

**AUDIT COMMITTEE SUMMARY**  
**Audit of Finance P-Card Program**  
Report Issued October 6, 2021

**Audit Objective**

Determine if the P-Card program is managed in compliance with policies and procedures.

**Background**

The City of San Antonio implemented a P-Card Program that is administered by the Finance Department in partnership with Wells Fargo Bank. The purpose of the program is to provide a more efficient and cost-effective method of purchasing non-biddable and small dollar items through the use of a City-issued credit card. This ultimately reduces the use of unnecessary purchase orders and petty cash accounts.

The City uses the Wells Fargo Commercial Card Expense Reporting (CCER) system to manage the P-Card Program. The P-Card Administrator within the Finance Department is responsible for the Citywide administration of the P-Card Program including P-Card issuance, credit settings, user training, Wells Fargo CCER access privileges, and monthly reporting and monitoring. At the time this audit was conducted, there were 372 cardholders within 33 City departments.

For FY 2020, the City executed 22,417 P-Card transactions totaling \$5.9 million.

**Scope & Methodology**

The audit scope was the administration of the P-Card program including all processes and expenditures for FY 2020. Compliance and Resolution monitoring processes were reviewed for FY 2019.

We reviewed P-card transactions for proper authorization, support and approval and the monthly Citywide billing statements from Wells Fargo to determine if they were paid accurately and timely. We also reviewed the use of generic P-Cards issued to some departments to determine if they were in compliance with policies and procedures. Additionally, we reviewed monitoring procedures performed by Finance for declined transactions, unapproved statements, and transactions with sales tax charges. Finally, we reviewed access to the Wells Fargo CCER system and training requirements for P-Card users.

**Conclusions**

The P-Card program is managed in compliance with policies and procedures. However, we identified some areas in need of improvement. Departments with generic P-Cards are not in compliance with the P-Card User Guide. Finance's monthly monitoring procedure for declined transactions, unapproved statements, and transactions with sales tax charges is not consistently performed. Additionally, Finance does not require departments to submit a response addressing identified issues. Finance also does not have an effective policy in place to monitor cardholder credit limits including a process to review

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average monthly purchases by cardholders versus their monthly credit limit. Finally, the P-Card is being used for recurring charges.

Finance management agreed with the audit findings and has developed positive action plans to address them.