

# County of Santa Clara



## Finance Agency Controller-Treasurer Department

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February 4, 2013

To: Board of Supervisors  
Jeffrey V. Smith, County Executive  
Gary Graves, Chief Operating Officer  
Lori E. Pegg, Acting County Counsel  
Vinod K. Sharma, Director, Finance Agency  
Irene Lui, Controller- Treasurer  
Jenti Vandertuig, Director of Procurement

**Subject: Audit of Procurement Card (P-Card) Transactions of Lawrence Stone, Assessor for the period, January 2011 through September 2012**

We have completed the audit of the Assessor's Procurement Card (P-Card) transactions for the 21-month period of January 2011 through September 2012 as attached. We thank the Assessor Office's staff for their cooperation.

Respectfully submitted,

A handwritten signature in black ink that reads "Manju Beher". The signature is written in a cursive style.

Manju Beher, CPA  
Supervising Internal Auditor

Karen Tan  
Auditor-in-Charge

**Board of Supervisors:** Mike Wasserman, George Shirakawa, Dave Cortese, Ken Yeager, S. Joseph Simitian  
**County Executive:** Jeffrey V. Smith

**COUNTY OF SANTA CLARA**

**CONTROLLER-TREASURER DEPARTMENT**

## **INTERNAL AUDIT REPORT**

**Audit of Procurement Card (P-Card) Transactions of  
Lawrence Stone, Assessor  
For the Period, January 2011 through September 2012**



February 4, 2013

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## Executive Summary

We conducted the review of the County Assessor, Lawrence Stone's Procurement Card (P-Card) transactions for the period, January 2011 through September 2012. During this 21-month period, the Assessor spent \$11,440 on 124 transactions charged to the P-Card issued to him. As the following table shows, the cardholder used the P-Card primarily for attending legislative meetings and seminars hosted by professional organizations.

No.	Transaction Type	P-Card	
		Number of Transactions	Amount
1	Travel Expenses	53	\$ 6,459
2	Non Travel (Local Meals)	2	56
3	Office Expenses	3	1,198
4	Reimbursed Items *	3	200
5	Seminars and Meetings	37	2,729
6	Miscellaneous	26	798
<b>Total</b>		<b>124</b>	<b>\$ 11,440</b>

Prior to our audit, the Assessor's Office conducted a self-review and identified three transactions totaling \$200\* that were erroneously charged to the P-Card; the Assessor reimbursed the County for these charges. Other than these transactions we did not find any irregularities in the P-Card usage. The Assessor has used the P-Card in conformity with the County's P-Card and other related policies.

## Project Objective, Scope and Methodology

The objective of this P-Card transaction audit is to evaluate the appropriateness of P-Card charges and review their compliance with the County's P-Card and other applicable policies and regulations. We also reviewed the current policies governing transactions for elected officials and Board appointees and identified best practices and/or policy changes to avoid conflicting or confusing regulations.

The scope of our work includes: (a) review of pertinent laws, policies and procedures, regulations, and ordinance related specifically to the P-Card program, (b) examination of P-Card transaction logs, supporting documents (receipts, memos, agendas, travel authorizations, and travel expense

vouchers, etc.) and credit card statements, and (c) analysis of P-Card data for the period and review of additional documentation as needed.

The following County policies and ordinances were used as references for our analysis:

- County of Santa Clara P-Card Policy (Rev. July 1, 2011)
- County of Santa Clara P-Card Policy (Rev. December 18, 2012)
- County of Santa Clara P-Card Policy (Feb 15, 2008 Edition)
- County of Santa Clara Business Meal Policy (Non-Travel) (Effective Date Dec. 5, 2007)
- County of Santa Clara Ordinance Div. A31
- County of Santa Clara Travel Policy (Rev. June 8, 2010)
- County of Santa Clara Charter Section 710

## **Background**

On October 30, 2012, the Board of Supervisors (Board) asked the Controller-Treasurer to conduct an audit of the P-Card transactions of all elected officials and Board appointees. The County has established P-Card policies and guidelines, but the oversight of the program has been decentralized with a limited post-audit function in place.

## **Finding and Recommendation**

None