New College of Florida
The Honors College

Accounts Payable Duplicate Payment Audit

September 17, 2026

I. Background

The Banner Finance/Accounts Payable system has an automated duplicate invoice test which identifies invoices that have previously been entered/paid with the same invoice number and amount. While the duplicate test provides a strong control over the payment of duplicate invoices, the system test relies on the vendor providing an invoice number. In those instances when the vendor does not provide an invoice number, the Accounts Payable Department enters the invoice date or another unique invoice identifier. As such, in those instances where invoices are sent with two difference invoice dates, the automated system duplicate test can be circumvented. As a secondary control, in those instances where a Purchase Order (PO) is involved, the Banner system will also confirm whether there are sufficient funds remaining on the PO to cover an invoice before payment. Should a duplicate invoice be submitted and entered into the system, the invoice will be rejected if the approved PO amount has already been exhausted. In order to assure duplicate invoices are not paid when alternate invoice identifies are used, internal audit periodically selects a sample of invoices from the same vendor that were paid for the same amount to confirm they are not duplicates.

II. Scope

The scope of the Accounts Payable Duplicate Payment Audit (Audit) will include all accounts payable payments equal to or greater than $5K for the period from January 1, 2025 through June 5, 2026. The testing will be designed to identify duplicate invoices paid using the invoice date versus an invoice number. The scope included testing to identify invoices which were previously paid but subsequently resubmitted again for payment.

III. Strategic Audit Objectives

1. Identify vendor invoices that have been incorrectly paid twice.
2. Support the strengthening of internal controls over vendor payments.
3. Since the Banner system and vendors are subject to cyber security risks, the audit will also evaluate the risk that fraudulent duplicate vendor invoices are submitted for payment without detection.

IV. Process Risks

1. Vendors are overpaid for goods and/or services provided.
2. Department/Division Managers spend in excess of their approved budgets resulting in insufficient funding to support the achievement of New College of Florida objectives.
3. Vendor fraud goes undetected.
4. Unauthorized access to vendor files or the Accounts Payable system goes undetected.

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V. Findings Summary

Once again, the Audit identified zero duplicate invoice payments. The Accounting Department continues to maintain a strong control environment over the approval and payment of invoices. There were, however, two internal control findings related to the proper segregation of check run approval duties and excess Banner system access. Management has assured us the proper segregation of duties issue will be resolved when a replacement Controller is hired and the excess access issues have already been remediated.

FINDINGS

Finding No. 1

Several accounting personnel presently have the ability to create an invoice in the Banner and complete a check run. While these duties would normally be segregated, a compensating control has been put in place. More specifically, the AVP of Financial Reporting reviews all check runs to confirm the invoices entered for payment were properly approved and supported by an open purchase order as applicable. However, due to the change in the Controller position, the AVP of Financial Reporting has taken on the additional duties of approving the entry of Accounting Department invoices for payment. As such, the AVP of Financial Reporting may be required to review invoices for payment that they themselves entered and approved for payment. As such, the compensating control is no longer entirely effective.

Recommendation No. 1

As soon as a new Controller is hired, we recommend the Banner access to create an invoice and process a check run be removed from the manager responsible for reviewing the check runs.

Management Response to No. 1

Agreed. We will remove the Banner access to create an invoice and process a check run from the reviewer of the check runs.

Finding No. 2

When reviewing Banner access to create a vendor, create an invoice, and process a check run, we noted several Accounts Payable personnel had access that was not required for them to perform their presently assigned responsibilities. In order to prevent unauthorized activity and establish sound cyber security controls, personnel should only be assigned system access that is required for the performance of their presently assigned duties.

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Recommendation No. 2

When the Banner AP User Access Matrix was presented to management, the excess access was immediately recognized and removed. However, the excess access raises the question as to how effective the semi-annual Banner access review performed by the department manager has been. Considering the ineffectiveness of the semi-annual access review control to identify excess access, we recommend the access information be added to the semi-annual review to include information on the specific fields each user has access to change. This will allow the reviewer to identify incompatible or excess access.

Management Response to No. 2

Agreed. We will document the specific fields each user can modify so the reviewer can identify incompatible or excessive access.

The Audit was conducted in accordance with the Standards of the Institute of Internal Auditors.

Respectfully,

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Chief Audit Executive and Chief Compliance Officer