



OFFICE OF THE COUNTY AUDITOR

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

ETSB Members

From: Bill White, J.D. *WFW*
County Auditor

Subject: Internal Audit of Accounts Payable
#22-18

Date: June 1, 2022

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 twenty exceptions that required correction by the 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 June 8, 2022 Board Meeting. The invoices listed on the Bank Account Payment History Report dated May 27, 2022 have been examined and are recommended for payment. The total of the expenditures is:

- FY2022 Equalization Fund (4000-5820) \$312,149.38

Twenty exceptions were identified by the County Auditor.

A Comcast Business Communications LLC invoice for monthly fiber network connectivity service charges in the amount of \$51,759.98 was entered into the MHC system by the Finance Department with an incorrect monthly service date in the description. The invoice was disapproved by the County Auditor on May 13, 2022. The Finance Department corrected the description and resubmitted the invoice to the County Auditor for approval. The County Auditor recommended the invoice for payment on May 13, 2022.

A Telelanguage Inc. invoice for monthly telephonic interpretation services in the amount of \$638.30 was entered into the MHC system by the Finance Department with an incorrect invoice number. The invoice was disapproved by the County Auditor on May 23, 2022. The Finance Department corrected the invoice number and resubmitted the invoice to the County Auditor for approval. The County Auditor recommended the invoice for payment on May 23, 2022.

A Village of Addison invoice for training and travel-related expenses in the amount of \$3,774.54 was entered into the MHC system by the Finance Department with an incorrect invoice date and invoice number. The invoice was disapproved by the County Auditor on May 20, 2022. The Finance Department corrected the invoice date and invoice number and resubmitted the invoice to the County Auditor for approval. The County Auditor recommended the invoice for payment on May 23, 2022.

A DuPage Public Safety Communications (DU-COMM) invoice for training and travel-related expenses in the amount of \$2,229.45 was entered into the MHC system by the Finance Department with an incorrect invoice date and invoice number. The invoice was disapproved by the County Auditor on May 20, 2022. The Finance Department corrected the invoice date and invoice number and resubmitted the invoice to the County Auditor for approval. The County Auditor recommended the invoice for payment on May 23, 2022.

A reimbursement to David Dobey for training and travel-related expenses in the amount of \$304.09 was entered into the MHC system by the Finance Department without redacting the individual's social security number on the W-9 Form. In addition, the GL Distribution account, invoice date, invoice number, and description were incorrectly entered. The invoice was disapproved by the County Auditor on May 20, 2022. The Finance Department redacted the social security number, corrected the invoice information, and resubmitted the invoice to the County Auditor for approval. The County Auditor recommended the invoice for payment on May 23, 2022.

A reimbursement to Grecia Flores for training and travel-related expenses in the amount of \$291.05 was entered into the MHC system by the Finance Department without redacting the individual's social security number on the W-9 Form. In addition, the invoice date, invoice number, and description were incorrectly entered. The invoice was disapproved by the County Auditor on May 20, 2022. The Finance Department redacted the social security number, corrected the invoice information, and resubmitted the invoice to the County Auditor for approval. The County Auditor recommended the invoice for payment on May 23, 2022.

A reimbursement to Erika Herrera for training and travel-related expenses in the amount of \$297.01 was entered into the MHC system by the Finance Department without redacting the individual's social security number on the W-9 Form. In addition, the invoice date, invoice number, and description were incorrectly entered. The invoice was disapproved by the County Auditor on May 20, 2022. The Finance Department redacted the social security number, corrected the invoice

information, and resubmitted the invoice to the County Auditor for approval. The County Auditor recommended the invoice for payment on May 23, 2022.

A reimbursement to Amy Lettenberger for training and travel-related expenses in the amount of \$375.31 was entered into the MHC system by the Finance Department without redacting the individual's social security number on the W-9 Form. The invoice was disapproved by the County Auditor on May 20, 2022. The Finance Department redacted the social security number and resubmitted the invoice to the County Auditor for approval. The County Auditor recommended the invoice for payment on May 23, 2022.

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 34 invoices submitted for payment, twenty 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