



Cobb County...Expect the Best!

INTERNAL AUDIT DEPARTMENT

Report Number 2016-009

***First Follow-up Report: Review of the
Controls over Revenue Processed Through
the Cobb County Government Service Centers***

November 14, 2016

***Latona Thomas, CPA, Director
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COBB COUNTY INTERNAL AUDIT

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Director

November 14, 2016

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 Cobb County Government Service Centers

We completed our first follow-up review of the original subject report. Our objective was limited to reviewing, as of October 20, 2016, the status of proposed actions by the Government Service Centers (GSC) to implement the sixteen recommendations in Report #2016-001, dated February 11, 2016. 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.

Nine recommendations were fully implemented. Safes and cashier drawers are locked when not in use; procedures were revised to restrictively endorse all Business License checks upon receipt; safes are properly mounted to the floor or the weight deemed a preventable risk; procedures were implemented requiring overages and shortage to be documented and reported to the Office of Finance and Economic Development as required; a 'Cash Drawer Closing Worksheet' was incorporated into the end-of-day processes to document the count and verification of all revenue collected; validation processes were revised to incorporate transfer of responsibility logs and attestation of receipts; traffic violation payments for the State Court Clerk's office were discontinued in March 2016; and late payment processing was discussed with Water System management along with written instructions. These changes are expected to be documented and included in the GSCs policies and procedures manual.

Five recommendations are in process. The safe combination was changed at one location and with future changes in personnel; current discussions are in process regarding the options of point of sale systems to mitigate the risk of cashiers working from the same drawer; and additional security measures are being implemented pending a revised completion date. Per GSC management, discussions with primary service providers are ongoing, but we were unable to substantiate the action for all providers. GSC initiated steps to eliminate the sale of postage stamps and Senior Service cookbooks and biennial meetings with partner departments will be implemented. GSC also indicated that the current personnel structure impacts its ability to limit safe access.

Two recommendations have not been implemented. Transportation security options are pending discussions with agency and county management; and a revised policies and procedures manual was given a revised completion date of May 2017.

Subsequent to issuance of the final report, the reporting structure of GSC was revised and included in the Public Services Agency. As such, we appreciate the cooperation extended to us by the Government Service Center and Public Services Agency staff during our follow-up review. Should you wish to discuss any aspect of this report, please contact me at extension 2559 or Andrea Clayton, Auditor-in-Charge, at 2558.

Distribution:

Dr. Jackie McMorris, Public Services Agency Director
Kathy Davis, Government Service Center Administrator
Cobb County Audit Committee
Internal Audit Department File