

# DeKalb



# County

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Department of Finance

Internal Audit and Licensing

April 13, 2009

To: Dr. Michael J. Bell, Chief Financial Officer

From: Deputy Director of Finance - DIAL

Subject: Unauthorized Withdrawals – Electronic/ACH Debits  
Payroll & Pension Accounts

Dr. Bell

In mid February of this year, the Deputy Director of Finance-Risk Management informed Internal Audit of unauthorized withdrawals appearing on the payroll and pension zero balance bank accounts. Internal Audit met with the Revenue Collections Manager of Finance-Treasury and Accounting to obtain information regarding the withdrawals. The withdrawals were made via electronic debits or phone payments.

Internal Audit reviewed the bank statements provided by Treasury and Accounting for each account for the period of August 2008 to February 2009 and prepared a schedule of the transactions for each bank account denoting date, payee, transaction/account number, payment type, and amount.

During our review we observed withdrawals for payments to Comcast, HSBC Card Service, Vesta Corp, Georgia Power, Capital One and other merchants. The withdrawals from the pension account amounted to \$18,015 and from the payroll account \$28,952. The combined total of the withdrawals is \$46,967.

At the request of Finance-Treasury and Accounting the bank has placed controls on the accounts that will minimize this type of transactions from occurring in the future.

Internal Audit provided copies of the schedules and bank statements to DeKalb Police at a meeting held on Friday, April 3, 2009 which included Internal Audit, Treasury and Accounting, Risk Management and DeKalb Police.

The DeKalb County Police has begun their investigation and requested a copy of this report which outlines our audit procedures.

If you have any questions or concerns, please let me know.

Eugene O'Mard

cc: Nathan Flower, Deputy Director of Finance – Risk Management  
Detective Charles H. Maupin – Police Department  
Stephanie D. Brantley, Revenue Collections Manager – Treasury & Accounting Services