

**METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY**



November 30, 2016

Warner Hassell  
General Sessions Court  
Justice A.A. Birch Building  
408 Second Avenue North  
P.O. Box 196300  
Nashville, Tennessee 37219

Dear Mr. Hassell:

Please find attached the final report on the General Sessions Court's use of Metro credit cards. This report explains the results of our review of delegated purchasing authority and VISA and MasterCard credit card transactions from July 1, 2012 through February 29, 2016. You previously reviewed and responded to the preliminary report. Your responses to the preliminary report have been incorporated into this final report.

We appreciate your cooperation and assistance during the review. If you have any questions, please call me at (615) 880-1035.

Sincerely,

Fred Adom, CPA, CGMA, CICA  
Director, Office of Financial Accountability

cc: Casey Moreland, Presiding Judge, General Sessions Court  
Talia Lomax-O'dneal, Director of Finance, Department of Finance  
Gene Nolan, Deputy Director of Finance, Department of Finance  
Kim McDoniel, Deputy Director of Finance, Department of Finance  
Phil Carr, Chief of Accounts, Department of Finance  
Tom Eddlemon, Metropolitan Treasurer, Department of Finance

Jeff Gossage, Purchasing Agent, Department of Finance  
Mark Swann, Metropolitan Auditor, Office of Internal Audit  
Kevin Brown, CMFO, CICA, CFE, Office of Financial Accountability  
Essie Robertson, CPA, CMFO, CICA, Office of Financial Accountability  
Matthew Fouad, Office of Financial Accountability



◆ Monitoring Report of ◆

# General Sessions Court

Conducted by



Office of Financial Accountability

November 30, 2016

MONITORING REPORT

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## INTRODUCTION

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The Office of Financial Accountability (hereinafter referred to as "OFA") has completed a credit card review of the General Sessions Court's compliance with the *Metro Code of Law Title 4, Procurement Code* and compliance with the *Metro Finance Policy #19: Credit Card Policy*.

A review is substantially less in scope than an audit. The OFA did not audit the financial statements and, accordingly, does not express an opinion or any assurances regarding the financial statements of Metro or any of its component units.

The OFA is responsible for the internal monitoring of Metro agencies that receive federal and state financial assistance, including cooperative agreements and non-profit organizations that receive appropriations from Metro government. The OFA also conducts prompt pay performance, delegated purchasing authority, and procurement reviews, including credit card usage by Metro departments. In summary, any agreement that imposes performance and/or financial requirements on Metro government is subject to review by the OFA.

This review was conducted as part of the comprehensive review of credit cards use by all Metro Departments as requested by the Metro Council. At the conclusion of the review of all applicable Metro departments, the OFA will compile a summary report of the results of the review of all departments.

### **Agency Background**

The General Sessions Court's mission is "committed to excellence in administering justice and is a contributing partner working toward a safe and vital community in Nashville-Davidson County." Per the Fiscal Year 2016 Operating Budget Book, the General Sessions Court had 139 total budgeted positions and an operating budget of \$10,920,500.00.

## OBJECTIVES, SCOPE AND METHODOLOGY

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The scope of the credit card review period covered July 1, 2012 through February 29, 2016. There were seven (7) cardholders in the General Sessions Court during the review period. See the table below for details:

<b>Cardholder</b>	<b>Number of Transactions</b>	<b>Dollar Value of Transactions</b>
CARDHOLDER A	94	\$29,916.01
CARDHOLDER B	98	\$47,177.60
CARDHOLDER C	115	\$22,574.76
CARDHOLDER D	79	\$4,839.30
CARDHOLDER E	250	\$24,626.37
CARDHOLDER F	138	\$45,454.58
CARDHOLDER G	3	\$1,849.95
<b>Totals</b>	<b>777</b>	<b>\$176,438.57</b>

The Office of Financial Accountability reviewed 387 (50%) transactions of the credit card activity.

The objectives of our review were:

- 1) To determine the agency's compliance with M.C.L. Title 4, Procurement Code.
- 2) To determine the agency's compliance with Metro Finance Policy #19: Credit Cards.
- 3) To determine whether credit card expenditures were allowable and necessary.
- 4) To determine whether purchasing transactions were authorized and sufficiently documented.
- 5) To determine whether the agency has adequate and effective internal controls over its credit card program.

Our review procedures included meeting with agency management and staff, reviewing internal controls over credit card use, and examining certain financial records and supporting documentation to ensure compliance with requirements set forth in Metro's official procurement policies. Specific procedures included:

- Comparing credit card charges with original receipts, supporting documentation and travel authorizations.
- Reviewing supporting documentation for accuracy, necessity and reasonableness.
- Identifying split purchases and unauthorized or fraudulent transactions.
- Investigating discrepancies and following up as necessary.

## RESULTS OF REVIEW

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### Overall Findings and Major Review Highlights

Our review revealed the following issues of non-compliance with M.C.L. Title 4, Procurement Code and Metro Finance Policy #19: Credit Card. The General Sessions Court:

1. Improperly used Metro credit card for non-business (personal) items,
2. Improperly purchased personal items imbedded in legitimate business transactions,
3. Used cards for contracted purchases,
4. Failed to exercise exempt status by improperly paying sales tax,
5. Failed to maintain adequate supporting documentation.

The section that follows provides more detailed information for the items listed above. Management is given an opportunity to respond to the findings.

## FINDINGS AND RECOMMENDATIONS

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### 1. Improperly used Metro Credit Card for non-business (personal) transactions.

#### FINDING

Based on testwork completed, the General Sessions Court improperly used the Metro credit card to purchase items which appear to have been personal in nature and not for authorized Metro business. Our review revealed twenty-six (26) transactions that appear to be for personal use totaling \$1,197.55. The charges included supplies for a non-profit organization, a charitable donation to non-profit, unsupported charges for meals, gift cards, flowers, holiday gifts, and supplies for a retirement party. See Table 1 in the Appendix for the detailed listing of transactions.

*Per Metro Finance Policy #19: Credit Card Section 3) Expectations of Cardholders c) "Use of the credit card for personal expenses is a misappropriation of Metro Funds. Any use of the credit card for personal expenses will result in cancellation of the card and may result in disciplinary action. Any cardholder who uses the card for personal charges will be barred from future use of a Metro card." In addition, per the Metro Credit Card Cardholder Responsibility Acknowledgement that details the responsibilities of the cardholder, for which is reviewed and signed by the cardholder prior to taking physical possession of the Metro credit card, states "I will not use the card for any non-Metro purpose including personal expenses."*

#### RECOMMENDATIONS

The General Sessions Court should take immediate measures to ensure the responsible cardholder reimburse Metro Nashville Government for the total value of the personal transactions identified.

The General Sessions Court should also take the necessary steps to ensure that cardholders of a Metro Credit card comply with rules and regulations as stated within their Notice of Purchasing Delegation, the M.C.L. Title 4 Procurement Code, and Metro Finance Policy #19: Credit Card Policy, and the Cardholder Responsibility Acknowledgement Agreement.

The General Sessions Court should offer training to the department's cardholders on credit card use and to emphasize the potential that they can be held personally liable for

their use of the Metro credit card for personal items charged to the card. Continued violations of the credit card usage regulations and policies shall result in the cancellation of their Metro credit card privileges and other disciplinary actions deemed appropriate.

### MANAGEMENT'S COMMENTS

We concur in part. It must be noted that, with very few exceptions, there were no transactions that were for the direct personal benefit of the cardholder. Some of the August, 2014 expense transactions were business related such as the Judges' Swearing-In Ceremony in August, 2014. We also had a retirement reception in August, 2014 for the 6 employees and 3 judges that were retiring and those judges paid "out of pocket" for additional expenses for the retirement reception. Three (3) of the credit card account holders are no longer Metro employees. Current account holders are responsible for reimbursing Metropolitan Government as well as former account holders. The non-profit organization will be reimbursing Metropolitan Government for the noted transactions. When reimbursements are received, we will comply with the Metro Finance Cash Deposit Policy and provide all required documentation that the appropriate Metro account was reimbursed. New procedures and card holder training will be implemented immediately to ensure that all credit card holders comply with the Metro Finance Policy #19: Credit Card Policy, and the Cardholder Responsibility Acknowledgement Agreement.

2. Improperly purchased personal items imbedded in legitimate business transactions.

### FINDING

In addition to the twenty-six (26) transactions mentioned in Finding #1, the OFA noted eight (8) transactions contained items for both Metro business and personal use. Six (6) transactions totaling \$4,458.42 were travel related expenditures associated with attending a conference, of which \$2,838.40 were determined to be for employees of a non-profit or other Metro employees conducting work on behalf of a non-profit agency. The questioned cost pertains to the non-General Sessions employee's airfare, conference registration, and meals for which the non-profit agency should have been responsible for paying. See table 2 in the appendix for a detailed listing of transactions in question.

In addition, the OFA noted two transactions, which appear to be personal items also purchased as part of legitimate business transactions. The personal items included

three (3) individual bottles of water, a breakfast sandwich, and a coffee. The personal items totaled \$10.07. See table 2 in the appendix for a detailed listing of transactions in question.

*Per Metro Finance Policy #19: Credit Card Section 3) Expectations of Cardholders c) "Use of the credit card for personal expenses is a misappropriation of Metro Funds. Any use of the credit card for personal expenses will result in cancellation of the card and may result in disciplinary action. Any cardholder who uses the card for personal charges will be barred from future use of a Metro card." In addition, per the Metro Credit Card Cardholder Responsibility Acknowledgement that details the responsibilities of the cardholder, for which is reviewed and signed by the cardholder prior to taking physical possession of the Metro credit card, states "I will not use the card for any non-Metro purpose including personal expenses."*

## **RECOMMENDATIONS**

The General Sessions Court should immediately seek reimbursement, from the cardholder responsible, the total value of the personal transactions identified.

The General Sessions Court should also take the necessary steps to ensure that cardholders of a Metro Credit card comply with rules and regulations as stated within their Notice of Purchasing Delegation, the M.C.L. Title 4 Procurement Code, Metro Finance Policy #19: Credit Card Policy, and the Cardholder Responsibility Acknowledgement Agreement.

The General Sessions Court should take the necessary steps to ensure that cardholder's are held personally responsible for their use of the Metro credit card and that any violation of the credit card usage limitations or policies results in the cancellation of their Metro credit card privileges and any other disciplinary actions deemed appropriate.

## **MANAGEMENT'S COMMENTS**

**We concur in part. It must be noted that, with the exception of the two (2) transactions totaling \$10.07, there were no transactions that were for the direct personal benefit of the cardholder. It was for Metro business performed by non-Metro employees and volunteers that attended a National Drug Court Conference in support of the Drug Court. These expenses will be reimbursed by the non-profit organization. Current card holders will be reminded to comply with Metro Finance Policy #19.**

### **3. Used cards for contracted purchases.**

#### **FINDING**

The General Sessions Court utilized Metro credit cards to make twenty-three (23) transactions for the purchase of office supplies. While the transactions were a legitimate business expense, the purchase of office supplies with a Metro credit card is a violation of Metro policy. The Procurement Division within the Finance Department has secured a contract with a Vendor for office supplies at a discounted rate. Therefore, while the purchasing of office supplies, off metro contract, is for legitimate business, it is considered wasteful in the aspect that the department is failing to take advantage of the discounted pricing that is available through the Metro contract. Per *Metro Finance Policy #19: Credit Cards 1) General Policies a) "the credit card can be used to purchase and make payment for approved transactions only including travel and related cost (hotels, car rentals, food, and ancillary items), petty cash type purchases, conference registrations, subscriptions and emergency purchases (as defined by the Purchasing Agent). **Note: All purchases are subject to established purchasing regulations. The credit card is not a payment/purchasing card and is not to be used for routine procurements from contracted suppliers.**"* See table 3 in the appendix for a detailed listing of transactions in question.

#### **RECOMMENDATION**

The General Sessions Court should ensure that needed office supplies are purchased from the Metro contracted vendor and should ensure that payment for items purchased off a Metro contract are submitted through Metro's accounts payable process. In the extraordinary circumstances that would necessitate the General Sessions Court to purchase off contract, the General Sessions Court should ensure compliance with the guidelines requirements for Emergency Purchases as required by M.C.L. 4.12.070 Emergency procurements.

#### **MANAGEMENT'S COMMENTS**

**We concur in part. General Sessions Court utilizes Metro contracted vendors for office supplies on a regular basis. The card would have been used only if something was needed faster than the contractor could have delivered it, or if it wasn't available**

through the contractor at that time. Effective immediately, we will ensure that the extenuating circumstance (i.e. emergency purchase) is fully detailed and that it is explained why we didn't use the contracted vendor. Cardholders will be trained concerning these procedures.

**4. Failed to exercise Metro's exempt status by improperly paying sales tax.**

**FINDING**

The General Sessions Court improperly paid sales tax on one hundred sixty-five (165) transactions totaling \$799.58. Per *Metro Finance Policy #19 3) Expectations of Cardholders d) "Cardholders are also responsible for identifying and disputing erroneous charges, including Tennessee sales tax charges, to their assigned cards. It is the responsibility of the cardholder to dispute the charges as specified in the cardholder agreement."* In addition, *e) "Cardholders should not pay Tennessee sales tax. It is the cardholder's responsibility to dispute Tennessee sales tax charges."* See Table 4 in the appendix for a detailed listing of transactions.

**RECOMMENDATION**

The General Sessions Court should ensure that cardholders review and avoid charges for Tennessee sales tax. The General Sessions Court should also ensure that Metro credit card cardholders adhere to Metro Finance Policy #19.

**MANAGEMENT'S COMMENTS**

**We concur. Each cardholder will be held responsible for complying with Metro Finance Policy #19 3 and will present a copy of Metro's Sales Tax Exemption Certificate for each purchase.**

**5. Failed to maintain adequate supporting documentation.**

**FINDING**

The General Sessions Court failed to maintain adequate invoices and/or sales receipts to support 57 out of 387 (15%) of the transactions tested. Without supporting documentation, the General Sessions Court was unable to support the business purpose of the transactions. Per *Metro Finance Policy #19 Credit Cards 3) Expectations of Cardholders b) "Cardholders should collect and maintain proper sales receipts and invoices to support all charges. Proper sales receipts should include adequate description of the items purchased and the*

*individual benefitting (when applicable). Credit card charge slips are not sufficient support.” See table 5 in the appendix for a detailed listing of transactions in question.*

The OFA also noted that 93% of the transactions for which the supporting documentation was provided was not signed or initialed by the cardholder. Cardholder’s signature is a vital part of the necessary documentation to support the credit card charges. It serves two purposes, 1) it shows that the cardholder was in fact the person who used the card to complete the transaction and 2) it identifies the individual authorized the use of the credit card. Per *Metro Finance Policy #19 2) Card Authorization a) “Only the employee whose name is embossed on a credit card may use the card. No other person is authorized to use the card. The use of the card shall not be delegated to any other person. Cardholder shall use the credit card for Metro authorized purchases only.”* In addition, per the *Metro Credit Card Cardholder Responsibility Acknowledgement*, “the card issued to me must not be used by anyone other than myself. (This includes other Metro employees).”

### **RECOMMENDATION**

The General Sessions Court should ensure that cardholders maintain adequate supporting documentation to support credit card transactions.

The General Sessions Court should further ensure that the cardholders review and sign the credit card supporting documentation to ensure that no one other than the cardholder is utilizing the Metro credit card.

### **MANAGEMENT’S COMMENTS**

**We concur. Current card holders will be reminded that a detailed receipt, business purpose, and card holder signature must be maintained for each credit card purchase. This will be reviewed monthly during the credit card review and approval process.**

**APPENDIX**

<b>Table 1: Non-Business Transactions</b>				
<b>Cardholder</b>	<b>MCH.Merchant Name</b>	<b>FIN.Transaction Date</b>	<b>FIN.Posting Date</b>	<b>FIN.Transaction Amount</b>
Cardholder A	SHELL OIL 910026895QPS	08/27/2015	08/31/2015	\$ 4.35
Cardholder A	STARBUCKS #08317 NASHV	10/10/2015	10/12/2015	\$ 4.10
Cardholder A	PARTY CITY 388	11/17/2015	11/19/2015	\$ 12.78
Cardholder A	WALGREENS #4707	01/12/2016	01/13/2016	\$ 23.97
Cardholder B	APPLEBEE'S #2 NEIGHBORH	02/15/2013	02/17/2013	\$ 30.47
Cardholder B	ORDER IN THE COURT	02/21/2013	02/24/2013	\$ 9.91
Cardholder B	WAFFLE HOUSE 0511	08/04/2013	08/06/2013	\$ 26.71
Cardholder B	APPLEBEE'S #2 NEIGHBOR	05/07/2014	05/08/2014	\$ 50.56
Cardholder B	CACHET BOUTIQUE ANAHEI	05/28/2014	05/29/2014	\$ 5.38
Cardholder C	JET'S PIZZA WEST END	12/03/2012	12/04/2012	\$ 70.77
Cardholder C	WALGREENS #5869	12/03/2012	12/04/2012	\$ 18.09
Cardholder C	YWCA OF NASHVILLE MID TN	04/02/2013	04/03/2013	\$ 50.00
Cardholder C	TLF A VILLAGE OF FLOWERS	05/28/2013	05/30/2013	\$ 55.72
Cardholder C	RITE AID STORE #11891	11/14/2013	11/15/2013	\$ 211.90
Cardholder C	HI *WINECNTRYGIFTBSKT	12/19/2013	12/20/2013	\$ 82.42
Cardholder C	WALGREENS #5869	04/24/2014	04/25/2014	\$ 33.72
Cardholder C	DOLLAR-GENERAL #0238	07/31/2014	08/01/2014	\$ 3.28
Cardholder C	EXXONMOBIL 47881057	07/31/2014	08/01/2014	\$ 2.67
Cardholder E	CRACKER BARREL #26 NASH/H	07/25/2012	07/25/2012	\$ 75.00
Cardholder E	TLF FLOWER EXPRESS	11/26/2012	11/28/2012	\$ 106.96
Cardholder E	ANN SMITH FLORIST & CA	04/12/2013	04/14/2013	\$ 70.00

Cardholder E	GFS MKTPLC #1519	08/21/2014	08/22/2014	\$	74.34
Cardholder E	PARTY CITY #254	08/21/2014	08/25/2014	\$	101.36
Cardholder E	TARGET 00006957	08/21/2014	08/22/2014	\$	30.55
Cardholder E	KROGER #550	08/25/2014	08/26/2014	\$	32.07
Cardholder E	NASHVILLE CASH AND CAR	08/25/2014	08/27/2014	\$	10.47
<b>Total Non-Business Transactions</b>				<b>\$</b>	<b>1,197.55</b>

**Table 2: Non-Business Mixed with Legitimate Business**

<b>ACC.Account First Name</b>	<b>MCH.Merchant Name</b>	<b>FIN.Transaction Date</b>	<b>FIN.Posting Date</b>	<b>FIN.Transaction Amount</b>	<b>Questioned Cost</b>
Cardholder A	SOUTHWEST AIRLINES	05/07/2015	05/08/2015	\$ 2,848.00	\$ 1,780.00
Cardholder B	PAYPAL	10/29/2012	10/30/2012	\$ 150.00	\$ 300.00
Cardholder B	PAYPAL	11/05/2012	11/06/2012	\$ 375.00	
Cardholder B	PAYPAL	11/09/2012	11/11/2012	\$ 150.00	
Cardholder B	TARGET 00001461	04/08/2014	04/09/2014	\$ 74.94	\$ 2.93
Cardholder B	BUCA DI BEPPO-ANAHEIM	05/27/2014	05/28/2014	\$ 494.89	\$ 395.91
Cardholder B	KINGS FISH HOUSE ORANG	05/29/2014	05/30/2014	\$ 440.53	\$ 352.42
Cardholder C	SUBWAY 00148403	11/14/2013	11/17/2013	\$ 102.72	\$ 7.14
<b>Total Questioned Cost</b>					<b>\$ 2,838.40</b>

**Table 3: Contracted Purchases**

<b>ACC.Account First Name</b>	<b>MCH.Merchant Name</b>	<b>FIN.Transaction Date</b>	<b>FIN.Posting Date</b>	<b>FIN.Transaction Amount</b>
Cardholder A	OFFICE DEPOT #2260	07/13/2015	07/14/2015	\$ 22.98
Cardholder A	OFFICE DEPOT #2260	08/22/2015	08/24/2015	\$ 17.49
Cardholder A	SAMSCLUB #6447	01/09/2016	01/11/2016	\$ 7.25
Cardholder A	STAPLES 00115394	01/12/2016	01/13/2016	\$ 74.95

Cardholder B	STAPLES 00118141	12/03/2012	12/05/2012	\$	152.95
Cardholder B	STAPLES 00118141	12/03/2012	12/05/2012	\$	49.00
Cardholder B	OFFICE DEPOT #58	12/11/2012	12/13/2012	\$	144.38
Cardholder B	TARGET 00022400	05/08/2013	05/09/2013	\$	22.91
Cardholder B	OFFICE MAX	07/25/2013	07/28/2013	\$	54.99
Cardholder B	OFFICE MAX	07/26/2013	07/28/2013	\$	119.80
Cardholder B	OFFICE MAX	09/12/2013	09/15/2013	\$	28.22
Cardholder B	STAPLES 00118141	11/12/2013	11/14/2013	\$	46.87
Cardholder B	STAPLES 00118141	11/27/2013	11/29/2013	\$	36.05
Cardholder B	TARGET 00001461	03/12/2014	03/13/2014	\$	6.73
Cardholder B	TARGET 00001461	04/08/2014	04/09/2014	\$	74.94
Cardholder E	KROGER #845	07/23/2012	07/23/2012	\$	21.27
Cardholder E	WALGREENS #0696	09/29/2015	09/30/2015	\$	2.83
Cardholder F	OFFICE DEPOT #2260	01/04/2015	01/05/2015	\$	237.33
Cardholder F	STAPLES DIRECT	02/12/2015	02/13/2015	\$	390.25
Cardholder F	OFFICE DEPOT #1214	04/28/2015	04/29/2015	\$	81.87
Cardholder F	OFFICE DEPOT #1214	04/28/2015	04/29/2015	\$	5.45
Cardholder F	OFFICE DEPOT #1214	04/29/2015	04/30/2015	\$	16.17
Cardholder F	OFFICE DEPOT #2260	01/10/2016	01/12/2016	\$	180.38

<b>Table 4: Improperly Paid Sales Tax</b>					
<b>ACC.Account First Name</b>	<b>MCH.Merchant Name</b>	<b>FIN.Transaction Date</b>	<b>FIN.Posting Date</b>	<b>FIN.Transaction Amount</b>	<b>Sales Tax Amount</b>
Cardholder A	PARKS CLEANERS	05/21/2015	05/22/2015	\$ 98.33	\$ 8.32
Cardholder A	PUBLIX #1298	09/30/2015	10/01/2015	\$ 48.74	\$ 4.06
Cardholder A	STARBUCKS #08317 NASHV	10/10/2015	10/12/2015	\$ 4.10	\$ 0.35
Cardholder A	SAMSCLUB #6447	01/09/2016	01/11/2016	\$ 7.25	\$ 0.61

Cardholder A	KRISPY KREME DOUGH	01/29/2016	02/01/2016	\$	29.96	\$	2.10
Cardholder A	KRISPY KREME DOUGH	01/30/2016	02/01/2016	\$	109.78	\$	7.68
Cardholder B	KROGER #514	11/15/2012	11/16/2012	\$	72.76	\$	5.14
Cardholder B	OFFICE DEPOT #58	12/11/2012	12/13/2012	\$	144.38	\$	11.38
Cardholder B	PUBLIX #1298	05/08/2013	05/09/2013	\$	98.31	\$	8.32
Cardholder B	TARGET 00022400	05/08/2013	05/09/2013	\$	22.91	\$	1.94
Cardholder B	OFFICE MAX	09/12/2013	09/15/2013	\$	28.22	\$	2.39
Cardholder B	TARGET 00001461	10/13/2013	10/14/2013	\$	131.69	\$	11.15
Cardholder B	TARGET 00022400	10/14/2013	10/15/2013	\$	72.06	\$	6.10
Cardholder B	SWEET N SASSY BAKERY	10/16/2013	10/18/2013	\$	49.06	\$	4.15
Cardholder B	STAPLES 00118141	11/12/2013	11/14/2013	\$	46.87	\$	3.97
Cardholder B	STAPLES 00118141	11/27/2013	11/29/2013	\$	36.05	\$	3.05
Cardholder B	TARGET 00001461	03/12/2014	03/13/2014	\$	6.73	\$	0.57
Cardholder B	TARGET 00001461	04/08/2014	04/09/2014	\$	74.94	\$	6.30
Cardholder B	KROGER #511	07/19/2014	07/21/2014	\$	22.12	\$	1.80
Cardholder B	AMAZON MKTPLACE PMTS	12/04/2014	12/05/2014	\$	52.29	\$	2.91
Cardholder B	WM SUPERCENTER #659	01/27/2015	01/28/2015	\$	22.81	\$	1.93
Cardholder C	JET'S PIZZA WEST END	12/03/2012	12/04/2012	\$	70.77	\$	5.82
Cardholder C	SUBWAY 00148403	12/03/2012	12/05/2012	\$	114.68	\$	9.71
Cardholder C	WALGREENS #5869	12/03/2012	12/04/2012	\$	18.09	\$	1.53
Cardholder C	KROGER #884	12/04/2012	12/05/2012	\$	66.47	\$	4.92
Cardholder C	TLF A VILLAGE OF FLOWERS	05/28/2013	05/30/2013	\$	55.72	\$	4.72
Cardholder C	PARTY CITY #388	06/05/2013	06/07/2013	\$	157.08	\$	13.30
Cardholder C	SUBWAY 00148403	06/10/2013	06/12/2013	\$	252.91	\$	12.95
Cardholder C	KROGER #502	08/25/2013	08/26/2013	\$	78.41	\$	5.81
Cardholder C	KROGER #502	08/25/2013	08/26/2013	\$	23.64	\$	1.67

Cardholder C	DOLLAR-GENERAL #0238	08/26/2013	08/28/2013	\$	5.46	\$	0.46
Cardholder C	VANDERBILTUNIV #80210	10/07/2013	10/09/2013	\$	415.27	\$	35.16
Cardholder C	RITE AID STORE #11891	10/30/2013	10/31/2013	\$	32.74	\$	2.77
Cardholder C	GFS MKTPLC #1521	11/09/2013	11/10/2013	\$	134.54	\$	9.77
Cardholder C	GFS MKTPLC #1521	11/11/2013	11/12/2013	\$	62.73	\$	4.83
Cardholder C	WAL-MART #0659	11/12/2013	11/13/2013	\$	157.64	\$	11.12
Cardholder C	KROGER #533	11/13/2013	11/14/2013	\$	40.21	\$	3.06
Cardholder C	SUBWAY 00148403	11/13/2013	11/15/2013	\$	95.57	\$	8.09
Cardholder C	KROGER #533	11/14/2013	11/15/2013	\$	36.45	\$	2.46
Cardholder C	SUBWAY 00148403	11/14/2013	11/17/2013	\$	102.72	\$	8.70
Cardholder C	HI *WINECNTRYGIFTBSKT	12/19/2013	12/20/2013	\$	82.42	\$	6.47
Cardholder C	WALGREENS #5869	04/24/2014	04/25/2014	\$	33.72	\$	0.74
Cardholder C	KROGER #502	06/05/2014	06/06/2014	\$	11.54	\$	0.78
Cardholder C	KRISPY KREME DOUGH	06/06/2014	06/09/2014	\$	87.31	\$	7.39
Cardholder C	KRISPY KREME DOUGH	06/06/2014	06/09/2014	\$	9.27	\$	0.78
Cardholder C	KROGER #502	06/28/2014	06/30/2014	\$	131.30	\$	11.01
Cardholder C	KROGER #502	06/30/2014	07/01/2014	\$	6.40	\$	0.43
Cardholder C	DEALS 4782 00047829	07/01/2014	07/03/2014	\$	8.74	\$	0.74
Cardholder C	PARTY CITY #194	07/30/2014	08/01/2014	\$	126.57	\$	10.72
Cardholder D	KROGER #550	08/31/2012	09/02/2012	\$	3.38	\$	0.29
Cardholder D	WALGREENS #0696	09/11/2012	09/12/2012	\$	21.59	\$	1.83
Cardholder D	PIZZA HUT	11/14/2012	11/16/2012	\$	57.98	\$	4.49
Cardholder D	PUBLIX #1133	06/20/2013	06/21/2013	\$	46.37	\$	3.72
Cardholder D	KROGER #550	08/12/2013	08/13/2013	\$	15.56	\$	1.05
Cardholder D	KROGER #550	08/26/2013	08/27/2013	\$	20.84	\$	1.59
Cardholder D	KROGER #550	11/05/2013	11/06/2013	\$	19.05	\$	1.40
Cardholder D	KROGER #550	11/11/2013	11/12/2013	\$	30.42	\$	2.06

Cardholder D	JERSEY MIKES SUBS#4QPS	02/03/2014	02/04/2014	\$	43.03	\$	3.64
Cardholder D	KROGER #550	02/10/2014	02/11/2014	\$	10.00	\$	0.68
Cardholder D	KROGER #550	02/11/2014	02/12/2014	\$	14.51	\$	1.04
Cardholder D	KROGER #550	03/09/2014	03/11/2014	\$	55.12	\$	4.10
Cardholder D	PUBLIX #1426	03/10/2014	03/11/2014	\$	63.20	\$	4.83
Cardholder D	KROGER #550	07/08/2014	07/10/2014	\$	20.33	\$	1.37
Cardholder D	KRISPY KREME DOUGH	08/29/2014	09/01/2014	\$	30.55	\$	2.59
Cardholder D	KROGER #550	09/10/2014	09/11/2014	\$	6.41	\$	0.43
Cardholder D	KROGER #550	01/14/2015	01/15/2015	\$	9.64	\$	0.65
Cardholder D	KROGER #550	04/13/2015	04/14/2015	\$	16.67	\$	1.13
Cardholder D	KROGER #550	05/12/2015	05/14/2015	\$	11.24	\$	0.76
Cardholder D	KROGER #550	06/10/2015	06/11/2015	\$	7.49	\$	0.51
Cardholder D	KROGER #550	08/22/2015	08/24/2015	\$	13.70	\$	0.93
Cardholder D	KROGER #550	08/26/2015	08/27/2015	\$	6.96	\$	0.47
Cardholder D	KROGER #550	08/31/2015	09/01/2015	\$	29.62	\$	2.29
Cardholder D	KROGER #550	10/13/2015	10/14/2015	\$	9.63	\$	0.65
Cardholder D	KROGER #550	11/17/2015	11/18/2015	\$	13.91	\$	0.94
Cardholder D	KROGER #550	12/13/2015	12/14/2015	\$	4.28	\$	0.29
Cardholder D	KROGER #550	01/12/2016	01/13/2016	\$	8.02	\$	0.54
Cardholder E	CHICK-FIL-A #02179	07/05/2012	07/05/2012	\$	66.64	\$	5.64
Cardholder E	WALGREENS #0696	07/12/2012	07/12/2012	\$	21.85	\$	1.48
Cardholder E	KROGER #845	07/23/2012	07/23/2012	\$	21.27	\$	1.85
Cardholder E	PIZZA HUT	08/29/2012	08/31/2012	\$	51.42	\$	3.39
Cardholder E	OFFICE MAX	10/30/2012	11/01/2012	\$	163.82	\$	13.87
Cardholder E	KROGER #502	11/06/2012	11/07/2012	\$	68.70	\$	5.38
Cardholder E	TNT VARALLOS LLC	11/06/2012	11/08/2012	\$	108.79	\$	9.21
Cardholder E	TLF FLOWER EXPRESS	11/26/2012	11/28/2012	\$	106.96	\$	9.06

Cardholder E	PIZZA HUT	11/27/2012	11/29/2012	\$	27.85	\$	2.36
Cardholder E	KROGER #502	12/04/2012	12/05/2012	\$	23.28	\$	1.77
Cardholder E	JERSEY MIKES SUBS#4038	12/05/2012	12/06/2012	\$	104.83	\$	8.88
Cardholder E	PIZZA HUT	02/05/2013	02/07/2013	\$	15.65	\$	1.16
Cardholder E	PIZZA HUT	02/25/2013	02/27/2013	\$	43.50	\$	3.26
Cardholder E	KROGER #533	03/11/2013	03/12/2013	\$	30.10	\$	2.14
Cardholder E	CHICK-FIL-A #02179	04/18/2013	04/21/2013	\$	62.04	\$	5.25
Cardholder E	KROGER #502	05/06/2013	05/07/2013	\$	32.19	\$	2.47
Cardholder E	PIZZA HUT	07/29/2013	07/31/2013	\$	61.25	\$	4.76
Cardholder E	PIZZA HUT	08/21/2013	08/23/2013	\$	61.25	\$	4.76
Cardholder E	KROGER #502	08/27/2013	08/28/2013	\$	15.78	\$	1.15
Cardholder E	CHICK-FIL-A #02179	08/28/2013	08/30/2013	\$	62.04	\$	5.25
Cardholder E	KROGER #502	10/01/2013	10/02/2013	\$	27.89	\$	1.98
Cardholder E	JIMMY JOHNS - 1801	10/02/2013	10/04/2013	\$	63.62	\$	4.63
Cardholder E	KROGER #502	12/03/2013	12/04/2013	\$	27.91	\$	2.07
Cardholder E	KROGER #547	12/09/2013	12/10/2013	\$	32.47	\$	2.62
Cardholder E	AMAZON.COM	03/06/2014	03/07/2014	\$	106.14	\$	8.98
Cardholder E	AMAZON.COM	03/06/2014	03/07/2014	\$	39.46	\$	3.34
Cardholder E	KROGER #502	05/06/2014	05/07/2014	\$	24.30	\$	1.87
Cardholder E	PITA PIT - 07 - 012	05/07/2014	05/12/2014	\$	140.00	\$	11.09
Cardholder E	PIZZA HUT	05/21/2014	05/23/2014	\$	60.79	\$	4.30
Cardholder E	KROGER #570	06/20/2014	06/23/2014	\$	36.94	\$	2.50
Cardholder E	KROGER #570	08/06/2014	08/07/2014	\$	13.90	\$	0.94
Cardholder E	TARGET 00006957	08/21/2014	08/22/2014	\$	30.55	\$	2.59
Cardholder E	KROGER #550	08/25/2014	08/26/2014	\$	32.07	\$	2.17
Cardholder E	KROGER #502	08/26/2014	08/27/2014	\$	8.49	\$	0.57
Cardholder E	KROGER #511	08/26/2014	08/27/2014	\$	54.60	\$	4.62

Cardholder E	KROGER #547	08/26/2014	08/27/2014	\$	27.31	\$	2.31
Cardholder E	CHICK-FIL-A #02886	08/29/2014	09/01/2014	\$	91.42	\$	7.74
Cardholder E	BESTBUYCOM679927005656	10/29/2014	10/30/2014	\$	97.21	\$	8.23
Cardholder E	BED BATH & BEYOND #339	12/04/2014	12/08/2014	\$	131.09	\$	11.10
Cardholder E	JACKS BAR-B-QUE 3	01/14/2015	01/15/2015	\$	138.01	\$	11.27
Cardholder E	BKSAMILN.COM 00093062	01/26/2015	01/27/2015	\$	19.37	\$	1.64
Cardholder E	DOLLAR-GENERAL #4378	02/10/2015	02/11/2015	\$	2.19	\$	0.19
Cardholder E	KROGER #570	02/10/2015	02/11/2015	\$	109.16	\$	8.10
Cardholder E	CHICK-FIL-A #02179	07/16/2015	07/20/2015	\$	30.04	\$	2.54
Cardholder E	KROGER #502	08/04/2015	08/05/2015	\$	9.09	\$	0.61
Cardholder E	CHICK-FIL-A #02179	08/25/2015	08/27/2015	\$	50.93	\$	4.31
Cardholder E	CHICK-FIL-A #02179	09/01/2015	09/03/2015	\$	30.04	\$	2.54
Cardholder E	WALGREENS #0696	09/29/2015	09/30/2015	\$	2.83	\$	0.25
Cardholder E	KROGER #576	11/11/2015	11/12/2015	\$	25.85	\$	2.01
Cardholder E	PUBLIX #160	11/11/2015	11/12/2015	\$	28.43	\$	2.41
Cardholder E	CHICK-FIL-A #02179	11/12/2015	11/16/2015	\$	60.09	\$	5.09
Cardholder F	KROGER #502	11/22/2014	11/24/2014	\$	12.20	\$	1.03
Cardholder F	WAL-MART #4435	11/22/2014	11/24/2014	\$	15.07	\$	1.28
Cardholder F	OFFICE DEPOT #2260	01/04/2015	01/05/2015	\$	237.33	\$	20.09
Cardholder F	OFFICE DEPOT #1214	01/26/2015	01/27/2015	\$	96.10	\$	8.14
Cardholder F	KROGER #880	01/28/2015	01/29/2015	\$	70.25	\$	5.19
Cardholder F	KROGER #502	01/29/2015	01/30/2015	\$	32.16	\$	2.17
Cardholder F	KMART 4093	02/03/2015	02/05/2015	\$	65.51	\$	5.55
Cardholder F	WAL-MART #4435	02/03/2015	02/04/2015	\$	11.85	\$	0.80
Cardholder F	H G HILL URBAN MAR	02/04/2015	02/05/2015	\$	12.08	\$	1.05
Cardholder F	PUBLIX #1298	02/04/2015	02/05/2015	\$	112.02	\$	9.48
Cardholder F	MICHAELS STORES 9607	02/06/2015	02/09/2015	\$	133.93	\$	11.34

Cardholder F	STAPLES DIRECT	02/12/2015	02/13/2015	\$	390.25	\$	33.04
Cardholder F	JET'S PIZZA WEST END	02/13/2015	02/16/2015	\$	100.26	\$	8.07
Cardholder F	WALGREENS #0696	02/27/2015	03/02/2015	\$	48.62	\$	4.22
Cardholder F	KROGER #884	03/26/2015	03/27/2015	\$	44.10	\$	3.73
Cardholder F	WM SUPERCENTER #4435	03/26/2015	03/27/2015	\$	193.47	\$	15.70
Cardholder F	WALGREENS #0696	04/01/2015	04/02/2015	\$	50.99	\$	4.41
Cardholder F	MAPCO #3416 QPS	04/16/2015	04/17/2015	\$	14.56	\$	1.20
Cardholder F	OFFICE DEPOT #1214	04/28/2015	04/29/2015	\$	81.87	\$	6.93
Cardholder F	OFFICE DEPOT #1214	04/28/2015	04/29/2015	\$	5.45	\$	0.46
Cardholder F	OFFICE DEPOT #1214	04/29/2015	04/30/2015	\$	16.17	\$	1.37
Cardholder F	PUBLIX #1298	06/10/2015	06/11/2015	\$	156.46	\$	13.15
Cardholder F	KROGER #547	07/23/2015	07/24/2015	\$	78.96	\$	6.00
Cardholder F	PUBLIX #1298	07/23/2015	07/24/2015	\$	110.95	\$	9.30
Cardholder F	HH-GREGG-ECOMMERCE #00	08/07/2015	08/10/2015	\$	125.61	\$	10.63
Cardholder F	KROGER #547	09/30/2015	10/01/2015	\$	42.99	\$	3.34
Cardholder F	PUBLIX #1298	09/30/2015	10/01/2015	\$	116.21	\$	9.84
Cardholder F	TARGET 00001446	10/14/2015	10/15/2015	\$	41.49	\$	3.51
Cardholder F	KROGER #502	10/15/2015	10/16/2015	\$	12.08	\$	1.02
Cardholder F	WAL-MART #4435	10/15/2015	10/16/2015	\$	78.33	\$	5.81
Cardholder F	WALGREENS #0696	10/28/2015	10/29/2015	\$	49.13	\$	4.39
Cardholder F	WALGREENS #0696	12/15/2015	12/16/2015	\$	10.93	\$	0.95
Cardholder F	OFFICE DEPOT #2260	01/10/2016	01/12/2016	\$	180.38	\$	15.27
Cardholder F	KROGER #547	01/14/2016	01/15/2016	\$	64.65	\$	4.52
Cardholder F	PUBLIX #1298	01/14/2016	01/15/2016	\$	88.48	\$	7.49
Cardholder F	KROGER #547	01/27/2016	01/28/2016	\$	44.16	\$	3.61
Cardholder F	KROGER #547	02/01/2016	02/02/2016	\$	59.75	\$	4.34

Cardholder F	SUBWAY 00455568	02/01/2016	02/03/2016	\$	107.06	\$	9.06
<b>Total Sales Tax</b>						\$	799.58

<b>Table 5: Inadequate Supporting Documentation</b>					
<b>ACC.Account First Name</b>	<b>MCH.Merchant Name</b>	<b>FIN.Transaction Date</b>	<b>FIN.Posting Date</b>	<b>FIN.Transaction Amount</b>	<b>Comments</b>
Cardholder A	PARKS CLEANERS	05/21/2015	05/22/2015	\$ 98.33	charge slip only
Cardholder A	ANN SMITH FLORIST & CA	08/27/2015	08/28/2015	\$ 25.00	charge slip only
Cardholder A	PUBLIX #1298	02/03/2016	02/04/2016	\$ 91.98	No support
Cardholder A	KROGER #547	02/09/2016	02/10/2016	\$ 6.96	No support
Cardholder B	WAFFLE HOUSE 0511	08/04/2013	08/06/2013	\$ 26.71	No support
Cardholder B	WALGREENS #9778	08/22/2013	08/23/2013	\$ 4.32	No support
Cardholder B	WALGREENS #4707	10/10/2013	10/11/2013	\$ 37.12	No support
Cardholder B	EB THE PAIN OF PLEASU	02/20/2014	02/21/2014	\$ 100.00	No support
Cardholder B	APPLEBEE'S #2 NEIGHBOR	05/07/2014	05/08/2014	\$ 50.56	charge slip only
Cardholder B	STAPLES 00118141	05/19/2014	05/20/2014	\$ 69.70	No support
Cardholder B	CACHET BOUTIQUE ANAHEI	05/28/2014	05/29/2014	\$ 5.38	charge slip only
Cardholder B	KINGS FISH HOUSE ORANG	05/29/2014	05/30/2014	\$ 440.53	charge slip only
Cardholder B	MTA ACCTG DEPT TKT SAL	08/29/2014	09/03/2014	\$ 1,323.50	No support
Cardholder B	ST MARYS BOOKSTORE	09/09/2014	09/10/2014	\$ 8.73	No support
Cardholder B	TARGET 00001461	09/09/2014	09/10/2014	\$ 52.34	No support
Cardholder B	AMERICAN SCREENING COR	10/20/2014	10/21/2014	\$ 334.50	No support
Cardholder B	DEMOS 2	10/21/2014	10/22/2014	\$ 49.00	charge slip only
Cardholder C	CASEYS IRISH BAR AND GRIL	06/22/2013	06/24/2013	\$ 70.63	charge slip only
Cardholder C	MARGARITA PIZZA BA	06/23/2013	06/24/2013	\$ 49.11	charge slip only
Cardholder C	POPEYES 00388	06/24/2013	06/27/2013	\$ 27.23	charge slip only

Cardholder C	LARRY'S	06/25/2013	06/27/2013	\$	66.04	charge slip only
Cardholder C	SIDEWALK CAFE	06/27/2013	06/30/2013	\$	67.89	charge slip only
Cardholder C	SANDY S BEACH GRILL	05/31/2014	06/03/2014	\$	32.08	charge slip only
Cardholder C	DOUBLETREE	06/02/2014	06/03/2014	\$	957.24	No support
Cardholder C	CIAO BISTRO LLC	07/22/2014	07/24/2014	\$	70.00	charge slip only
Cardholder C	MARINA RESTAURANT	07/23/2014	07/24/2014	\$	60.51	charge slip only
Cardholder C	SURF FOREVER LLC	07/24/2014	07/25/2014	\$	58.36	charge slip only
Cardholder C	BUDWEISER TRAC10130052	07/25/2014	07/28/2014	\$	24.43	charge slip only
Cardholder C	ALPHAGRAPHICS MUSIC CI	07/30/2014	08/01/2014	\$	35.32	No support
Cardholder C	DOLLAR-GENERAL #0238	07/31/2014	08/01/2014	\$	3.28	No support
Cardholder C	EXXONMOBIL 47881057	07/31/2014	08/01/2014	\$	2.67	No support
Cardholder D	DONUT DEN	11/08/2012	11/11/2012	\$	57.29	charge slip only
Cardholder D	DUNKIN #345491 Q35	08/28/2013	08/30/2013	\$	24.07	No support
Cardholder D	KROGER #550	11/06/2013	11/07/2013	\$	6.59	No support
Cardholder D	JIM N NICKS CHARLOTTE	11/05/2014	11/06/2014	\$	140.00	charge slip only
Cardholder D	JIM N NICKS CHARLOTTE	11/06/2014	11/07/2014	\$	140.00	charge slip only
Cardholder D	OLD SPAGHETTI FCTRY 15	02/11/2015	02/13/2015	\$	137.00	charge slip only
Cardholder D	TAZZA RESTAURANT	02/12/2015	02/16/2015	\$	164.00	charge slip only
Cardholder D	KEBAB GYROS QPS	07/13/2015	07/14/2015	\$	125.00	No support
Cardholder D	GERMANTOWN CAFE	09/02/2015	09/03/2015	\$	154.25	charge slip only
Cardholder D	NEWKS - WEST END	12/14/2015	12/15/2015	\$	144.20	charge slip only
Cardholder E	TAZZA RESTAURANT	01/16/2013	01/17/2013	\$	116.82	charge slip only
Cardholder E	TNT VARALLOS LLC	02/06/2013	02/08/2013	\$	103.39	charge slip only
Cardholder E	CHROMATICS	11/20/2014	11/21/2014	\$	19.20	No support
Cardholder E	SWETTS RESTAURANT & SM	12/09/2014	12/11/2014	\$	177.00	charge slip only
Cardholder F	NPS PHARMACY	01/15/2015	01/16/2015	\$	6.00	charge slip only
Cardholder F	NPS PHARMACY	02/12/2015	02/13/2015	\$	6.00	charge slip only

Cardholder F	GIBSON BAR C2021630025	06/01/2015	06/03/2015	\$	55.60	No support
Cardholder F	LOGAN TAVERN	06/02/2015	06/03/2015	\$	101.00	No support
Cardholder F	ZENTAN / ADC	06/04/2015	06/08/2015	\$	139.00	No support
Cardholder F	DONOVAN HOUSE	06/06/2015	06/08/2015	\$	1,055.94	No support
Cardholder F	DEMOS' RESTAURANT	06/25/2015	06/29/2015	\$	90.61	charge slip only
Cardholder F	HILTON URBAN TAVERN	07/05/2015	07/07/2015	\$	103.17	charge slip only
Cardholder F	JOHN'S GRILL	07/08/2015	07/09/2015	\$	33.00	charge slip only
Cardholder F	JACK ROSE	07/27/2015	07/29/2015	\$	620.00	charge slip only
Cardholder F	THE WALRUS OYSTER AND	07/28/2015	07/30/2015	\$	28.98	charge slip only
Cardholder F	BOB'S STEAK & CHOP NSH	09/09/2015	09/10/2015	\$	450.40	charge slip only