



OFFICE OF THE COUNTY AUDITOR

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To: Hon. Sean Noonan, Chairman
DuPage County Emergency Telephone System Board (ETSB)

ETSB Members

From: Bob Grogan, CPA, CFE *RTG*
County Auditor

Subject: Internal Audit of Accounts Payable
#19-44

Date: May 3, 2019

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 one exception that required correction by the ETSB.

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 May 14, 2019 Board Meeting. The invoices listed on the Bank Account Payment History Report dated May 3, 2019 have been examined and are recommended for payment. The total amounts of the expenditures are:

- FY2019 Equalization Fund (4000-5820) \$1,050,790.77

One exception was identified by the County Auditor. A Dell Marketing LP invoice for \$39,941.63 had an incorrect amount, \$39,341.63, written on the remittance slip. The correct amount was written on the invoice authorization label and entered into the accounts payable system.

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 45 invoices submitted for payment, one exception was identified.

The ETSB should verify that the amount written on the invoice remittance slip is accurate and matches the invoice authorization label affixed to the invoice prior to submitting the invoice to the Finance Department.

The Finance Department should verify that the amounts written on the invoice are accurate and match the data entered into the accounts payable system prior to forwarding invoices to the County Auditor for review and payment recommendation.

Thank you for your continued assistance.

cc: Linda Zerwin, Executive Director
Tom Cuculich, County Administrator
Paul Rafac, CFO