



*Cobb County...Expect the Best!*

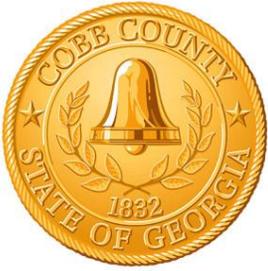
***INTERNAL AUDIT DEPARTMENT***

***Report Number 2016-003***

***Second and Final Follow-up Report: Review  
of Controls over Revenue Processed Via  
CLASS System***

***June 24, 2016***

***Latona Thomas, CPA, Director  
Andrea Clayton, Staff Auditor I  
Megan Pickens, Staff Auditor I***



# COBB COUNTY INTERNAL AUDIT

Latona Thomas, CPA

100 Cherokee Street, Suite 250  
Marietta, Georgia 30090  
phone: (770) 528-2556  
latona.thomas@cobbcounty.org

Director

June 24, 2016

TO: David Hankerson, County Manager

FROM: Latona Thomas, CPA, Director 

SUBJECT: **Second and Final Follow-up Report:** Review of the Controls over Revenue Processed through the CLASS System

We completed our second and final follow-up of the original subject report. Our objective was limited to reviewing, as of April 14, 2016, the status of proposed actions by P.A.R.K.S.<sup>1</sup> to implement the thirteen remaining recommendations not implemented as of our first follow-up report #2015-020, dated September 28, 2015. This follow-up should be read in conjunction with the original first follow-up 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 have been fully implemented: A process was developed to ensure employees take the cash handling training; authorized users in the new ActiveNet system were validated based on business needs; a new process for granting and removing system access was implemented; job roles and functions for ActiveNet software users were analyzed and the appropriate profile and user identification established; a new refund report with additional documentation requirements was implemented; and the system of chart of accounts was reconciled to the County's financial system and streamlined.

Seven recommendations were deemed in process: Actions were initiated to ensure the periodic monitoring and testing of security systems; to reconcile the accounts receivable and unearned revenue account balances; and to develop a policy regarding the handling of unused credit balances over a certain number of days (aging) and/or amount. The periodic monitoring of facility locations and transactions, along with the analysis of the current cost-sharing model was also initiated, but delayed due to changes in staffing resources. Contract management practices are being revised in accordance with the County's contract management initiative with written procedures to follow. We will not perform any additional follow-up. P.A.R.K.S. management should continue its efforts to implement the corrective actions and assumes the risk if not completed.

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 or Megan Pickens, Auditor-in-charge, at 2557.

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

**Distribution:**

Dr. Jackie McMorris, Director, Public Services Agency

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

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

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