

# Audit of Milwaukee Public Library Financial Administration

City of Milwaukee  
Internal Audit Division  
June 2025



# Agenda

- Overview
- Scope & Objectives
- Procedures
- Conclusion
- Findings & Recommendations

# Overview

The Milwaukee Public Library (MPL) is a department of the City of Milwaukee and it is the largest public library system in Wisconsin. It consists of a central library and 13 branches, all part of the Milwaukee County Federated Library System. It is a source of knowledge, empowerment, and enrichment offered to every citizen walking through its doors - for more than 1 million annual visitors.

Total MPL expenses for the 2024 scope of this audit were: \$157,537.21, or:

- Petty cash, no transactions
- \$5,249.83 gas cards transactions
- \$5,743.38, travel expenditures
- \$146,544.40 ProCard transactions

# Scope & Objectives

## Audit Scope

- The scope of the audit included Milwaukee Public Library (MPL) petty cash, Pro-Card and gas card activities as well as travel expenses for the period 1/1/2024 through 12/31/2024.

## Audit Objectives

- Evaluate the adequacy of internal controls, policies, procedures and processes over the petty cash, Pro-Card, gas card activities, and travel expenses.
- Ensure the appropriateness of card issuance, purchases, compliance with purchasing and travel guidelines, and review of purchases and travel orders.
- Evaluate timely and accurate recording of journal entries in the Financial Management System (FMIS).

# Audit Procedures

## Process Understanding

- Interviews
- Walkthroughs
- Conducted site visit of City gas station
- Observed the MPL annual petty cash count

## Testing of Controls

- Verified quarterly Interdepartmental Requisition & Invoice (IRI) reports submitted by DPW related to gas consumption
- Validated appropriateness of travel expense calculations and ProCard transactions

## Control Evaluation

- Inspected petty cash, ProCard, gas card and travel expense invoices, receipts and other documents
- Tested specific controls to ensure their design and operational effectiveness

# Audit Conclusion

The audit concluded that internal controls over MPL finance administration processes are adequately designed to support operational objectives. While a few low-risk control deficiencies were identified, they do not significantly impact the integrity or reliability of financial administration processes.

# Finding #1: Travel Expenses

## ► Findings:

- ❖ In three instances, out-of-state travel requests were not formally approved by the Library Director, as required by MPL policy.
- ❖ In one instance, reimbursement documentation was submitted 40 days after the conclusion of the conference, exceeding the 15-day deadline.
- ❖ In one instance, the final hotel invoice was missing; only the booking confirmation submitted.

► **Risk:** Failure to follow established policies and procedures may result in potential fraud due to unauthorized travel expenses.

► **Risk Rating:** Low

► **Recommendation:** MPL Travel Policy should be updated to reflect acceptable approvals for out-of-state travel, acceptable forms of hotel invoices to provide clear and consistent guidance. The updated policy should be shared with employees to ensure proper execution.

# Thank you

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