



## Why we did this audit

The Purchasing Card is a method of procurement available for low dollar value purchases less than \$15,000. It can also be used in exceptional circumstances when swift purchases are required to ensure a rapid response or as a payment method if made against an acceptable procurement method.

The City of Ottawa spends over \$90 million annually using Purchasing Cards. To ensure the prudent and transparent use of funds, it is imperative that the City has policies, processes and controls in place to effectively manage Purchasing Card activities.

## What we found

Our audit noted that established policies and procedures guide the use of Purchasing Cards, and we observed that cardholders generally have an understanding of expectations.

However, the audit identified risks associated with the Purchasing Card Policy and Procedures, particularly related to the clarity of expectations, roles and responsibilities, training, and enforcement of compliance. Resolving these risks would heighten accountability among cardholders and managers with purchasing and budgetary responsibilities, with an aim to increase the effectiveness and efficiency of the Purchasing Card Program.

## We made six recommendations to ensure that:

- The Purchasing Card Policy and Purchasing Card Procedures are updated to provide clarity on:
  - Exceptions to card limit, differences between types of cards, and approved circumstances for using the Purchasing Card;
  - The difference between budget authorities, procurement limits and Purchasing Card spending limits; and
  - Roles and responsibilities between Finance Shared Services and managers.
- Mandatory training on Purchasing Card usage for cardholders and managers is developed;
- The Purchasing Card Program is streamlined with respect the types of card available; and
- The escalation process for non-compliance is updated to ensure that consequences are reasonable and hold individuals accountable.

For more details on this report please visit our [website](#).

613 580-9602 | [OAG@ottawa.ca](mailto:OAG@ottawa.ca)