

GREGORY P. HAWKINS Salt Lake County Auditor

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DAVID L. BECK Director, Division of Property Tax Compliance April 9, 2012

Lee Gardner, Salt Lake County Assessor Assessor's Office 2001 South State St. Suite N2300 SLC, UT 84114

RE: Purchasing Card Examination

Dear Lee:

The Auditor's Office recently completed an examination of purchasing card expenditures at your agency. We reviewed transactions and related documentation for March 2010 to February 2012.

We found that purchases had a valid County business purpose and were allowable under Countywide Policy #7035, "Purchasing Card Authorization and Use." Exceptions to policy were noted, and have been discussed with the purchasing cardholder and Chief Deputy. The most significant findings have been included below.

- A purchasing card log was not always completed and transactions were not always approved.
- Request for Travel Allowance forms did not include airfare paid using the purchasing card and were not reconciled to the purchasing card statements.
- Receipts were not always signed.

A purchasing card log was not consistently completed and transactions were not always approved. "Salt Lake County Purchasing Card Training Manual and Operating Standards," Section 6.2, states, "Record the purchase on the P-card Transaction Log... In the log, record the date of the transaction, the name of the supplier, and identify the merchandise purchased and the dollar value of the sale." The Assessor's Office purchasing card transactions are approved first by the cardholder and then by the Chief Deputy Assessor.

A log was not completed for 12 out of the 24 months examined. For most of those months, approvals were completed electronically using US Bank's online system. However, for two of the 12 months, electronic approvals were not performed. A transaction log should be created whether or not electronic approvals occur.

In addition, there were four transactions totaling \$397 during November 2010 which were not included on a log. Purchasing card duties were reassigned that

month and a new purchasing card was issued. The purchases in question were made using the purchasing card that was being retired.

A transaction log can be printed from US Bank's online system. See Attachment A for an example of the log generated. A log should be kept with monthly bank statements and purchase documentation.

RECOMMENDATION:

A transaction log should be printed each month and retained with the monthly purchasing card statement and purchase documentation.

Request for Travel Allowance forms did not include airfare paid using the purchasing card and were not reconciled to the purchasing card statements. Countywide Policy #1019, "Authorization and Payment of Travel Related Expenditures," Section 2.5, states, "When the Agency receives the monthly statement from the purchasing card issuer, the Agency Travel Coordinator shall reconcile the airfare charge to the original Request for Travel Allowance form, along with all other purchasing card expenses charged on that travel request." Section 2.6 states, "Agencies will be responsible for maintaining records of the reconciliations of monthly payment-card issuer statements with individual Requests for Travel."

Airline tickets paid for using the purchasing card were not included on Request for Travel Allowance forms and were not reconciled to purchasing card statements. See Attachment B for an example Request for Travel Allowance form.

RECOMMENDATIONS:

- 1. Airfare paid for using the purchasing card should be included on the Request for Travel Allowance form.
- 2. The Request for Travel Allowance form should be reconciled to the purchasing card statement.

Receipts were not always signed. "Salt Lake County Purchasing Card Training Manual and Operating Standards," Section 6.1, states, "When you purchase via phone, fax, e-mail, or other electronic means, print a copy of your order. Ask the supplier to include the receipt with the goods when the product is shipped to you. Always sign your receipts." With a few exceptions, receipts and invoices were not signed by the cardholder.

RECOMMENDATION:

Purchase documentation should be signed by the cardholder.

We appreciate the assistance of Assessor's Office staff in completing this review. We commend their professional and conscientious attitude toward use of the purchasing card.

Please do not hesitate to contact me at 385-468-7172, or Wayne Bushman at 385-468-7173 if you have any comments or questions regarding the findings. We are confident that our work will be of benefit to you as you endeavor to strengthen internal controls and achieve compliance with County policy.

Sincerely,

Gregory P. Hawkins Salt Lake County Auditor

By James B. Wightman, CPA, CISA, CITP

Director, Division of Compliance and Performance Assessment

Cc: Kevin Jacobs

April Townsend

Greg Folta

Michelle Roach

David Delquadro

David Wilde

Signature:

Supervisor Name:

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	Name: TAMARA M PULLAN	M PULLAN	Acc	Account Number:	er: *****0016914683	Cycle End Date:	12/22/2011	
	Trans Date	Merchant Name	Transaction -	Total	Source Currency Currency Amount	Amount		
	Costilling Cate	City, State/Flow.	Allocation Amount	ount	Accounting Code			
	11/21/2011	DEPARTMENT OF COMMERCE	\$40	00.00	USD	400.00		
	11/23/2011	801-530-6431, UT	\$40	\$400.00	34010013002310FL40 License Renewal Fee CStavros	eRenewalFeeCStavros		
	11/28/2011	PREMIER MEMORY	9\$	63.50	asn	63.50		
	12/01/2011	847-581-6509, IL	9\$	63.50	34010013002416FL10 New Board for PersPropPrinter	oard for PersPropPrinter		
	11/28/2011	CWD DENVER, LAKEWOOD	<u>(\$)</u>	(\$76.31)	asn	(76.31)		
	12/05/2011	LAKEWOOD, CO	2 \$)	(\$76.31)	34010013002580ff50 Cr - Overcharged Grace for hotel in CO.	rcharged Grace for hotel in	O	
Att	12/02/2011	VUE*APPRAISER TESTING	L\$	75.00	asn	75.00		
achm	12/02/2011	800-511-3478, MN	25	75.00	34010013002330FL40 Appr Exam WHutchison	xam WHutchison		
nent	12/09/2011	LOOPNET INC	\$2	\$26.96	USD	26.96		
Α	12/2/217	413-2434200, CA	\$2	\$26.96	34010013002310FL40 Commercial Sales Info Monthly Subcription Fee	ercial Sales Info Monthly S	ubcription Fee	
	12/15/2011	DEPARTMENT OF COMMERCE	\$40	00.00	usp	400.00		
	12/19/2011	801-530-6431, UT	\$40	00.00	34010013002310fl40 License Renewal Fee CJohnson	Renewal Fee CJohnson		
	12/15/2011	DEPARTMENT OF COMMERCE	\$40	00:00	asn	400.00		
	12/19/2011	801-530-6431, UT	\$40	\$400.00	34010013002310FL40 License Renewal Fee DBULT	Benewal Fee DBULT		
	Activity	Activity Totals Pur \$1,289.15 \$1	Purchases \$1,289.15	Payments \$0.00	ants			
	Cardholder Name:	ä			Signature:			Ĭ

SALT LAKE COUNTY REQUEST FOR TRAVEL ALLOWANCE COUNTYWIDE POLICY #1019, TRAVEL ALLOWANCE AND REIMBURSEMENT

(Refer to instructions before completing this form)

Name/title of traveler:	Division:	
Name of conference:	Destination:	
	Date of return:	
Travel coordinator:	Phone #:	
I. TRANSPORTATION Air		
If traveling by air, add \$50 for a	irport transportation costs =>	\$
Baggage Fee	(Airline)	\$
County vehicle Driver:		
Private vehicle	(Airfare) (# of Miles) x 0.555	\$
Private vehicle if Government C		\$
Rental vehicle (Not normally app	proved. Please provide justification)	\$
II. PER DIEM (One full day per diem for each nigh diem rates determined by General S	GAX # t spent out of town while on County business. One half day per diem for the Services Administration. See County Intranet for link to G.S.A. website.)	day of return. Per
	# of nights	
	Actual reserved hotel nightly rate x	\$
	Actual reserved hotel nightly ratex (Use 2nd line if hotel rate changes during stay; ie different weekend rate)	\$
# of days on County business:	01/2 G.S.A. meal rate	\$ -
TOTAL TRANSPORTATION AND F	PER DIEM TO TRAVELER	\$ -
III. P-Card Payments		
Hotel/Lodging paid with P-card		\$
Airfare paid with P-card		\$
Registration paid with P-card		\$
IV. REGISTRATION/TUITION	GAX#	** '
Number of persons attending: (Please attach registratio	Early bird discount applies ns for each individual, or list of all attendees if on same registration.)	
Include in advance		\$
To be paid directly by Auditor Name and address of payee:		\$
Normal acctg distribution:	Fund Dept/Agency Unit/Org Activity	Object
Other acctg distribution:		<u> </u>
County purpose and/or explanation of any	items not following Policy 1019:	
Division Director	Date Elected Official or Dept. Head	Date
PINISION PILEOROI	Date Elected Official of Dept. Head	Date