

February 13, 2024

Dianne McNabb, Chief Financial Officer  
1300 Commerce Drive  
Decatur, Georgia, 30030

**RE: 2<sup>nd</sup> Follow-Up on the Status of Management Action Plans – Invoice Payment and Cash Disbursement Process- Audit Report No. 2019-011-FIN.**

Dear Ms. McNabb,

As required by DeKalb County, Georgia – Code of Ordinances/Organizational Act Section 10A-Independent Internal Audit (I), I have attached the Office of Independent Internal Audit’s report on the status of management actions taken to address the findings contained in the referenced audit report. The conclusions in this follow-up report are limited to the status of the implementation and not the effectiveness of the completed action plans, which may be assessed in a future audit.

The Finance Department, Purchasing & Contracting Department, and the Department of Innovation and Technology are continuing to work through the process of completing the corrective action plans. Some of the action plans depend on the implementation of the CV360 financial system, which is expected by August 31, 2024, and the subsequent completion of Accounts Payable Comprehensive Policies and Procedures. Management has indicated that they anticipated that all action plans will be completed by December 31, 2024.

Finding No.	Audit Report Finding	Status as of October 2022	Status as of February 12, 2024
1	Data and Information in Reports Provided Could Not Be Validated	Open	Open
2	Missing Monitoring Controls	Open	Open
3	SMF Management and Maintenance Needs Improvements	Open	Open
4	Non-compliance with the County's Conflict of Interest Ordinance	Partially Complete	Open
5	Some Invoice Payment Processing Procedures Not Centrally Located	Open	Open
6	Invoices on Hold (IOH) Are Not Resolved Timely	Open	Open
7	Invoices Processed Prior to an Approved Purchase Order	Open	Open
8	UDs Not Always Compliant with Standard Operating Procedures	Open	Open
9	Access Controls for AP Module Need Improvement	Open	Open

Please contact me if you require additional information.

Sincerely,



**Lavois Campbell, CIA, CFE, CISA, CGA**  
Chief Audit Executive

cc. Michael L. Thurmond, Chief Executive Officer Robert Patrick, Board of Commissioners District 1  
Michelle Long-Spear, Board of Commissioners District 2  
Larry Johnson, Board of Commissioners District 3  
Steve Bradshaw, Board of Commissioners District 4  
Mereda Davis Johnson, Board of Commissioners District 5  
Ted Terry, Board of Commissioners District 6  
Lorraine Cochran-Johnson, Board of Commissioners District 7  
Gloria G. Gray, Chairperson, Audit Oversight Committee  
Adrienne T. McMillion, Vice-Chairperson, Audit Oversight Committee  
Tanja Christine Boyd-Witherspoon, Chairperson pro-tem, Audit Oversight Committee  
Harold Smith, Jr., Audit Oversight Committee  
Lisa Earls, Audit Oversight Committee  
Zachary L. Williams, Chief Operating Officer/ Executive Assistant  
La'Keitha D. Carlos, CEO's Chief of Staff  
Kwasi K. Obeng, Chief of Staff, Board of Commissioners  
John Matelski, CIO, Director of Innovation & Information  
Michelle Butler, Chief Procurement Officer (Interim)  
Andria A. (Lisa) Williams, Controller, Finance Department

Dekalb County Government			
Office of Independent Internal Audit			
Date: February 12, 2024		Prepared by: Clenty Hinton	
Audit Findings Status Update Form			
Status Date	Report #	Report Title	
2/12/24	2019-011-FIN	Audit of the Internal Controls Related to the Invoice Payment and Cash Disbursement Processes	
Contact Person	Title	Phone No.	Email Address
Dianne McNabb	Chief Financial Officer	(404) 371-2745	<a href="mailto:dmcnabb@dekalbcountyga.gov">dmcnabb@dekalbcountyga.gov</a>
Activity	Accountability	Schedule	
Invoice Payment and Cash Disbursement Processes	Responsible Area	Repeat Finding	Anticipated Completion Date/Date Adjustments will be made
	Finance Department	No	8/31/2024
Finding		Finding Detail	
No.	1		
Date	6/23/21		
Finding			
<b>Data And Information In Reports Provided Could Not Be Validated</b>			
Recommendations			
To help ensure that the monitoring and detective controls implemented using these reports and data are effective, we recommend that Finance and DoIT management take immediate action to correct and purge historical data of incorrect and invalid information. When the data issues have been resolved, we recommend that Finance management work together with DoIT to assess reporting needs and any changes that need to be made to current reports.			
Management's Response			
Finance Management Agreement: <input checked="" type="checkbox"/> Agree <input type="checkbox"/> Disagree			
Description of Management's Action Plan to Address Finding: The AP Division (DOF) will proceed with signing up for the IRS TIN Verification program. The IRS offers free FEI number verification on its website. AP will incorporate and communicate the changes in the revised policy and procedures to ensure that Suppliers information is updated timely with accurate and appropriate documentation is maintained. Estimated Timeline to Implement Action Plan: June 30, 2022			
DoIT Management Agreement: <input checked="" type="checkbox"/> Agree <input type="checkbox"/> Disagree			
Description of Management's Action Plan to Address Finding: DoIT will work with Finance to correct and/or purge incorrect and invalid information. We will work collaboratively to address any reporting enhancements. Estimated Timeline to Implement Action Plan: June 30, 2022.			
Status Update-Nov. 2022			
<input checked="" type="checkbox"/>	Open	The corrective action plan is being addressed as part of the Finance Department's Internal Controls Assessment Corrective Actions response. However, Finance has implemented a process which requires a monthly review of the IOH report by AP management, and revisions to the impacted line items by appropriate AP personnel. The process to correct and/or purge incorrect and invalid information from the Invoice on Hold (IOH) report is not yet complete. Finance and DoIT will continue it's collaboration and anticipate completing the action plan by 3/1/2023.	
<input type="checkbox"/>	Management/Agency Assumes Risk		
<input type="checkbox"/>	Partially Complete		
<input type="checkbox"/>	Complete Pending Verification by OIIA		
<input type="checkbox"/>	Complete		
2nd Status Update - February 2024			
<input checked="" type="checkbox"/>	Open	Accounts Payable (AP) has developed a workflow process for the Invoice on-hold report. The following process is in place. All outstanding line items are addressed, researched, and resolved to remove the invoice from the report as a part of the month-end close. The workflow process will be formalized and documented in the planned comprehensive AP policy and procedures manual expected by Q4 2024. The purge of other invalid data will be included in the CV360 financial system implementation and related data conversion process, which DoIT expects to be completed by the end of August 2024. The IRS TIN verification is used annually when 1099s are printed and mailed.	
<input type="checkbox"/>	Management/Agency Assumes Risk		
<input type="checkbox"/>	Partially Complete		
<input type="checkbox"/>	Complete Pending Verification by OIIA		
<input type="checkbox"/>	Complete		

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Activity	Accountability	Schedule	
Invoice Payment and Cash Disbursement Processes	Responsible Area	Repeat Finding	Anticipated Completion Date/Date Adjustments will be made
	Finance Department	No	6/30/2024
Finding		Finding Detail	
No.	2		
Date	6/23/21		
Finding	<b>Missing Monitoring Controls.</b>		
Recommendations	<p>To help ensure that invoices are being processed in compliance with policies and procedures and internal controls are operating as intended, we recommend that Finance management implement procedures to routinely monitor AP activity. Such procedures should include, but not be limited to, the following:</p> <ul style="list-style-type: none"> <li>• Review of vendor statements monthly.</li> <li>• Consistent and regular review of invoices on hold.</li> <li>• Review of AP aging report.</li> <li>• Perform internal assessment of key processes to identify and recover overpayments, pricing errors, contract non-compliance, and sales tax errors.</li> <li>• Review of AP balances with debit balances.</li> <li>• Review of AP transactions to ensure controls are operating as expected.</li> </ul>		
Management's Response	<p>Finance Management Agreement: <input checked="" type="checkbox"/> Agree <input type="checkbox"/> Disagree</p> <p>Description of Management's Action Plan to Address Finding: AP will develop standard operating procedures to routinely monitor AP activity. This will include consistent review of AP statements and reports. AP will request the creation and hiring of two AP Analyst positions. These positions will be responsible for updating the policies and procedures, ensuring compliance, monitoring, and internal assessments.</p> <p>Estimated Timeline to Implement Action Plan: June 30, 2022</p>		
Status Update-Nov. 2022	<p>The corrective action plan is being addressed as part of the Finance Department's Internal Controls Assessment Corrective Actions response. The review of standardized/customized reports to monitor the AP activities was placed on hold by Finance and DoIT management. In addition, to address the monitoring requirement, AP is working with Human Resources (HR) to create and fill two analyst positions. HR has prepared a register and interviews commenced during the week of 9/12/2022. It is anticipated that the action plan will be completed by 3/1/2023.</p>		
<input checked="" type="checkbox"/> Open			
<input type="checkbox"/> Management/Agency Assumes Risk			
<input type="checkbox"/> Partially Complete			
<input type="checkbox"/> Complete Pending Verification by OIIA			
<input type="checkbox"/> Complete			
2nd Status Update - February 2024	<p>The process of developing standardized reports has been included as a part of the planned CV360 financial system implementation, which is expected to be completed by August 2024. HR created two analyst positions. Budget approved one Management Analyst position for FY24. AP has now filled one of the two positions. Due to the inability to find suitable candidates, one of the positions was lost in the budget process. AP will pursue the process of hiring the second position for FY25.</p>		
<input checked="" type="checkbox"/> Open			
<input type="checkbox"/> Management/Agency Assumes Risk			
<input type="checkbox"/> Partially Complete			
<input type="checkbox"/> Complete Pending Verification by OIIA			
<input type="checkbox"/> Complete			

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Invoice Payment and Cash Disbursement Processes	Responsible Area	Repeat Finding	Anticipated Completion Date/Date Adjustments will be made
	Finance Department	No	6/30/2024
Finding		Finding Detail	
No.	3		
Date	6/23/21		
Finding	<b>SMF Management and Maintenance Needs Improvements</b>		
Recommendations	<p>To help decrease the risks of non-compliance with federal vendor management regulations, legal liabilities, fraudulent activity, and other irregularities, we recommend that County management establish ownership and accountability for the SMF. Also, we recommend that management update standard operating procedures to include, but not be limited to, the following components related to maintaining and protecting the SMF:</p> <ul style="list-style-type: none"> <li>•Ensuring the Purchasing Advisory Committee is established.</li> <li>•Developing and maintaining an Ineligible Source List.</li> <li>•Signing up for the IRS TIN Matching Program and performing a TIN matching review on a regular basis.</li> <li>•Performing periodic reviews to ensure the accuracy and integrity of vendor information.</li> <li>•Developing rules governing additions and deletions to the SMF.</li> <li>•Establishing access controls for the SMF to ensure that only appropriate County employees have access, that permissions are limited to only those required for users to perform their specific job responsibilities, that access granted does not create segregation of duties issues with users job responsibilities, and where segregation of duties is not possible, compensating controls are implemented to reduce related risks.</li> </ul>		
Management's Response	<p>Finance Management Agreement: <input checked="" type="checkbox"/> Agree <input type="checkbox"/> Disagree</p> <p>Description of Management's Action Plan to Address Finding: With regard to the IRS TIN Verification program, AP (DOF) will proceed with signing up for the program. The IRS offers FEI number verification on their website. AP will collaborate with P&amp;C to incorporate and communicate the changes in the revised policy and procedures to ensure that Suppliers' information is updated timely with accurate and appropriate documentation is maintained. Estimated Timeline to Implement Action Plan: June 30, 2022</p> <p>P&amp;C Management Agreement: <input checked="" type="checkbox"/> Agree <input type="checkbox"/> Disagree</p> <p>Description of Management's Action Plan to Address Finding: P&amp;C, in collaboration with the County administration, will reactivate both the Purchasing Advisory Committee and the Ineligible Source List as described in the August 6, 2014 Purchasing Policy. Estimated Timeline to Implement Action Plan: June 30, 2022</p>		
Status Update-Nov. 2022	The corrective action plan is being addressed as part of the Finance Department's Internal Controls Assessment Corrective Actions response. Accounts Payable (AP), Purchasing & Contracting (P&C) and DoIT are working together to establish standardized operating policies and procedures to maintain the Supplier Management Files (SMF). P&C management have identified participants to serve on the Purchasing Advisory Committee. The next step is to obtain the appropriate approvals as required by the Purchasing Policy and have its first meeting.		
<input checked="" type="checkbox"/> Open	During the week of 9/9/2022, Finance management confirmed P&C position regarding the updated SMF procedures. Finance anticipates that the action plan will be completed by 3/1/2023.		
<input type="checkbox"/> Management/Agency Assumes Risk			
<input type="checkbox"/> Partially Complete			
<input type="checkbox"/> Complete Pending Verification by OIIA			
<input type="checkbox"/> Complete			
2nd Status Update - February 2024	Finance, P&C, and DoIT will continue to collaborate to establish standardized operating procedures for maintaining the Supplier Management Files.		
<input checked="" type="checkbox"/> Open	The Purchasing Advisory Committee and the Ineligible Source List have not been established by P&C. Both are expected to be active by June 30, 2024. The delay was partially due to a change in P&C leadership. A new Chief Procurement Officer was appointed in December 2023.		
<input type="checkbox"/> Management/Agency Assumes Risk			
<input type="checkbox"/> Partially Complete			
<input type="checkbox"/> Complete Pending Verification by OIIA			
<input type="checkbox"/> Complete			



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Activity	Accountability	Schedule	
Invoice Payment and Cash Disbursement Processes	Responsible Area	Repeat Finding	Anticipated Completion Date/Date Adjustments will be made
	Finance Department	No	6/30/2024
Finding		Finding Detail	
No.	4		
Date	6/23/21		
Finding	<b>Non-compliance With County's Conflict Of Interest Ordinance</b>		
Recommendations	<p>To reduce the risks of appearing to favor parties related to an employee, potentially preventing fair competition, and creating an adverse financial impact to the County, we recommend that P&amp;C management implement additional procedures to ensure:</p> <ul style="list-style-type: none"> <li>• UD heads and their staff charged with selecting vendors are trained regarding COI ordinance and policies and procedures.</li> <li>• The prospective suppliers complete the Potential Conflict Disclosure form with the required information and P&amp;C management review and document the results.</li> <li>• Ongoing evaluation of vendor's potential COI as changes occur.</li> </ul>		
Management's Response	<p>P&amp;C Management Agreement: <input checked="" type="checkbox"/> Agree <input type="checkbox"/> Disagree</p> <p>Description of Management's Action Plan to Address Finding: The response to this Finding is already in process. P&amp;C is currently working with Law to prepare Conflict of Interest language to include in all solicitation templates. Additionally, P&amp;C is working to address the training and ongoing evaluation issues. Possible solutions have been identified and will be vetted for inclusion in the procedures. Estimated Timeline to Implement Action Plan: June 30, 2022</p>		
Status Update-Nov. 2022	The corrective action plan is being addressed as part of the Finance Department's Internal Controls Assessment Corrective Actions response. Purchasing & Contracting (P&C) management indicated that on 8/30/2022 they provided the County's Law department with a draft copy of the updated Conflict of Interest (COI) policies and procedures. Currently, they await the County attorney's approval. Finance management would follow-up with P&C management to determine the status of the COI policies and training of new employees. The action plan is estimated to be completed by 3/1/2023.		
<input type="checkbox"/> Open			
<input type="checkbox"/> Management/Agency Assumes Risk			
<input checked="" type="checkbox"/> Partially Complete			
<input type="checkbox"/> Complete Pending Verification by OIIA			
<input type="checkbox"/> Complete			
2nd Status Update -February 2024	The draft Conflict of Interest policies and procedures have not been finalized. P&C management will follow-up with the Law department to determine the status of the draft.		
<input checked="" type="checkbox"/> Open			
<input type="checkbox"/> Management/Agency Assumes Risk			
<input type="checkbox"/> Partially Complete			
<input type="checkbox"/> Complete Pending Verification by OIIA			
<input type="checkbox"/> Complete			

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Activity	Accountability	Schedule	
Invoice Payment and Cash Disbursement Processes	Responsible Area	Repeat Finding	Anticipated Completion Date/Date Adjustments will be made
	Finance Department	No	12/31/2024
Finding		Finding Detail	
No.	5		
Date	6/23/21		
Finding		Some Invoice Payment Processing Procedures Not Centrally Located	
Recommendations		To reduce these risks, we recommend that AP management implement procedures to eliminate returning check payments to the UD. In addition, we recommend that AP management implement a policy requiring all invoices to be submitted to AP directly. Further, we recommend that AP notify all vendors and UD regarding the implementation of this policy.	
Management's Response		<p>Finance Management Agreement: <input checked="" type="checkbox"/> Agree <input type="checkbox"/> Disagree</p> <p>Description of Management's Action Plan to Address Finding: The AP Division (DOF) will implement procedures eliminating all UD requests for picking up Supplier checks. All exceptions and special requests will require approval from the Chief Finance Officer. A revised AP policy will be drafted requiring all suppliers to submit all invoices directly to the AP Division address; further, UDs will be responsible for receiving on all supplies and services in Oracle using a receiving document, i.e., packing slips, bill of lading, and confirmation of services rendered. A formal memo and a mailed insert will be sent advising all UDs and Suppliers of the policy revisions. Estimated Timeline to Implement Action Plan: June 30, 2022</p>	
Status Update - Nov. 2022		The corrective action plan is being addressed as part of the Finance Department's Internal Controls Assessment Corrective Actions response. The Finance Department have contracted Nicholas & Cauley to assist in implementing the recommended check distribution and invoice submission policies. In addition, policies regarding vendor submission requirements were discussed with Purchasing management during the week of 9/9/2022. It is anticipated that the action plan will be completed by 3/1/2023.	
<input checked="" type="checkbox"/>	Open		
<input type="checkbox"/>	Management/Agency Assumes Risk		
<input type="checkbox"/>	Partially Complete		
<input type="checkbox"/>	Complete Pending Verification by OIIA		
<input type="checkbox"/>	Complete		
2nd Status Update - February 2024		This corrective action plan is being addressed as part of the Finance Department's Internal Controls Assessment Corrective Actions response. Finance will continue collaborating with P&C on policies and procedures regarding vendor submission. Finance management expects to complete the comprehensive AP policy and procedures by the end of Q4 2024.	
<input checked="" type="checkbox"/>	Open		
<input type="checkbox"/>	Management/Agency Assumes Risk		
<input type="checkbox"/>	Partially Complete		
<input type="checkbox"/>	Complete Pending Verification by OIIA		
<input type="checkbox"/>	Complete		

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Activity	Accountability	Schedule	
Invoice Payment and Cash Disbursement Processes	Responsible Area	Repeat Finding	Anticipated Completion Date/Date Adjustments will be made
	Finance Department	No	12/31/2024
Finding		Finding Detail	
No.	6		
Date	6/23/21		
Finding		Invoices On Hold (IOH) Are Not Resolved Timely	
Recommendations		To prevent the risks of liabilities being overstated, penalties being incurred for past due invoices, and adverse vendor relationships, we recommend that Finance, P&C, and DoIT management work together to address the quality of the information in the report and to implement procedures to help ensure fewer invoices are placed on hold and more timely resolution of invoices that are placed on hold. In addition, we recommend that Finance management implement procedures to monitor the activity on the report to identify the root cause of excessive activity and to help ensure that the report does not become unmanageable.	
Management's Response		<p>Finance Management Agreement: <input checked="" type="checkbox"/> Agree <input type="checkbox"/> Disagree            Description of Management's Action Plan to Address Finding: AP will collaborate with DoIT and P&amp;C to revise the report with timely and relevant information. This will ensure the integrity of the data in the report. As addressed in Finding #8, AP will develop workflow processes and implement monitoring procedures and internal assessments to ensure that the reports are maintained for accuracy. Estimated Timeline to Implement Action Plan: June 30, 2022</p> <p>P&amp;C Management Agreement: <input checked="" type="checkbox"/> Agree <input type="checkbox"/> Disagree            Description of Management's Action Plan to Address Finding: P&amp;C will work with Finance and DoIT to implement a program to help ensure fewer invoices are placed on hold and more timely resolution of invoices that are placed on hold. Note that P&amp;C's part of the invoice payment process is only to process POs used to pay invoices and facilitate a flow of information to the correct individuals for the receiving on POs as necessary. Estimated Timeline to Implement Action Plan: June 30, 2022</p> <p>DoIT Management Agreement: <input checked="" type="checkbox"/> Agree <input type="checkbox"/> Disagree            Description of Management's Action Plan to Address Finding: DoIT will work with Finance and P&amp;C to develop and implement any system changes that will facilitate cleanup of the invoices on hold report. Estimated Timeline to Implement Action Plan: June 30, 2022</p>	
Status Update-Nov. 2022		The corrective action plan is being addressed as part of the Finance Department's Internal Controls Assessment Corrective Actions response. However, AP and DoIT's assignment to address and review standardized and potential customized reports for monitoring AP activities is currently on hold. Finance has implemented a process which requires a monthly review of the IOH report by AP management, and revisions to the impacted line items by appropriate AP personnel. In addition, P&C management agreed to include language in all contracts which required all invoices to be submitted to the Accounts Payable division with a copy sent to the User Department. Staff were notified of the new process and immediately began including the language to all documents. Finance and DoIT will continue its collaboration and anticipate completing the action plan by 3/1/2023.	
<input checked="" type="checkbox"/> Open			
<input type="checkbox"/> Management/Agency Assumes Risk			
<input type="checkbox"/> Partially Complete			
<input type="checkbox"/> Complete Pending Verification by OIIA			
<input type="checkbox"/> Complete			
2nd Status Update - February 2024		Please refer to Finding #1. AP has developed a workflow process for the Invoice on Hold report. The following process is in place. All outstanding line items are addressed, researched, and resolved to remove the invoice from the report as a part of the month-end close. The workflow process will be documented in the planned comprehensive AP policy and procedures manual, expected by December 31, 2024. In addition, the purge of all outdated Invoices on Hold report will be completed as a part of the CV360 financial system implementation and related data conversion process, which is expected to be completed by the end of August 2024.	
<input checked="" type="checkbox"/> Open			
<input type="checkbox"/> Management/Agency Assumes Risk			
<input type="checkbox"/> Partially Complete			
<input type="checkbox"/> Complete Pending Verification by OIIA			
<input type="checkbox"/> Complete			



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Activity	Accountability	Schedule	
Invoice Payment and Cash Disbursement Processes	Responsible Area	Repeat Finding	Anticipated Completion Date/Date Adjustments will be made
	Finance Department	No	12/31/2024
Finding		Finding Detail	
No.	7		
Date	6/23/21		
Finding	Invoices Processed Prior To An Approved Purchase Order		
Recommendations	<p>When invoices are received prior to the PO being processed, the risk of unauthorized and fraudulent transactions increases. To prevent late payments and payment of unauthorized or fraudulent invoices, we recommend that Finance management implement procedures to require POs to be processed and approved prior to invoices being accepted for processing. In addition, we recommend that Finance and P&amp;C management work together to provide education to the UDs, implement monitoring procedures to help identify non-compliance, and develop solutions to address non-compliance regarding these requirements.</p> <p>During the audit, Finance management mentioned enhancements to the invoice payment process that would require more vendors to submit invoices directly to AP using iSupplier and where the PO information is a required field. In the meantime, one method for management to consider would be to contact vendors and remind them of the requirement to have a PO prior to submitting the invoice and notify them of the risks associated with submitting invoices without the PO.</p>		
	<p>Finance Management Agreement: <input checked="" type="checkbox"/> Agree <input type="checkbox"/> Disagree            Description of Management's Action Plan to Address Finding: AP will collaborate with P &amp; C &amp; DoIT to develop methods of communication and training to address the noncompliance issues involving invoices being processed without POs. The team will collaborate on the development of a comprehensive rollout of iSupplier for eligible suppliers.            Estimated Timeline to Implement Action Plan: June 30, 2022</p> <p>P&amp;C Management Agreement: <input checked="" type="checkbox"/> Agree <input type="checkbox"/> Disagree            Description of Management's Action Plan to Address Finding: P&amp;C will work with Finance to develop methods of preventing "after the fact" POs in which invoices are paid after goods/services are received and repercussions for non-compliance. This is currently addressed in Oracle training provided to all requisitioners and will need to be continuously retrained/reminded. It is anticipated that once all suppliers are utilizing iSupplier, this will decrease. iSupplier requires that a PO be in Oracle in order for an invoice to be submitted.            Estimated Timeline to Implement Action Plan: June 30, 2022</p>		
Status Update-Nov. 2022			
<input checked="" type="checkbox"/> Open	<p>The corrective action plan is being addressed as part of the Finance Department's Internal Controls Assessment Corrective Actions response. The Finance Department has contracted Nicholas &amp; Cauley to assist in implementing a policies &amp; procedures manual which will include purchase requisition and order activities. Additionally, by 12/31/23 P&amp;C management plan to create a standard report of POs with invoices dated prior to the POs so that offenders can be identified and dealt with. P&amp;C currently includes in its training statements that all POs must be issued prior to ordering good or service and that failure to do so is a violation of the Purchasing Policy. Staff is only given access to Oracle after this training. Finance anticipates completing its implementation of the action plan (s) by 3/1/2023 and P&amp;C will fully complete their section by 12/31/2023.</p>		
<input type="checkbox"/> Management/Agency Assumes Risk			
<input type="checkbox"/> Partially Complete			
<input type="checkbox"/> Complete Pending Verification by OIIA			
<input type="checkbox"/> Complete			
2nd Status Update - February 2024			
<input checked="" type="checkbox"/> Open	<p>In progress -Please refer to finding #5 response. Finance and P&amp;C will continue to collaborate to develop methods of preventing "after the fact" PO's. The comprehensive AP policies &amp; procedures manual, which will include purchase requisition and order activities is expected to be completed by December 31, 2024. Both P&amp;C and Finance anticipates completing the action plan(s) by 12/31/2024.</p>		
<input type="checkbox"/> Management/Agency Assumes Risk			
<input type="checkbox"/> Partially Complete			
<input type="checkbox"/> Complete Pending Verification by OIIA			
<input type="checkbox"/> Complete			

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Dianne McNabb	Chief Financial Officer	(404) 371-2745	<a href="mailto:dmcnabb@dekalbcountyga.gov">dmcnabb@dekalbcountyga.gov</a>
Activity	Accountability	Schedule	
Invoice Payment and Cash Disbursement Processes	Responsible Area	Repeat Finding	Anticipated Completion Date/Date Adjustments will be made
	Finance Department	No	12/31/2024
Finding		Finding Detail	
No.	8		
Date	6/23/21		
Finding	UDs Not Always Compliant With Standard Operating Procedures		
Recommendations	<p>We recommend AP management update its policies and procedures manual to include a section with specific guidance for the UD. Also, we recommend that management provide this manual to the UD during the annual year-end training. In addition, we recommend that AP management implement procedures to contact UD management immediately when invoices are received that do not comply with policies and procedures. Finally, we recommend that AP management report the results of monitoring procedures and internal assessments to the UDs and develop ongoing training to address issues identified in monitoring and internal assessments</p>		
Management's Response	<p>Finance Management Agreement: <input checked="" type="checkbox"/> Agree <input type="checkbox"/> Disagree            Description of Management's Action Plan to Address Finding: A revised AP policy will be drafted with a section that includes specific guidance for the UDs. The annual year-end training presentation will be revised to include the updated AP policy. AP Division (DOF) will develop a checklist that will advise the Supplier or UD of any invoices that do not comply with the revised policies and procedures. AP will request the creation and hiring of two AP Analyst positions. These positions will be responsible for updating the policies and procedures, ensuring compliance, monitoring, and internal assessments.            Estimated Timeline to Implement Action Plan: December 31, 2023</p>		
Status Update-Nov. 2022		The corrective action plan is being addressed as part of the Finance Department's Internal Controls Assessment Corrective Actions response. The development of a policies & procedures manual is in progress and will include guidance to address the User Department (UD) and mandatory training for AP personnel. It is anticipated that the action plan will be completed by 3/1/2023	
<input checked="" type="checkbox"/> Open	<input type="checkbox"/> Management/Agency Assumes Risk		
<input type="checkbox"/> Partially Complete	<input type="checkbox"/> Complete Pending Verification by OIIA		
<input type="checkbox"/> Complete			
2nd Status Update - February 2024		In progress - please refer to Findings #2 & #5 responses. It is anticipated that the action plan will be completed by 12/31/2024.	
<input checked="" type="checkbox"/> Open	<input type="checkbox"/> Management/Agency Assumes Risk		
<input type="checkbox"/> Partially Complete	<input type="checkbox"/> Complete Pending Verification by OIIA		
<input type="checkbox"/> Complete			

Dekalb County Government			
Office of Independent Internal Audit			
Date: February 12, 2024		Prepared by: Clenty Hinton	
Audit Findings Status Update Form			
Status Date	Report #	Report Title	
2/12/24	2019-011-FIN	Audit of the Internal Controls Related to the Invoice Payment and Cash Disbursement Processes	
Contact Person	Title	Phone No.	Email Address
Dianne McNabb	Chief Financial Officer	(404) 371-2745	<a href="mailto:dmcnabb@dekalbcountyga.gov">dmcnabb@dekalbcountyga.gov</a>
Activity	Accountability	Schedule	
Invoice Payment and Cash Disbursement Processes	Responsible Area	Repeat Finding	Anticipated Completion Date/Date Adjustments will be made
	Finance Department	No	12/31/2024
Finding		Finding Detail	
No.	9		
Date	6/23/21		
Finding		Access Controls For AP Module Need Improvement	
Recommendations		<p>To reduce the risks of unauthorized and inaccurate cash disbursement transactions, we recommend that Finance management work with DoIT management to either implement policies or procedures to address these deficiencies or design compensating controls to reduce the risks. Specifically, we recommend Finance management implement the following access controls:</p> <ul style="list-style-type: none"> <li>Identify and train data owners that would be responsible for approving access to users of the AP module.</li> <li>Periodic review of active users to prevent unauthorized access and to ensure that access for terminated employees is deactivated.</li> <li>Periodic review of roles and associated permissions to ensure appropriate segregation of duties and that only required permissions are included</li> </ul>	
Management's Response		<p>Finance Management Agreement: <input checked="" type="checkbox"/> Agree <input type="checkbox"/> Disagree</p> <p>Description of Management's Action Plan to Address Finding: AP will collaborate with DoIT to implement policies and procedures or compensating controls for access to the AP module. AP will develop a training program and a manual that will be provided upon completion to the data owner.</p> <p>Estimated Timeline to Implement Action Plan: June 30, 2022</p> <p>DoIT Management Agreement: <input checked="" type="checkbox"/> Agree <input type="checkbox"/> Disagree</p> <p>Description of Management's Action Plan to Address Finding: DoIT will work with Finance to implement policies and procedures or compensating controls for access to the AP module.</p> <p>Estimated Timeline to Implement Action Plan: January 1, 2022</p>	
Status Update-Nov. 2022		The corrective action plan is being addressed as part of the Finance Department's Internal Controls Assessment Corrective Actions response. Procedures for the identification and training of data owners for approving access to AP modules is currently on hold. The Information Technology Department (IT) is in the process of developing a model for approving access. In addition, procedures for the review of active users, roles and permissions remains in progress as IT develops a model. It is anticipated that the action plan will be completed by 3/1/2023.	
<input checked="" type="checkbox"/>	Open		
<input type="checkbox"/>	Management/Agency Assumes Risk		
<input type="checkbox"/>	Partially Complete		
<input type="checkbox"/>	Complete Pending Verification by OIIA		
<input type="checkbox"/>	Complete		
2nd Status Update - February 2024		In progress. DOIT's corrective action plan has been developed. Although a workflow process has been developed, it is not formalized yet. The process will be included in the CV360 financial system implementation planned to go-live for August 2024. The process will also be documented in the comprehensive AP policy and procedures manual, which is expected to be completed by December 31, 2024.	
<input checked="" type="checkbox"/>	Open		
<input type="checkbox"/>	Management/Agency Assumes Risk		
<input type="checkbox"/>	Partially Complete		
<input type="checkbox"/>	Complete Pending Verification by OIIA		
<input type="checkbox"/>	Complete		