



CITY OF ORLANDO

MEMORANDUM

To: Rebecca A. Ares, Administrative Services/Management & Budget Director
Robert R. Garner, Comptroller

From: Beryl H. Davis, CPA, CGFM, Audit and Evaluation Director
Administrative Offices

Date: November 14, 2002

Subject: Follow-Up of Limited Review of Procurement Card Usage
(Report No. 03-02)

Attached is a summary of the status of recommendations as determined from our follow-up of the Limited Review of Procurement Card Usage (Report No. 01-14). Our review procedures consisted of staff inquiries and a brief review of written documentation. Our follow-up was made in accordance with generally accepted government auditing standards, except we did not perform tests of evidence supporting representations from the officials responsible for resolving audit findings and recommendations.

Of the twenty-seven recommendations we made, eight have been implemented, seven have been partially implemented, two are planned for implementation, and ten have not been implemented.

Most of the recommendations planned for implementation or partially implemented concern the revision of City Policies and Procedures 412.3 on Procurement Card (Procard) or the development of internal policies and procedures. We encourage the accomplishment of these changes in the next few months, as planned.

Of the ten recommendations not implemented, we believe four are most important and deserve further consideration. We continue to believe that reports of Procard compliance exceptions, as well as reports of credit limits and monthly expenditures should be provided to the Chief Administrative Officer and to other management as appropriate (recommendations 7 and 21). There should be an annual review by representatives from the Administrative Services Department to form recommendations about the appropriateness of credit limits of individuals, with comparison to actual credit usage (recommendation 20). We believe as well that cash reimbursements from Cardholders should be made directly to Revenue Collection, instead of to the Accounting Specialist Senior who monitors the Procard statements and invoices (recommendation 13).

This follow-up review was performed by Andrea J. Wilson, Senior Auditor, under the direction of Mona S. Mellon, Audit Program Manager.

We wish to thank the officials and personnel of the Administrative Services Department and the Accounting and Control Bureau for their cooperation during this review.

BHD/aw

Attachment

c: Honorable Glenda E. Hood, Mayor
 Richard L. Levey, AICP, Chief Administrative Officer
 Kevin J. Edmonds, Deputy Chief Administrative Officer
 Walter G. Hawkins, Community & Youth Services Director
 Conrad C. Cross, Chief Information Officer
 Jon D. Mead, Purchasing/Materials Management Director
 Deborah D. Girard, Assistant Comptroller