

**Prince George's County, Maryland  
Office of Audits and Investigations**

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**OFFICE OF PROCUREMENT**

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**Purchasing Card Program  
Performance Audit**

**JANUARY 2025**



**Turkessa M. Green  
County Auditor**

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# THE PRINCE GEORGE'S COUNTY GOVERNMENT

## Office of Audits and Investigations

January 2025

The County Council and County Executive  
of Prince George's County, Maryland

We have conducted an audit of the

### **OFFICE OF PROCUREMENT'S PURCHASING CARD PROGRAM**

in accordance with the requirements of Article III, Section 313, of the Charter for Prince  
George's County, Maryland. Our report is submitted herewith.

We have discussed the contents of this report with the appropriate personnel of the Office  
of Procurement and wish to express our sincere gratitude to them for the cooperation and  
assistance extended to us during the course of this engagement.

A handwritten signature in black ink, appearing to read "Turkessa M. Green".

Turkessa M. Green, CPA, CIA, CISA  
County Auditor

A handwritten signature in black ink, appearing to read "Larry Whitehurst Jr.".

Larry Whitehurst Jr., CPA, MBA, CIA  
Audit Manager

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## Results in Brief

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The County's Purchasing Card Program (Program) is intended to simplify the Purchasing and Accounts Payable functions. The Purchasing Card is a procurement and payment tool that reduces transaction costs, facilitates timely acquisition of materials and supplies, automates data flow for accounting purposes, and offers flexible controls to ensure proper usage. In FY 2023, the program had over 250 active cardholder accounts that made Purchasing Card transactions of more than \$12.8 million.

During the audit period, the Budget and Finance Division of the Office of Central Services (OCS) managed the program. However, effective July 1, 2024, the program will be managed by the newly established Office of Procurement. As a result, our report and the resulting recommendations will be directed to the Office of Procurement's management.

Given the amount of funds expended by the County utilizing the program, it is imperative that the related internal controls are operating effectively and efficiently. These internal controls should also provide reasonable assurance that the County's purchasing card program is being utilized for its intended purposes. The lack of sufficient controls could expose the County to potential misappropriation by employees and its vendors.

We noted several findings in this audit that were also identified in prior audits conducted by the Office of Audits and Investigations. (See **Appendix B** for a comparison of the audit findings noted in the 2015 and 2019 audits.) The following major findings are addressed in this report:

1. **Inadequate Monitoring/Oversight of Purchasing Card Program** - The testing of monitoring/oversight procedures revealed the following:
  - a. No documentation was presented to support that the Program Administrator conducted monthly reviews in FY 2023, as required.
  - b. The Program Administrator did not maintain an accurate list of all County Agency Coordinators for FY 2023.
  - c. Three (3) Agency Directors were active cardholders during the audit period.
  - d. No oversight of the Director's purchasing card activity which testing revealed that a former Agency Head approved their own purchases and did not maintain adequate documentation to support all purchasing card activity.
2. **Inadequate Approval for Purchase Card Transactions** - The testing of transactions revealed the following:
  - a. 20% lacked the required signatures on the Agency Control Sheet.
  - b. 37% included signatures on the Agency Control Sheet with approval dates after the purchase was executed.
  - c. 13% of the transactions that required special prior written approvals to purchase certain goods or services (i.e. computer hardware/software, food, travel, training, etc.) did not receive the required approval.

3. **Prohibited Purchases** - The testing of transactions revealed the following:
  - a. 5% were instances where cardholders made prohibited purchases (i.e. recurring charges, utility bills, and individual food purchases.)
  - b. 3% included Maryland sales tax in the total purchase amount paid.
4. **Missing, Inadequate, Inaccurate Documentation** - The testing of transactions revealed the following:
  - a. 2% lacked the required ACS to support the transaction.
  - b. 6% contain either missing or insufficient business justification statements.
  - c. 5% lacked adequate supporting documentation (i.e., invoice, receipt, etc.).
5. **Purchase Card Limitation Violations** - A review of 13 of the 123 possible instances of potential split transactions for FY 2023 revealed that all 13 instances were representative of situations where transactions were split to circumvent the \$5,000 single transaction limitation. We also identified 15 instances where ten (10) cardholders exceeded the monthly 30-day billing cycle limits of \$25,000 and \$30,000. The overages ranged from \$28 to \$7,924.
6. **Program Violations - Agency Directors** - A review of Agency Standard Operating Procedures (ASOP), agency Coordinator listing, and Agency Director Statement of Responsibility forms revealed the following issues:
  - a. Instances where participating purchase card program agencies/divisions selected for testing did not have/provide an ASOP or Director Statement of Responsibility form.
  - b. Instances where provided ASOPs, were not signed and dated by the Agency Director, confirming its effective date.
  - c. A procedural review of the 13 ASOPs provided revealed that only one (1) contained all the essential features required by the Purchasing Card Program Manual.
  - d. An agency with a Coordinator who was employed below the required County Wage Grade 18.
  - e. Director Statement of Responsibility forms that were signed the day the Purchasing Card Manual was updated), or several months (4 to 19 months) before the manual was updated, indicating that the Agency Directors may not have reviewed the updated manual.
7. **Inadequate Documentation to Support Issuance of Cards and Untimely Removal of Cardholders** - A review of Purchase Card applications, Individual card applications, Statement of Responsibility & Training agreement, and account deletion forms revealed the following issues:
  - a. Instances where applications and account deletion forms were not provided.
  - b. Instances where applications were not signed by either the Purchasing Agent (formerly the OCS Director), the Agency's Director, the Agency's Coordinator, or the cardholder.
  - c. Instances where applications did not have the spending and transaction limit section of the application completed.
  - d. Challenges confirming Agency Coordinator signatures, typed dates, and signatures on training agreement forms, making it difficult to verify authenticity.
  - e. The approval of training agreement forms prior to the cardholder attending the required training.

- f. Instances where cardholder accounts were closed three (3) to six (6) months after the account deletion form was signed and approved by the Program Administrator.

Internal control activities are an important part of a Department's planning, implementing, and reviewing process. They are essential for effective and efficient operations and proper accountability of county, state, and federal resources. Hence, several recommendations for its improvement are made throughout this report.

### **ACKNOWLEDGEMENT**

Sincere appreciation is extended to the Audits and Investigations team - Jennifer Venzor, Senior Auditor and Cameron Turner, Auditor - who contributed to the findings, comments, and recommendations presented in this audit report.

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## Background

The purpose of the Purchasing Card is to establish an efficient, cost-effective method of purchasing and paying for small transactions of \$5,000 or less. The Purchasing Card may be used to make small purchases in accordance with the County's Procurement Regulations, County Code, and the County's Purchasing Card Manual. The Program is serviced by J.P. Morgan Chase Bank using the JP Morgan Chase Mastercard for purchases and an online system called PaymentNet for oversight and management.

The County Purchasing Agent has authority on all Purchasing Card Program-related matters. The Program Administrator administers the Purchasing Card Program, and acts as the primary point of contact for the bank that services the Program and the County agencies that participate in the Program. The Program Administrator is responsible for developing and enforcing County-wide policies and procedures governing the Program; developing and administering the Purchasing Card Training Program; and overseeing, monitoring, and evaluating the Program for compliance.

The Purchasing Agent delegates authority to use purchase cards (i.e. credit cards) to all County agencies for procurement purposes. There were 30 Prince George's County Government agencies participating in the program between July 1, 2022, and June 30, 2023.

Each County Agency is responsible for ensuring that purchases under the Program meet Prince George's Procurement Regulations and Purchasing Card Program policies and procedures; and is required to develop and maintain their own Agency Standard Operating Procedures (ASOP) to accommodate the procurement needs of their agency.

The County agency Directors implement the Program within their respective agencies, and appoint and oversee Agency Coordinators to manage and administer the Program at the agency level. The Agency Coordinator is responsible for monitoring the issuance of the purchase cards, the legitimacy of the transactions made by cardholders, and the accuracy of the funding source for the purchases made. They are also responsible for ensuring the required documentation is maintained to ensure prompt reconciliation of Purchase Card transactions.

A Purchasing Cardholder is the employee to whom a Purchasing Card has been issued for purposes of procuring goods and services for his/her agency. They are responsible for ensuring that purchases made on the County's behalf are in compliance with the Program policies and procedures, reconciling purchase card transactions, and submitting the monthly required documentation for each purchase to the Agency Coordinator as part of the reconciliation process. Cardholders are solely responsible for the physical security of the Purchasing Card placed in his/her possession.

### Establishment of the Office of Procurement

During the audit period, the Office of Central Services (OCS) was responsible for managing the County's Purchasing Card Program.

On April 30, 2024, the Prince George's County Council approved CB-025-2024, establishing a new County agency in FY 2025 called the Office of Procurement. Through its Director, this office is now

responsible for administering county laws relating to procurement and supplier diversity and administering procurement-related services, including oversight of the Purchasing Card Program.

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## **Objective, Scope, & Methodology**

The purpose of this audit was to: (1) determine whether the Purchasing Card Program is being effectively administered and managed; (2) determine whether the Purchasing Card Program processes at participating County Agencies are being performed in accordance with program policies and procedures; and (3) determine whether Purchasing Card transactions are appropriate and in compliance with program requirements.

To conduct this audit, we reviewed applicable County Administrative Procedures and the purchasing card operating procedures. We interviewed staff members from the Office of Central Services and respective user agencies. We then obtained a download of purchase card transactions from the PaymentNet system for fiscal year 2023 and utilized these transactions to select various audit samples. These samples were then compared to supporting documentation based on testing attributes. We also reviewed monitoring controls to ensure that they were operating correctly.

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## **Management's Responsibilities for Internal Controls**

Internal control is defined as “a process, effected by an entity’s board of directors, management, and other personnel, designed to provide reasonable assurance” regarding the achievement of the following objectives relating to operations, reporting, and compliance<sup>1</sup>:

1. Effectiveness and efficiency of the entity’s operations;
2. Reliability, timeliness, and transparency of financial and non-financial reporting; and
3. Adherence to laws and regulations to which the entity is subject.

Management is responsible for establishing and maintaining an environment that sets a positive and supportive attitude towards internal control. When the importance of internal control is communicated to employees, particularly through management’s own actions and beliefs, the process is more likely to function effectively.

A strong internal control environment is essential in minimizing operational risks and improving accountability; this further helps an agency to achieve its mission.

We noted the following strengths in relation to the internal controls surrounding the Purchasing Card Program that we reviewed within the OCS:

- The OCS has detailed written policies and procedures in place governing the Purchasing Card Program.
- There are clear separations of duties outlined for Purchasing Card Program participants.
- There is an accountability system in place for noncompliance with Purchasing Card Program policies and procedures.

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<sup>1</sup> *Internal Control – Integrated Framework* published by the Committee of Sponsoring Organizations of the Treadway Commission, Copyright 2013



- There are numerous monitoring controls in place to ensure that policies and procedures are being followed.

We also observed several control weaknesses in the process that require management's attention. The following sections detail the items noted during our review.

## **Finding 1: Inadequate Monitoring/Oversight of Purchasing Card Program**

Audit testing revealed the following instances of inadequate monitoring or failure to adhere to purchase card program requirements:

### **Lack of Monthly Reviews - 1a**

According to the Purchasing Card Program Manual, monthly reviews of transactional data are conducted by the Program Administrator to ensure the continued success of the Purchasing Card Program. To facilitate this review, the Program Administrator would randomly select Cardholders and contact their Agency Coordinator to gather supporting documentation for review based on transactions posted to the monthly statement.

A judgmental sample of six (6) months within fiscal year 2023 was selected to ensure that documentation was present to support the completion of the reviews for those months. A request was made for monthly program activity reports and agency cardholder reports, along with documentation to support the completion of monthly reviews by the Program Administrator. We were provided with monthly program activity reports for fiscal year 2023. However, no documentation was presented to support that the Program Administrator conducted monthly reviews, as required.

### **Inaccurate Agency Coordinator listing - 1b**

According to the Purchasing Card Program Manual, the Program Administrator should serve as the coordinator for the Purchase Card Program. Part of the duties requires maintaining an accurate listing of the Program's Agency representatives (i.e., Agency Coordinators).

A list of all County Agency Coordinators (AC) during FY23 was requested from the Program Administrator. The initial list provided was incorrect and incomplete and, therefore, had to be modified several times after attempts were made to verify its accuracy. The modifications needed to the initial listing indicated that the Program Administrator did not have an updated listing of all ACs.

### **Lack of Training - 1c**

All new Agency Coordinators and Cardholders must receive training from the Program Administrator prior to participating in the Purchase Card Program. A request was made for a listing of all Cardholders and Agency Coordinators (and Transaction Approvers if applicable) who attended training during FY23, along with their attendance dates. The Program Administrator initially provided a list of 20 individuals, along with their training dates. An additional 20 individuals, along with their training dates, were later added to the list. The provided listing was compared to a listing of newly opened accounts in fiscal year 2023 within the Purchase Card system (i.e., PaymentNet), and the

results revealed that there were ten (10) individuals with accounts opened in fiscal year 2023 that were not included on the training listing.

### **Inadequate Oversight of Agency Directors with Purchasing Cards - 1d**

A&I determined that three (3) Agency Directors were active cardholders during the audit period. We noted that for one (1) of the Directors, through testing performed in a routine audit of the former agency head, that there was no oversight of the Agency Director's purchasing card activity. Testing in that audit revealed the former Agency Head approved their own purchases and did not maintain adequate documentation to support all purchasing card activity.

The Purchasing Card Program Manual, section III, subsection C states, that some of the duties and responsibilities of the Program Administrator's include:

- Develop and enforce County-wide policies and procedures governing the P-Card Program
- Oversee, monitor, and evaluate the P-Card Program for compliance
- Submit requests for monthly inquiries to Agency Coordinators regarding P-Card transactions
- Develop and administer the P-Card Training Program
- Issue periodic requests from the review of transactions for any participating Agency
- Develops monthly reports for P-Card Program activities.

The Purchasing Card Program Manual also states, in section IV, subsection B, the Program Administrator is responsible for the development and administration of a Purchasing Card training program that achieves the following objectives:

- Informs the Agency Coordinators and Cardholders of all policies and procedures pertaining to the Purchasing Card Program
- Provides Agency Coordinators with duty specific training that addresses all required monitoring, reporting and compliance comprehension of Cardholders
- Provides all training participants with a copy of the Purchasing Card Program Manual
- Informs all participants of current contact information for card issues or questions

The issues identified above result from the Program Administrator not adhering to all County-wide policies and procedures governing the Purchase Card Program. The Program Administrator reported a lack of resources may have contributed to challenges with adequately monitoring purchasing card program requirements.

Internal control activities are not being performed as required, unnecessarily placing County resources at risk. The lack of adherence with program policies and procedures creates a negative ethical tone that may interfere with the quality of internal control and may lead to unethical behavior. When required monitoring and training isn't conduct and forms are not maintained, Management may be unable to hold employees accountable for their lack of understanding of policies and procedures or failure to comply with Program internal control activities.

## **RECOMMENDATION:**

**We recommend** the following actions:

**1.1** The Director of the Office of Procurement ensure relevant documentation is maintained as evidence of ongoing adherence to internal control policies and the performance of control monitoring activities for the Purchasing Card Program. Some of the documentation that should be maintained include:

- A current updated listing of all participants within the Purchasing Card Program.
- Monthly transaction review documentation, which should contain summary information for the transaction selected for review, supporting documentation for the transaction, documented evidence of review of the transaction by the Program Administrator, and any written correspondence regarding the results of the reviews performed. The Agency Coordinator and Purchase Cardholder who initiated the transaction must also be required to document their understanding of the results of the reviews performed by the Program Administrator.
- Evidence of required training should include a listing of participants, the date of their training, and the required signature forms. This training log should be compared to a report of newly issued purchase cards to ensure that all the necessary training was completed.

**1.2** The Director of the Office of Procurement should establish a record retention policy that governs the maintenance of the aforementioned documentation, which should align with the Purchasing Card Program's overall retention of records policy.

**1.3** The Director of the Office of Procurement should consider implementing an automated paperless environment within the Purchasing Card program. In this environment, the processing and retention of all required forms and supporting documentation would be completed electronically, which would allow for documentation to be accessed, shared, and viewed instantly. Implementing this type of electronic paperless environment could help reduce lost or misplaced documents while giving the Program Administrator greater access to these documents when conducting monitoring procedures.

**1.4** The Director of the Office of Procurement should consider implementing required annual training for all Agency Coordinators and cardholders. The training could be designed as an online program in which participants receive an overview of the program and its requirements, followed by a test to ensure participants understand key aspects of the purchasing card program.

## **Finding 2: Inadequate Approval for Purchase Card Transactions**

Audit testing revealed the following instances where purchase card transactions lacked the appropriate approvals:

### **General Transactional Approvals**

A judgmental sample of 404 purchase card transactions was selected to verify that the cardholder received adequate written approval before the execution of the purchase. The results of audit testing revealed several instances where the transactions lacked adequate approval. The details of these instances are as follows: 80 out of 404, or 20%, of the transactions, lacked the required signatures, and

149 out of 404, or 37%, of the transactions had signatures with approval dates *after* the execution of the purchase as evidenced on the agency control sheet.

### **Special Supplemental Approvals**

The purchase of certain goods or services requires special prior written approval. These special approvals must be received by the Director of the Office of Information Technology (OIT) or their designee, the Deputy Chief Administrative Officer (DCAO) for the agency, and the Director of the Office of Management and Budget (OMB) or their designee before the purchase of computer hardware /software and communication supplies/services, food/catering and travel reservations (including conference registrations and memberships), respectively. We identified 54, or 13%, of the transactions where these special approvals were not received.

The Purchasing Card Program Manual, page 17, section VI, subsection A, states “...Cardholders must obtain all appropriate approvals and certify that agency funds are available in accordance with the [Agency Standard Operating Procedures] ASOP prior to making a purchase...The Purchasing Card Agency Control Sheet and other approval requirements must be completed and signed by the Agency Coordinator prior to any purchase being made.”

Furthermore, the Purchasing Card Program Manual, page 15, section V, subsection F, states “Cardholders must obtain prior written approval from persons indicated below before using the Purchase Card to purchase the following goods and services:

<b>Good/Service</b>	<b>Approval Required From</b>
Computer hardware or software and Communications supplies or services	The Director of the Office of Information Technology (OIT) or his/her designee
Food/Catering	The Deputy Chief Administrative Officer
Travel Reservations (hotel rooms, airline tickets, train tickets); Conference Registrations and Memberships	The Director of the Office of Management and Budget (OMB) or his/her designee

The lack of approvals before making a purchase using the P-Card may have resulted from the cardholder’s failure to follow policies and procedures and/or the lack of supervisory oversight. Failure to obtain prior written approval for purchase card transactions increases the likelihood of fraud, misuse, and misappropriation of County Government resources.

### **RECOMMENDATION:**

**We recommend** the following action:

**2.1** The Director of the Office of Procurement should ensure cardholders and agency coordinators to conduct a thorough review of purchase card transactions to ensure that the appropriate prior written approvals have been granted.

### **Finding 3: Prohibited Purchases**

Of the 404 transactions selected for review, 22, or 5%, were instances where cardholders made prohibited purchases. Some prohibited purchases included recurring charges, utility bills, and individual food purchases. Additionally, there were 14 transactions, or 3%, where the total purchase amount paid included Maryland sales tax.

The Purchasing Card Program Manual states the following as it relates to the issues noted above:

- *Section VI, subsection B* states “It is the responsibility of the cardholder to inform the vendor that sales tax not be charged when making a purchase in the State of Maryland.”
- *Section V, subsection A* states “The Purchasing Card shall not be used to purchase utilities...”
- *Section V, subsection B*, states, “Recurring monthly purchases are prohibited.”

Prohibited purchases may have been made because purchase cardholders failed to follow policies and procedures, coupled with the lack of supervisory oversight to identify situations where prohibited transactions had occurred.

Failure to follow documented policies and procedures around making prohibited purchases could lead to purchases being made in conflict with the intended nature of the purchase card program. This occurrence could increase the likelihood of misuse and misappropriation of resources, given that the identified prohibited uses lend themselves to being personal in nature.

#### **RECOMMENDATION:**

**We recommend** the following action:

**3.1** The Director of the Office of Procurement should ensure that each Agency Coordinator and the appropriate approvers thoroughly review purchase card transactions to identify prohibited transactions. Once identified, the initiator of the transaction should be informed of the prohibitive nature of the purchase, and the appropriate corrective action should be taken.

### **Finding 4: Missing, Inadequate, Inaccurate Documentation**

Audit testing revealed the following instances where purchase card transactions lacked adequate documentation:

#### **Missing/Incomplete Agency Control Sheet (ACS)**

Most purchase card transactions require a completed ACS. A completed ACS provides pertinent information about the completed transaction, such as approval signatures, account code classification, competitive bid information (if required), a description of the purchase, and the business justification, along with other information. We reviewed a judgmental sample of 404 purchase card transactions.

Our audit testing revealed seven (7) of the 404 transactions, or 2%, lacked the required ACS to support the transaction.

An ACS has several sections that must be completed to support a purchase card transaction. Cardholders must also complete other applicable sections of the ACS depending on the nature of the purchase. There were several instances where one of these sections was incomplete or inadequately completed. Some incomplete or inadequate information was related to the business justification section. A business justification is mandatory for all purchase card transactions. However, we identified missing or insufficient business justification statements for 23 of the 404, or 6%, of the purchase card transactions reviewed.

### **Lack of Supporting Documentation**

All purchase card transactions must be adequately supported. Our audit testing revealed that for 20 of the 404 transactions reviewed, or 5%, no documentation (i.e., invoice, receipt, etc...) to support the purchase was provided.

The Purchasing Card Program Manual, page 21, section VII states, "Documentation is required for every purchase made using the Purchase Card. The required documentation must be kept with the printed monthly bank statements in which the transaction occurred and kept for seven years. All documentation must include, at a minimum, the following:

- Monthly **Bank Statement**;
- Completed and Approved **Agency Control Sheet** (which must have the required two written signatures for the period approval and business justification for the purchase);
- Original Itemized **Receipt** or one of these approved substitutions listed:
  - The invoice
  - A fax order form sent to the supplier
  - A Screen Print of the Internet order confirmation
  - A copy of an order form, the conference registration form etc.
  - The subscription order form, the conference registration form etc.
- Required **Quotes** and evidence of competitive bidding, if applicable;
- In the case of a rare lost receipt or unavailable documentation, the **Missing Receipt Form** which must include an authorized signature from the cardholder's immediate supervisor and Agency Coordinator;
- **Office of Management & Budget Approval**, if applicable, for travel is mandatory and must be filed with each travel transaction. The approval is a required form of documentation and a copy must be retained with the purchasing card records." [Underlined for emphasis]

The Purchasing Card Program Manual, page 18, section VI, subsection A, paragraph 3, states "**The Purchase Card Agency Control Sheet and other approval requirements must be complete and signed by the Agency Coordinator prior to any purchase being made.**" [Underlined for emphasis]

According to the Government Accountability Office (GAO) standards for internal controls (GAO-14-704G), internal control and all transactions and other significant events need to be clearly documented, and the documentation should be readily available for examination. The documentation may appear in management directives, administrative policies, or operating manuals, in either paper or electronic form, and should be properly managed and maintained.

Inadequate documentation to support purchase card transactions may have resulted from the failure of purchase cardholders to follow policies and procedures and/or the lack of supervisory oversight to identify situations where adequate information and/or documentation were not provided.

Lack of documentation to support purchase card transactions decreases accountability and evidence available if a question or dispute arises, and increases the likelihood of errors. Furthermore, it could also question the validity of purchases made by cardholders.

### **RECOMMENDATIONS:**

**We recommend** the following actions:

**4.1** - The Director of the Office of Procurement should ensure cardholders and agency coordinators conduct a thorough review of purchase card transactions and ensure that the appropriate information has been included. Upon review, if any transactions lack the appropriate documentation, every effort should be made to obtain the necessary information.

**4.2** - The Director of the Office of Procurement should implement periodic reviews of the purchasing card transactions by the Program Administrator to ensure that the documents maintained are accurate, complete, consistent, and prepared according to standards. Procedures should also include supervisory reviews, which should be clearly documented.

## **Finding 5: Purchase Card Limitation Violations**

Audit testing revealed the following instances where purchase card transaction limitations were breached:

### **Split Transactions**

There were 123 instances where transactions were identified as potential situations where individuals circumvented the single-item transaction limit of \$5,000 by splitting the transaction into two or more smaller transactions. The criteria used to identify these potential split transactions were whether they were initiated on the same day, by the same individual, utilizing the same vendor, and whether the total of the transactions exceeded the \$5,000 single transaction limit. A sample of 13 of the possible 123 instances was selected to determine if these occurrences represented situations where transactions were split to circumvent the \$5,000 limitation. A review of the sampled items revealed all 13 instances were representative of situations where transactions were split to circumvent the \$5,000 single transaction limitation.

### **Monthly Transaction Limits Exceeded**

In FY 2023, there were 15 instances identified where ten (10) cardholders exceeded the monthly 30-day billing cycle limits of \$25,000 and \$30,000. The overages ranged from \$28 to \$7,924.

The FY23-24 Purchasing Card Program Manual, section V, subsection C, states “Split purchases are prohibited. A split purchase is one in which the original purchase requirement for the same or related

goods or services is deliberately broken into multiple smaller purchases which are made over a short period of time. A split purchase is created to circumvent a card's single transaction limit. Requirements which are divided for other purposes, such as to accommodate accounting needs or to facilitate delivery to separate locations are also considered split purchases. Split purchases include the following types of transactions:

- Purchase of a single item costing more than \$5,000 (including shipping) with the purchase being divided (split) between several different card transactions.
- Purchase of a group of items totaling over \$5,000 (including shipping) for a single purchase need. A single purchase need identifies a group of items that are similar enough in nature to be purchased from a single source and that are all known to be needed at the time of the first purchase transaction..."

Additionally, the FY23-24 Purchasing Card Program Manual, section V, subsection E, states "\$25,000 is the maximum dollar amount a Cardholder is permitted to spend with his/her Purchase Card within a 30-day billing cycle."

The Purchasing Card Program Manual allows cardholders to deviate from these requirements "only upon approval from the Program Administrator". Requests for deviations must be submitted to the Program Administrator in writing.

The primary reason for the instances where purchase card limitations were exceeded is the failure to follow policies and procedures and/or the lack of supervisory overview to identify these situations. Discussions with the Program Administrator revealed that the split transactions may have been due to cardholders booking travel or training for several individuals. The Program Administrator also reported that monthly limitations may appear to have been exceeded as a result of an individual's request to increase their monthly limitation being processed but not immediately reflected on their credit card statement. Additionally, the Program Administrator stated that monthly limitations are allowed to be exceeded when travel related costs are booked.

While conducting audit fieldwork, discussions with various agencies also revealed the following insights into the reasons for these violations:

- The need to procure goods and services in an expedited manner; and
- Emergency purchases that need to be made.

Failure to follow documented policies and procedures related to splitting transactions could lead to a high number of transactions being diverted from purchase order to purchase card processing. This occurrence would increase the volume of transactions being processed through the Purchasing Card Program, thus compromising the intended nature of the program. Furthermore, this occurrence could potentially allow for a higher probability of noncompliance with other requirements, such as approvals and bid submissions, due to the expedited nature apparent in purchase card processing.



## **RECOMMENDATION:**

**We recommend** the following actions:

**5.1** The Director of the Office of Procurement should make every effort to ensure that transactions are within the established monetary limitations. These efforts should include a documented review and follow-up by the Program Administrator of issues noted in various error reports generated by the current purchase card system (PaymentNet) to identify these violations. The privileges of cardholders who continually fail to adhere to spending limitations should be evaluated, and appropriate disciplinary actions should be taken in accordance with the Purchase Card Program Manual.

## **Finding 6: Program Violations - Agency Directors**

Audit testing revealed the following instances of failure to adhere to purchasing card program requirements:

### **Inadequate Agency Standard Operating Procedures - 6a**

Each County Agency that participates in the Purchasing Card Program is required to develop, update/review, and adhere to its own Agency Standard Operating Procedures (ASOP). These ASOPs must include specific features to comply with the Purchase Card Program. A sample of 16 Agency Standard Operating Procedures (ASOP) was requested and reviewed to ensure these features were contained within their ASOPs. The results of the review revealed the following:

- Six (6) of the selected 16 participating purchase card program agencies/divisions either did not have/provide an ASOP or provided an ASOP that was not signed and dated by the Agency Director, confirming its effective date.
- A procedural review of 13 provided ASOPs revealed that only one (1) contained all the essential features required by the Purchasing Card Program Manual.

### **Agency Coordinator Selection Violations - 6b**

According to the Purchasing Card Program Manual, Agency Coordinators must be employed at the County's Wage Grade 18 or higher. A review of the provided Agency Coordinator listing revealed one (1) with a Coordinator who was employed below the required County Wage Grade.

### **Issues with Agency Director's Statement of Responsibility Forms - 6c**

Each Agency Director wishing to participate in the Purchasing Card Program must complete and sign an Agency Director's Statement of Responsibility form. The form requires the Director to acknowledge that they have read the Purchasing Card Manual and are responsible for the Agency's appropriate use of the purchase card. A new form is to be completed and signed each fiscal year by each Agency's Director when updates have been made to the Purchasing Card Manual. An update was made to the Purchasing Card Manual on February 24, 2024.

A&I requested the most recently signed Agency Director's Statement of Responsibility form for 15 randomly selected Agencies participating in the Program. The results of a review of the provided information, which could indicate that updated manual was not reviewed by the Directors, were as follows:

- Two (2) Agency Director Statement of Responsibility forms were signed on February 2024, the day the Purchasing Card Manual was updated.
- One (1) form provided was signed in July 2022, 19 months before the Purchase Card Manual was updated.
- One (1) form was not provided.
- The remaining 11 forms were signed in October or November of 2023, four (4) months before the manual was updated.

The Purchasing Card Program Manual, section IV, subsection A states, Each County Agency that participates in the Purchasing Card Program is required to develop, update/review and adhere to its own Agency Standard Operating Procedures (ASOP) as required. Development of internal control procedures is delegated to the agency because procedures may vary significantly from agency to agency, based on each agency's organization and procurement needs. Participating agencies of the Purchasing Card Program must develop and maintain an ASOP that includes the following features:

- Current Agency Director/Head must sign the ASOP (if there is a change in leadership the newly appointed Agency Director/Head shall submit a signed updated ASOP within a reasonable amount of time).
- Date-specific deadlines for reconciliation of monthly transaction submissions by Cardholders.
- Procedures to ensure certification of fund availability, mandatory business justification and prior approval for all Purchasing Card transactions (Agency Control Sheet).
- Procedures must include an appropriate separation of duties. The cardholder and the approver function may not be performed by the same person.
- The flow of Purchasing Card related documentation within the agency.
- Agency specific procedures for obtaining, safeguarding and returning cards
- Employee Exit Interview Checklist.
- A requirement that Cardholders comply with the Countywide policies and procedures set forth in the Purchasing Card Program Manual.
- Purchasing Card record retention procedures and disposal schedules.
- Facilitate the Procedural Review on the Agency level.
- Policy Violations.

Section IV, subsection C of the Purchasing Card Program Manual, states that each Agency Director that participates in the Purchasing Card Program must select at least one Agency Coordinator...who must be employed at the County's Wage Grade-18 or higher and must hold the position of, be supervised by and/or report directly to the Budget Coordinator for his/her agency. Agency Coordinators are prohibited from serving as P-Card Program Cardholders.

Additionally, the Purchasing Card Program Manual, section III, subsection D states, that every Agency Director whose agency participates in the Purchasing Card Program is required to sign the Agency Director's Statement of Responsibility form acknowledging that the Director has read the P-Card Manual and is responsible for the agency's proper use of the P-Card. The Agency Director is required

to sign this form at the beginning of each fiscal year or when the Purchasing Card Manual has been updated or changed

The issues identified above result from the Program Administrator and Agency Directors not enforcing adherence to all County-wide policies and procedures governing the Purchasing Card Program. The Program Administrator is not holding individuals accountable for a lack of adherence to Program procedures. Furthermore, proper documentation is not being retained or completed to provide evidence of ongoing adherence to internal control policies and the performance of control activities.

Internal control activities are not being performed as required, unnecessarily placing County resources at risk. The lack of accountability for compliance with program policies and procedures creates a negative ethical tone that may interfere with the quality of internal control and may lead to unethical behavior. When required forms are not completed in their entirety, Management may be unable to hold employees accountable for their lack of understanding of policies and procedures or failure to comply with Program internal control activities.

### **RECOMMENDATION:**

**We recommend** the following actions:

**6.1** Each Agency Coordinator should review their ASOPs to ensure they contain the required features outlined in the Purchasing Card Program Manual. Any modifications needed to comply with the Purchasing Card Program should be completed, and the final draft should be submitted to the Agency's Director for final approval and forwarded to the Program Administrator for review to ensure compliance with program requirements.

**6.2** The Director of the Office of Procurement should ensure that the Program Administrator adheres to established policies and procedures related to the appointments of Agency Coordinators, as documented in the Purchasing Card Program Manual, at all times. Failure to comply with Program policies and procedures must be documented in writing and provided to the Director of the Office of Procurement for disciplinary action that may include temporary or permanent suspension of an Agency's participation in the Purchasing Card Program.

**6.3** The Director of the Office of Procurement should ensure the Program Administrator obtains, reviews, and verifies all required forms under the Purchasing Card Program to ensure accuracy and completion. The Program Administrator must pay careful attention to detailed information on each form and ensure forms are correctly dated and signed by the appropriate individuals. Any inconsistencies or abnormal activity should be documented and investigated, and appropriate action should be taken.

## **Finding 7: Inadequate Documentation to Support Issuance of Cards and Untimely Removal of Cardholders**

### **Lack of Documentation to support the Purchase Card Issuance Process - 7a**

Agency Directors seeking issuance of a Purchasing Card must assign an Agency Coordinator to a proposed Cardholder. The Cardholder then must complete the required forms and training prior to being issued a purchase card.

A random sample of 16 active cardholders whose accounts were opened in fiscal year 2023 were selected to ensure that the required forms were completed before the issuance of their purchase card. The results of the review revealed the following:

- Purchase Cardholder Individual Card Application Forms results were as follows:
  - Three (3) applications were not provided
  - 12 of the remaining 13 applications were not signed by the Purchasing Agent (formerly the OCS Director).
  - Three (3) applications were not signed by the Agency's Director
  - Two (2) applications were not signed by the Agency's Coordinator
  - One (1) application was not signed by the cardholder
- 11 out of the 16 JPMorgan Individual Card Applications did not have the spending and transaction limit section of the application completed.
- The Statement of Responsibility & Training Agreement Forms results were as follows:
  - The forms did not have a print name section for either the Agency Coordinator or the Purchase Cardholder. This omission, in some cases, prevented the confirmation of individual signatures.
  - 10 out of 16 of the Statement of Responsibility and Training Forms had an typed date, while 6 out of 16 had a signed date. Dates and signatures that are typed make it difficult verify that the signature and date are authentic.
  - There was one (1) cardholder that signed the Statement of Responsibility & Training Agreement Form before the JPMorgan Individual Card application had been signed and before they had attended training.

### **Issues with Cardholder Removal/Deletion Process - 7b**

If there are changes in a Cardholder's employment status, agencies must complete a Purchasing Card Account Form for the Cardholder marked "Deletion." This form must be signed so the former cardholder's account can be deleted from the Payment Net system. A sample of 13 cardholder deletion forms were reviewed and the following observations were noted:

- One (1) out of the 13 account deletion forms was not provided.
- There were two (2) accounts that were closed nearly three (3) months after the account deletion form was signed and approved by the Program Administrator.
- A third account was closed in June 2023, is six (6) months after the account deletion form was signed and approved by the Program Administrator in December 2022. This same account continued to make transactions through April 2023.

The Purchasing Card Program Manual, section IV, subsection D states, “Agency Directors seeking issuance of a Purchasing Card must assign an Agency Coordinator to a proposed Cardholder. The Agency Coordinator must provide the proposed Cardholder with a new Purchasing Cardholder Application to complete online.”

After receiving notification that the application has been approved, the Manual states, “the Agency Coordinator must coordinate with the Cardholder and Purchasing Card Administrator to schedule training. Upon completion of the required training, the Cardholder must sign a Purchasing Card Program Agreement. By signing the Agreement, the employee acknowledges his/her responsibilities regarding card use and the consequences for card misuse.”

The Purchasing Card Program Manual, section IV, subsection G states, “The Agency Coordinator (with Director approval) must inform the Program Administrator immediately upon becoming aware of a change in a Cardholder’s employment status with the agency (e.g., leaves County employment, transfers to another department, division or section, or changes job responsibilities that do not include Purchasing Card tasks). Conducting a PCard termination includes performance of the following tasks:

- Retrieve the Cardholder’s Purchasing Card
- Cut the Purchasing Card in half and place in a sealed envelope
- Conduct an examination of the Cardholder’s recent transactions
- Complete a Purchasing Card Account Form for the Cardholder marked “Deletion”
- Obtain the signature of the Agency Director on the Purchasing Card Account Form
- Send the cut Purchasing Card in the sealed envelope and attached to the originally signed Purchasing Card Account Form marked “Deletion” to the Program Administrator

The issues identified above result from the Program Administrator not enforcing adherence to all County-wide policies and procedures governing the Purchase Card Program. The Program Administrator is not holding individuals accountable for a lack of adherence to Program procedures. Furthermore, proper documentation is not being retained to provide evidence of ongoing adherence to internal control policies and the performance of control activities.

With respect to the delay in processing deletion forms, the Program Administrator reported that in some cases the Agency Coordinators failed to inform him of the departure of a cardholder in a timely manner, which contributed to the delay in removing the cardholder from the PaymentNet system.

Internal control activities are not being performed as required, unnecessarily placing County resources at risk. The lack of accountability for compliance with program policies and procedures creates a negative ethical tone that may interfere with the quality of internal control and may lead to unethical behavior. When required forms are not completed in their entirety, Management may be unable to hold employees accountable for their lack of understanding of policies and procedures or failure to comply with Program internal control activities.

## **RECOMMENDATIONS:**

**We recommend** the following actions:

**7.1** The Director of the Office of Procurement should ensure that the Program Administrator adheres to established policies and procedures related to the issuance/collection of purchasing cards, as documented in the Purchasing Card Program Manual, at all times. Failure to comply with Program policies and procedures must be documented in writing and provided to the Director of the Office of Procurement for disciplinary action that may result in temporary or permanent suspension of an Agency's participation in the Purchasing Card Program.

**7.2** The Director of the Office of Procurement should ensure the Program Administrator obtains, reviews, and verifies all required forms under the Purchasing Card Program for accuracy and completeness. The Program Administrator must pay careful attention to detailed information on each form and ensure forms are correctly dated and signed by the appropriate individuals. Any inconsistencies or abnormal activity should be documented and investigated, and appropriate action should be taken. If forms are to be completed in a non-electronic environment, it should be updated to include a print section and the signature and date fields should be manually completed to ensure authenticity.

**7.3** The Director of the Office of Procurement should establish a record retention policy that governs the maintenance of the aforementioned documentation, which should agree with the Purchasing Card Program's overall retention of records policy.

**7.4** The Director of the Office of Procurement should work with the Office of Human Resources Management to obtain a report of employees that have separated from the County or transferred to another agency. The Program Administrator should compare this report to the list of active cardholders to ensure more timely deactivation of purchasing cards assigned to those employees.

## Appendix A: Department/Agency Response

### PRINCE GEORGE'S COUNTY GOVERNMENT Office of Procurement

December 6, 2024

#### MEMORANDUM

TO: Turkessa Green  
County Auditor

FROM: Pamela Ford Dickerson  
Director, Office of Procurement

RE: Purchasing Card Program- Agency Response

This office is in full agreement with the findings from Office of Audits and Investigations. It is the goal of this agency to adhere to the recommendations that was provided in your report. You will see in our responses, that office has started to implement most if not all of recommendations.

Please find enclosed, the Office of Procurement's Response to the Purchasing Card Program audit.

Enclosure

Cc: Jared M. McCarthy, Deputy Chief Administrative Officer, Government Operations

Jonathan R. Butler, Director, Office of Central Services

Onu Tugjnyam, Special Assistant, Office of Procurement

Takayo O'Bannon, Associate Director for Administration, Office of Procurement

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"Empowering progress through accountable, collaborative, and transparent procurement practices."

1400 McCormick Drive, Suite 200, Largo, Maryland 20774 (301) 883-6400, FAX (301) 883-6440

Finding 1: Inadequate Oversight/Monitoring by Program Administrator	
Management Agreement	Management's Action Plan
<input checked="" type="checkbox"/> Agree <input type="checkbox"/> Disagree	1.1 - As the Program Administrator I complete and monthly review of every transaction at the end of each cycle to ensure that the correct accounting information has been provided for SAP posting. I will also meet with each agency and provide a monthly ledger to ensure relevant documentations are maintained as evidence of ongoing adherence to internal control policies and procedures, performance of control monitoring activities for the Purchasing Card Program.
<input checked="" type="checkbox"/> Agree <input type="checkbox"/> Disagree	1.2 – I agree, the Director of Procurement is currently working on a retention schedule that will align with the PCard regulations. Currently the Program Administrator and Administrative Aide from Office of Procurement is working with the General Services Division on a record retention policy and schedule that governs the maintenance of the documentation for the Purchase Card Program.
<input checked="" type="checkbox"/> Agree <input type="checkbox"/> Disagree	1.3 – I agree, we are currently working with OIT to create a digital storage for all current and future PCard documentation.
<input checked="" type="checkbox"/> Agree <input type="checkbox"/> Disagree	1.4 – We are currently creating a quarterly refresher training for all Agency Coordinators to ensure that they are up to date on all PCard policy and regulation changes. This training will provide an overview of the program and its requirements followed by a short test to ensure participants understand key aspects of the Purchasing Card Program.
Finding 2: Inadequate Approval for Purchase Card Transactions	
Management Agreement	Management's Action Plan
<input checked="" type="checkbox"/> Agree <input type="checkbox"/> Disagree	2.1 – We are creating an Approval Review Team to ensure that at the end of each cycle all documentations are reviewed by the Agency Director, Agency Coordinator, and the Budget Analyst to ensure all appropriate documentations for each transaction have been received and signed.
Finding 3: Prohibited Purchases	
Management Agreement	Management's Action Plan
<input checked="" type="checkbox"/> Agree <input type="checkbox"/> Disagree	3.1 – We will ensure in our refresher trainings that we are making AC's and CH's are not using their PCard's for recurring charges and utility bills. Information has been sent out to Agencies to use the Cable Commission to take care of their utility bills. Some vendors in the county do not honor our tax exemptions status. Cardholders are advised to use a different vendor if this happens. Also, the Program Administrator will ensure relevant documentations are maintained as evidence of ongoing adherence to internal control policies and procedures performance of control monitoring activities for the Purchasing Card Program.






Finding 4: Missing/Inadequate/Inaccurate Documentation	
Management Agreement	Management's Action Plan
<input checked="" type="checkbox"/> Agree <input type="checkbox"/> Disagree	4.1 – We are creating an Approval Review Team for each Agency to ensure that all purchase card transactions are reviewed to ensure that the appropriate information has been included and all signatures have been received. The Program Administrator will also meet with each agency and provide a monthly ledger to ensure relevant documentations are maintained as evidence of ongoing adherence to internal control policies and procedures, performance and control monitoring activities for the Purchasing Card Program.
<input checked="" type="checkbox"/> Agree <input type="checkbox"/> Disagree	4.2 – The Program Administrator will perform quarterly reviews of purchase card transactions to ensure that documents are maintained accurately, completely, consistently, and prepared according to government standards.
Finding 5: Purchase Card Limitation Violations	
Management Agreement	Management's Action Plan
<input checked="" type="checkbox"/> Agree <input type="checkbox"/> Disagree	5.1 – As the Program Administrator I will complete a monthly review for any split transactions and any transactions that exceed the cardholder's monthly limitations. The Approval Review Team will also be reviewing and acknowledging these types of transactions and bringing them to the attention of the Program Administrator. After speaking with JPMC, we will have a meeting with all cardholders to be aware of their credit limits before authorizing any transactions.
Finding 6: Inadequate Oversight/Monitoring by Program Administrator	
Management Agreement	Management's Action Plan
<input checked="" type="checkbox"/> Agree <input type="checkbox"/> Disagree	6.1 – I agree all ASOP should be signed and returned immediately after the review of the new Purchasing Card Manual. The Program Administrator will ensure that the manual is reviewed, signed, and distributed on time so that the Agencies can review and comply with ASOP's each fiscal year.
<input checked="" type="checkbox"/> Agree <input type="checkbox"/> Disagree	6.2 – All Agency Coordinators were appointed by their Agency Directors. The Program Administrator is not responsible for appointing Agency Coordinators.
<input checked="" type="checkbox"/> Agree <input type="checkbox"/> Disagree	6.3 – The Program Administrator will review all documentation after each Approval Review Team meeting to ensure accuracy and completion. The Program Administrator will also review that forms are correctly dated and signed by the appropriate individuals. All inconsistencies and abnormal activity will be documented and investigated, and the appropriate actions will be taken.

<b>Finding 7: Cardholder Issuance/Termination</b>	
<b>Management Agreement</b>	<b>Management's Action Plan</b>
<input checked="" type="checkbox"/> Agree <input type="checkbox"/> Disagree	7.1 – The Program Administrator will ensure relevant documentation and signatures are maintained as evidence of ongoing adherence to internal control policies and procedures and performance of control monitoring activities for the Purchasing Card Program.
<input checked="" type="checkbox"/> Agree <input type="checkbox"/> Disagree	7.2 – The new ART team that we are forming will help resolve any delays in the PA being notified of changes in the status of Cardholders and Agency Coordinators. The PA will confirm any changes in employee status with each Agency and the end of every cycle.
<input checked="" type="checkbox"/> Agree <input type="checkbox"/> Disagree	7.3 - Currently, the Program Administrator and Administrative Aide from the Office of Procurement is working with the General Services Division on a record retention policy and schedule that governs the maintenance of the documentation for the Purchase Card Program.
<input checked="" type="checkbox"/> Agree <input type="checkbox"/> Disagree	7.4 - The Program Administrator will work with Office of Procurement Human Resources and the Office of Human Resources Management who will obtain a report of employees who have separated from the County or transferred to another agency.

## Appendix B: Prior Audit Findings

Finding	Current Audit		October 2019 Report	September 2015 Report
# of transactions sampled	404		598	855
Purchase Card Limitation Violations	▶	15 instances (3.7%) 10 cardholders exceeded the \$25k, \$30k limit	20 instances (3.3%) 7 cardholders exceeded the \$25k limit	24 instances (2.8%) 5 cardholders exceeded the \$25k limit
	▶	Split Transactions-123 instances identified, 13 sampled, 13 identified as splits (100%)	Split Transactions-98 instances identified, 11 sampled, 4 identified as split transactions (36%)	Split Transactions-150 instances identified, 15 sampled, 6 identified as split transactions (40%)
Inadequate Approval for Purchase Card Transactions	▶	20% of transactions lacked required signatures, and 37% were approved after the transaction date. There are some situations where a transaction could meet both criteria.	27% of transactions lacked adequate approval, as indicated by the lack of required signatures or approval after the transaction date	44% of transactions lacked adequate approval, as indicated by the lack of required signatures or approval after the transaction date
	▶	13% of transactions lacked special approval	27% of computer-related transactions lacked; 24% of food-related transactions lacked DCAO approval OIT Director approval; 12% of travel lacked OMB Director approval	81% of computer-related transactions lacked OIT Director approval; 48% of food-related transactions lacked DCAO approval; 69% of travel lacked OMB Director approval
Prohibited Purchases	▶	22 instances, or 5% of transactions, included a prohibited purchase, and 14 instances, or 3% of transactions, where MD sales tax was paid. A total of 36/404 or 9%	3 instances where utility bills were paid, 13 instances of MD sales tax paid, 3 instances of gifts, 3 instances of gas/oil, and 4 instances of payment for E-Z Pass. A total of 26/598 or 4%	4 instances where utility bills were paid, 7 instances of parking/tickets, 2 instances of gas/oil, and 6 instances of payment for previous orders. A total of 19/855 or 2%.
Missing, Inadequate, Incomplete, Inaccurate Documentation	▶	2% of transactions lacked an ACS	1% of transactions lacked an ACS	5% of transactions lacked an ACS
	▶	6% were missing or insufficient business justification	9% were missing or insufficient business justification	12% were missing or insufficient business justification
	▶	5% lacked adequate documentation	5% lacked adequate documentation	7% lacked adequate documentation

Finding	Current Audit		October 2019 Report	September 2015 Report
# of transactions sampled	404		598	855
<b>Inadequate Oversight/ Monitoring by Program Administrator</b>		No documentation to support monthly reviews	No documentation to support monthly reviews or procedural reviews by the Program Administrator was provided	No documentation to support monthly reviews by the Program Administrator was provided
	New	Failure to maintain an updated AC listing		
	New	Failure to provide documentation to support the training of 10 new cardholders		
	New	3 Agency Directors were active cardholders, with 1 approving their own purchases, and didn't maintain adequate documentation to support purchasing activity		
<b>Program Violations- Agency Directors</b>		6 (6/16-38%) agencies/divisions either did not have/provide an ASOP (3) or provided an ASOP (3) that was not signed and dated by the Agency Director, confirming its effective date	16 (16/18-89%) ASOPs lacked appropriate dates and signatures	2 (2/31-6%) agencies did not provide a signed and dated ASOP, 8 (8/31-26%) ASOPs lacked appropriate signatures
	New	A procedural review of 13 provided ASOPs revealed that only one (1) contained all the essential features required by the Purchasing Card Program Manual		1 (1/31-3%) agency did not provide a procedural review checklist
		13 (13/15-87%) Director's Statement of Responsibility Forms were either not provided or were signed/dated months prior to the date of the updated Purchase Card Manual	17 (17/18-94%) agencies failed to provide their Director's Statement of Responsibility Forms	3 (3/32-9%) agencies failed to provide their Director's Statement of Responsibility Forms
		16 (16/16-100%) purchase cardholder applications either were not provided or lacked a required signature	3 (3/3-100%) cardholders lacked the required forms to support the card issuance process	9 (9/24-38%) of cardholder account application forms lacked an appropriate signature/approval
<b>Cardholder Issuance/ Termination</b>	New	11 (11/16-69%) of JP Morgan credit applications did not have the spending and transaction limit sections completed		
	New	1 (1/16-6%) cardholder training form was signed prior to the completion of the JP Morgan form and training		
	New	4 (4/13-31%) accounts were either not supported by an account deletion form, or the cardholder's account was closed 3-6 months after the deletion form was signed and approved		

Status of Audit Findings	
	Decrease in instances noted
	Similar results compared to prior years
	Increase in instances noted