



Wicomico County, Maryland

OFFICE OF THE INTERNAL AUDITOR

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Levin Hitchens, CIA
Internal Auditor

March 21, 2022

Internal Auditor's Follow-up Report

The County Council and Acting County Executive of Wicomico County, Maryland:

This is a follow-up report in regards to the Purchase Card Audit Report published on August 31, 2021. IA used November and December 2021 as test months for this follow-up. During that time, the County had 1,676 purchase card transactions totaling \$358,054.80. The average transaction was \$213.64. IA tested 100% of the transactions in the sample.

Electronic Signoff (e-signoff)

In the original report, IA recommended that alongside the physical signoff process, the County should strive to signoff on all transactions electronically in Works. The recommendation was result of many departments in the County having some sort of missing component in the e-signoff test. That report showed that 51% of accountant/deputy directors received e-signoff by a director. During the follow-up test, that metric increased to 83%. Further, approximately 87% of all transactions were successfully signed off. The non-signoffs were isolated to five departments with two departments making up the majority. IA met with those two departments to discuss the importance of the e-signoff process, particularly the control and efficiency it provides once the transactions make their way to the finance department for approval.

Comments in Works Program

Another important attribute for control and efficiency in Works is the comment field. The field explains the purchase and provides a quick overview for approvers. In the original report, approximately one-third of transactions did not have comments. In this follow-up, IA found that all transactions had content in the comment field.

Purchase Allocations

In the August report, IA expressed a concern with transactions remaining unallocated (not being assigned a GL number for coding in Munis) in Works. In that report, the unallocated transactions occurred at a rate of one in 327. During this follow-up, there were two unallocated transactions, which breaks down to one transaction per 838.

The Purchasing and Finance departments hosted a purchase card training for department heads in February and has a training scheduled in early April for other staff that use the Works program. I would like to extend my appreciation to those involved at all levels with administering the program that have continuously worked to understand and address the findings to improve the County's purchase card program. There have been notable improvements in all three metrics tested.

In several months, IA will perform a second follow-up regarding the Electronic Signoff finding.

Respectfully submitted,

A handwritten signature in black ink that reads "Levin J. Hitchens".

Levin Hitchens, CIA
Internal Auditor



WICOMICO COUNTY, MARYLAND

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John D. Psota
Acting County Executive

Pamela B. Oland
Director of Finance

March 18, 2022

Levin Hitchens, CIA
Internal Auditor
Wicomico County

Mr. Hitchens,

The Department of Finance has received your Follow-up Report in regards to the Purchase Card Audit Report published on August 31, 2021.

We concur with your findings and will continue to work with outside departments to increase compliance with internal controls over P-Cards.

Thank you for bringing these issues to our attention so we may continue to strengthen the internal controls over county finances.

Sincerely,

A handwritten signature in blue ink that reads "Pamela B. Oland". The signature is written in a cursive style.

Pamela B. Oland
Director of Finance