



AGENDA MEMORANDUM

Action Item for the Audit Committee Meeting of July 29, 2025

DATE: July 11, 2025

TO: Roland Barrera, Audit Committee Chair

FROM: George Holland, City Auditor
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<p>Motion to accept AU24-SP3 Finance – Procurement Card Expenses and Spending Audit Report</p>

CAPTION:

Motion to accept AU24-SP3 Finance – Procurement Card Expenses and Spending Audit Report.

PURPOSE:

Discuss audit results and recommendations for AU24–SP3 Finance – Procurement Card Expenses and Spending Audit Report.

BACKGROUND:

Following the City Auditor’s Office (CAO) 2025 Annual Audit Plan, we conducted an audit of the Finance Department, specifically focusing on Procurement Card Expenses and Spending (P-Card Audit). Initially, this inquiry was directed to the CAO through the City’s Fraud, Waste, and Abuse Hotline, leading to the decision to conduct the audit.

The Purchase Card (P-Card) Division, located within the Finance and Procurement Department, is responsible for issuing, monitoring, storing records, and maintaining P-Card compliance.

In 1993, the City of Corpus Christi decentralized its purchasing function by allowing departments to purchase goods or services (\$3,000 or less) by purchase order. This created efficiencies by allowing departments to make small-dollar purchases that are not on an annual contract. In 1999, this process was automated.

In 2003, the City established a Procurement Card Program to further increase efficiencies by implementing City Policy P-15.0, which allowed the use of Procurement Cards. Since its inception, Wells Fargo has been the City’s procurement card provider. In March 2022, the City updated its Procurement and Purchase Card policies and procedures in a “Procurement Manual, A Guide to Policy and Procedure.”

ALTERNATIVES:

The Audit Committee may reject all or part of this audit report as presented.

FINANCIAL IMPACT:

N/A

FUNDING DETAIL:

N/A

RECOMMENDATION:

Staff recommends that the Audit Committee accept the AU24–SP3 Finance – Procurement Card Expenses and Spending Audit Report.

LIST OF SUPPORTING DOCUMENTS:

- AU24–SP3 Finance – Procurement Card Expenses and Spending Audit Report
- AU24–SP3 Finance – Procurement Card Expenses and Spending PowerPoint Presentation