



*Cobb County...Expect the Best!*

***INTERNAL AUDIT DEPARTMENT***

***Report Number 2015-020***

***First Follow-up Report: Review of the  
Controls over Revenue Processed through the  
CLASS System***

***September 28, 2015***

***Latona Thomas, CPA, Director  
Andrea Clayton, Staff Auditor I  
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## COBB COUNTY INTERNAL AUDIT

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Director

September 28, 2015

### MEMORANDUM

TO: David Hankerson, County Manager

FROM: Latona Thomas, CPA, Director 

SUBJECT: **First Follow-up Report** – Review of the Controls over Revenue Processed through the CLASS System

We completed our first follow-up review of the original subject report. Our objective was limited to reviewing, as of August 18, 2015, the status of proposed actions by P.A.R.K.S.<sup>1</sup> to implement the nineteen recommendations in Report #2015-001, dated January 6, 2015. This follow-up should be read in conjunction with the original report and does not represent a complete reexamination of the activities. The auditor's role in follow-up reviews is to compile corrective actions taken by the auditee, assess whether those actions are adequate to correct the reported deficiencies, and relay those results to County management.

Six recommendations were fully implemented: Access to safes was evaluated and modified based on business needs; cash drawer procedures were reviewed with no changes deemed necessary; a contract employee was hired to assist with overall system administration and upgrade; payment practices were revised; rental agreements for tennis professionals were changed; and the revenue manual was updated with applicable revisions.

Eleven recommendations were deemed partially implemented and still in process: security system changes were initiated with additional funds set aside in the 2016 SPLOST<sup>2</sup> program; the P.A.R.K.S. Business Office (PBO) implemented practices regarding cash handling training and documentation; granting/removing access to the CLASS system; refund practices; and contract management; however, additional controls are needed in each area. The remaining partially implemented recommendations are impacted by recent changes in staff resources and/or will be incorporated into the implementation of the Active Network Software upgrade. These include analyses of authorized users; job roles and functions; aged accounts receivable balances; unearned revenue balances; chart of account and fee structures; and revenue/cost-sharing model.

<sup>1</sup> Parks, Recreation and Cultural Affairs Department (includes Keep Cobb Beautiful and Solid Waste).

<sup>2</sup> Special Purpose Local Option Sales Tax.

Two recommendations were not implemented: additional guidance is needed to develop a policy on unused, outstanding credit balances, and periodic monitoring of facility locations has not been addressed.

We appreciate the cooperation extended to us by P.A.R.K.S. staff during our follow-up review. Should you wish to discuss any aspect of this report, please contact me at extension 2559.

**Distribution:**

Dr. Jackie McMorris, Director, Public Services Agency

Eddie Canon, Director, P.A.R.K.S.

Mary Ann David, Business Manager, P.A.R.K.S.

Jim Pehrson, CPA, Director, Office of Finance and Economic Development

Cobb County Audit Committee

Internal Audit Department File