MEMORANDUM

TO:        Dr. Christian Abbe  
          Chair, Veterinary Sciences  

FROM:   Sherri Magnus  
        Vice President and Chief Audit Officer  

SUBJECT: Bastrop Procurement Card Review  
         Audit Control Number 2013-253

Introduction
Internal Audit performed a review of procurement card (ProCard) expenditures for the Veterinary Sciences section of the Bastrop Facility. The review covered the two year period from April 2011 to March 2013. Procedures conducted during the review included but were not limited to:

- Review of applicable Procurement Card Guidelines
- Interview of Department personnel
- Review and testing of procurement requisition and invoice records

Overall, our observations indicate that controls exist to ensure ProCard guidelines are being followed. We did note some opportunities for improvement below; however, actions taken since the review appear to address the associated risk. The observations have been communicated to the Director of Operations, and she has taken corrective action.

General Observations
- Four out of 100 items selected for testing did not have purchase receipts documentation on file. Based upon discussions with Management and review of the requisition documentation, the purchases appeared reasonable.
- Three out of 100 items selected for review should not have been purchased on an institutional ProCard.
- For one of the four ProCard holders, we could not determine if reconciliations were performed timely. In addition, the reconciliations did not clearly identify all outstanding items.

Management’s Implemented Actions
Management has performed training for all ProCard users and signers on the ProCard Guidelines. Specific requirements needed to address observations and ensure all ProCard guidelines and reconciliation processes are followed were discussed.

SM/dkf
cc: Laura Zapalac