



# OFFICE OF THE CITY AUDITOR COLORADO SPRINGS, COLORADO

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## 18-04 City of Colorado Springs Procurement Card Monitoring Audit—2017

February 2018

### Purpose

The purpose of this audit was to review compliance with City Procurement Card (p-card) policies and procedures on an ongoing basis during 2017.

### Highlights

We concluded that City Procurement Card (p-card) policies and procedures were followed by most participants. Only minor infractions were noted such as paying sales tax on purchases that were tax exempt.

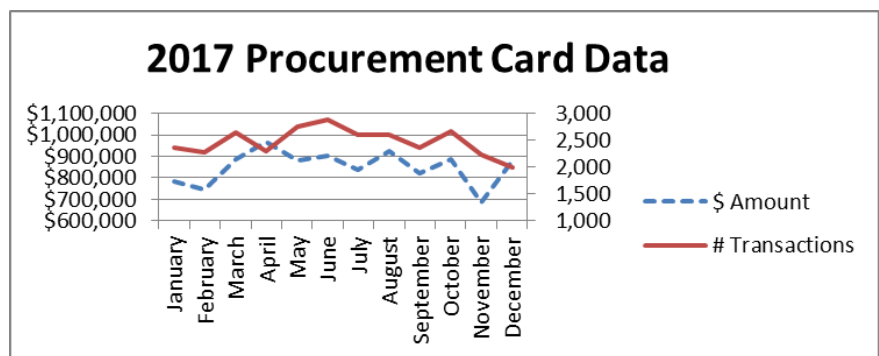
The p-card program allowed for the efficient purchase of goods. In 2017, 29,655 transactions were processed accounting for \$10,202,986.

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. Effective April 2016, the Office of the City Auditor (OCA) assumed responsibility for ongoing compliance reviews of p-card transactions. Previously, we had performed periodic reviews of the program. This realignment should result in overall audit savings with the OCA providing an annual report on p-card compliance.

During 2017, we performed reviews of two months of transactions for each cost center/department. 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.

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

City Finance reviewed the Office of the City Auditor p-card transactions. They too noted compliance with policies and procedures.



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.

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