

INTEROFFICE MEMORANDUM



TO: Anthony Nicks, County Auditor

FROM: Nadine Williams, Director, Registration and Elections ^{NW}

DATE: April 26, 2023

SUBJECT: Follow-Up Financial Review Audit Response

Department of Registration & Elections, Follow-Up Financial Review Audit Responses

Finding 1 – Lack of Departmental Standard Operating Procedures

The department's Standard Operating Procedures are in a current state of 'in progress,' due to transitional factors in State Election Laws. Therefore, the department updates SOP's as changes occur. We are in progress of updating SOP's to include the new GARVIS system, which is being modified on a weekly basis. There were new laws passed as of March 29th, 2023 that will require updates and revisions to all SOP's. We will continue to make the necessary updates to the department's SOP's as an ongoing practice.

Finding 2 – Inconsistent Procurement Procedures

The Department continues to have regular touch points with the County's Finance & Purchasing teams, in order to ensure even more oversight, that ensures adherence to the County's procurement policy. The purchase orders generated after the receipt of invoice that were identified, were primarily due to the Election cycle extending past the County's financial calendar. Specifically speaking, conducting the December 2022 runoff election, after the County's closing date for all procurement, caused this occurrence, as we did not receive some invoices until after the election had concluded.

Finding 3 – Untimely Payment of Invoices

The Department continues to have regular touch points with the County's Finance & Purchasing teams, in order to ensure even more oversight, that ensures adherence to the County's procurement policy. The invoices with late payments that were identified, were primarily due to the Election cycle extending past the County's financial calendar. Specifically speaking, conducting the December 2022 runoff election, after the County's closing date for all procurement, caused this occurrence, as we did not receive some invoices until after the election had concluded. Then invoices not paid in December 2022 by Finance had to await the approval of the 2023 funding for rollover 2022 funds which did not occur until early February 2023.

Finding 4 – Lack of Supporting Documentation

We meet with the temp agencies to ensure that an electronic time keeping system is used. We verify the temp hours worked by the managers. The invoices are reviewed and compared to the timesheets. We will continue to work with the temp agencies to get improvement in the support provided with the invoices. One temp agency changed their 3rd party time keeping and payroll

system during the 2022 election cycle and their timesheet support was printed in small print and had to be revised as we updated with them to correct the issue in their new 3rd party system.

Finding 5 – Improper Payment of Services

The Department's one (1) invoice that received overpayment, was an oversight in part due to the way the vendor formatted the invoice. When the invoice was processed the overage amount appeared to be the amount that was due, and thus processed for said amount. Moving forward the manager will review thoroughly before submitting to AP for payment.

Finding 6 – Inadequate Safeguarding of Assets

The Department is in full compliance with this Finding. The Department will continue to utilize its WDS inventory system to track and account for all departmental inventory.

Finding 7 – Failure to Comply with Grant Requirements Return of Unused Funds

The Department is in full compliance with this finding, as there was no grant funding received by the Department, following the passing of SB 202.

Finding 8 – Failure to Comply with Grant Requirements: Obligation Not Satisfied

The Department is in full compliance with this finding, as there was no grant funding received by the Department, following the passing of SB 202.

Finding 9 – Inadequate Departmental Accountability and Oversight of Financial Transactions

The errors/oversights found were largely due to the year-end closing practices. The Department's operations extend well beyond the County's end of year Accounting closing procedures, and thus the Department's transactions require aberrant methods to achieve necessary procurements and to obtain payment of later invoices received after the Accounting cut-off.

Concern 1 – Misclassification of Expenditures

The Department is in full compliance with this concern, as there were no misclassifications of expenditures identified.