

# Purchase Card Program Audit (25-03)



# Audit Scope



- **Period of Review: September 1, 2021 – February 28, 2025**
- **Audit topics:**
  - **Governance**
  - **Program Compliance**
  - **Transaction Testing**
  - **The scope did include Risk Management**



## Audit Results – 25-03-02

- **Issue: There was an open Purchase Card account for a terminated employee.**
  - **No evidence of fraudulent spending.**
- **Management should coordinate with the People Office to ensure the offboarding checklist includes a step to notify the P-Card Administrator upon any employee termination or transfer.**
- **Management should consider working with the People Office to automate notifications through the HR system to immediately flag personnel changes that require card deactivation.**
- **The P-Card Administrator should periodically reconcile or create a tracking mechanism to ensure all active cardholders are current employees.**



## Audit Results – 25-03-05

- **Issue: 137 cardholders or approvers have not completed basic purchase card training**
- **Update policies and SOPs to clearly mandate annual training for all cardholders and approvers.**
- **Identify cardholders and approvers who have not completed training in the past year and require completion.**



# Audit Results – 25-03-06

- **Issue: Training for transaction approvers does not exist**
- **Develop and deploy a targeted training module for transaction approvers. This training should cover review responsibilities, documentation requirements, and policy compliance.**
- **Integrate training compliance tracking into the learning management system (LMS) and establish triggers to notify Finance or Program Administrators when an approver lacks required training.**
- **Require periodic refresher training for all transaction approvers, regardless of P-Card holder status.**
- **Review and update internal policies to reflect the need for distinct training requirements for different user roles within the P-Card system.**



# Audit Results – 25-03-07

- **Issue: Purchase cards have been used to purchase individual meals.**
- **Reinforce meal policy requirements through targeted refresher training for all P-Card holders and transaction approvers, emphasizing documentation expectations for meals.**
- **Strengthen documentation guidance by providing a template for meal purchase descriptions that includes fields for attendees, purpose, and justification.**
- **Update the approval process to include a mandatory checklist for business meal purchases that requires confirming the number of attendees, meeting purpose, and exclusion of unauthorized items.**



## Audit Results – 25-03-08

- **Issue: Purchase transactions lack detailed information required by policy**
  - **85,068 (62%) lacked required transaction descriptions**
  - **4,412 were missing receipts**
  - **3,039 had no recorded approvals in US Bank**
- **Update training materials and procedures to emphasize the importance of complete descriptions, supporting documentation, and timely approvals.**
- **Enforce system validation rules that require detailed descriptions, receipt uploads, and selection of an approver before a transaction can be submitted for review.**



## **Audit Results – 25-03-08 (continued)**

- **Develop automated reminders and escalation protocols for reconcilers and approvers who fail to complete tasks within the 8-day reconciliation window.**
- **Implement periodic compliance audits to identify users with repeat deficiencies and refer issues to department leadership for follow-up.**
- **Restrict P-Card privileges temporarily or permanently for cardholders or approvers who fail to meet policy requirements after notice or retraining.**

