



OFFICE OF THE COUNTY AUDITOR


Bill White, J.D.

DuPage County Auditor

421 N. County Farm Road
Wheaton, Illinois 60187
(630) 407-6075
FAX: (630) 407-6076
www.dupageco.org/auditor

To: Hon. Greg Schwarze, Chairman
DuPage County Emergency Telephone System Board (ETSB)

ETSB Members

From: Bill White, J.D. 
County Auditor

Subject: Internal Audit of Accounts Payable
#21-72

Date: August 3, 2021

The Office of the County Auditor has completed a limited scope internal audit of the transaction processing of ETSB invoices submitted for payment. The audit identified five exceptions that required correction by the ETSB or Finance Department.

All invoices submitted have been reviewed and released for payment by the County Auditor. The results of the audit are presented below.

Results

My Office has performed voucher pre-audit procedures for the invoices submitted for approval by the ETSB at the August 11, 2021 Board Meeting. The invoices listed on the Bank Account Payment History Report dated July 30, 2021 have been examined and are recommended for payment. The total of the expenditures is:

- FY2021 Equalization Fund (4000-5820) \$362,039.05

Five exceptions were identified by the County Auditor.

Two AT&T invoices dated June 19, 2021 for wireline services in the amounts of \$3,047.38 and \$6,723.53 were entered into MHC for service agreement 2845-0001 SERV which had expired on April 28, 2021. The two invoices were disapproved by the County Auditor on July 8, 2021. The invoices were resubmitted on the new service agreement 5164-0001 SERV by the ETSB and the County Auditor recommended the two invoices for payment that same day.

An Intergraph Corporation invoice for Resident System Analyst services in the amount of \$64,704.25 was entered into MHC as Company 5000 – Grants instead

of Company 4000 – ETSB. The invoice was disapproved by the County Auditor on July 20, 2021. The company code was corrected by the Finance Department and the County Auditor recommended the invoice for payment that same day.

An Office Depot invoice for \$14.94 in operating supplies and \$5.13 in food and beverage was entered into MHC as \$20.07 in operating supplies only. The invoice was disapproved by the County Auditor on July 26, 2021. The invoice was reentered with the correct amounts for the two account codes by the Finance Department and the County Auditor recommended the invoice for payment on July 27, 2021.

An AT&T invoice for wireline services in the amount of \$1,128.60 was entered into MHC with an incorrect purchase order line number. The invoice was entered as line 1 (54100 IT Equipment) instead of line 11 (53250 Wireline Services) on vendor agreement 2031-0001 SERV. The Finance Department noted the error and deleted the invoice. The invoice was reentered with the correct purchase order line number on July 28, 2021 and the County Auditor recommended the invoice for payment on that same day.

Objective

The County Auditor will perform a series of procedures designed to evaluate the internal controls involved in the processing of transactions in the accounts payable system. The actual procedures performed will depend upon the County Auditor's assessment of risks associated with the transactions.

Background/Audit Scope

Invoices and the related supporting documentation are initially prepared and submitted for payment processing by County departments to the centralized accounts payable function administered by the Finance Department.

The County Auditor performs audit procedures on the payment documentation after the information has been entered into the accounts payable system by the Finance Department. These procedures include reviewing the scanned images of the invoice and supporting documentation and comparing it to the information entered into the system. Significant discrepancies noted between the supporting documentation and the information recorded in the system are identified by the County Auditor as exceptions. In these situations, the County Auditor notifies the Finance Department of the problem. When the discrepancies are resolved, the County Auditor approves the invoice.

A Bank Account Payment History Report is generated by the Finance Department after the invoices have been approved and the County Auditor verifies that each of the recommended payments was properly posted to the County's General Ledger.

Audit Findings and Recommendations

The County Auditor audited 38 invoices submitted for payment, five exceptions were identified.

The Finance Department should verify the completeness and accuracy of invoices entered into the ERP and MHC systems prior to forwarding to the County Auditor for review and payment recommendation.

The ETSB should continue to regularly review available ERP reports and real-time transaction information to monitor the progress of invoices submitted for payment to preclude the potential for duplicate or incorrect payments.

Thank you for your continued assistance.

cc: Linda Zerwin, Executive Director
Jeff Martynowicz, Chief Financial Officer