox"/>
1B	The Purchasing Director should enforce documentation and review requirements, including escalating to card suspension or termination based on policy. Evaluate ways to make the monthly compliance monitoring more accurate, efficient, and timely by automating the process as much as possible.	Jan 2023: The Purchasing department refined and continues to improve its tracking tools to monitor P-card compliance. They have followed up on any still-missing documentation identified during the audit. As well, the department reported it has increased notifications to approvers, mandated training, and suspended several accounts. May 2023: The department has updated its tracking spreadsheet to make it easier to view trends over time and clarified its non-compliance codes; however, the log still lacks process automation to improve accuracy and efficiency. Additional improvements are on hold at this time due to vacancy in their technology position. Sept 2023: This recommendation continues to be in progress.	In Progress	<input type="checkbox"/>
1C	The Purchasing Director should enforce review deadlines for supervisory reviews and identify and address noncompliance.	Jan 2023: The Purchasing department reported it is monitoring supervisory reviews and investigating options for additional AR 220 guidelines for cardholder approvers. May 2023: The department is running a report of late electronic approvals in the P-Card system to monitor supervisory reviews. Supervisors with late approvals are notified via email; however, there is no escalation policy related to recurring issues.	Implemented	<input checked="" type="checkbox"/>

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2A	The Purchasing Director should establish procedures for promptly deactivating P-cards and verifying that all necessary documentation has been received when a cardholder leaves city employment or transfers to another department.	Jan 2023: The Purchasing department reported it is monitoring retirement and resignation notices provided by the HR department and contacting the cardholder to schedule the deactivation. The department is looking into notification procedures for internal transfers and involuntary separations. May 2023: Notification of internal transfers and involuntary separations continues to be under review. Sept 2023: The employee exit checklist was updated to include transfers. The checklist requires supervisors to collect P-cards and return them to Purchasing prior to transfers and terminations.	Implemented	☑
2B	The Purchasing Director should monitor compliance with annual training requirements.	Jan 2023: To facilitate its tracking of training completion, the Purchasing department has adjusted all P-card training to have the same annual expiration date (February) rather than on the various cardholders' anniversary dates.	Implemented	☑
2C	The Purchasing Director should promptly deactivate user access to the purchasing card system when they are no longer authorized and ensure system access limits administrative-level access to the fewest users that is operationally feasible.	Jan 2023: During the audit, the Purchasing department completed its review of access rights and made modifications to the number of users with administrative-level access. It plans to continue this review quarterly. The department is looking into system access deactivation when a user leaves the City as this may remain active even when the P-card has been closed. May 2023: Auditors will review procedures for deactivating user access when these are available. Sept 2023: The department has created a Purchasing Card Administrator Manual, which includes procedures for deactivating and deleting users.	Implemented	☑
2D	The Purchasing Director should annually review P-cards with little or no use, asking departments to evaluate whether there is a continuing need or a feasible alternative solution.	Jan 2023: The Purchasing department reported that, along with training requirements, this will be reviewed with the departments annually in February. Auditors will review this process in the next follow-up. May 2023: This review has not yet been completed. The department expects it will be completed at the end of the fiscal year. Sept 2023: The department completed an annual review of P-card usage and worked with departments to identify accounts with little or no activity that could be closed or have a reduced spending limit.	Implemented	☑