

TASK

Effective Date: 6/1/07

Approved By: Vice President George Pierce

Authority: RCW 43.19.185

Cancels:

See Also: POL-U5348.04 Using a Purchasing Card (PCard)

TSK-U5348.04C**AUDITING PCARD ACTIVITY**

The Purchasing Department Reviewer:

1. Notifies Cardholder, Budget Authority, Approver and guardian of receipts of the intent to conduct an on-site review, providing at least a 2 day notice.
2. Runs Cardholder transaction reports for the Cardholder(s) being reviewed for the review time period.
3. Distributes an Audit/Review checklist and procedures handout to all those under review.
4. Checks the departmental file for the following criteria:
 - Items purchased are within dollar limits,
 - Items purchased are not part of the Restricted Items list,
 - **If yes**, verify that appropriate written authority from Purchasing is on file.
 - Transactions were not separated to bypass card limits
 - Proper budget string information has been recorded
 - Departmental record keeping processes are orderly and complete,
 - Receipts and documentation are available for all transactions
 - Transactions have been reviewed and approved on a timely basis
 - Notes any corrective action on the review checklist
5. Establishes the next review date.
 - If all documentation is in order, review date is scheduled based on card type.
 - If corrective action is noted , set the next review date for one month from the date of the current review
 - If the review indicates deficiencies from a previous review have not been adequately addressed, then action should be escalated as follows:
 - Second Review
 - Refer the situation to the Purchasing Manager or the Director of Purchasing, Contracts, and Support Services for follow-up.

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- The Budget Authority and/or Cardholder's Supervisor will be contacted to discuss corrective action.
 - Third Review
 - Refer for follow-up to the Assistant Vice President for Business and Financial Affairs, for contact with the appropriate managerial personnel with supervisory responsibility over the Cardholder.
 - Fourth Review
 - Refer for follow-up to the Vice President, Business and Financial Affairs, for contact with the appropriate managerial personnel with supervisory responsibility over the Cardholder.
6. Notes any difficulties or problems the Budget Authority, and/or their users of the PCard are experiencing using the PaymentNet site.
 - Refer issues to the Purchasing Manager for review with JPMorganChase.
 7. Discusses results of review with the Budget Authority.
 8. Signs and dates the Checklist.
 - Budget Authority signs as an acknowledgement that the results have been fully explained.
 - Leaves a copy of the review with the department for their file.
 9. Notes the total elapsed time for the review.
 10. Halts the review process if disputes or disagreements occur, hampering the reviewer's ability to do the audit. Advises his/her manager, to contact the department to resolve any problems in preparation for a rescheduled audit.
 11. Deficiencies may result in one or more of the following actions:
 - Increased departmental on-site reviews.
 - Increased scrutiny of posted transactions by PCard Administrator.
 - Decrease of Cardholder's transaction dollar limit and/or monthly total transaction allowance.
 - Revocation of PCard.