

Audit of Neighborhood Services Purchasing and Executive Card Purchases

April 2004

Summary

The credit card receipts and monthly statements for NSD was reviewed for both the executive card issued to Adm. Kenardo Curry and all purchasing cards assigned to the department. The executive card receipts and statements totaling \$4,863 were reviewed for the period from July 1, 2002 to January 30, 2004. The receipts and statements totaling \$63,918 for purchasing cards issued on January 2003 to April Maddox, Vanessa Jackson and Kenardo Curry and issued to Tony Smith on October 2003 were reviewed to February 4, 2004. A simple breakdown of the combined total of \$68,781 is as follows:

1. Supplies - \$26,711 - 38%
2. Food - \$11,607 - 17%
3. Electronics - \$10,091 - 14%
4. Misc items - \$20,372 - 29%

The main problem found on food charges was the lack of supporting documentation for the purpose or attendees of the meetings. This is a requirement set by the Finance department. When this information is not provided, additional work is required by the Finance department to retrieve the information from NSD. The charges for food covered the period August 8, 2002 to February 16, 2004. Out of the 381 working days for this period, food purchases were made on 172 days with a total of 224 separate purchases. All of the food charges were made at local establishments except for two out of town charges: one allowed purchase was made by Adm. Curry, but another purchase by Vanessa Jackson in Ft. Payne, Ala. on a purchasing card is prohibited. Of the total spent on food charges, \$2404 - 20% was purchased for meetings with only City of Chattanooga employees in attendance. The establishment with the highest total dollar amount spent was The Southern Star with \$2,237 - 19%.

Questionable Purchases

1. Purchase of 2 pair of diamond earrings \$648.95 and 2 pair of earrings \$454.96 on 6/10/03 for NUSA.
2. Boss digital recorder for \$995 on 10/14/03(Ferger Place), synthesizer for \$948 3/19/03(R&R), and mixer board for \$899 on 3/31/03(R&R) -- all items were purchased at the Soundpost.
3. Split payment transactions: April Maddox on 6/18/03 at 1:50 p.m. - 2 separate purchases 10 minutes apart at Circuit City for 2 digital cameras totaling \$999.98 per ticket. Vanessa Jackson on 6/18/03 at 11:30 a.m. - one ticket purchasing TV, DVD player, VCR, misc items totaling \$858.58. All purchases charged to Codes.

4. Purchases over the set \$1000 per transaction limit – Dana West using April Maddox's card purchased 6 toner cartridges totaling \$1715.76. Vanessa Jackson purchasing supplies for Highland Park at Office Depot totaling \$1042.70.
5. Two purchases by April Maddox on 8/14/03 at Big River Grille for \$150.01 and \$180.01 were for tips left for a reception after a Codes Training meeting they attended with 150 people.
6. Two airline tickets purchases on Vanessa Jackson and Adm. Curry purchasing cards. Travel purchases are prohibited on purchasing cards.
7. Training session held for staff at Stone Fort Inn -\$374 plus food -\$227.66 on 8/1/03.
8. Purchase of three pair of tennis shoes -\$143.96 for NUSA.
9. Charge for two days of valet parking at the Chattanooga Marriott for \$21.86.
10. Two separate purchases for Chattanooga gift certificates for awards for the South Airport Festival held in September (One purchase \$100 by Adm. Curry on 8/12/03; Maddox \$100 on 8/8/03. Duplicate purchase?)

Finally, on 6/16/03 three separate receipts were turned in for lunch meetings.

- A staff retreat to Wally's at 11:51 a.m. charged by Jackson;
- Charge at Southern Star 10:53 a.m. by Maddox for Read Chattanooga.
- Charge by Maddox one hour later at O'Charley's 11:56 a.m. for Codes Training.
- There was not any supporting detail on attendees of any of the meetings. It is not clear how the staff retreat and Codes training would not include some of the same employees.