



Cobb County...Expect the Best!

INTERNAL AUDIT DEPARTMENT

Report Number 2017-007

***First and Final Follow-up Report: Review of
Department Controls over Accountable
Equipment***

November 28, 2017

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COBB COUNTY INTERNAL AUDIT

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Director

November 28, 2017

MEMORANDUM

TO: Rob Hosack, County Manager

FROM: Latona Thomas, CPA, Director 

SUBJECT: **First and Final Follow-up Report** – Review of Department Controls over Accountable Equipment

We completed our first follow-up review of the original subject report. Our objective was limited to reviewing, as of November 16, 2017, the status of proposed actions by the County Manager's Office to implement the 22 recommendations in Report #2016-010, dated November 14, 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.

Sixteen recommendations were fully implemented. The Internal Audit Department facilitated a two-hour training course in December 2016, for all primary and back-up custodians over accountable equipment. The training covered accountable equipment (A/E) controls and safeguards. Of the sixteen, thirteen were specifically addressed in a memo from the County Manager that was distributed during the November 16, 2016, Department Managers meeting for immediate implementation at the department level. Additional emphasis should be considered to ensure that transfers of responsibility, accountability, and custodianship are adequately addressed and documented. Also, Internal Audit, with approval of the Audit Committee, has included a periodic review of department compliance with the A/E policy as a rotating project in future audit plans.

Six recommendations have not been implemented due to recent changes in the County Manager's office. The new County Manager has since delegated the remaining tasks to the Purchasing Director for additional research and consideration prior to December 22, 2017. These tasks include, but is not limited to the streamline and modification of existing A/E forms; the creation of new forms with critical data fields; ensuring that electronic versions of A/E forms are readily available; the requirement of system approvals; and a complete and accurate list of A/E items housed at the County's surplus warehouse. In addition, the County's A/E policy still needs to be reviewed for current applicability and revised, as deemed necessary. 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:

Eddie Canon, Support Services Agency Director
Joe Tommie, Purchasing Director
Cobb County Audit Committee
Internal Audit Department File