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INTERNAL AUDIT DEPARTMENT

Report Number 2017-006

***Second and Final Follow-up Report: Survey -
Security Controls over the Transportation of
Cash and Negotiable Instruments***

November 16, 2017

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

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Director

November 16, 2017

MEMORANDUM

TO: Rob Hosack, County Manager

FROM: Latona Thomas, CPA, Director 

SUBJECT: **Second and Final Follow-up Report:** - Survey- Security Controls over the Transportation of Cash and Negotiable Instruments

We completed our second and final follow-up of the subject report. Our objective was limited to reviewing, as of November 2, 2017, the status of proposed actions by the County Manager's office to implement the five recommendations not implemented as of our first follow-up report #2016-008, dated November 14, 2016. This follow-up should be read in conjunction with the original report and does not represent a complete reexamination of 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.

Two recommendations are in process. An internal task force has been convened consisting of Agency Directors to develop a list of cash handling functions, inclusive of the transportation of cash. The results will be provided to the Finance Director for evaluation and incorporation into the County's cash handling manual as appropriate no later than January 8, 2018. In addition, the County Manager's office issued a November 2016 memorandum requiring annual assessments of controls over cash handling, transportation, and security. Internal Audit was also asked to perform periodic assessments of department controls, but we must note that cash handling controls are included in our biennial countywide risk assessment process.

The three remaining recommendations were not implemented. Two are contingent upon the completion of the internal task force list: the revision of the County's cash handling manual and the development of additional training for employees involved in the cash handling process. The recommendation to reduce or eliminate the amount of cash handled by exploring other payment alternatives was evaluated and deemed inefficient. We will not perform any additional follow-up. County 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 the County Manager's Office staff during our follow-up review. Should you wish to discuss any aspect of this report, please contact me at extension 2559.

Distribution:

Bill Volckmann, Director/Comptroller, Office of Finance and Economic Development
Cobb County Audit Committee
Internal Audit Department File