



# OFFICE OF THE CITY AUDITOR COLORADO SPRINGS, COLORADO

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## 17-06 City of Colorado Springs Procurement Card 2016 Monitoring Audit

February 2017

### Purpose

The purpose of this audit was to review compliance with City Procurement Card (p-card) policies and procedures on an ongoing basis during 2016.

### Highlights

We concluded that overall City Procurement Card (p-card) policies and procedures were followed.

The p-card program allowed for the efficient purchase of goods while providing a rebate to the City. In 2016, 44,623 transactions were processed accounting for \$10,045,406 and the City received a rebate of \$150,949.

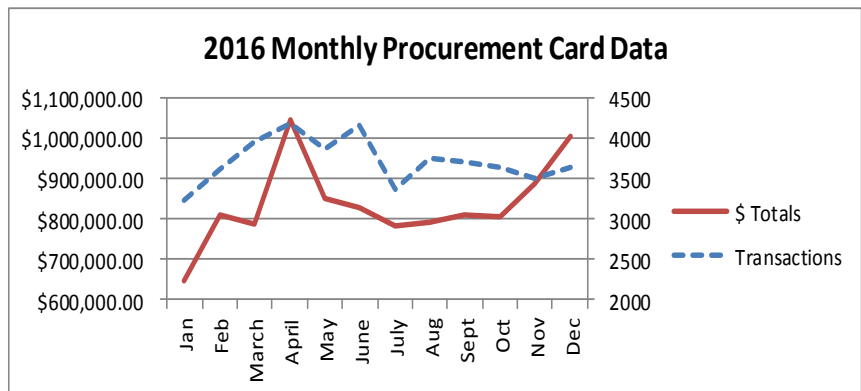
Prior to April 2016, the Accounts Payable section in the City's Finance Department performed ongoing p-card compliance reviews throughout the City. Additionally, the Accounts Payable section was responsible for p-card administration duties such as card issuance. Responsibility for p-card administration was transferred to the City Contracting Department in 2016.

In addition, p-card audits were performed by Office of City Auditor (OCA) on a rotating multi year cycle. Effective April 2016, the OCA assumed responsibility for ongoing compliance reviews of p-card transactions. This realignment should result in overall audit effort savings. The OCA will provide an annual report on p-card compliance.

During 2016, we performed reviews of transactions for selected cost centers for four months beginning April 1, 2016. We tested for compliance with procedures that required all statements to be properly supported and approved by the cardholder as well as the appropriate manager. We also verified that transactions were allowed under City policy.

Procurement and user departments were notified of any areas needing improvement. Overall, we noted good compliance with policies and procedures in place.

Compliance reviews of p-card transactions for the Office of the City Auditor will continue to be performed by City Finance.



This audit was conducted in conformance with the International Standards for the Professional Practice of Internal Auditing, a part of the Professional Practices Framework promulgated by the Institute of Internal Auditors.