

STATE OF OKLAHOMA



OKLAHOMA
Office of Management
& Enterprise Services

**OKLAHOMA DEPARTMENT OF
VETERANS AFFAIRS**
Purchase Card Program Audit

Published by:
Office of Management and Enterprise Services
Central Purchasing Audit
Report Released September 2021

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AUDIT HIGHLIGHTS

Oklahoma Department of Veterans Affairs – Purchase Card Program Audit

Why we conducted this audit

This report provides information on the Oklahoma Department of Veterans Affairs' compliance with the State Purchase Card Procedures and agency-defined P-card procedures. We also reviewed the strength and execution of the agency's internal controls within the purchase card program.

What we found

We have determined ODVA has not significantly complied with the State Purchase Card Procedures and the agency's internal P-card procedures. ODVA has not implemented internal controls that are operating effectively in relation to the agency's purchase card program. We performed analytical testwork during our planning phase, completed internal control walkthroughs, and tested 157 purchases against defined compliance requirements. We reported six formal findings.



State of Oklahoma Flag

AUDIT FINDING SUMMARY

[Finding 20-650-01: Cardholder Statements](#)

We found that 31 of 49 (63% error rate) cardholder statements were printed and/or signed after the cycle reconciliation date posted on the OMES website, 19 of 49 (39% error rate) cardholder statements were not signed and/or dated by the approving official, and 15 of 49 (31% error rate) cardholder statements were not signed and/or dated by the cardholder.

[Finding 20-650-02: Purchase Card Controls and Limits](#)

We found that 12 of 19 (63% error rate) active cards exceeded predetermined percentage thresholds for monthly credit limits.

[Finding 20-650-03: Inventory Items](#)

We found that 2 of 4 (50% error rate) inventory items were not tagged and/or logged in the agency's ASSETWIN software.

[Finding 20-650-04: Internal Purchasing Procedures](#)

We found that 39 of 127 (31% error rate) Department Purchase Requests were not completed prior to the date of purchase.

Finding 20-650-05: Employee Agreements

We found that 5 of 22 (23% error rate) employee agreements were either missing or incorrectly signed.

Finding 20-650-06: Encumbering Funds

We found one period of unencumbered funds exceeding 30 days for purchases totaling \$332,389.85.

AUDIT OVERVIEW

This audit was performed pursuant to 74 O.S. § 85.5.E and the State of Oklahoma Purchase Card Procedures. Our audit was to determine if ODVA’s purchase card program complied with the audit objectives during the period of Sept. 1, 2019, to Sept. 30, 2020. During the audit period, there were 22 cardholders and one approving official with purchase card activity in the Bank of America WORKS system.

In total, ODVA processed 6,236 purchase card transactions totaling \$4,641,773.33 during the audit period. Categories for purchase card transactions for the agency included: purchases for under \$5,000, over \$5,000, and Information Technology-related P-card transactions. We used the classical variable sampling method to randomly select our sample for testing. We exercised auditor’s discretion in adjusting the confidence level and expected proportion of errors based on a risk assessment when applying the classical variable sampling technique. To ensure a sound statistical sample, a random sample of 78 transactions less than or equal to \$5,000, 35 IT transactions, and 21 transactions over \$5,000 were extracted for testing. In addition, 23 transactions were selected for audit based upon auditor’s discretion and tested against a predetermined criterion.

DETAILED FINDINGS

Finding 20-650-01: Cardholder Statements

Condition: During the substantive testwork phase of the audit, we found 31 out of 49 (63% error rate) cardholder statements were printed and/or signed after the cycle reconciliation deadline posted on the OMES website.

#	Card last 4 digits	Statement month
1	0123	November 2019
2	3312	September 2019
3	3312	October 2019
4	3312	November 2019
5	3312	December 2019
6	3312	January 2020
7	3800	June 2020
8	3800	June 2020
9	3800	August 2020
10	3800	September 2020

#	Card last 4 digits	Statement month
11	4037	December 2019
12	4037	January 2020
13	4037	April 2020
14	4037	May 2020
15	4037	June 2020
16	4037	August 2020
17	4245	March 2020
18	4245	April 2020
19	4245	May 2020
20	4245	July 2020
21	4245	August 2020
22	4245	September 2020
23	7589	August 2020
24	7589	September 2020
25	8139	October 2019
26	8139	November 2019
27	8881	October 2019
28	8881	November 2019
29	9398	January 2020
30	9398	February 2020
31	9398	March 2020

We also found that 19 of 49 (39% error rate) cardholder statements were not signed and/or dated by the approving official.

#	Card last 4 digits	Statement month
1	3312	September 2019
2	3312	October 2019
3	3312	November 2019
4	3312	December 2019
5	3312	January 2020
6	4245	March 2020
7	4245	April 2020
8	4245	May 2020
9	4245	June 2020
10	4245	July 2020
11	4245	August 2020
12	4245	September 2020
13	7589	August 2020
14	7589	September 2020
15	8881	October 2019
16	8881	November 2019
17	9398	January 2020
18	9398	March 2020
19	9398	April 2020

In final, we found that 15 out of 49 (31% error rate) cardholder statements were not signed and/or dated by the cardholder.

#	Card last 4 digits	Statement month
1	3312	September 2019
2	3312	October 2019
3	3312	November 2019
4	3312	December 2019
5	3312	January 2020
6	4037	June 2020
7	4245	March 2020
8	4245	April 2020
9	4245	May 2020
10	4245	June 2020
11	4245	July 2020
12	4245	August 2020
13	4245	September 2020
14	7589	August 2020
15	7589	September 2020

Cause: Unknown.

Effect or potential effect: There is not adequate support showing that the cardholder statement and supporting documentation were reviewed for accuracy, completeness, and appropriateness of the purchase and whether the transactions were conducted according to state statutes, rules and procedures. A material internal control weakness could occur without adequate participation from the agency’s approving officials and cardholders.

Criteria: The State of Oklahoma Policy and Procedures for Purchase Card § 12.2, Cycle Reconciliation states:

State agencies shall assume full responsibility for reconciling and balancing all P-card transactions before the payment. Payments will not be processed for an agency with a cumulative credit balance. Nevertheless, the agency must build the voucher and attach the invoice. The agency shall retain the vouchers, invoices and batch slips until there are sufficient charges to offset the credit. Once the credit has been recouped, the batch slip listing the unpaid vouchers from the prior billing cycles should accompany the current cycle voucher(s) with the required invoice documentation. Agencies shall pay for unresolved disputed transactions filed with the issuing bank. Once the dispute has been resolved in favor of the agency, a credit will be processed by the bank.

- The P-card holder reconciles receipts and any other transaction documentation monthly and forwards to state agency approving official.
- The agency approving official reviews and approves the reconciliation statement and forwards to agency P-card administrator.

- In lieu of running individual cardholder statements at the end of the cycle, the agency may elect to use the online cardholder and approver sign-off function in Works for all agency cardholders. (Proxy reconciler sign off doesn't qualify as cardholder sign off for this option). All supporting documentation must be retained by the agency for the specified records retention period. If this option is selected, the agency P-card administrator must run and retain the RPT 170 Transaction Detail Report with Sign Offs. State agencies should determine additional end-of-cycle processes internally.

Each state agency P-card administrator will be provided access to a separate statement portal provided by the issuing bank to download bank statements reflecting the amount due from said agency that should balance to the voucher(s). The end of the P-card cycle is the last business day of the month. The P-card billing cycles with transaction closing deadlines are posted on the P-card page of the OMES portal at omes.ok.gov/services/purchasing/state-purchase-card. All AOs must also be dispatched by this same deadline. OMES must receive P-card vouchers from each agency by the specified voucher due date and time to allow OMES sufficient time for processing and timely payment.

Each agency will create the accounts payable voucher each month using the PeopleSoft batch voucher request process for procurement card including any disputed transactions. Agencies will review the process error reports online, correct any errors (missing or incorrect data) and rerun the process if necessary. A separate CORE training manual is available for this process as well as a voucher build class provided by OMES. The voucher for P-card transactions shall have the transaction system invoice attached when submitted to OMES. However, if the agency is operating in accordance with the OMES voucher imaging program, then only the Voucher Register Batch Slip Notice for the P-card payment will be submitted. The voucher will be considered similar to those processed under the alternate claim procedure (62 O.S. § 34.64) and are subject to post-audit for all agencies participating in the P-card program. Therefore, detailed transaction documentation supporting P-card transactions shall be retained by the state agency and made available upon request. No documentation other than the transaction system invoice and the batch slip should accompany the voucher submitted.

- OMES Central Accounting and Reporting Transaction Processing makes one combined payment to the issuing bank each month on behalf of the P-card program. In order to avoid late fees, interest charges and a reduction of the rebate earned, all agencies shall have their vouchers turned in to OMES CAR by the deadline schedule listed on the P-card page of the OMES portal. The schedule is set up one year in advance and the dates do not change from what is listed. Agencies not complying with the voucher build deadline will first be notified of the missed deadline in writing. If the deadline is missed again, the agency will need to attend additional training with

the state P-card administrator and OMES Transaction Processing at a cost of \$150. On the third occasion, that agency's program will be suspended for three months.

- Voucher build best practice – if needing to note adjustments made to P-card vouchers due to personal expense charges owed to the state, the state agencies should use the comments field on the invoice information page to give a brief description of the negative adjustment (e.g., erroneous room service charge on a P-card payment) and put the voucher number of the P-card voucher having the overpayment. Also, the agency should use the comments field on the original P-card voucher to give a description of the error and to put the voucher number of the travel voucher containing the adjustment.

The State of Oklahoma Policy and Procedures for Purchase Card § 6.2, Approving Official Responsibilities states in part:

Approver responsibilities include:

...

- Approving transactions in Works. If not utilizing this option, the agency approving official shall sign and date the cardholder statement (signature stamps are not acceptable; e-signatures are acceptable) to indicate concurrence with the reconciled transactions. Completed statements shall be forwarded to the agency P-card administrator for retention.

The State of Oklahoma Policy and Procedures for Purchase Card § 6.3, Cardholder Responsibilities states in part:

Cardholder responsibilities include:

...

- Confirming that posted transactions are accurate and signing off as instructed by the agency's internal procedures/policy. Any required editing should be performed at least weekly or upon receipt of notice from the bank's transaction system.

Recommendation: We recommend the agency establish and implement procedures to ensure that all monthly cardholder statements are signed and dated by the approving official and cardholder upon concurrence of the reconciliation performed by the cardholder. Further, we recommend that purchase card administrator monitor such cardholder statements to ensure adherence to the established procedures.

If the agency determines approving officials and/or cardholders continuously do not comply with the purchase card rules, program official should appropriately discipline the offenders.

Management's Response

Date: Aug. 31, 2021

Respondent: Purchase Card Administrator

Response: Partially Concur

ODVA's internal purchasing process is to review each purchase request prior to acquisition to ensure purchase was made in accordance with state statutes and rules and for appropriateness.

Corrective Action Plan

Contact person: Purchase Card Administrator

Anticipated completion date: Oct. 4, 2021

Corrective action planned: The Purchase Card Administrator will establish a process whereby the cardholder and supporting documentation is forwarded to the approving official for review, approval and signature.

Finding 20-650-02: Purchase Card Controls and Limits

Condition: During the testwork phase of the audit for purchase card control and limits, we determined 12 of 19 active cards (63% error rate) exceeded predetermined percentage thresholds for monthly credit limits set during our purchase card risk analysis. We analyzed the total expenditures on each card and total number of months each card was used to calculate an average spend and highest cycle spend for each card. A 13-month period was analyzed. The spend on each of the cards noted below averaged less than 20% of the card's monthly credit limit and did not once exceed 60% of the monthly credit limit. It was determined that 12 cardholders monthly credit limits could be reduced without affecting agency operations.

Number of cards	Last 4 digits of card	Monthly credit limit	Active Months	Total spend	Average monthly spend	Average % spent	Highest cycle spend	% credit limit on highest spend
1	3432	\$15,000.00	3	\$429.88	\$143.29	0.96%	\$272.85	1.82%
2	9495	\$10,000.00	10	\$3,758.14	\$375.81	3.76%	\$1,171.39	11.71%
3	5758	\$5,000.00	4	\$1,437.11	\$359.28	7.19%	\$584.21	11.68%
4	8874	\$10,000.00	12	\$9,044.56	\$753.71	7.54%	\$1,553.97	15.54%
5	3090	\$10,000.00	5	\$4,334.51	\$866.90	8.67%	\$1,874.47	18.74%
6	1968	\$10,000.00	8	\$7,038.77	\$879.85	8.80%	\$2,578.30	25.78%
7	1150	\$5,000.00	3	\$1,416.26	\$472.09	9.44%	\$1,307.93	26.16%
8	3252	\$10,000.00	12	\$11,428.02	\$952.34	9.52%	\$5,055.57	50.56%
9	2360	\$5,000.00	4	\$2,067.21	\$516.80	10.34%	\$945.58	18.91%
10	1057	\$5,000.00	2	\$1,046.22	\$523.11	10.46%	\$741.63	14.83%
11	7589	\$250,000.00	5	\$233,806.59	\$46,761.32	18.70%	\$116,110.45	46.44%
12	4556	\$5,000.00	7	\$6,608.57	\$944.08	18.88%	\$2,678.22	53.56%

Cause: Unknown.

Effect or potential effect: There is unnecessary risk on the cardholder and the agency when the transaction limit or credit limit is set in excess of the individual cardholder's needs.

Criteria: The State of Oklahoma Policy and Procedures for Purchase Card § 3.2.2, P-card Controls and Limits states in part:

State agencies are required to establish the following categories of controls and limits on each P-card. These mandatory limits are required by the issuing bank and the card provider, Visa. The mandatory categories are:

- Card limit (dollar amount per cycle).
- Single purchase limit (dollar amount per transaction).
- Merchant category code group. (See section 7.1.1 of these procedures for exception process).

The agency P-card administrator should set the card limits for the P-cards based on state agency needs or past usage. The agency P-card administrator may set the single purchase limit for a P-card holder at an amount less than \$5,000, if desired; or an amount greater than \$5,000 for those making statewide contract purchases and paying for utilities. However, agencies should not set single purchase limits inappropriately high. P-card limits should be reviewed no less than annually to determine if set limits are still appropriate. Attempted purchases outside of state or agency controls will decline.

The State of Oklahoma Policy and Procedures for Purchase Card § 6.1, Agency P-card Administrator Responsibilities states:

The state agency P-card administrator is the primary interface between the agency's cardholders and the State P-card Office, and the issuing bank. Agency P-card administrators must have a signed State Purchase Card Employee Agreement form on file in their office for themselves and any backup administrators, and both primary and backup P-card administrators must be current with P-card training.

Agency administrators are responsible for:

...

- Processing authorized requests for P-cards and maintaining controls for active cards, including setting and changing card spend profiles, ordering cards, deactivating cards, adding and deleting users, and setting permissions.

...

Recommendation: We recommend that the purchase card administrator evaluate the usage of each P-card and adjust individual credit limits as needed. We also recommend that management implement a minimum usage calculation that can be used by the P-card administration to lower credit limits when necessary.

We recommend that cards with a highest monthly cycle spend of less than \$1,000 have the credit limit reduced to \$1,000, cards with a highest monthly cycle spend between \$1,000 and \$3,000 have the credit limit reduced to \$3,000, cards with a highest monthly cycle spend between \$3,000 and \$5,000 have the credit limit reduced to \$5,000, cards with a highest monthly cycles pend between \$5,000 and \$7,500 have the credit limit reduced to \$7,500, and the card with the monthly credit limit of \$250,000 be reduced to \$125,000. Currently, the credit limit risk per month totals \$340,000 for the 12 cards noted in the finding. With the recommended credit limit reductions, the credit limit risk per month would total \$154,500. This would result in a \$185,500 (55%) credit limit risk reduction per month without affecting the cardholder’s ability to make purchases or interfering with agency operations.

Management’s Response

Date: Aug. 31, 2021

Respondent: Purchase Card Administrator

Response: Concur

Card limits were set to the maximum card limit needed versus the minimum card limit needed.

Corrective Action Plan

Contact person: Purchase Card Administrator

Anticipated completion date: Oct. 4, 2021

Corrective action planned: Cardholder limits for the agency’s cardholders will be reviewed and adjusted accordingly. For those cardholders that are at the Veterans Centers, the card limit will be reduced to the lowest monthly card limit. Should the cardholder approach the card limit for the month, the card limit will be adjusted accordingly.

Finding 20-650-03: Inventory Items

Condition: During the planning phase of the audit, we found that two of four inventory items (50% error rate) exceeding \$2,500 were not tagged or logged in the agency’s ASSETWIN inventory tracking software.

#	TXN number	Item total	Vendor name	Purchase date	Post date	Card last 4 digits
1	TXN01320594	\$3,491.81	Gearflow.com	11/12/2019	11/13/2019	8881
2	TXN01368059	\$4,791.88	IFE Marketing	03/04/2020	03/06/2020	0123
Total		\$8,283.69				

Cause: Unknown.

Effect or potential effect: Inventory cannot be appropriately tracked, the total value of inventory is understated, and the agency does not have an accurate reporting of assets owned.

Criteria: The State of Oklahoma Policy and Procedures for Purchase Card § 11.3, Asset Identification states:

State agencies shall establish procedures to ensure items acquired using the P-card are added to the agency's inventory schedule based on asset threshold. IT assets of \$500 or more and non-IT assets of \$2,500 or more are required to be reported to the agency asset manager. If the agency uses the PeopleSoft Asset Module, the assets must also be identified in Works in the GL09: Asset Profile field.

Recommendation: We recommend the agency report and tag inventory items exceeding \$2,500 and perform a review to determine completeness of the inventory schedule.

We also recommend the agency evaluate the current controls and process for collecting, tagging, and reporting inventory items purchased by the agency and make the necessary corrections to the controls and process that would ensure all tangible assets purchased exceeding \$2,500 are adequately inventoried.

Management's Response

Date: Aug. 31, 2021

Respondent: Purchase Card Administrator

Response: Concur

Turnover in Accountant position provided the opportunity for assets not being properly tracked, tagged, and reported.

Corrective Action Plan

Contact person: Purchase Card Administrator

Anticipated completion date: Oct. 31, 2021

Corrective action planned: ODVA has moved away from the AssetWin software and is now utilizing the Asset module in CORE effective Aug. 24, 2021. The agency has also filled the vacant Accountant position whose duties include fixed asset inventory. New processes are being created to utilize the full functionality of the Asset module.

The Accountant has worked with the State Asset Manager to assist in cleaning up our AssetWin database and assets purchased that have not been properly reported.

[Finding 20-650-04: Internal Purchasing Procedures](#)

Condition: During the substantive testwork phase of the audit, we found that 39 of 127 (31% error rate) Department Purchase Requests were not completed prior to the date of purchase. Requests were either missing required approval signatures or they were not dated, meaning we could not tell if requests had been completed and approved prior to the date of purchase.

Cause: Unknown.

Effect or potential effect: The agency's current purchasing practices are not in line with the agency's internal purchasing procedures.

Criteria: The Oklahoma Department of Veterans Affairs Internal Purchasing Procedures § 4, Department Purchase Request states:

Needs Assessment: An ODVA DPR form shall be completed for all acquisitions of goods and services including change orders. The DPR form requires signatures from the following:

- a. Veterans Center: Department purchasing representative and the Veterans Center administrator or designee.
- b. ODVA Central Office: Division administrator, contracting and acquisitions agent, and the executive director or designee.
- c. IT acquisitions: Department purchasing representative, contracting and acquisitions agent, IT ODVA support, and executive director or designee.

Recommendation: We recommend the agency adhere to the internal purchasing procedures as designated by agency management. We further recommend the agency review and evaluate the agency's internal procedures to determine if the requirements mentioned in this finding are necessary, effective and efficient for the P-card program. At completion of the review and evaluation of the agency's internal purchasing procedures, the agency may decide to make revisions as deemed necessary. If revisions are made, the agency should submit the revised internal purchasing procedures to Central Purchasing for approval.

Management's Response

Date: Aug. 31, 2021

Respondent: Purchase Card Administrator

Response: Concur

Internal purchasing procedures and P-card procedures were not updated after the centralization of the accounting functions of the Veterans Centers.

Corrective Action Plan

Contact person: Purchase Card Administrator

Anticipated completion date: Oct. 4, 2021

Corrective action planned: New internal purchasing procedures and P-card procedures are being drafted. Final draft will be submitted to OMES Central Purchasing for review and approval.

Finding 20-650-05: Employee Agreements

Condition: During the planning phase of the audit, we found that five of the 22 employee agreements (23% error rate) were either missing or incorrectly signed. Two employee agreements were missing, two employee agreements did not contain an approving official

signature and/or date, and three employee agreements did not contain the purchase card administrator signature and/or date.

Cause: Unknown.

Effect or potential effect: The agency does not have a formal, signed document indicating that the program participant is aware of, understands, and agrees to follow the policies and procedures of the state purchase card program.

Criteria: The State of Oklahoma Policy and Procedures for Purchase Card § 3.5, State Purchase Card Employee Agreement states in part:

All state agency P-card administrators, approving officials and cardholders must read and sign the State Purchase Card Employee Agreement in the appropriate signature block before assuming their duties or being issued P-cards. By signing the agreement, the participant acknowledges that he or she understands the intent of the P-card program and agrees to follow these procedures and any policies or directives established by OMES to supplement these procedures. The State Purchase Card Employee Agreement (OMES Form CP-059) is located on the OMES portal at omes.ok.gov/services/purchasing/state-purchase-card.

Recommendation: We recommend the agency P-card administrator obtains signed employee agreement forms from each program participant and maintain them on file.

Management's Response

Date: Aug. 31, 2021

Respondent: Purchase Card Administrator

Response: Concur

With the turnover in the Purchase Card Administrator role, documentation was not properly and/or appropriately completed.

Corrective Action Plan

Contact person: Purchase Card Administrator

Anticipated completion date: Oct. 31, 2021

Corrective action planned: State Purchase Card Employee Agreement forms will be completed for participants without a form. New forms will be completed for participants whose role in the P-card program is incorrect.

Finding 20-650-06: Encumbering Funds

Condition: During the substantive testwork phase of the audit, we found one period of unencumbered funds that exceeded 30 days on Authority Order number 6509028801 for purchases totaling \$332,389.85.

Cause: Unknown.

Effect or potential effect: If the agency faces a budget shortfall, funding may not be sufficient to meet current liabilities.

Criteria: The State of Oklahoma Policy and Procedures for Purchase Card § 12.1, Encumbering Funds states:

State agencies shall establish encumbrances as authority order purchase orders in the state purchasing system. Agencies are required to create an authority order prior to making any P-card transactions. A separate AO must be created if making IT purchases with the P-card. Change orders to amend the encumbrance(s) may be processed as necessary.

Remember to follow the prior encumbrance requirement (sufficient balance implied) to be in compliance with the encumbrance law (62 O.S. § 34.62. – Encumbrance requirements for payment of state funds). The administrative head of a state agency shall be personally liable for obligations incurred in excess of the authorization (funds encumbered). Accordingly, the director of OMES shall never authorize payment of claims (vouchers under CORE) for purchases not supported by an encumbrance and any invoice or claim dated before the date of the encumbrance shall be rejected (for more information regarding this statute, please contact OMES at 405-521-4679.) Appendix B provides AO setup information.

The Oklahoma Statewide Accounting Manual § 6.8, Encumbrances states:

Encumbering refers to the setting aside of budget dollars for a specific purpose. Article X § 23 of the Oklahoma State Constitution and state statutes require that all state agencies operate an encumbrance system and prohibit any state agency or official from incurring any obligation in excess of the unencumbered cash balance on hand in their class fundings. Purchases exempt from the Oklahoma Central Purchasing Act are not exempt from encumbrance requirements.

In the State Accounting System an agency's budget dollars are reserved or set aside in three ways:

- Completing a requisition in the system, which establishes a pre-encumbrance.
- Completing a purchase order in the system.
- Completing an authority order (if allowed) that covers the purchase.

One of these methods of encumbering should take place prior to the purchase or the effective date of a contract, if a separate contract exists. If the encumbrance is not completed within 30 days after the effective date, the agency must submit a Ratification Agreement pursuant to the procedures set forth below.

Recommendation: We recommend that the agency pre-encumber funds by monitoring P-card usage and processing change orders prior to making expenditures in excess of the authority order balance. The agency should ensure that proper training is provided to new employees and existing employees who are assigned new duties.

Management's Response

Date: Aug. 31, 2021

Respondent: Purchase Card Administrator

Response: Partially concur

Authority orders are established orders for the P-card program at the beginning of each fiscal year. If necessary, change orders are completed to move funds between the lines to ensure each line is adequately funded. This process is followed each month prior to the P-card editing deadline.

Corrective Action Plan

Contact person: Purchase Card Administrator

Anticipated completion date: Oct. 1, 2021

Corrective action planned: Authority orders and purchase card purchases will be monitored throughout the month to ensure there are sufficient encumbrances in place.

APPENDIX

Methodology

- Interviews were conducted with the agency’s staff members.
- Internal controls over the P-card program were documented and evaluated.
- A statistical sample of transactions from cardholders was examined.
- Overall program compliance with the State of Oklahoma Purchase Card Procedures and rules promulgated thereto were evaluated.

Sampling

	Transactions	Amount (\$)
Total Expenditures:	6,236	\$4,641,773.33
Reverse Transactions	56	\$0.00
Agent Fees	11	\$82.75
Negative Transactions	96	\$31,376.47
Filtered Population	6,073	\$4,673,067.05
Subpopulations:		
IT	608	\$627,074.23
Airfare	6	\$1,701.42
Lodging	139	\$32,746.60
Over \$5,000	84	\$1,034,768.23
Under \$5,000	5,236	\$2,976,776.57
Total	6,073	\$4,673,067.05
Samples:		
IT	35	\$99,217.47
Airfare	0	\$0.00
Lodging	0	\$0.00
Over \$5,000	21	\$583,135.45
Under \$5,000	78	\$88,767.71
Auditor’s Discretion	23	\$17,721.55
Total	157	\$788,842.18

EXECUTIVE SUMMARY

Oklahoma Department of Veterans Affairs

Mission statement: In partnership with the Secretary of Veterans Affairs, the Oklahoma Department of Veterans Affairs, state and local agencies, and organizations for veterans services, the State of Oklahoma will facilitate in providing to the veterans residing in Oklahoma the highest quality support and care available anywhere in the nation.

History and overview: Created by the Oklahoma Legislature in 1947 as the successor to the Soldiers Relief Commission, the ODVA is responsible for the administration of the general duties of the commission, which includes assistance to veterans and their dependents in obtaining benefits.

Agency information

The agency is made up of 1,615 classified and 382 unclassified employees according to the [Oklahoma Agencies, Boards, and Commissions Book](#) as of Sept. 1, 2020.

Commission members

Larry Van Schuyver, Chairman, Military Order of the Purple Heart

Paul D. Costilow, Vice-Chair, At-Large Representative

Gary Secor, Secretary, Veterans of Foreign Wars

Dr. Andrew Lasser, At-Large Representative

Mike Jackson, At-Large Representative

Bill Kokendoffer, Paralyzed Veterans of America (as of June 1, 2020)

Ivenhoe Richey, Paralyzed Veterans of America (preceding June 1, 2020)

Merline LeDay-Mauney, Disabled American Veterans

Lloyd Smithson, National Guard Association

Jerry Ball, The American Legion

Key staff

Joel Kintsel, Executive Director

Lisa White, Chief Financial Officer, Purchase Card Administrator (as of Dec. 15, 2020)

Amber Mihm, Programs Administrator, Purchase Card Administrator (as of July 17, 2020 and preceding Dec. 15, 2020)

Teresa Terry, Contracting & Acquisitions Agent III, Purchase Card Administrator (preceding July 17, 2020)