

Fort Worth



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FY2022 Data Analysis Results

October 14, 2022
(Modified November 8, 2022)



**City of Fort Worth
Department of Internal Audit**

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MODIFICATION: This report (originally released on October 14, 2022) contained an error on page 2; it indicated that a sample of 18 vendor payments were reviewed, whereas, a total of 12 vendor payments were reviewed. The report has been modified to correct the error. It should be noted that the error had no impact on our audit results and the conclusions remain unchanged.





FY2022 DATA ANALYSIS RESULTS

The Department of Internal Audit completed the following data analysis projects during fiscal year 2022. Since these projects were not audits, they were not conducted in accordance with government auditing standards. Instead, these projects were conducted to help evaluate risks throughout the City, and to help identify functions that should be considered for audit.

Payroll - Terminal Leave Payments

Internal Audit recalculated 11 terminal leave payments for the quarter ending 12/31/2021. We then performed independent calculations to determine the accuracy of the payments.

Results: We identified two exceptions that appeared to have been system issues. A total of 6.50 hours was not paid to terminated employees in the amount of \$497.39.

- In the first instance, 5.00 hours of compensatory (comp) time were deducted from a former employee's earned comp time balance. However, the City did not compensate the employee accordingly, in the amount of \$392.28, for the value of the 5.00 hours of comp time deducted.
 - In the second instance, 1.50 hours of earned comp time in the amount of \$105.11 was not paid to a terminated employee.
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Payroll – Leave Hours Used and Balances Not Reduced

Internal Audit identified instances wherein employee's leave balance was not reduced to account for leave hours taken.

Test Period: March 2022

Results: Internal Audit identified two departments wherein employees' leave balance (totaling 17.50 hours) had not been reduced to coincide with leave hours taken.

- An employee of one department used 6.50 hours of sick leave which was recorded accordingly in the pay period taken. However, the adjusted sick leave balance did not carry forward into subsequent pay periods to account for the sick leave hours taken.
- Another department had one employee use 3.00 hours of sick leave and a second employee use 8.00 hours of vacation leave, each of which was recorded accordingly in the pay period taken. However, the cumulative hours available for sick leave and eligible vacation was not adjusted in subsequent pay periods to account for these hours taken.

Wire Transfers

Internal Audit reviewed a sample of eight (8) wire transfers recorded within PeopleSoft for the test period 10/01/2021 through 03/31/2022, to verify they were properly authorized and for City business purposes.

Results: Internal Audit identified no exceptions during our review of wire transfers processed for quarter ending March 2022. However, on one Wire Transfer Request Form sampled, we observed that the initiation of the wire transfer (i.e., Department Approval) had a signature of the Financial Management Services, Assistant Director, which was also used as a proxy signature for the “Treasurer’s Office Information” authorization which required a signature as well per **Finance Directive: Wire Transfers, Directive Number: FD10.**

Duplicate Payments

Internal Audit reviewed a sample of 12 vendor payments for the test period 10/01/2021 through 03/31/2022, to identify duplicate payments.

Results: Internal Audit identified duplicate payments to two separate vendors totaling \$1,368.00.

- In the first instance, a duplicate payment of \$884.00 was made to a vendor under two separate invoices submitted to City of Fort Worth on two separate dates, for the same service.
 - In the second instance, the City of Fort Worth twice paid \$484.00 for the same service, as a consequence of a service provider invoicing the City of Fort Worth under two separate but related vendor profiles with different names.
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Late Fees

Internal Audit reviewed a sample of 63 invoices for the test period 06/11/2020 through 02/06/2022 to identify cases in which late fees were assessed by any vendor onto invoices received by the City of Fort Worth.

Results: Internal Audit identified no invoices received by the City of Fort Worth, onto which late fees were assessed.

Procurement Card (P-Card) Reviews

Test Period: December 2021

Results: Internal Audit concluded that 97 of the 100 sampled procurement card (P-Card) transactions reviewed were adequately supported and appeared to have been for City business purposes. However, the following three P-Card exceptions were identified:

- In one instance, a P-Card transaction had no supporting receipt as required by City policy. However, the department had completed an interoffice correspondence memo after the fact.
- In a second instance, a City employee erroneously paid \$62.22 for a non-business-related liquor store transaction. However, we noted that the employee subsequently reimbursed the City for the erroneous charge.
- In a final instance, a City employee used a P-Card to purchase fuel for a City owned Water Field Operations Van. Per policy, purchased fuel is only allowed for rental vehicles while traveling.

Test Period: January 2022

Results: Internal Audit concluded that the sampled P-Card transactions were adequately supported and appeared to have been for City business purposes. In one instance, a P-Card transaction initially had no supporting receipt; additional details for this transaction are available in the “*Department of Internal Audit Procurement Card (P-Card) Review for January 2022*” issued to Mayor and City Council on August 12, 2022.

Acknowledgements

The Department of Internal Audit would like to thank all City departments for their cooperation, assistance and prompt follow-up to the results of our data analysis projects.