



OFFICE OF THE COUNTY AUDITOR

Bill White, J.D.

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

ETSB Members

From: Bill White, J.D.
County Auditor

A handwritten signature in blue ink, appearing to read "J. White".

Subject: Internal Audit of Accounts Payable
#21-94

Date: December 1, 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 four exceptions that required correction by the ETSB and 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 December 8, 2021 Board Meeting. The invoices listed on the Bank Account Payment History Report dated November 30, 2021 have been examined and are recommended for payment. The total of the expenditures is:

- FY2021 Equalization Fund (4000-5820) \$561,874.11

Four exceptions were identified by the County Auditor.

A travel reimbursement invoice for Cheryl Delph-Ruiz in the amount of \$415.78 was entered into the MHC system by the Finance Department with an incorrect amount of \$217.28. The County Auditor disapproved the invoice on November 22, 2021. The Finance Department corrected the invoice amount and the County Auditor recommended the invoice for payment on that same day.

A travel reimbursement invoice for William Srejma in the amount of \$847.56 was entered into the MHC system by the Finance Department with an incorrect invoice number and the hotel bill listed \$6 of charges that are included in the per diem. The County Auditor disapproved the invoice on November 22, 2021. The

ETSB submitted a corrected invoice and the Finance Department corrected the invoice number in the MHC system. The County Auditor recommended the invoice for payment on that same day.

A CDW – G invoice for exagrid disk cap, support, and maintenance in the amount of \$80,324 was entered into the MHC system by the Finance Department without a “Y” entry, indicating a separate check is required for proper account payment application. The County Auditor disapproved the invoice on November 15, 2021. The Finance Department corrected the entry and the County Auditor recommended the invoice for payment that same day.

A Motorola Solutions – STARCOM 21 invoice for radio airtime in the amount of \$110,069 was entered into the MHC system by the Finance Department with an incomplete description. The County Auditor disapproved the invoice on November 15, 2021. The Finance Department corrected the description and the County Auditor recommended the invoice for payment that same day.

In addition to these 4 exceptions, a Watson Furniture invoice for dispatch consoles in the amount of \$61,835.71 for vendor agreement 5119-0001 SERV matched out of tolerance for an unknown reason, but possibly due to the complexity of the 44 service lines that required quantities and unit prices. The support staff from the Lawson ERP system and the County’s IT staff were unable to correct the error. After multiple attempts, it was agreed that a new vendor agreement, 5551-0001 SERV, would be created with 2 service lines that required only an amount so that the invoice could be paid on the November 30th payroll. The Procurement Division of the Finance Department created the replacement service agreement 5551-0001 SERV on November 30, 2021. The prior invoice entries were deleted from the Lawson ERP system and re-entered with the replacement service agreement into MHC by the Finance Department. The County Auditor recommended the invoice for payment that same day. The invoice matched with no exceptions in the Lawson ERP system and the invoice was included in the November 30, 2021 pay list.

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 37 invoices submitted for payment, four 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