



OFFICE OF THE KANE COUNTY AUDITOR

Penny Wegman, Kane County Auditor

Kane County
Procurement Card Review

December 2023 – November 2024

December 17, 2024

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Background

Kane County recognizes Procurement Cards are essential for facilitating the purchase of certain goods and services, especially those that may only be procured online, or those required during travel. The Auditor's Office is responsible for auditing the internal controls covering the Procurement Card Program.

The Auditor's Office performs an audit of all Procurement Cards (P-Cards) used for the County and their respective transactions. The Auditor will provide continuous and transparent information regarding P-Card transactions to the County Board and the citizens of Kane County. One of the ways to achieve this is by providing an annual Procurement Card Review. An informational report for P-Card transactions that occur from December through May will be published mid-year and a second report for P-Card transactions from June through November will be published end-of-year (beginning of the new calendar year).

Audit Scope & Methodology

This report will provide information on the P-Card transactions during the 12-month period from December 2023 through November 2024 (Full-Year).

Information was derived from an audit of all P-Card purchase documentation/support imported into the County's Enterprise Resource Planning (ERP) software system, derived from the various County departments/offices, or through the credit card provider's online portal.

Procurement Card User Roles

The **Cardholder** is the County Employee that has been issued a P-Card to be used for the responsible purchase of goods and/or services that are necessary for their department. The purchases must follow the current Financial Policies, Procurement Ordinance, and the Procurement Card agreement and Administrative Procedures.

The departmental **P-Card administrator** is responsible for receiving the billing statements and collecting all P-Card purchase documentation/support for all P-Cards issued to their department.

The **Elected Official** or **Department Head** is accountable for P-Card usage in their areas of responsibility. Their approval, as denoted by signing, must be on the monthly billing statement.

The **System Administrator** is the Director of Purchasing who provides program maintenance and serves as the interface between the Procurement Card provider and the department cardholders.

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Full-Year 12-Month Summary

December 2023 through November 2024

Cardholders per Department

As of December 17, 2024 Kane County had a total of 100 P-Cards issued to department employees as follows:

Kane County Cardholders	
Department	Count of Cardholders
Sheriff	29
State's Attorney	11
Circuit Clerk	8
Court Services/Court Services Admin	6
Information Technologies	5
Building Management	4
Development/ County Development	4
Public Defender	3
Judiciary and Courts	3
Community Reinvestment	3
Emergency Management Services	3
Coroner	3
Transportation	2
Finance	2
County Clerk	2
Environmental Management	2
Health	1
Animal Control	1
Veteran's Commission	1
Information Technologies/ Building Management	1
County Auditor	1
Circuit Clerk	1
Human Resources Management	1
KaneComm	1
County Board	1
Law Library	1
Grand Total	100

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Total Procurement Card Purchases by Department

P-Card Transactions from December 2023 - November 2024		
Total Purchases		
Department	Count	Dollar Amount
Sheriff	1864	\$ 521,602.97
IT	779	\$ 298,091.68
State's Attorney	733	\$ 160,302.13
Court Services	601	\$ 147,511.09
Transportation	582	\$ 127,319.00
Health	202	\$ 113,719.32
Building Management	273	\$ 72,255.08
Community Reinvestment	180	\$ 64,944.16
Coroner	246	\$ 61,310.45
Animal Control	249	\$ 47,380.02
Information Technologies	63	\$ 25,502.59
Circuit Clerk	95	\$ 23,688.79
Emergency Management Services	105	\$ 23,083.44
Judiciary	129	\$ 21,415.01
Public Defender	108	\$ 20,860.61
KaneComm	124	\$ 19,758.50
Court Services/Court Services Admin	83	\$ 19,222.88
Workforce Development	53	\$ 13,580.76
Finance	82	\$ 11,530.08
Development	78	\$ 10,980.18
Judiciary and Courts	35	\$ 10,752.40
County Clerk	83	\$ 9,875.37
Environment Mgmt	79	\$ 9,527.09
Veteran's Commission	49	\$ 8,743.35
Human Resources	25	\$ 8,216.34
Water Resources	19	\$ 4,986.93
Law Library	44	\$ 4,524.72
County Board	21	\$ 2,113.20
Human Resources Management	1	\$ 1,217.63
Environmental Management	3	\$ 893.90
County Auditor	2	\$ 53.11
Development/ County Development	1	\$ 50.00
Grand Total	6991	\$ 1,865,012.78

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Top Vendors during the 12 Month Summary

December 2023 through November 2024:

Top 10 Vendors Used		
Rank	Vendor	Number of Transactions
1	AMAZON	2106
2	UBER TRIP	253
3	COMCAST CHICAGO	186
4	UNITED AIRLINES	180
5	WAL-MART	120
6	AMERICAN AIRLINES	105
7	MEIJER	69
8	ZOOM	68
9	GODADDY.COM	61
10	FOX VALLEY ANIMAL WELF	59
Total		3207

The above 10 vendors accounted for 45.87% of total procurement card purchases (Number of Transactions) with *Amazon* accounting for 30.12% of the total purchases (Number of Transactions).

Top 10 Vendors Paid		
Rank	Vendor	Total Dollars Spent
1	AMAZON	296,981.11
2	UNITED AIRLINES	39,983.61
3	COMCAST CHICAGO	39,445.77
4	ZOOM	37,122.28
5	AMERICAN AIRLINES	31,166.26
6	WAL-MART	28,424.27
7	PAYPAL	28,063.67
8	FS COM INC *	24,956.50
9	PULSEWAY	23,166.00
10	4IMPRINT, INC	22,685.66
Total		571,995.13

The above 10 vendors accounted for 30.67% of total procurement card purchases (Total Dollars Spent) with *Amazon* accounting for 15.92% of the total purchases (Total Dollars Spent).

- The following 6 vendors were included in both the top 10 vendors *used* (Number of Transactions) and top 10 vendors *paid* (Total Dollars Spent): **Amazon, United Airlines, Comcast Chicago, Zoom, Wal-Mart, and American Airlines.**
- FS Com Inc. provider of IT products and solutions for networking, data centers, and telecom customers.

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Review Scope

We conducted our review of procurement card transactions from December 2023 through the end of November 2024. To accomplish our objectives, we performed the following:

- Obtained a listing of all procurement cardholders and reviewed transactions for compliance to cardholder agreements
- Examined all cardholder receipts and credit card statements for the 12-month testing period
- Verified whether appropriate levels of management review and approval existed and were exercised
- Receipt on file for every purchase, if not, then the missing receipt affidavit was completed
- Verified no tax was charged, and if tax was charged on a purchase, determine if a credit was received

Overall Findings: 12-Month Summary

December 2023 through November 2024

Of the 6991 Procurement Card transactions reviewed, the following general issues were identified:

- 12.52% of the documentation/support for the purchase lacked a description of the County/Business purpose or the County/Business purpose was not obvious¹
- 5.59% of the purchases included taxes paid, approximately \$11,270.90
- 2.1% had a missing receipt affidavit submitted in lieu of the receipt

¹ Per Kane County Financial Policies, Section 12. Other Financial Policies, a) Departmental Credit Cards Issued by the County, subsection 8) Internal Controls Regarding Procurement Card Program, "The procurement card administrator for a County department shall ensure that the County and/or business purpose of each County department expense is clearly indicated on the documentation for each expense...."

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Trend - Procurement Card Usage by Fiscal Year

As indicated below, over the past several years, the number of P-Card purchases has followed the trend in an increased amount of spending:

Procurement Card Purchases (Fiscal Year)	
Year	Total Expenditures
2018	\$ 769,897.00
2019	\$ 958,198.00
2020	\$ 1,147,773.00
2021	\$ 1,182,842.29
2022	\$ 1,305,479.47
2023	\$ 1,732,568.00
2024	\$ 1,865,012.78

