

Purchasing Card Program, Audit 03-16

Risk Analysis Work Sheet

Risk	Control	Control In Place	Assessment	Obj
Unauthorized purchases by cardholder.	Department reconciler is responsible for review; also, only an authorized signer can approve for payment.	Yes	Medium	
Cardholder exceeding authorized limit.	System prohibits exceeding limit. Additionally, Administrator monitored spending via weekly download.	Yes / No; Administrator monitors via weekly download.	Medium / High	
Fraudulent use of lost / stolen card.	Upon notice to bank by cardholder, department reconciler or Administrator, activity if monitored. If fraudulent discovered Bank notified, no loss to City.	Yes	Medium	
Splitting of transactions to avoid issuing purchase order.	Administrator monitors via the weekly download; any questionable purchases result in communication with the department and memorandum explaining purchases from the department.	Yes / No - Administrator relies on department to identify reason for purchases.	Medium	
Loss of revenue through the payment of sales tax.	Administrator monitors via weekly download; also notifies department if any sales tax payments noted. Cardholder responsible for obtaining credit.	Yes	Low / Medium	
Purchases by terminated employees.	Notice to the bank is performed by the department; unless Administrator is notified; there is no follow up by the Administrator.	No	Medium / High	
Purchases are not properly approved.	Administrator reviews documentation for support of the charges; review also entails confirmation that the appropriate departmental person approved.	Yes	Medium	