

**REVENUE AND FINANCE  
ACCOUNTING DIVISION  
ACCOUNTS PAYABLE  
AUDIT 25-01  
DECEMBER 17, 2024**



# City of Tampa

*Jane Castor, Mayor*

## Internal Audit Department

315 E. Kennedy Boulevard  
Tampa, Florida 33602  
Office (813) 274-7159

December 17, 2024

Honorable Jane Castor  
Mayor, City of Tampa  
1 City Hall Plaza  
Tampa, Florida

RE: Revenue & Finance – Accounts Payable, Audit 25-01

Dear Mayor Castor:

Attached is the Internal Audit Department's report on Revenue & Finance – Accounts Payable.

The Revenue & Finance Department has already taken positive actions in response to our recommendation. We thank the management and staff of the Accounting Division for their cooperation and assistance during this audit.

Sincerely,

/s/ Christine Glover

Christine Glover  
Internal Audit Director

cc: John Bennett, Chief of Staff  
Dennis Rogero, Chief Financial Officer  
Lee Huffstutler, Chief Accountant  
DeAnna Faggart, Purchasing Director  
Rosie Rivera, Accounting Operations Manager  
Cheryl Aldridge, Purchasing System Manager  
Michael Cascone, Accounting Supervisor  
Megan Birnholz-Couture, Assistant City Attorney

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/s/ Rachael Dennis

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Senior Auditor

/s/ Vivian Walker

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Lead Senior Auditor

/s/ Christine Glover

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Audit Director

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**BACKGROUND**

The Revenue and Finance Department (Department) is responsible for ensuring the long-term fiscal sustainability of the City of Tampa (City). The Department is divided into two primary divisions: Accounting and Budget. The Accounting Division (Division) administers the general ledger; processes payroll records; maintains accounts receivable and payable; controls reimbursements and interdepartmental billings; and is responsible for investing City funds.

This audit reviewed the accounts payable function (Accounts Payable) within the Division. Various departments within the City create requisitions for their purchases. The Purchasing Department approves the requisitions and generates the purchase order. After the City receives the goods and services purchased, and the vendor sends an invoice, the invoice is signed by an authorized City staff within the receiving department to document the receipt of the goods or services, and to approve the invoice for payment. The invoice is then sent to Accounts Payable for processing and payment.

During FY 2024, 47,570 payments were processed totaling \$898,610,842.

**STATEMENT OF OBJECTIVES**

This audit was conducted in accordance with the Internal Audit Department's FY 2025 Audit Agenda. The objectives of this audit were to ensure that:

1. The system of internal controls within the accounts payable function are adequate
2. Payments are properly approved and are being processed efficiently and effectively.
3. Vendor information in Oracle is accurate.
4. Performance metrics are accurate and relevant.

**STATEMENT OF SCOPE**

The audit period covered payment activity that occurred from January 2023 to August 2024. Tests were performed to determine whether the Division personnel were fulfilling their stated duties and responsibilities in an effective and efficient manner. Original records as well as copies were used as evidence and verified through observation and physical examination.

**STATEMENT OF METHODOLOGY**

We evaluated Accounts Payable's internal controls as it relates to payment activities. The vendor master file and all payments made during the audit period were extracted from Oracle. This data was tested and analyzed to verify that vendor information is accurate, and purchases were approved prior to payment. All active Oracle users with the ability to create vendors, create and approve requisitions, and enter invoices for payment were reviewed for proper separation of duties. We reviewed invoicing received to determine accuracy of performance metrics reported. The Oracle data used in this audit was assessed and deemed reliable.

### **STATEMENT OF AUDITING STANDARDS**

We conducted this performance audit in accordance with generally accepted government auditing standards. 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.

### **AUDIT CONCLUSIONS**

Based upon the test work performed and the audit findings noted below, we conclude that:

1. The system of internal controls within the accounts payable function are adequate.
2. Payments are properly approved and are being processed efficiently and effectively.
3. Accuracy of vendor information in Oracle needs to be improved.
4. Performance metrics are accurate and relevant.

## **DUPLICATE VENDORS**

**STATEMENT OF CONDITION:** During a review of a judgmentally selected sample of 10 active, possible duplicate vendors in Oracle, it was confirmed that 3 vendors accounts were duplicates. One vendor account did not have a tax identification number in the Oracle database. Two vendors had updated tax identification numbers, but the old accounts were not deactivated or merged in Oracle.

**CRITERIA:** It is best practice to schedule periodic reviews and updates to a vendor database to ensure vendor data is accurate, complete and current. This can be used to combat fraud, erroneous and duplicate payments and helps to ensure compliance with statutory requirements.

**CAUSE:** Oracle's systematic review of duplicates is limited to the tax identification number. No additional review of the Oracle database is performed to ensure duplicate or outdated vendors are deactivated or merged.

**EFFECT OF CONDITION:** Duplicate vendors exist in the Oracle database.

**RECOMMENDATION:** Purchasing should conduct a periodic review of the vendor master file to deactivate vendors that are deemed duplicates and vendors with no activity within a designated period.

**PURCHASING MANAGEMENT RESPONSE:** The Purchasing Department agrees with this recommendation to ensure the database does not contain duplicate vendors. Vendors in the list provided by Internal Audit will be reviewed to determine if they are in fact duplicates or information was incorrectly entered. For those vendors that are found to be duplicates, the vendor records will be either merged or inactivated depending on activity on the record. Additionally, the vendor database will be reviewed annually to ensure duplicate vendors do not exist and inactivate vendors with no previous activity for three years prior.

**TARGET IMPLEMENTATION DATE:** March 31, 2025