



April 7, 2021

Accounts Payable Compliance Review For the Three-Month Period Ending September 30, 2020



Source: Google

Project# 21-AP-01

A Report to:

Commissioners:

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Vice Chair, Keith E. Bell
Fausto R. Bayonet
T. Eloise Foster
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 Interoffice Memorandum

OG -20210405-020979

TO: PATRICIA COLIHAN, CHIEF FINANCIAL OFFICER
FINANCE DEPARTMENT

THRU: ARTHUR A. ELKINS, JR., INSPECTOR GENERAL ^{DS} AE
OFFICE OF THE INSPECTOR GENERAL

THRU: MAXENE M. BARDWELL, ASSISTANT INSPECTOR GENERAL FOR AUDIT ^{DS} MB
OFFICE OF THE INSPECTOR GENERAL

FROM: DANA E. WHITING, DEPUTY ASSISTANT INSPECTOR GENERAL FOR AUDIT ^{DS} DW
OFFICE OF THE INSPECTOR GENERAL

DATE: APRIL 7, 2021

SUBJECT: ACCOUNTS PAYABLE COMPLIANCE REVIEW
FOR THE THREE-MONTH PERIOD ENDING SEPTEMBER 30, 2020

BACKGROUND

In accordance with the Fiscal Year 2021 Risk-Based Work Plan, the Washington Suburban Sanitary Commission's (WSSC) Office of the Inspector General (OIG) reviewed disbursement transactions and vendor related activity for the three-month period of review ending, September 30, 2020. The OIG conducted the audit in accordance with the International Professional Practice of Internal Auditing (Standards) and the Generally Accepted Government Auditing Standards (GAGAS), except for the peer review requirement.

During the three-month period of review ending, September 30, 2020, there were 14,322 remittances totaling over \$193 million.

SCOPE AND OBJECTIVE

The scope of this review focused on vendor and employee data files from the Oracle Business Intelligence and One Source systems, respectfully. The data files included approximately 600 different vendors and approximately 1,700 employees at WSSC. The OIG obtained all known remittances initiated by WSSC's Disbursements Division contained in Oracle EBS (P2P). These files include all checks and electronic transfers processed during the period under review.

The OIG performed review procedures on a random sample of sixty (60) remittances from the entire population using data analysis software. The sampled transactions totaled \$1,795,595. During this review, we performed duplicate testing procedures to determine if there were duplicate checks or vendors. Additionally, we reviewed vendor addresses to determine validity and tested whether WSSC employees had the same address as vendors. Lastly, the OIG reviewed supporting documentation for payments, timeliness of processing checks, and checks identified as suspicious by data analysis software.

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The review's objective was to determine compliance with WSSC's regulations, policies, procedures, standards and guidelines. In addition to identifying instances of inefficiencies and noncompliance with internal controls, the OIG developed audit procedures and tests to also identify instances of fraud, waste, and abuse.

Conclusion

The transactions tested for the identified period are in compliance with WSSC regulations, policies, procedures, standards and guidelines. Further, the OIG did not detect any instances of fraud, waste, or abuse. The OIG determined that the controls established by management were sufficient to identify risks to WSSC's accounts payable area.

cc: GM/CEO, (C. Reid)
DGM for Administration, (J. Beach)
Chief Strategy and Innovation Officer, (T. Allen)
Disbursements Division Manager, (J.D. Noell)
Accounts Payable Section Manager, (P. Edwards)