



Angelina “Angel” Colonnese

CLERK OF THE CIRCUIT COURT AND COMPTROLLER OF MANATEE COUNTY

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MEMORANDUM

To: Angelina “Angel” Colonnese, Clerk of the Circuit Court and Comptroller
From: Lori Stephens, Director of Internal Audit *Lori Stephens*
Date: June 24, 2019
Subject: ACL - Duplicate Vendor Payment Audit

The Internal Audit Department has completed an audit to detect possible duplicate payments to Manatee County vendors. The audit used Computer Assisted Audit Techniques (CAATs) to test for duplicate payments using ACL audit software. This audit was performed in accordance with generally accepted government auditing standards (GAGAS), issued by the Comptroller General of the United States, and the *International Standards for the Professional Practice of Internal Auditing*, issued by the Institute of Internal Auditors. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Background

Payments for goods or services to the County’s vendors are processed through an integrated financial accounting software system known as ONESolution. The data from this system can be downloaded in electronic format for CAAT analysis. The Internal Audit Department utilizes the propriety software ACL for CAAT testing. ACL is a data extraction and analysis tool that can query 100% of the data, whereas traditional audits typically test only a sample of the data. The ONESolution data files are loaded into ACL and the program generates lists of possible duplicate payment exceptions for further review or validation. Internal Audit performs ongoing evaluations of this data, which was last tested through 12/31/15.

Objective

The objective of this audit was to determine whether any duplicate payments were issued to vendors during the test period.

Scope

The scope of the audit included all paid vendor transactions recorded in ONESolution from 1/1/16 through 12/31/18.

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Clerk of the Circuit Court – Clerk of Board of County Commissioners – County Comptroller – Auditor and Recorder

Methodology

The methodology used was a systematic approach of matching logic to the key elements of paid invoices; vendor number, invoice number, invoice amount, and invoice date. If multiple key elements match from one vendor payment to another, this could be an indication of a duplicate payment. The following five matching tests were performed on the ONESolution data using ACL on the possible combinations of the key elements:

- Same amount, same invoice date, same invoice number, same vendor number.
- Same amount, same invoice date, same invoice number, different vendor number.
- Same amount, same invoice date, same vendor, different invoice number.
- Same amount, same vendor, same invoice number, different invoice date.
- Same invoice date, same vendor, same invoice number, different amount.

Results

Using ACL, we examined 199,530 ONESolution data records in order to identify possible circumstances in which a duplicate payment may have been processed. Our testing initially identified 17,310 records with matching key elements, as noted above. These transactions were further investigated using analytical and sampling techniques, and it was determined that none appeared to represent a true duplicate payment to a vendor. Most of the matches appear to have been caused by the way certain recurring payments are recorded in ONESolution. For example, some vendors that provide standard contractual services or rents are assigned invoice numbers based on the date of service. This results in multiple transactions with the same invoice number and amounts. Also, we found blanket purchases orders, used by several different departments, with the same transaction amount, vendor number, and date, but with different invoice numbers. The same also applies to the many utility payments made by the County each month.

Based upon our analysis, it appears that no duplicate payments were made to Manatee County vendors during the audit period 1/1/16 through 12/31/18.

cc: Board of County Commissioners
Cheri Coryea, County Administrator
John Osborne, Deputy County Administrator
Karen Stewart, Acting Deputy County Administrator
Mitchell Palmer, County Attorney
Jan Brewer, Financial Management Director
Dan Wolfson, Finance Director, Clerk of the Circuit Court