



**January 8, 2020**

**To:** Finance and Administration Committee

**From:** Darrell E. Johnson, Chief Executive Officer  
Janet Sutter, Executive Director  
Internal Audit Department

**Subject:** Corporate Credit Cards, Internal Audit Report No. 20-504

### **Overview**

The Internal Audit Department has completed an audit of corporate credit cards. Based on the audit, controls to ensure transactions are valid, authorized, and in compliance with policies and procedures, are generally adequate; however, one recommendation has been made to clarify requirements for obtaining and documenting approvals.

### **Recommendation**

Direct staff to implement one recommendation provided in Corporate Credit Cards, Internal Audit Report No. 20-504.

### **Background**

Corporate credit cards are issued to members of Orange County Transportation Authority (OCTA) management to facilitate payment of travel and business expenses. Expenses may also be paid by the employee and submitted for reimbursement through the Accounts Payable Department. OCTA maintains a written Corporate Credit Card Policy (Policy), outlining proper use of the cards and responsibilities for preparing and submitting monthly reconciliations of card activity.

### **Discussion**

Policies for approval of business meal and event table expenditures do not specify when approvals must be obtained or how approvals are to be documented. The Internal Audit Department (Internal Audit) recommended

management update policies to provide additional guidance. Management agreed and indicated that updates will be made in early January 2020.

***Summary***

Internal Audit has completed an audit of corporate credit cards and has offered one recommendation for improvement.

***Attachment***

A. Corporate Credit Cards, Internal Audit Report No. 20-504

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