



Deschutes County,
Oregon

FOLLOW-UP REPORT County Accounting System (MUNIS) purchasing topics: Part III – Procurement cards

(Internal audit report #20/21-8 issued May 2021)

Internal Audit

David Givans, CPA, CIA – Internal Auditor

Aaron Kay – Performance Auditor

internal.audit@deschutes.org

Audit committee members:

Daryl Parrish, Chair - Public member

Jodi Burch - Public member

Tom Linhares - Public member

Scott Reich - Public member

Summer Sears - Public member

Stan Turel - Public member

Patti Adair, County Commissioner

Charles Fadeley, Justice of the Peace

Lee Randall, Facilities Director



To request this information in an alternate format, please call (541) 330-4674 or send email to internal.audit@deschutes.org

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1. Introduction

 "Audit objectives" define the goals of the audit.

1.1 BACKGROUND ON AUDIT

Audit Authority:

The Deschutes County Audit Committee has suggested that follow-ups occur within nine months of the report. The Audit Committee would like to make sure departments satisfactorily address recommendations.

1.2 OBJECTIVES and SCOPE

Objectives:

The objective was to follow-up on recommendations from the original audit.

Scope:

The follow-up included seven (7) recommendations from the internal audit report for County Accounting System (MUNIS) purchasing topics: Part III – Procurement cards ([#2021-8](#)), issued in May 2021. The original internal audit report should be referenced for the full text of recommendations and associated discussion. The follow-up reflects the status as of May 2022.

1.3 METHODOLOGY

The follow-up report was developed from information provided by Jana Cain, Accounting Manager. Comments were sought for the status of the outstanding recommendations. Follow-ups are, by nature, subjective. In determining the status of recommendations that were followed up, we relied on assertions provided by those involved and did not attempt to independently verify those assertions. The updates received are included in **Appendix I**.

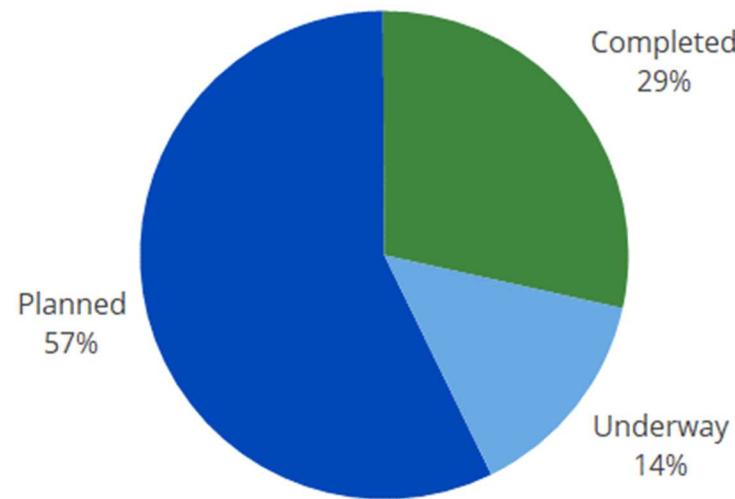
Since no substantive audit work was performed, Government Auditing Standards issued by the Comptroller General of the United States were not followed.

2. Follow-up Results

Figure I -

How were recommendations implemented?

The follow-up included seven (7) outstanding recommendations agreed to by Finance. **Figure I** provides an overview of the implementation status of the recommendations.



With this follow-up, twenty-nine percent (29%) of the outstanding recommendations have been addressed. As indicated in the provided responses, many of the recommendations have not been fully addressed because of recent CFO turnover and the delay of a request for proposal for a new p-card program.

The details of the follow-up is included at the end of the report in **Appendix I**. In interpreting the status, Internal Audit may sometimes raise or lower the status provided by the department based on the communication(s) received from the department.

APPENDIX**Appendix I – Updated workplan for recommendations for #20/21-8
(status as of May 2022)**

Items that are not completed are greyed out.

Rec #	Recommendations	Status	Estimated or Actual Date of Completion	Updated Follow-up comments
1	It is recommended Finance (with the guidance of Internal Audit) establish some quality assurance practices for supporting documentation in the Munis system.	Completed	May 2022	Formal procedure documentation finalized May 3, 2022.
2	It is recommended Finance set expectations and train cardholders and approvers on adequate financial documentation for Munis.	Completed	May 2022	Formal procedure documentation finalized May 3, 2022.
3	It is recommended Finance update policies and procedures to assure adherence to the delegated purchasing authority. This might include changes to policy, altering P-Card limits, or modifying Munis processing.	Planned		County planned RFP for a new p-card program. Once p-card program is decided, County plans to update the policy to correspond with the new program. With CFO turnover, RFP has been put on hold. Formal procedure documentation finalized May 3, 2022.
4	It is recommended for cardholders to enter in invoice/receipt numbers to help prevent duplicate payments.	Underway		Accountant Casey Harden currently testing the process to have each p-card transaction go through Munis workflow consistent with invoices.

Rec #	Recommendations	Status	Estimated or Actual Date of Completion	Updated Follow-up comments
5	It is recommended the policy clarify whether an employee can have more than one P-Card assigned to them; whether other employees can use the P-Card; and whether non-employees can be provided a P-Card.	Planned		Procedures are formally documented as of May 3, 2022. Policy will be updated as part of the new p-card program noted in response to Rec# 3.
6	It is recommended for the policy to address deployment of these high-dollar P-Cards and procedures and controls over their usage.	Planned		Procedures are formally documented as of May 3, 2022. Policy will be updated as part of the new p-card program noted in response to Rec# 3.
7	It is recommended for the County to consider the suggested policy improvements (1-8) in an updated policy and any associated changes to procedures.	Planned		Procedures are formally documented as of May 3, 2022. Policy will be updated as part of the new p-card program noted in response to Rec# 3.

{End of Report}