

## AUDIT REPORT TRACKING SYSTEM (ARTS)

SECTION I: SUMMARY INFORMATION			
<b>Audit Title:</b>	General Services' Payment Process Should Better Protect Public Resources	<b>Audit Release Date:</b>	10/16/2017
<b>Department:</b>	General Services	<b>Last Report Date:</b>	First ARTS Report
<b>Department Director:</b>	Earnest Rouse	<b>This Report Date:</b>	August 3, 2018
<b>Contact Person/Phone:</b>	Yolanda McKinzy/x30788	<b>Expected Presentation Date:</b>	10/10/2018
SECTION II: RECORD OF IMPLEMENTED RECOMMENDATIONS			
1. Implemented 03/2018		8. Implemented 04/2018	
2. Implemented 03/2018		9. Implemented 05/2018	
3. Implemented 03/2018		10. In Progress	
4. In Progress		11. Implemented 03/2018	
5. Implemented 05/2018		13. Implemented 06/2018	
6. Implemented 04/2018		14. Implemented 04/2018	
7. Implemented 04/2018			
SECTION III: SUMMARY OF IMPLEMENTATION EFFORTS			
<b>Recommendation 1:</b> The director of general services should ensure vouchers are reviewed and approved in accordance with Manual of Instruction 2-21.			
<i>Status of Recommendation: <b>Implemented</b></i>			
Staff received training on accounts payable approval consistent with MI 2-21 directions. This training includes the receipt of a daily PeopleSoft auto generated report of invoices to review and approve in accordance with MI 2-21. Since the audit, staff participated in PeopleSoft FMS9.2 Accounts Payable training and/or received training instructions provided by Finance Department. An internal standard operating procedure for approval was provided and is included as part of discussions in the weekly accounts payable meetings.			
<b>Recommendation 2:</b> The director of general services should ensure staff confirm the department's billing address when placing orders for goods and services.			
<i>Status of Recommendation: <b>Implemented</b></i>			
Staff confirms billing address when placing orders. In addition, PeopleSoft's default billing address was updated to City Hall 11 <sup>th</sup> Floor.			
<b>Recommendation 3:</b> The director of general services should ensure divisions forward invoices to the General Services' Accounts Payable Section timely.			
<i>Status of Recommendation: <b>Implemented</b></i>			
The director and deputy director communicated at executive staff meeting to send invoices to the centralized location. Divisions forward invoices to General Services' Accounts Payable Section using both our physical location and electronic address timely. Paper invoices, delivered by divisions, are scanned into an electronic email system.			
<b>Recommendation 4:</b> The director of general services should ensure change orders are created timely.			
<i>Status of Recommendation: <b>In Progress</b></i>			
We initiated a pilot program in May 2018 using DocuSign to process and track timeliness of change orders. We anticipate fully implementing this program by the end of the calendar year.			
<b>Recommendation 5:</b> The director of general services should ensure employees are trained on entering requisitions correctly.			
<i>Status of Recommendation: <b>Implemented</b></i>			
Training was provided by the Finance Department with the implementation of PeopleSoft 9.2 that supports this recommendation. Since the audit, staff participated in PeopleSoft FMS9.2 Accounts Payable training that includes this component. In addition, the Finance Department provided a training manual to staff on how to perform requisitions. We have also facilitated on-the-job training amongst staff.			

<b>Recommendation 6:</b> The director of general services should ensure division staff create receivers promptly.
<i>Status of Recommendation: <b>Implemented</b></i>
Staff receive a PeopleSoft auto generated missing receiver report daily to ensure receipts are created timely. A monthly status report is provided to the Director to monitor the progress of receipting.
<b>Recommendation 7:</b> The director of general services should ensure that match exceptions are resolved promptly.
<i>Status of Recommendation: <b>Implemented</b></i>
Staff receive a PeopleSoft auto generated match exception report daily to ensure exceptions are resolved promptly.
<b>Recommendation 8:</b> The director of general services should ensure staff approve payments daily.
<i>Status of Recommendation: <b>Implemented</b></i>
A PeopleSoft auto generated report listing invoices that have matched and are ready for approval is provided to staff daily. This report is a tool used to ensure prompt approval.
<b>Recommendation 9:</b> The director of general services should ensure that staff enter discount pay terms when offered on invoices.
<i>Status of Recommendation: <b>Implemented</b></i>
Staff review invoices and enter discount pay terms when offered on invoices. The Finance Department is contacted for updates to pay terms in PeopleSoft when discrepancies occur.
<b>Recommendation 10:</b> The director of general services should ensure Procurement Division staff request the Finance Department update pay terms when contracts contain pay terms other than net 30.
<i>Status of Recommendation: <b>In Progress</b></i>
Procurement Division is reviewing negotiated discount pay terms of vendors and will communicate these terms to the Finance Department within calendar year 2018.
<b>Recommendation 11:</b> The director of general services should ensure staff prioritize processing invoices from vendors offering established discounts.
<i>Status of Recommendation: <b>Implemented</b></i>
Staff has been instructed to prioritize processing invoices that offer discounts. Staff received MI 2-21 where section VI instructs timely payment for discount vendors and were instructed to prioritize discount vendors during staff meetings.
<b>Recommendation 13:</b> The director of general services should ensure that, when paying invoices, staff enter pay terms based on the invoices.
<i>Status of Recommendation: <b>Implemented</b></i>
Staff review each invoice and enter pay terms accordingly to ensure accuracy.
<b>Recommendation 14:</b> The director of general services should ensure that whenever appropriate, staff use PeopleSoft's payment scheduling function to schedule and approve payments, including rent and insurance financing payments, in advance.
<i>Status of Recommendation: <b>Implemented</b></i>
Staff has been trained and utilize the PeopleSoft payment scheduling function when entering rent, insurance and other payments that would benefit from this process.
<b>SECTION IV: ADDITIONAL OUTCOMES</b>