

CITY OF ALLENTOWN

ACCOUNTS PAYABLE WEEKLY CHECK REVIEW

For the Check Period end date: 08/02/25 – 09/05/2025

Date of Report: September 09, 2025

OBJECTIVE

The objective of the weekly Accounts Payable check review is to determine whether the checks issued, and their corresponding documentation comply with the requirements of the policies, guidelines, and procedure outlined in the AIMs and to identify any areas for improvement.

Overpaid Travel & Expense Advances and their corresponding documentation are being reviewed to determine whether they comply with the requirements of the policies, guidelines, and procedure outlined in the AIMs and to identify any areas for improvement.

Effective 12/2020, outstanding invoices in MUNIS over 30 days are being aged and reviewed to determine why they remain unprocessed and to identify any areas for improvement.

PROCEDURES

A review of all the checks and wires generated for the period tested including a review of the invoices being paid and their corresponding documentation, approvals, compliance with AIMs and reasonableness of expenditure.

Of checks and wires reviewed and posted for the period: 479

\$ Amount of the checks reviewed and posted for the period: \$7,254,202.59.

Of manual checks reviewed and posted for the period: 13

\$ Amount of the checks reviewed and posted for the period: \$128,901.45.

FINDINGS AND RESOLUTIONS

1. Overpayment of Travel Reimbursement

In the prior month we identified an open invoice for a travel advance for **\$997.06**. The invoice was confirmed with COMMUNITY AND ECONOMIC DEVELOPMENT (CED), released for payment and a check was generated.

Upon reviewing the check detail, we noted the Travel Advance was for travel that had occurred in 04/2025.

Per PURCHASING, a check had already been issued to the employee for the travel advance and the employee still owed **\$90.67** for an overpaid travel advance that remained outstanding in August 2025.

We contacted the employee's supervisor who requested the check be voided. The employee's supervisor contacted the employee requesting repayment of the outstanding travel advance.

Resolution

The check was voided, and the travel advance overpayment was recovered.

2. Missing Checks in MUNIS

During our reconciliation of the monthly MUNIS Check Recon Report to the Controller's log of checks reviewed, we identified 3 checks that could not be identified. The MUNIS files did not have any record of the checks.

Resolution

TREASURY opened a support ticket with Tyler Technologies to determine why the checks were not on the MUNIS files.

3. Open Invoices

Invoices must be entered in MUNIS, go through the MUNIS approval queue, and finalize in MUNIS for the expense to be posted in the General Ledger. For Invoices "Paid by Check," the payment is not made until this process is finalized in MUNIS and a check is generated. Once finalized, the expense is automatically posted to the General Ledger.

Although there is no City standard for the invoice approval queue process, the Controller's Office uses a 3-week measure to flag any Open Invoices.

We reviewed the open invoices as of 09/08/2025 and identified:

- 5 (five) MAYOR'S OFFICE invoices totaling **\$17,824.25** in "OPEN" status since 07/2025.
- 4 (four) HUMAN RESOURCE (HR) invoices totaling **\$438.00** in "OPEN" status since 08/2025.

All the invoices had the incorrect cash account number on the batch screen.

Resolution

AP changed the cash account so that the invoices uploaded to payment manager and could be processed for payment.

4. Incorrect Expense Account Used

EMS charged part of 1 (one) invoice totaling **\$64.02** for freight to AC 50068 – Operating Material and Supplies. The expense should be charged to the same account as the Sensors, AC 50072 – Equipment.

TREASURY charged 1 (one) invoice totaling **\$35.00** food to AC 50028 – Mileage. The expense should be charged to AC 50068 – Operating Material and Supplies.

Resolution

The Bureaus were advised of the issue and submitted journal entry corrections.

5. Untimely Payment of Invoices

Although not all vendors have the same payment terms, the prevailing vendor payment terms is net 30.

Currently, the City does not have a standard for the time frame invoices must be entered in MUNIS, go through the MUNIS approval queue, and finalize for payment.

Although there is no City standard for the invoice payment process, the Controller's Office uses a 60-day measure to flag any potential untimely invoice payments.

Untimely payments may result in:

- Missed discounts,
- Vendor imposed late fees,
- Possibility of the City's account being placed on hold, and
- Additional workload with the vendor's Accounts Receivable and the City's AP departments.

We identified:

- 2 (two) checks for 5 (five) HR invoices dated 11/2024, 12/2024, 01/2025, 03/2025, and 06/2025,

- 1 (one) check for 1 (one) PARKS invoice dated 03/2025,
- 2 (two) checks for 3 (three) POLICE invoices dated 03/2025, 04/2025, and 06/2025,
- 3 (three) checks for 6 (six) FIRE invoices dated 04/2025, 05/2025, and 06/2025,
- 1 (one) check for 1 (one) STREETS invoice dated 05/2025,
- 8 (eight) checks for 10 (ten) GARAGE invoices dated 03/2025, 05/2025, and 06/2025,
- 1 (one) check for 1 (one) CED invoice dated 05/2025,
- 2 (two) checks for 2 (two) HEALTH invoices dated 05/2025 and 06/2025,
- 1 (one) check for 5 (five) LAW invoices dated 05/2025, and 06/2025,
- 1 (one) check for 1 (one) TRAFFIC invoice dated 06/2025,
- 1 (one) check for 1 (one) PLANNING & ZONING invoice dated 06/2025, and
- 1 (one) check for 4 (four) RECYCLING & SOLID WASTE invoices dated 06/2025.

Resolution

All Bureaus were advised of the issues and the checks were released.

HR –

- 11/2024 and 12/2024 Invoices: These invoices were originally entered in MUNIS as only invoices - only referencing the Eden PO. They were rejected in late April. HR did not see the notification. Since the rejection note said they needed to be tied to a PO HR reentered them as a requisition, again referencing the 2024 PO
- 01/2025, 03/2025 and 06/2025 Invoices: These three invoices were forwarded to HR for payment on 7/24/2025 from FIRE. HR has no record of receiving these invoices prior to this. They were processed the same day they were received into the office.

PARKS - Waiting for a fully executed contract.

POLICE –

- 03/2025 and 04/2025 Invoices: These two invoices were processed once the items were received. The vendor's sales rep who delivers these items held them and delivered them as a one.
- 06/2025 Invoice: This invoice was sent to an unknown email. A past due notification was received on 8/18/25 which had tax. POLICE emailed the vendor on 08/18/25 to send a revised invoice without tax; The corrected invoice was received on 8/19/2025 and submitted for payment.

FIRE –

- 04/2025 and 05/2025 Invoices: These were overlooked.
- 05/2025 and 06/2025 Invoices: FIRE did not realize that the Vendor changed vendor name until July. FIRE submitted a new requisition. The Blanket Order was processed on 08/07/2025.
- 06/2025 Invoice: The original invoice that was mailed never made it to FIRE.

STREETS –

- 05/2025 Invoice: The invoice had a balance of that was not paid. The vendor made STREETS aware of the outstanding invoice. It was then rejected because the wrong receiving address was entered.
- 05/2025 Invoice: STREETS received the invoices through the PO they have for their Cost Share programs on 07/10/2025. Because the invoices were not submitted through

the vendor, STREETS had to get a separate PO. Also, this vendor had a plant breakdown, and STREETS was charged at the rate per the bid but when STREETS received the first invoice it was for the incorrect price, so STREETS had to wait for the invoices to be fixed.

GARAGE –

- 03/2025, 05/2025 and 06/2025 Invoices: No response was received.
- 05/2025 Invoice: The account for sublet work (42) needed a budget transfer.
- 05/2025 Invoice: STREETS initially received the invoice. They eventually sent it GARAGE to be received.

CED – This invoice fell through the cracks back in May.

HEALTH –

05/2025 and 06/2025 Invoices: There was a delay due to an unposted change order. PURCHASING assisted with several change orders that hadn't been completed.

LAW - Per RISK, the invoices were missed when processing the June batch.

TRAFFIC - Receipt confirmation not received until 08/28/2025.

PLANNING & ZONING – The invoice was originally entered on time but got rejected by higher up by mistake.

RECYCLING & SOLID WASTE - Contract approved in Munis caused delays processing the invoices.

6. Documentation Not Attached in MUNIS

To provide a proper audit trail and document the expenditure, the hard copy of the invoice and all pertinent payment information is scanned and attached in MUNIS.

For the period 08/02/2025 – 09/05/2025, the following departments did not have the proper documentation attached in MUNIS:

- GARAGE - 1 (one) instance,
- BUILDING MAINTENANCE, and
- PARKS - 1 (one) instance.

Resolution

The Bureaus were advised of the issues, and the proper documentation was scanned.