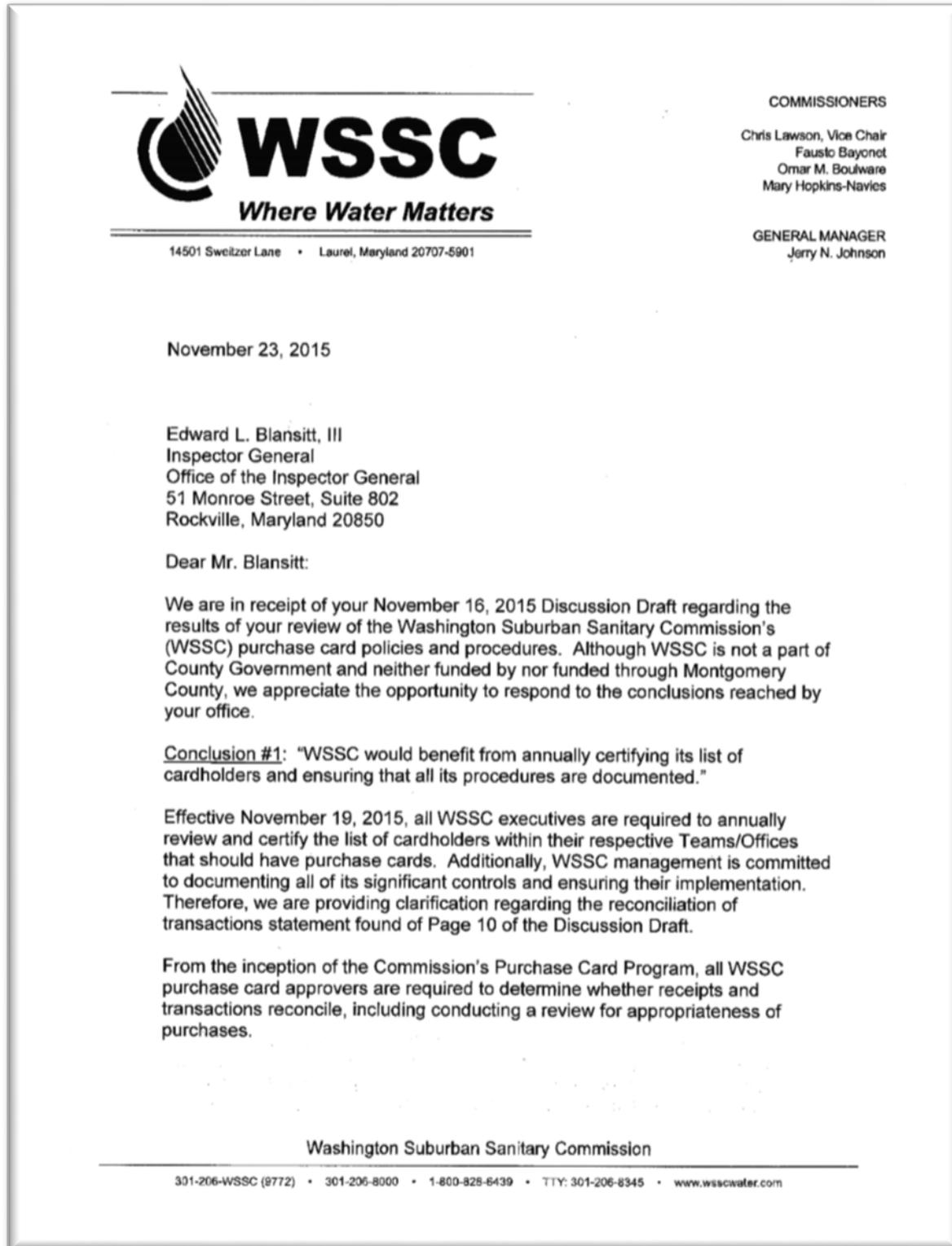


# Appendix A: General Manager/CEO's Response



Edward L. Blansitt  
November 23, 2015  
Page 2

As stated on Page 4 of the Purchase Card Program Manual, 1.0 Definitions Section, an approver is defined as "A senior leader or team member who is responsible for reviewing and approving a team member's P-Card purchases to ensure that the purchases are made in accordance with the P-Card Policy and Procedures and Procurement Manual." "The Approver is responsible for initiating administrative disciplinary penalty for misuse of the P-Card in accordance with P-Card and Human Resources policies." Page 15 of the Manual (Section A. Reconciling Monthly Expenses) specifies the reconciliation process used by cardholders and approvers.

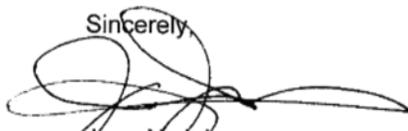
However, we are in agreement that the centralized review for appropriateness of purchases is newly implemented with the creation of the P-Card Specialist position. The associated P-Card policies and procedures have been updated to reflect this change.

Conclusion #2: "WSSC could benefit from using Level 3 detailed transaction data, in conducting its data analyses, in order to detect possible inappropriate card use."

The Internal Audit Office currently employs some aspects of Level 3 data analyses, i.e., reviewing split purchases and merchant spend analysis by line item. Additionally, effective with its Fiscal Year 2016 First Quarter P-Card Report to the Chief Procurement Officer, the WSSC Internal Audit Office will incorporate all aspects of Level 3 detailed transaction data into its data analyses.

Should you have any questions or require additional information, please do not hesitate to contact me or Ms. Maxene Bardwell, Director of Internal Audit.

Sincerely,



Jerry M. Johnson  
General Manager/CEO

cc: Vice Chairman Christopher Lawson and Commissioners, WSSC  
Maxene Bardwell, Director of Internal Audit, WSSC  
Gary Gumm, Interim Chief Operations Officer, WSSC  
David Malone, Chief Procurement Officer, WSSC