



HARFORD COUNTY, MARYLAND

Office of the County Auditor

AUDIT OF PURCHASE CARD CONTROLS

Report Highlights

Why We Did This Audit

This audit was conducted as part of the County Auditor's risk-based Annual Audit Plan approved by the County Council for FY2015.

What We Found

We noted that users continue to have problems with complete documentation and occasionally use their purchase cards for unallowed purchases.

What We Recommend

Management should refresh cardholder's training and complete and enforce policies that address long standing issues.

Report Number: 2016-A-02 (Interim)

Date Issued: 02/19/2016

Ms. Karen Myers
Director of Procurement

In accordance with Section 213 of the Harford County Charter, we perform continuous audit procedures related to the County's Purchase Card Program. The final results of the audit, our findings and recommendations for improvement will be provided to you after the completion of the fiscal year procedures.

This report summarizes our interim findings and addresses purchases between May 28, 2015 and November 27, 2015. Broadly, we found cardholders continue to have the same issues that have been documented in prior audits. Specifically, we noted:

- 5 purchase card logs were not prepared and approved timely
- 7 unallowed purchases, primarily for flowers
- 11 purchases that appear to be split to avoid the single purchase limit
- 2 purchases missing travel approvals
- 4 purchases missing receipts
- 6 purchases missing itemized receipts
- 3 purchases without a documented business purpose
- 7 meals missing a list of attendees

Each of the above issues is related to a prior audit finding that is still open, so no specific management responses were required at this time. Your general management response is noted below for the benefit of this reports' readers. I will provide you with the details of the above transactions separately from this report. The audit team is available to respond to any questions you have regarding this update.

Sincerely,

Chrystal Brooks, CPA

Chrystal Brooks
CPA, CGFM, CIA, CISA, CGAP, CRMA
County Auditor

cc: Mr. Barry Glassman, County Executive
Members of the Harford County Council
Mr. Billy Boniface, Director of Administration

Management Response

We will reach out to each cardholder to discuss the issues cited on the attached spreadsheet. Procurement Training has been scheduled for March, where we will reinforce procedures.